

# DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS FOR 1996

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## HEARINGS

BEFORE A

### SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED FOURTH CONGRESS FIRST SESSION

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SUBCOMMITTEE ON THE DEPARTMENTS OF COMMERCE, JUSTICE, AND  
STATE, THE JUDICIARY, AND RELATED AGENCIES

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## PART 10

### TESTIMONY OF MEMBERS OF CONGRESS AND OTHER INTERESTED INDIVIDUALS AND ORGANIZATIONS



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**DEPARTMENTS OF COMMERCE, JUSTICE, AND  
STATE, THE JUDICIARY, AND RELATED  
AGENCIES APPROPRIATIONS FOR 1996**

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**TESTIMONY OF MEMBERS OF CONGRESS AND OTHER  
INTERESTED INDIVIDUALS AND ORGANIZATIONS**

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TUESDAY, MAY 2, 1995.

**THE STATE OF SOUTH CAROLINA**

**WITNESS**

**CHARLES MOLONY CONDON, ATTORNEY GENERAL**

Mr. FORBES [presiding]. Good morning. Today we begin the subcommittee's outside witness hearings on the fiscal year 1996 budget request. We have had a series of hearings on the fiscal year 1996 budget request with representatives of the Administration coming before the Subcommittee to defend their budgets. Now we have the opportunity to hear from other interested groups and individuals on a variety of matters within the Subcommittee's jurisdiction.

We are on a rather tight schedule today, and we will need the cooperation of all of those who are testifying to adhere to our five-minute time limit for each witness.

You will note the panel of lights on the witness table. These lights are part of a timer which will be used to alert you when your time is running out. The yellow light will go on when you have one minute remaining; the red light indicates that your time has expired.

Let me assure each of you that your full written statement will be made a part of the record. I will ask that you use your allotted time to summarize your issues and to highlight your specific request of the Subcommittee.

We welcome each of you here this morning, and we thank you for taking the time out of your own busy schedules to come before this Committee to inform us of your interests and concerns with regard to the 1996 budget.

With that, we will begin with our first witness, Mr. Charles Molony Condon, the Attorney General of the State of South Carolina. Thank you for being here, sir.

Mr. CONDON. Good to be here, Chairman Forbes. You have my written statement, and I want to be very brief because I know you have a tough time situation here.

I am really wearing several hats here. I have a real background in capital cases prosecution, having been the District Attorney in

Charleston, South Carolina for over a decade. And the last 11 death penalty cases that I have prosecuted resulted in death sentences, and yet in South Carolina, not one of those sentences has been carried out because of the lengthy appeals process.

I am also wearing the hat, being the newly elected Attorney General of South Carolina, here representing our National Association of Attorneys General. We have an official position that fully supports what has been done in the Effective Death Penalty Act, which we are asking that there be equal funding for the prosecution of these appeals as there is now funding for the opposition of these cases through the Death Penalty Resource Centers.

But I speak personally, from my own personal experience, to ask you for a specific request here, and that is really the heart of the matter, if you can maybe focus in on this. The Death Penalty Resource Centers around the country, and particularly in my home State, have become homes and havens really for opponents of the death penalty; and they have been very, very effective in slowing up the process. And what they try to do—and it sounds like a laudable goal to have effective representation for capital defendants, but what they do is try very hard to find ways to delay the process, including associating lawyers outside of the State so that the court schedules are very difficult.

They are very active in terms of not only being involved in the Federal system, but getting involved in our State direct appeals and what is called our “post-conviction relief” in terms of slowing the process up. And the House, your House—and I would hope for your support for this—has voted to support the Effective Death Penalty Act. But the concrete proposal before you at your subcommittee level—and again I am not speaking for the national association, but I want you to look at this—calls for taking the equalization funding out of the discretionary Byrne grants that are now available. This is a pool of money of roughly \$50 million.

Now, that \$50 million is being used today to support basically prosecution efforts, such as money laundering sting operations, making sure the States have effective acts in their constitutions for victims’ rights. If you take the money out of that, it really doesn’t help prosecution overall. So what I am asking you to do—and again I am not speaking for the national association—is either do away with funding for the Death Penalty Resource Centers, because I don’t really know what good they do in terms of making sure people have effective representation, or—and this may be more politically palatable to some—take the money that is being allotted to the Death Penalty Resource Centers today, which is roughly \$20 million, which apparently is a line item, and divide it in half—divide it in half, cut their funding in half—if you don’t want to do away with it altogether, and give half of it to us.

In South Carolina, I will tell you my problem. We have 60 people on death row. In the last five years or four years there have been no electrocutions, and in the last 17, 18 years there have only been four. We have 60 people on death row; when I came into office there were two attorneys handling appeals. I am changing my staff priorities to make sure there are five.

But we really need help. And to take the money from other programs that help prosecution, I don't think is wise. So if you can really look at that very closely.

I am very supportive of your efforts in terms of making the criminal justice system work, and speaking on behalf of the people of South Carolina, we are really excited to see what is happening in the Congress. You have our respect and admiration, and if you could take it one step further and look at the pool of money to make sure that there truly is equal funding for both defense and prosecution.

Thank you, sir.

Mr. FORBES. Thank you for your time.

[The information follows:]

**Charles Molony Condon  
Attorney General  
The State of South Carolina**

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**TESTIMONY MAY 2, 1995  
HOUSE COMMERCE, JUSTICE, STATE, JUDICIARY  
AND RELATED AGENCIES SUBCOMMITTEE**

Mr. Chairman, ladies and gentlemen...

My Name is Charlie Condon and I am Attorney General for the State of South Carolina.

I sincerely appreciate this opportunity to be heard on the issue of funding for Collateral Litigation Efforts in the various states.

In offering this testimony, it may be helpful for me to give you a brief summary of my personal background. I was elected to the office of Attorney General last year. Prior to that, I served for over a decade as a circuit solicitor in South Carolina.

In that capacity, I won eleven straight death penalty cases. But not a single killer we sent to death row has ever been executed. In fact, we now have sixty inmates on death row in South Carolina.

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Only four death row inmates have been put to death in our State since the late 1970's. And I can assure you that the people of South Carolina are fed up with a system that is clearly not working in the public interest.

In my judgment, the Death Penalty Resource Center is one major reason that justice is being frustrated in capital cases. In my State, the Death Penalty Resource Center, also known as the Post Conviction Defender Organization of South Carolina, is funded from various sources--federal, state and special grants. As you know, federal funds come through the Federal Judiciary Defender Services Account.

We have never been able to find out exactly how much funding this operation receives. I understand other states have encountered similar difficulties in measuring the level of funding for the Death Penalty Resource Centers.

Based on the vague information provided, we believe that the Center receives approximately \$684,000 per year in South Carolina. And this money is given with few if any reporting requirements and virtually no strings attached--which is highly unusual for federal funds.

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Also, as the appropriating Committee for some of these funds, you may be interested in knowing that the legal staff of the Death Penalty Resource Center does not limit itself to federal appeals. They have been known to insinuate themselves to spread confusion at every stage of the process, operating as a kind of anti-death penalty advocacy group subsidized at public expense.

As you know, the National Association of Attorneys General has, for some time, been urging the Congress to be even-handed in funding capital cases. Their view is that every dollar appropriated to the defense-oriented Death Penalty Resource Centers should be matched by an equal amount to the states attorneys general, who are responsible for prosecuting capital cases.

As Attorney General for South Carolina, I enthusiastically endorse that view. In fact, I would like to go one or two steps further in making recommendations to this distinguished Committee.

First of all, I would urge you to substantially reduce funding to the so-called Death penalty Resources Centers, if not eliminate those funds altogether.

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The Effective Death Penalty Act of 1995, which has already passed the House, calls for reform in this area. And indeed it is extremely important to equalize funding on both sides of the capital equation.

However, I would urge you not to equalize funding by taking dollars from the Byrne grant program to match current appropriations for capital defense efforts. Discretionary funds in the Byrne grant program are badly needed to support law enforcement programs across the country.

I would urge you to equalize funding by cutting at least one half the dollars now allocated to the Death Penalty Resource Centers and appropriate those funds to the states to assist in prosecutorial efforts. In fact, I would suggest that you might want to consider withdrawing federal capital defense resource subsidies altogether because the program serve no legitimate public purpose.

As you contemplate this issue of funding, and in particular the prospect of reducing funds for capital resource centers, I would like to share with you several rhetorical questions that might arise, and then offer a response from the perspective of a South Carolinian who worked for a decade as a circuit solicitor and now serves as Attorney General.

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First of all, we might ask, if there were no death penalty resource centers, would counsel be available in both state and federal capital cases?

The answer is yes. State courts automatically appoint one or two lawyers to represent death row inmates. Before the existence of the Death Penalty Resource Centers, defense counsel was provided either pro bono or else compensated by a defense fund for legal indigents.

Also in appeals cases, no South Carolina death row inmate has ever been unrepresented at the federal level after denial of state post conviction relief. This was true even before the Death Penalty Resource Centers were created.

The next logical question is this: if death penalty defendants are already represented by competent counsel, what role does the Death Penalty Resource Center play?

That's a good question. To put it bluntly, the major purpose appears to be to make a concerted effort to gum up the works, to stall the process and to seek out any excuse whatsoever to delay and to prolong the execution of justice at taxpayers expense.

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For example, in our State, the Resource Center frequently seeks to have court appointed counsel removed and replaced by lawyers of their own choosing, who are frequently from some other state, which adds to the cost of the defense and introduces more delay.

Another question that might be asked is this: do resource centers improve the quality of legal services provided for death row inmates?

Clearly, the answer to that question is no. Ultimately, the final result in every case is the same. The Resource Centers have only accomplished delay tactics that cause the appeals process to drag on and on an on, at a tremendous cost to taxpayers.

The present system delays justice almost indefinitely and prolongs the agony of the process to the families of victims.

Federally funded defense attorneys often create multiple levels of litigation to delay the conclusion of a federal case for years and years. Inmates and defense lawyers are both more likely to die of old age than to bring death penalty cases to a judicious conclusion.

The present system frustrates the will of the people and robs taxpayers of funds that are badly needed for other purposes.

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And most of all, the present system robs the innocent, the victims and their families, of any sense that justice has been done.

And unfortunately, this reality feeds a growing belief by average citizens that the criminal justice system in America is a farce and a total failure.

The final and the most pressing question is this: what can we do? What changes can we make to enhance justice and to reduce the high cost of capital litigation?

The Effective Death Penalty Act of 1995 will be helpful. In part, that act will force counsel to be more responsible in the management of both time and finite capital resources.

As members of the appropriating Committee of the Congress, I would urge you to equalize funding between the prosecution and the defense in capital cases.

And I would urge you to do so specifically by cutting the present appropriations for the Death Penalty Resource Centers, rather than by taking funds from the Byrne grant program, which are badly needed for law enforcement.

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I therefore join the National Association of Attorneys General in urging you to provide the same amount of federal funds to the governmental unit in each state responsible for litigating capital cases as you now do to the Capital Resource Center in that state. Equal funding is the only way to achieve equal justice for all in capital cases.

Again, thank you for your attention and for this opportunity to be heard.

TUESDAY, MAY 2, 1995.

**SACRED HEART HOSPITAL, ALLENTOWN, PA****WITNESSES****HON. PAUL McHALE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK****JOSEPH M. CIMEROLA, PRESIDENT AND CHIEF EXECUTIVE OFFICER**

Mr. FORBES. We would like to ask if Congressman McHale would come to the witness table and introduce his two constituents that are testifying today.

Mr. McHALE. Mr. Chairman, if we may, I will introduce Mr. Joseph Cimerola of Sacred Heart Hospital.

Good morning. Mr. Chairman, thank you for the opportunity to introduce Mr. Joseph Cimerola, the President and Chief Executive Officer of Sacred Heart Hospital, Allentown, Pennsylvania.

Since its founding in 1912, Sacred Heart has been an integral part of the Allentown community. I believe that every resident of Allentown has had some contact with the hospital, its staff or the many services it provides—I would insert parenthetically, principally to the low-income community located in the urban environment immediately adjacent to the hospital.

My own experiences with Sacred Heart have been entirely positive. All three of my children were born there.

Today, Sacred Heart is the only community hospital located in the city and therefore provides health care to most of the city's medically underserved population. A recent survey shows that 53 percent of the Lehigh Valley residents know that Sacred Heart, more than any other hospital in the area, specializes in providing care to low-income residents; and more telling, 69 percent believe that Sacred Heart is concerned about the health of all Lehigh Valley residents.

As a community hospital, providing health care services to those in need has been the cornerstone of its philosophy. As a long-time member of the community and one of the city's largest employers, Sacred Heart has been active in the city's economic development efforts. As a result, Sacred Heart has had a profound impact on the understanding of the overall needs of the community.

With this knowledge, Sacred Heart has begun development of the Allentown Health Park, which will bring together both health care and social services to provide more efficient and cost-effective care to the city's most at-risk populations, as well as assist the city in its economic development efforts. The Health Park will be located adjacent to Sacred Heart in one of the most disadvantaged neighborhoods in the city. In addition to the hospital and an existing medical office building, the Health Park will include the Center for Primary Health and Family Practice Development, an outpatient cancer center and medical office building, housing for the elderly, county human services agencies, city health services and community social service organizations. The Center for Primary Health and Family Practice Development will be the anchor of the Allentown Health Park, serving as the front line in providing care to the city's most vulnerable residents.

Construction of the center is the next phase of the Health Park. As such, I am seeking the subcommittee's consideration of our request for Federal support for the Center for Primary Health and Family Practice Development in fiscal year 1996.

Mr. Chairman, it is my pleasure to introduce to you Mr. Joseph Cimerola, who will speak to you on behalf of the hospital.

Mr. CIMEROLA. Thank you. Mr. Chairman, members of the subcommittee, thank you for providing me the opportunity to testify. Before I begin, I ask that my written statement be included in the record.

Mr. FORBES. It will be.

Mr. CIMEROLA. Thank you.

Although the City of Allentown and Lehigh County are active participants in the Health Park, I will address only Sacred Heart's role in the Health Park, the aspects of the park and the Center for Primary Health and Family Practice Development for which Sacred Heart is seeking support.

The Center for Primary Health and Family Practice Development will serve as the anchor to the Health Park; specifically, the Center will be dedicated to the delivery of primary and preventive health care services to the medically underserved residents of Allentown in an environment designed to contain health care costs. It will focus on disease prevention, health promotion, maintenance and screening, health education, and only when necessary, provide treatment and intervention.

The Center will also focus on community education in the areas of primary care, prevention, health maintenance and promotion.

Finally, the Center will serve to increase the number of medical professionals who practice primary care in the region.

There is little doubt that there is a present need in Allentown for the innovative approach to health care and social services that the Health Park and Center will provide. Of Allentown's 105,000 residents, 22 percent are children and 17 percent are elderly. Hispanic residents make up 12 percent of the population. The city also has a significant percentage of its residents living in poverty. Particularly affected are the elderly, minorities and children. For instance, over half of all Hispanic children in Allentown live in poverty, ranking the city tenth nationally.

Research shows that programs like the Center for Primary Health and Family Practice Development would seek to improve the health status of the community to help foster economic development by reducing the incidence of potentially debilitating diseases, improving sanitation and maintaining a healthy and productive population. In addition, the Health Park and the Center will revitalize and improve the security of the neighborhood.

Further, Sacred Heart believes that its proposal stimulates economic development in the following ways: The Center will create jobs in Allentown in both the short and the long term. The project will create 200 construction jobs and, once operational, the Center will employ highly skilled and well-paid health care and social services professionals. The Center will provide accessible and portable health care services to low-income residents and the unemployed. The Center will fulfill a pressing need in the area.

A study of Sacred Heart's records indicated that there is a great need for a primary care facility. More than 50 percent of the 33,000 visits to the emergency room are classified as nonemergency. The vast majority of residents seeking this care from Allentown are low income. The Center also has broad community support among Allentown's elected officials, the school district, local business leaders as well as Lehigh Valley county officials.

Although bringing together all of the necessary elements to create the Health Park is challenging, we have already made significant progress. At the end of this month, the outpatient cancer center will open at a cost to the hospital of \$6.5 million. In addition to these funds, Sacred Heart has to date expended \$1.25 million to expand primary care services and will spend another \$1 million on the Center itself.

We have already started work on the land acquisition design elements of the Center. We are very proud of these accomplishments, but we know that we cannot meet the challenge alone.

As such, Sacred Heart and the Allentown community are seeking a contribution under the auspices of the Economic Development Administration in the sum of \$6.25 million in fiscal year 1996 to construct the Center for Primary Health and Family Practice Development. We hope that you will give this proposal serious consideration as the subcommittee makes its funding decisions for fiscal year 1996.

Again, thank you for giving me the opportunity to testify before the subcommittee.

Mr. FORBES. Thank you, Mr. Cimerola. You come highly recommended.

Mr. McHALE. Thank you, Mr. Chairman. I appreciate it.

Mr. FORBES. Thank you, Congressman.

[The information follows:]

**TESTIMONY OF JOSEPH M. CIMEROLA  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
SACRED HEART HOSPITAL**

before the

**SUBCOMMITTEE ON COMMERCE, STATE, JUSTICE AND THE JUDICIARY  
COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES**

**Tuesday, May 2, 1995**

Mr. Chairman and Members of the Subcommittee, thank you for providing me with this opportunity to testify before your Subcommittee. In my testimony, I will describe to you a unique, long-range plan to improve the delivery of health care and social services underway in Allentown, Pennsylvania that will assist the City in its economic development efforts.

Specifically, Sacred Heart HealthCare System, in concert with City and County officials, is in the process of developing the Allentown Health Park. The Allentown Health Park will integrate health care and social services to provide the recipients of these services with a "seamless" continuum of care. It will also put added resources in the hands of providers. Social services agencies will be better equipped to assist their clients with health care issues. Further, there will be improved coordination among the various agencies. Similarly, health care providers will be able to coordinate with social services agencies to augment the care of patients. For instance, Sacred Heart will be better able to assist elderly patients by working closely with the Lehigh County Senior Citizens Program to ensure that the patient will be well cared for after leaving the hospital; and the social services agencies can insure that a low-income expectant mother will get adequate prenatal care. Finally, the presence of all of these services in a central location provides convenience for the recipients of services and incentive for them to utilize services.

The Health Park will be located in the center of the City, adjacent to Sacred Heart, a 293-bed acute care hospital. This neighborhood is among the most disadvantaged in the City. In addition to the hospital and an existing medical office building, the Health Park will include the Center for Primary Health and Family Practice Development, an out-patient cancer center with medical offices, housing for the elderly, county human service agencies, city health services, and community social service organizations.

Although the City of Allentown and Lehigh County are active participants in the Health Park, I will address only the health care delivery aspects of the park, particularly the Center for Primary Health and Family Practice Development, for which Sacred Heart is seeking support from your Subcommittee under the auspices of the Economic Development Administration in the sum of \$6.25 million in Fiscal Year 1996.

## **Sacred Heart HealthCare System**

### **The Center for Primary Health and Family Practice Development**

Sacred Heart HealthCare System has been operating as a non-profit institution in Allentown since 1912. Since its founding, providing health care services to those in need has been at the cornerstone of our philosophy; as a result, we have a profound understanding of the health care needs of the community and know that these necessary services cannot be adequately delivered in a hospital setting. It is for this reason that we have pursued and begun to implement the proposal I am about to describe to you.

It is our vision that the Center for Primary Health and Family Practice Development will serve as the anchor of the Health Park. Specifically, the Center will be dedicated to the delivery of primary and preventive health care services to the medically underserved residents of Allentown in an environment designed to contain spiraling health care costs. The Center will focus on disease prevention, health promotion (maintenance and screening), health education, and when necessary, provide treatment and intervention. By focusing on prevention and early detection, costly hospital stays can be reduced and the health status of the population improved. The services provided will be culturally sensitive, allowing for broader-based use by the at-risk population.

The Center will also focus on community education in the areas of primary care, preventive medicine, health maintenance and promotion. This program will raise community awareness and encourage individuals to assume more responsibility for their health and the health of their families. Finally, the Center will serve to increase the number of medical professionals who practice family medicine in the Allentown area and in the region. The Center will be a model teaching facility for Family Practice residents, who are well-suited to deliver primary care services. The Center will also provide training for nurse practitioners who desire to specialize in a primary care discipline, and for dental residents. Because of Sacred Heart's long-standing leadership role in the delivery of primary care in Allentown, we feel that we are uniquely qualified to develop the Allentown Health Park and to operate the Center for Primary Health and Family Practice Development.

### **The Need for Services**

There is little doubt that there is a tremendous need in Allentown for the innovative approach to health care and social services that the Health Park, and the Center for Primary Health and Family Practice Development in particular, will provide. The following profile of the City of Allentown sheds considerable light on this need.



### **Sacred Heart HealthCare System**

The City of Allentown has a population of 105,000 and is home to growing populations of elderly residents and minorities, particularly Hispanics. The elderly account for 17 percent of the City's residents and this population will increase significantly in the next 10 years. Hispanic residents make up another 12 percent of the population. In addition, 22 percent of the City's residents are children.

Many of Allentown's residents are considered low- and middle-income earners. An overwhelming 33 percent of Allentown's 42,600 households rely on Social Security income. As measured in dollars, these residents have a mean Social Security income of \$8,256 a year. Another 8.5 percent of Allentown's residents receive public assistance. According to the latest census, 13 percent of the City's residents live below the poverty level. Among children under the age of five, 26 percent live in poverty, and 51.5 percent of all Hispanic children in the City live in poverty, ranking Allentown tenth nationally.

### **Health Care's Role in Economic Development**

Research shows that programs like the Center for Primary Health and Family Practice Development which seek to improve the health status of the community aids economic development by reducing health care costs, reducing the incidence of potentially debilitating diseases, improving sanitation, and maintaining a healthy population. In addition, the Center will help to revitalize, beautify, and improve the security in the neighborhood. Under the Public Works and Development Facilities Program, the Economic Development Administration has outlined several criteria that proposed projects should meet. Sacred Heart firmly believes that its proposal to establish the Center for Primary Health and Family Practice Development satisfies four of the five selection criteria.

**Job Creation:** The Center for Primary Health and Family Practice Development will create jobs for Allentown residents in both the short- and long-term. In the short term, the construction of the Center will add 200 jobs for the construction trades for approximately one year. As is its long-standing policy, Sacred Heart will only use local tradesmen and contractors to ensure that the funds used to build the Center also aid the local community. Supporting local manufacturers, contractors and tradesmen creates spin-off revenues that serve to further strengthen the economy. In the long term, the Center will create high-skilled and well-paying jobs for the health care and social services professions. These jobs include physicians, dentists, dental hygienists, nurses, nurse practitioners, technicians, social workers, translators and medical clerks. In addition, a limited number of positions will be created for workers in security, environmental services and groundskeeping. Finally, the Center will allow for the retraining

### **Sacred Heart HealthCare System**

of Registered Nurses and other health care professionals to practice in an ambulatory environment rather than an acute care setting, which will better serve a changing health care environment and reduce worker displacement.

**Benefits to Lower Income Families and the Unemployed:** The entire premise of the Center to provide accessible and affordable health care services to the medically underserved who live within the city limits of Allentown. In many cases, the Center will provide the only health care services available to the underinsured, uninsured and unemployed. It is expected that these residents, many of whom do not have access to primary and preventive health care services, will represent the majority of patients using the Center. Further, Sacred Heart has long been the anchor to maintaining the vitality of downtown Allentown. As Sacred Heart expands its presence in and commitment to downtown Allentown, the security, appearance and economic viability of the local community will be enhanced.

**Fulfillment of Pressing Needs in the Area:** There is ample evidence that there is a great need for a primary health care facility in Allentown. In fiscal year 1992, Sacred Heart's clinics, which deliver care to residents with a limited ability to pay for medical services, registered more than 16,000 visits. Additionally, Sacred Heart's emergency room is providing non-emergency services to area residents. According to hospital records, 50 percent of the 33,600 visits to Sacred Heart's emergency room in fiscal year 1992 were categorized as non-urgent. Hospital records also indicate that the emergency room serves primarily Allentown residents and that a majority of these patients receive medical assistance or do not have insurance. In fiscal year 1993, 84 percent of the patients seen in the emergency room were from Allentown. Forty-seven percent of all patients seen in the emergency room relied on medical assistance, while another 10 percent did not have any insurance at all. An astounding 70 percent of the patients on medical assistance who received services in the emergency room resided in the hospital's zip code.

**Community Support:** The Center has broad-based support among Allentown's elected officials, the Allentown School District, local business leaders, as well as the Lehigh County government officials. Sacred Heart believes in the City of Allentown and its economic viability, and has been working with business and community leaders toward the renewal of and investment in traditional neighborhoods. Sacred Heart and the Center will be a vital partner in this process. Specifically, the Center will replace a row of dilapidated homes, several of which are unsustainable. This will add to the overall safety of the neighborhood through the presence of the clinic's staff and patients, as well as the hospital's security force. In addition, because the Center will provide conveniently located services to local residents, it will enhance the concept of a traditional neighborhood that Allentown officials are attempting to rebuild.

**Sacred Heart HealthCare System**

Further, Sacred Heart will continue to provide health care services to the employees of local and county government and the school district.

**Meeting the Challenge**

Although bringing all of the necessary elements together to create the Health Park is a challenging task, Sacred Heart has already made significant strides. Sacred Heart has been working closely with City and County officials on the plan, and has consulted with experts at local colleges about developing improved education and training programs. The out-patient cancer center and medical office building, which was built at a cost to the hospital of \$6.5 million, will open this month. With the help of a grant from the U.S. Department of Housing and Urban Development, we have already begun work on the Center. In addition to these funds, Sacred Heart has to date expended \$1.25 million to expand primary care services and plans to invest another \$1 million in the Center for Primary Health and Family Practice Development.

We are very proud of what we have been able to accomplish to date. However, the need for expanded health services is growing rapidly and we know that we must do more in the near future. Sacred Heart continues to struggle with the economic and health care realities that its service population faces, but cannot overcome this challenge alone.

As such, Sacred Heart and the Allentown community are seeking a Federal contribution of \$6.25 million to construct the *Center for Primary Health and Family Practice Development* to be located in the Allentown Health Park. We hope that you will give this proposal serious consideration as you and your Subcommittee make spending decisions for Fiscal Year 1996.

Again, thank you for allowing me to present this testimony.

TUESDAY, MAY 2, 1995.

**KIDSPeACE NATIONAL CENTERS FOR KIDS IN CRISIS****WITNESSES****HON. PAUL McHALE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA****JAMES H. FELDMAN, Ph.D., DIRECTOR OF PUBLIC EDUCATION**

Mr. FORBES. Okay, Dr. James Feldman, representing KidsPeace.

Mr. McHALE. Mr. Chairman, thank you again for giving me the opportunity to introduce Dr. James Feldman and KidsPeace National Centers for Kids in Crisis.

In its 113-year history, KidsPeace, a private, nonprofit organization, has dedicated itself to the prevention and treatment of crisis caused by abuse, neglect and emotional distress. I would insert parenthetically, Mr. Chairman, that originally KidsPeace was known as the Wiley House. I grew up about five blocks from that facility.

I literally have known KidsPeace my entire life. The organization has had 31 different increasingly intensive services for children from birth to age 21 that emphasize the individual needs of each child. KidsPeace treats more than 2,000 children a day from all across the country employing 1,500 caregivers in 25 locations in five States.

I have been acquainted with KidsPeace and its staff for many years. This is an organization that is willing to try new approaches if there is a chance that they can help children. For this reason, KidsPeace has made a commitment to expand its community-based Intensive Treatment Family program.

The Intensive Treatment Family program, or ITF, is an innovative approach designed to provide individualized, treatment foster care to emotionally disturbed children and adolescents in a therapeutic family setting. KidsPeace began its ITF program in 1979 and currently operates 11 separate programs in four States. The ITF program specifically addresses each child's behavior, developmental and emotional problems, to modify the causes or conditions for placements so that the child is able to return to his or her own family; or if that is not possible, can be placed in an appropriate permanent setting.

Through its ITF program, KidsPeace traditionally works with at-risk children who are in need of out-of-home placement or who have not succeeded in previous traditional foster care homes. They take on the toughest challenges.

KidsPeace gets one-half of its referrals to the ITF program from the juvenile justice system. The Office of Juvenile Justice and Delinquency Prevention benefits from the ITF program because it provides juvenile justice agencies another option for out-of-home placement. The program also provides kids in crisis with treatment to ensure that the conditions that make out-of-home placement necessary are corrected so that recidivism is reduced.

I hope that the subcommittee will again support KidsPeace and give serious consideration to the request that Dr. Feldman will make to you now.

Mr. Chairman, I thank you and I introduce Dr. Feldman.

Mr. FELDMAN. Good morning, Mr. Chairman, and thank you for the opportunity to testify today. Before I begin, I would like to request that my written statement be included in the record. Thank you.

Last year, KidsPeace was privileged to receive support from this Subcommittee for the expansion of the ITF program to six new locations, as described by Congressman McHale. Specifically, the Subcommittee included language in a report accompanying the fiscal year 1995 Commerce, Justice, State and the Judiciary Appropriations Act directing the Office of Juvenile Justice and Delinquency Prevention to evaluate KidsPeace's request for funding and to grant that funding upon favorable review.

OJJDP has determined that the ITF program is innovative, effective, and worthy of funding. However, they have also informed us that they are unable to provide funding at the level requested unless they receive more specific direction from Congress. To date, OJJDP has said that it is willing to provide KidsPeace with only \$140,000 of the \$840,000 requested in our testimony before the Subcommittee last year. While we are greatly encouraged by OJJDP's positive response to our program, this has created a hardship for KidsPeace in that this level of funding will not allow us to open six new programs as we promised this subcommittee we would.

In addition, the States that have requested ITF programs and have expected them as a result of this subcommittee's action continue to face severe shortages of treatment options for children in the juvenile justice system.

KidsPeace's request to this subcommittee last year was predicated on two factors: the knowledge that new ITF programs become financially self-sufficient after the first six months of operation and, thus, only require Federal support for the start-up costs—KidsPeace covers the cost of managing and the States provide ongoing operating costs through the rates paid for each child placed in the program; and secondly, our experience in operating 11 ITF sites has shown us that there are economies of scale in starting new programs. In other words, the more programs open concurrently, the lower per program start-up cost.

For instance, we—at the same time that the start-up cost for a single program is \$250,000, while the costs for operating three programs is \$50,000, and as we told the Subcommittee last year, the cost of six new programs is \$840,000, and as you can see, the differences are in fact substantial.

Congressman McHale and his staff have been working diligently with KidsPeace and OJJDP to address this funding shortage. In a recent meeting with OJJDP staff, KidsPeace was able to demonstrate the economics of opening new programs and to discuss our needs. With this better understanding of the situation, OJJDP's staff indicated that it may be able to provide additional funding to allow us to open one new program this year.

KidsPeace is extremely grateful to OJJDP staff for listening to our concerns. However, KidsPeace continues to be in a position of not being able to open all six new programs as we promised the Subcommittee we would. This is a great disappointment to us, and to the States that need ITF programs.

We are now seeking the Subcommittee's support for stronger language in the fiscal year 1996 Commerce, Justice, State and the Judiciary appropriation bill to enable us to fulfill our promise to Congress. Specifically, KidsPeace is requesting that the Subcommittee provide language directly to the Office of Juvenile Justice and Delinquency Prevention to provide the full \$840,000 necessary to open all six ITF programs requested last year.

In addition, KidsPeace is seeking an additional \$660,000 to allow us to continue our expansion by providing and opening three new programs in fiscal year 1996. These funds also include the hiring of three regional staff members.

Mr. Chairman, KidsPeace is honored to have the support of this Subcommittee. Thank you for your time, and for the Subcommittee's consideration of our request for funding in fiscal year 1996. And I would be happy to answer any questions you may have about the ITF program.

Thank you.

Mr. FORBES. Thank you very much for your time. We appreciate it. I apologize for the shortage of time today, but your full statement will be made a part of the record and taken into consideration.

Mr. FELDMAN. Thank you very much, Mr. Chairman.  
[The information follows:]

**TESTIMONY OF  
JAMES H. FELDMAN, Ph. D.  
DIRECTOR OF PUBLIC EDUCATION  
KIDSPACE NATIONAL CENTERS FOR KIDS IN CRISIS**

Presented to

**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE AND THE JUDICIARY  
COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES**

May 2, 1995

Mr. Chairman and members of the Subcommittee, thank you for providing me with this opportunity to present testimony. In my statement, I will discuss a crisis facing America's kids, the need for additional out-of-home programs to assist kids in crisis, particularly those who have found themselves in this nation's juvenile justice system, as well as tell you about KidsPeace and how we have been working with the Office of Juvenile Justice and Delinquency Prevention to address the problem. Specifically, KidsPeace is seeking the continued support of this Subcommittee to expand through the auspices of the Office of Juvenile Justice and Delinquency Prevention (OJJDP) its community-based, out-of-home program for kids in crisis.

The American family is facing a crisis that has been brought about by the turmoil and stress of modern society. Among the problems American families face are: increased economic burdens, greater numbers of households in which both parents work, and an increase in the number of single-parent families. These problems are complicated by rampant violence in our communities, drug and alcohol abuse, child abuse and neglect, inadequate child care, and an overburdened education system.

The combination of these factors has produced a serious casualty: America's kids. Children must be taught to cope with stress through love, nurturing and support. When families fail, children are often left to cope alone. The results have reached epidemic proportion in the form of the so-called "parenting gap," and increases in behavioral and developmental problems in children, which can often lead to interaction with the nation's juvenile justice system.

The portrait of America's children in crisis is a painful one. In the United States:

- 1,338,100 juvenile delinquency cases were reported in 1991.
- 400,000 children drop out of school each year.
- 1 million teenage girls become pregnant each year.



**KidsPeace National Centers for Kids in Crisis**

- In 1994, 3.1 million children were burned, abandoned, beaten and raped.
- In 1994, 2,000 children died as the result of abuse.
- One out of every three girls and one out of every five boys will be sexually abused before they are 18 years old.

The solution to help America's kids in crisis is not an easy one. The foundation of the solution must be a national network of services capable of providing treatment that is appropriate to the individual child. For too long, many kids in crisis, and particularly those who have entered the juvenile justice system, have been placed in inappropriate treatment environments. However, KidsPeace has devoted itself to providing a safety net for children.

**WHAT IS KIDSPACE**

KidsPeace National Center for Kids in crisis is a private, non-profit organization dedicated to prevention and treatment of crises caused by abuse, neglect, and emotional distress. The organization offers 31 different increasingly intensive services for children from birth to age 21 and will also custom-create a program to meet the personal needs of an individual child. KidsPeace maintains that 81 percent of the children successfully complete its residential programs, and 74 percent of these graduates live in less restrictive settings two years after discharge.

KidsPeace treats more than 2,000 children a day from all across the country, employing 1,500 caregivers in 25 locations in five states. KidsPeace, founded 113 years ago, has its headquarters in eastern Pennsylvania. This unique campus houses the organization's residential programs, the National Hospital for Kids in Crisis, the Lee Salk Center, and an array of education, recreational and therapeutic facilities for its clients.

Among the various services it offers, KidsPeace has made a commitment to expand its community-based programs. These programs are specifically designed for children and youth who are most appropriately served by out-of-home placement, but who do not require hospitalization or placement in residential programs. As such, KidsPeace is seeking to expand nationally its existing Intensive Treatment Family Program.

**INTENSIVE TREATMENT FAMILY PROGRAM**

The Intensive Treatment Family Program (ITF) is an innovative approach designed to provide individualized, treatment foster care to seriously emotionally disturbed children and adolescents in a therapeutic family setting. Treatment foster care is differentiated from traditional foster care in that treatment foster care is a community-based treatment option in





#### **KidsPeace National Centers for Kids in Crisis**

which treatment occurs primarily in the foster home. In short, the foster family is not simply a care taker, but an active participant in assuring a child's progress and growth in the program. At present, treatment foster care represents only 25 percent of all foster care programs.

**The KidsPeace Approach:** KidsPeace began its ITF Program in 1979. We currently operate 11 separate programs in Pennsylvania, Indiana, Georgia and New York, and are ready to open three new programs. The ITF Program specifically addresses each child's behavior, developmental and emotional problems to modify the causes or conditions for placement so that the child is able to return to his/her own family, or if that is not possible, can be placed in an appropriate permanent setting. Through its ITF Program, KidsPeace traditionally works with children who are: Adjudicated as juvenile delinquent, Behavior disordered, Sexual perpetrators, Substance abusers, Victims of physical, sexual or emotional abuse, Socially and/or emotionally disturbed, and Developmentally delayed or disabled.

These children are referred to the program by the juvenile justice system, state and local child and youth agencies, mental health agencies, and private third-party entities. KidsPeace currently estimates that half of the referrals to its program come from the juvenile justice system. In nearly all cases, the children referred to its programs are placed there through the court system.

The objective of the ITF Program is to provide each child with a team-oriented treatment plan that will develop the child's positive social, emotional and educational growth. As such, the program is goal-oriented, developmentally-focused and time limited. Generally, a child is in the program for 12 to 18 months.

Once accepted into the program, the treatment team -- which includes the foster family, the ITF social worker, his/her supervisor, and other consultants, as needed -- develops an Individual Service Plan. As part of treatment, each child of school age attends school in appropriate community-based educational facilities. Unless otherwise prescribed, the child's natural family is an integral part of the program. There is regular communication between the parents and their child, and the treatment team involves the parents in the child's care. In addition, the parents may receive direction from the treatment team to services and other resources to mitigate the causes of the child's placement in the ITF Program.

Due to its central role in treatment, the foster family must undergo intensive screening and training before a child will be placed with the family. All family members, including children, are strongly encouraged to take part in the training. Among the topics covered in the training are: The treatment family's role as part of the treatment team, Treatment family adjustments, Emotional disturbances/behavior problems, Parenting strategies/treatment techniques, Discipline v. punishment, and Cultural competence. In addition, treatment



#### **KidsPeace National Centers for Kids in Crisis**

families are required to have training in the following areas: first aid/CPR, crisis prevention and intervention, behavior modification, and positive discipline techniques.

#### **ITF: A COST-EFFECTIVE ALTERNATIVE**

While helping kids in crisis is the primary objective of the Intensive Treatment Family Program, the program also provides a cost-effective venue for treating children and youth. When the juvenile justice system renders a decision to place a child in an out-of-home program, it essentially has the following options for placement: 1) a secured facility, such as a jail or detention center, 2) an in-patient program, 3) a residential care facility, and 4) intensive treatment family programs. Most often, the juvenile justice system opts to place a child in a residential care program. In 1991, for example, the juvenile justice system placed 113,000 children who were adjudicated as delinquent in residential facilities.

Any of these options may at times be appropriate depending on the needs of the child, however, only intensive treatment family programs provide the child with needed services in a family environment in a cost-effective way. For example, the ITF program costs \$100 a day, compared to \$250 a day for residential care and \$1,000 a day for in-patient programs. While ITF programs are the least costly, the advantages of such programs also must be considered against the disadvantages of the other options. The benefits of the ITF program include: individualized treatment, a family setting which provides structure and guidance, community-based education, and the involvement of the child's natural family in most cases. On the other hand, while secured facilities offer a child structure and seek to protect the child, these facilities do not offer treatment (i.e., psychiatric, psychological, behavioral or educational). The result is that children placed in secured facilities have a high rate of recidivism.

#### **CURRENT EXPANSION EFFORTS**

As the demand for community-based treatment grows, KidsPeace understands that it must expand its network of Intensive Treatment Family Programs nationally. Last year, KidsPeace was privileged to receive support from this Subcommittee for the expansion of our ITF program to six new locations. Specifically, the Subcommittee included language in the report accompanying the FY 1995 Commerce, Justice, State and the Judiciary Appropriations Act directing the Office of Juvenile Justice and Delinquency Prevention to evaluate KidsPeace's request for funding, and to grant that funding upon favorable review. That evaluation took place in February and OJJDP determined that the ITF program is innovative and effective, and worthy of funding. However, OJJDP has also informed us that it is unable to provide funding at the level requested unless it receives more specific direction from Congress. To date, OJJDP has said that it is willing to provide KidsPeace with only \$140,000 of the \$840,000 that we requested in our testimony before this Subcommittee last year.



# **KidsPeace National Centers for Kids in Crisis**

While we are greatly encouraged by OJJDP's positive response to our program, this has created a hardship for KidsPeace in that this level of funding will not allow us to open six new programs as we promised this Subcommittee we would. In addition, the states that have requested ITF programs and expected them as a result of the Subcommittee's action, continue to face shortages of treatment options for children in the juvenile justice system.

KidsPeace's request to this Subcommittee last year was predicated on two factors: first, the knowledge that new ITF programs become financially self-sufficient after the first six months of operation, and thus only require Federal support for the start-up costs. KidsPeace covers the costs of managing the programs, and the states provide on-going operating costs through the rates paid for each child placed in the program. And second, our experience in operating 11 ITF sites has shown us that there are economies of scale in starting new programs. In other words, the more programs opened concurrently, the lower the per program start-up cost. For instance, we estimate that the start-up cost for a single program is \$250,000, while the costs for opening three programs is \$510,000, and as we told the Subcommittee last year, the cost of six new programs is \$840,000. As you can see, the differences are substantial.

Congressman McHale and his staff have been working diligently with KidsPeace and OJJDP to address this funding shortage. In a recent meeting with OJJDP's staff, KidsPeace was able to demonstrate the economics of opening new programs and to discuss our needs. With this better understanding of the situation, OJJDP's staff indicated that it may be able to provide additional funding to allow us to open one new program this year.

KidsPeace is extremely grateful to OJJDP's staff for its willingness to both listen to our concerns and to address them. However, KidsPeace continues to be in the position of not being able to open all six of the programs we promised this Subcommittee we would. This is a great disappointment to us, and we are now seeking the Subcommittee's support for stronger language in the FY 1996 Commerce, Justice, State and the Judiciary Appropriations bill to enable us to fulfill our promise to Congress and to the states that need ITF programs. Specifically, KidsPeace is requesting that the Subcommittee provide language directing the Office of Juvenile Justice and Delinquency Prevention to provide the full \$840,000 necessary to open all six ITF programs requested last year. In addition, KidsPeace is seeking an additional \$660,000 to allow us to continue our expansion program by opening three additional programs in FY 1996. These funds also include the hiring of three regional staff members.

Mr. Chairman, KidsPeace is honored to have the support of this Subcommittee, and thank you for the Subcommittee's consideration of our request for funding in Fiscal Year 1996.



Mr. McHALE. Mr. Chairman, we thank you.

Recently, our community attracted nationwide attention when two juvenile skinheads were charged with allegedly having brutally murdered their parents and a sibling. This program is critically important to the juvenile justice system. It enjoys bipartisan support that is very deep and very committed. This facility provides us with an opportunity to avoid the kinds of tragedies that have occurred in our community and throughout the Nation, and I would respectfully urge your support.

Mr. FORBES. Thank you.

Mr. McHALE. Thank you, Mr. Chairman.

Mr. FORBES. Thank you.

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TUESDAY, MAY 2, 1995.

## THE OCEANIC INSTITUTE

### WITNESS

#### BILLE HOUGART

Mr. FORBES. Next we would call Bille Hougart from The Oceanic Institute.

Mr. HOUGART. Thank you, Mr. Chairman. I am Bille Hougart with The Oceanic Institute in Hawaii. We are a nonprofit research laboratory dedicated to the development of aquaculture and fisheries technologies for the benefit of the U.S. private sector. We work quite frequently in conjunction with and in cooperation with colleges, universities and Federal laboratories.

We have been pleased to receive support from this subcommittee for a number of years for three of our most important programs. The first one deals with Asian interchange and aquaculture interchange programs around the world whereby we determine technologies in aquaculture development that are functioning overseas and we attempt to adapt them and adopt them to U.S. situations for the benefit of our agency.

The second area deals with the culture of high-value marine finfish. Most recently, we completed the life cycle in captivity for mahi mahi, a very popular finfish. We perfected breeding and reproduction techniques, feeding, larval rearing techniques and economics have proved out so that there are now companies in Hawaii and elsewhere on the mainland—in Florida, for example—that are culturing this animal successfully for the markets.

We are working on another species now in that program, called papio locally in Hawaii, but also known as Jack Trevling, and we have just completed its reproduction and breeding—our efforts at reproduction, and we are now learning the larval stages for that animal.

Perhaps of most interest to this committee would be our stock enhancement work. Not too many years ago we developed the capacity to breed this animal in captivity, and we learned under what circumstances it might be best released into Hawaiian waters, waters that have been severely depleted of native fishes for a number of years. This has proven to be so successful that now in some areas of Hawaii we have increased the population of mullet in ma-

rine waters by 100 percent and on a statewide basis, 30 percent of all of the fish that are caught come from that effort. The State has been very interested and the State is now supplying additional support for continuing the effort with mullet on a local basis.

We are now working on another important species called moi, which is slightly higher on the food chain. Last year we released about 70,000—late last year, and already these animals are showing up, not too much bigger, but in the marketplace and fisherman's boats.

And so we respectfully—this whole effort of stock enhancement—by the way, we briefed the Administrator of the National Fisheries Service recently, and he told us that he never thought he would see that kind of success in marine waters in his lifetime. So we are hoping to be able to continue our work, to work in conjunction with the National Marine Fisheries Service and eventually, perhaps, expand our technology to be applicable in other waters; and we ask for funding for our efforts.

Mr. FORBES. I just have one quick question. What happens if in fact there is no funding, if funding is not there? What happens?

Mr. HOUGART. We will have to cut back and basically eliminate our work with moi and focus matching dollars on the effort with mullet.

Mr. FORBES. Thank you very much, sir. Thank you for your time. We will make your full statement a part of the record.

Mr. HOUGART. Thank you.

[The information follows:]

TESTIMONY OF MR. BILLE HOUGART  
THE OCEANIC INSTITUTE

BEFORE THE

SUBCOMMITTEE ON APPROPRIATIONS  
ON  
COMMERCE, JUSTICE, STATE, THE JUDICIARY  
AND RELATED AGENCIES

COMMITTEE ON APPROPRIATIONS

U.S. HOUSE OF REPRESENTATIVES

May 2, 1995

Mr. Chairman and Members of the Subcommittee, I greatly appreciate the opportunity to appear before you and the Subcommittee to thank you for your past support, and to discuss the achievements and opportunities relating to the aquaculture and fisheries programs at the Oceanic Institute in the State of Hawaii.

For more than 30 years, the Oceanic Institute has engaged in the development of technology for the benefit of the U.S. marine aquaculture industry and for the health and welfare of marine fisheries at our research facilities in Hawaii.

When the expansion of our laboratory and research complex, now underway, is completed, the Oceanic Institute's Center for Applied Aquaculture will be the largest and most sophisticated facility of its kind in the world. And, we anticipate that our research, technical and support staff can increase in the future from 145 to over 300.

The National Academy of Sciences's Marine Board recently recommended that marine aquaculture technology centers should be established in key locations in the United States to address key constraints and opportunities in marine aquaculture. We are pleased that the Oceanic Institute can respond to this mandate.

Research is ongoing in all key aspects of marine aquaculture. We have comprehensive research efforts underway in such areas as aquatic feed formulation, disease prevention and health maintenance, water quality, maturation, reproduction and larval rearing of shrimp and marine finfish, stock enhancement of marine fisheries, and the adaptation of imported technologies for domestic application.

Many of our research programs are carried out in cooperation and collaboration with Universities, private research institutions and with Federal and State agencies across the country and in the Pacific basin. This highly focused network of technical and scientific resources is an important complement to the work conducted by Federal and State agencies in the marine sciences.

Several of our most important research programs, research on the culture of marine finfish such as Mahimahi and Papio, the culture and release of mullet and Moi for stock enhancement in Hawaiian waters, and the Asian Interchange Program have been receiving generous support from this Committee. These programs have made significant contributions to the State of Hawaii, and the nation as a whole.

Our Finfish Culture Program has evolved from the combined efforts of feeds research and the development of finfish grow-out technology. The goal is to advance the culture technology of important marine finfish, such as "Mahi mahi" and "Papio", to the point of commercial feasibility.

We are now finishing the technology transfer package for Mahi mahi culture. A major field demonstration test to grow Mahi mahi in large submerged cages will be conducted soon by the private sector in deep waters off the shores of Mississippi. As well, newly formed companies are now rearing Mahi mahi in Hawaii and in Florida. Our work with Papio is just underway but already significant strides have been made in reproduction and in larval rearing.

The Aquaculture Interchange Program. This program has made significant strides in the exchange and application of Asian aquaculture practices by the U.S. industry. Each year, AIP organizes a workshop, bringing together experts from a particular field of aquaculture for a direct, reciprocal exchange of information.

Results of workshops are compiled and made available to the U.S. industry and to researchers. Topics have included mass and continuous culture of live microscopic feed for larval rearing of marine finfish in hatcheries, and the culture of cool-water marine shrimp.

The most recent package is an assessment of selective breeding of fishes in Asia. All topics chosen for investigation have highly important economic benefits for the U.S. marine aquaculture industry.

To date, the program has focussed on Asian aquaculture technology. But, because it is now clear that overseas technology development in marine aquaculture is rapidly expanding from Asia towards Europe, the United States must now increasingly interact with science organizations and researchers in European countries.

If the United States marine aquaculture industry is to remain competitive in the global market place, it must stay current in all aspects of culture technology development.

The Stock Enhancement Program. This program is a response to an estimated 85% depletion in natural fish populations in Hawaii's coastal waters during this century. Beginning with the stocking of striped mullet, it is anticipated that a number of important commercial and recreational species that are currently under severe stress will be restored in the Hawaiian waters by the efforts of this program.



In 1994, The Oceanic Institute expects to complete the release protocols and evaluation of the striped mullet. The Institute, in cooperation with the National Marine Fisheries Service and the State of Hawaii, has demonstrated that the restocking of the mullet in Hawaiian waters works.

Our fishermen are now catching large numbers of released mullet. For example, in a recent sampling, hatchery produced mullet comprised around 30% of the mullet population in Hilo Bay.

The technology and release protocols developed for the test species are being adapted to the priority game species in Hawaii, the Pacific threadfin, known locally as "Moi." We have made test releases of Moi and some of these tagged fish are already showing up in Hawaiian fish markets.

Mr. Chairman, in the past decade, most of the world's fisheries have been exploited to the point of near exhaustion. As stocks are fished out, species previously ignored get caught, as do small fry of the big species: fishermen in the North Sea now bring home whiting that they would have sneered at 20 years ago, and their catches are as small as they were in the 1970s.

It is now clear that responsible and science-based enhancement of important marine stocks, based on sophisticated aquaculture technology, will play an important role as governments struggle with issues of overexploitation, pollution of critical aquatic habitat, and the depletion of important commercial fisheries stocks.

To that end, the Oceanic Institute is now exploring opportunities to collaborate with interested Federal and State institutions and apply the knowledge gained in Hawaii to enhance depleted coastal fisheries stocks elsewhere in the United States.

As well, commercial aquaculture of marine species can help meet the demand for aquatic protein. For example, in just 20 short years, aquaculture of marine shrimp has grown to the extent that farmed shrimp now account for over 25% of all shrimp in the world's markets and it is now possible to trade shrimp in the commodities market.

The programs supported by this Committee at the Oceanic Institute provide a sound investment in the development of technology for American aquaculture and fisheries interests.

Mr. Chairman, for these three important programs, Finfish Culture, Stock Enhancement and Aquaculture Interchange, we are requesting level funding of \$1.25 million. We greatly appreciate the continuing support of this Committee and ask for favorable consideration of our request in FY 1995.

TUESDAY, MAY 2, 1995.

**NEW ENGLAND BIOTECHNOLOGY BUSINESS DEVELOPMENT CENTER AT TUFTS UNIVERSITY SCHOOL OF VETERINARY MEDICINE****WITNESS****FRANKLIN LOEW**

Mr. FORBES. Mr. Franklin Loew.

Mr. LOEW. Thank you, Mr. Chairman. I will be brief in accordance with your instructions. I very much appreciate the opportunity to appear here this morning.

I want to talk about a proposal we are bringing up to create a New England Biotechnology Business Development Center. I am Frank Loew; I am Dean of the Tufts University School of Veterinary Medicine, which has campuses both out in the country in Grafton, Massachusetts and in downtown Boston. And as previous speakers have indicated, I would respectfully request that my full statement be included in the record.

Mr. FORBES. And it will be.

Mr. LOEW. Thank you.

Biotechnology, as you know, is the delivery, development and commercialization of new products and processes using biology and engineering. This industry is definitely delivering new products in the fields of medicine, agriculture, and environmental technology. In medicine, these companies are developing novel products in the areas of human therapeutics, diagnostics and medical device manufacture.

It is a common misconception, Mr. Chairman, stemming from a handful of orphan drugs, that biotechnology is expensive medicine. In fact, the development of preventive, therapeutic and medical device products by this industry is our best potential hope of reducing the use of high-cost, medically invasive techniques and long hospital stays that are driving medical inflation beyond the ability of the country to pay.

The proposed New England Biotechnology Business Development Center will play an important role in keeping this country's biotechnology industry internationally competitive. It will do this by helping to keep the scientific work force current, by serving as an ideal location for the training of physicians in the use of new products, instruments or devices, and by creating a unique preclinical animal and veterinary clinical testing facility to serve the biotechnical industry.

Mr. Chairman, the Business Development Center is vitally needed today. While we have all heard of the large companies operating in the biotechnical field, the vast number of biotechnology-related companies are extremely small in both size and number of employees. Despite their small size, many of these companies are on the cutting edge of today's research and are providing many of the breakthroughs we are hearing about, such as the recent announcement of a transgenic type of mouse with an Alzheimer's-like disease. I am tempted to say that the mouse forgets where the cheese is, but I will resist that, Mr. Chairman.

I am keenly aware of the difficult choices and fiscal restraints you are facing, especially this year, and I realize this is certainly not the best of times to be seeking new funding. I am requesting \$3.5 million for the partnership and for the Center, however, due to the tremendous needs of our biotechnology industry and the need to maintain our global leadership in this. The returns to the American taxpayer will be many, not just in the advancement of science and the associated research, but in increased employment and employment opportunities. Better science and a more competitive position for our American biotechnology industry and new jobs is what the New England Biotechnology Business Development Center is all about, and I thank you very much for allowing me to appear here this morning.

Mr. FORBES. I thank you for your comments.

Are you familiar with what kind of Federal monies may already be going to Tufts University for research and development?

Mr. LOEW. I am, Mr. Chairman. There is some money going into a human nutrition research program at the university. Otherwise, I believe it is only competitive funds that are available through NIH, NSF and whatever.

Mr. FORBES. Any idea what the dollar amount might be at this point?

Mr. LOEW. I don't know. But the nutrition money is U.S. Department of Agriculture—part of a USDA program. I am not sure that I know the figure; I am not being disingenuous.

Mr. FORBES. I appreciate your comments today. As I said, we will make the full extent of your remarks a part of the record.

Mr. LOEW. Fine. Thank you very much, Mr. Chairman.

Mr. FORBES. Thank you.

[The information follows:]

**New England Biotechnology Business Development Center  
at Tufts University School of Veterinary Medicine**

***INTRODUCTION***

Biotechnology is the discovery, development and commercialization of new products and processes using biology and engineering. The biotechnology industry is developing and delivering new products in the fields of medicine, agriculture and environmental technology. In medicine, biotechnology companies are developing novel products in the areas of human therapeutics, diagnostics and medical device manufacture. It is a common misconception, stemming from a handful of "orphan" drugs developed using biotechnology, that biotechnology is expensive medicine. In fact, the development of preventive, therapeutic and medical device products by the biotechnology industry is our best hope of reducing the use of high-cost, medically-invasive techniques and long hospital stays that are driving medical inflation beyond the country's ability to pay.

In agriculture, biotechnology is being used in the areas of plant genetics to develop crops that are disease/pest resistant and more productive. In the areas of veterinary therapeutics, diagnostics and animal production, disease-resistant, lower-fat animals are being developed. In the field of environmental technology, the biotechnology industry is developing products that measure hazardous substances and products that clean up or reduce pollution in the environment. Biotechnology is a knowledge-based industry that does, and will in the future, play an increasing role in the growth and strength of the United States economy because it is increasingly the most important source of innovation and new products in the above fields.

Biotechnology in the United States comprises about one half of the world-wide industry with the balance being found largely in Europe and Japan. The United States' current position of leadership in this industry cannot be taken for granted as was learned in the automobile, electronics, video display and microchip industries. The keys to international competitiveness in the biotechnology industry are:

- 1) the discovery and efficient transfer of technology from academia to the industry and between companies in the industry
- 2) the availability of willing capital to finance development and commercialization
- 3) access to efficient pre-clinical and clinical testing <sup>(1)</sup> facilities to verify the safety and efficacy of new products prior to commercialization and
- 4) the availability of well-educated and current-in-the-science technicians, technologists, research scientists and physicians.

These elements are so important to the industry that companies have tended to cluster near universities, and each other, to ease the transfer of technology. What is not always available, even in this close environment, is a facility for the continued training, updating and education of workers in this industry in which the scientific knowledge and research techniques change at an ever more rapid pace. On the animal biotechnology side, the General Accounting Office, in its January, 1992, report "Food Safety and Quality", recommended that the Food and Drug Administration "follow through with... plans to provide training and guidance to new data reviewers on the scientific review of new animal drug applications" (Report GAO/RCED-92-63, page 13). Similarly, specialized space is needed for the transfer of newly commercialized technology (via pilot demonstration and hands-on training) to the medical community who will be using these new techniques, instruments and devices in treating their patients. Medical schools and their teaching hospitals have historically served as clinical testing sites for the industry. Pre-clinical testing for human therapeutics and diagnostics generally begins using in-vitro lab testing and then laboratory animals (mice and rats). The next stage of development for human medical products, and for animal agriculture, biotech products often must be done in super-healthy, domestic animals whose physiology is much closer to humans (in the case of medical products) or in the animal for whom the technology is intended (in the case of veterinary products). The animals (and their related facilities) required for this later stage biotech product development, are usually pigs, sheep, goats or cattle. Facilities, space and expertise to complete these required, later-stage product trials are very much lacking, especially in Massachusetts and New England where a large concentration of the country's biotechnology industry is located.

<sup>(1)</sup> This is the terminology for medical and veterinary biotechnology replaced by "pre-field" and "field" testing in plant and environmental biotechnology.

The proposed New England Biotechnology Business Development Center will play an important role in keeping this country's biotechnology industry internationally competitive. It will do this 1) by helping to keep the scientific workforce current in the latest techniques/discoveries, 2) by serving as an ideal venue for pilot demonstration and the training of physicians in the use of new products, instruments or devices, and 3) by creating a unique human, pre-clinical, and veterinary clinical testing facility to serve the biotechnology industry in developing human therapeutics, diagnostics, medical devices and veterinary therapeutics and diagnostics. The New England Biotechnology Business Development Center (N.E.B.B.D.C.) at Tufts University School of Veterinary Medicine will serve as a competitive catalyst to the biotechnology industry in the following ways. The N.E.B.B.D.C. facility will include three main components. At its core will be a large multi-use, pilot demonstration facility with necessary support space including a plastination laboratory for the preparation of re-usable specimens, cold rooms and computer capability for the simulation of medical procedures. The second important component is an adjoining lecture teaching facility with the ability to project computer images, microscopic images, video images, diagnostic (x-ray, CT, ultrasound, etc.) images and teleconferencing images. It will also include small seminar rooms and an open seating area for eating during all day or evening training sessions. The third element of N.E.B.B.D.C. is a pre-clinical testing facility. This will have housing for super-healthy domestic animals and transgenic animals providing the highest standards of animal care. It will also include a grounded sterile surgery suite, procedure rooms and laboratory.

The pilot demonstration facility will be used to teach biotechnology industry employees, students and scientists the anatomy, medical procedures and laboratory techniques necessary in this rapidly changing industry. It will serve as a pilot demonstration facility appropriate for transgenic animals, xenotransplantation (cross species) and devises for human and veterinary medicine. This laboratory will also be used to train physicians in the use of newly developed products, devices and instruments. Most such training uses pigs or sheep as the "training patient". Having physicians become skilled in the use of new technology prior to operating on their human patients is crucial for the national health. The lecture teaching component of this building will be used for didactic teaching to participants before they do work in the laboratory. It will also be used on its own for lecture teaching, biotechnology industry meetings and for the teleconferencing of scientific meetings.

throughout New England. The pre-clinical testing component of this building will be used for the development and testing of therapeutics, diagnostics and medical devices in the process of pursuing federal Food and Drug Administration approval of these new technologies. It will be ideal space for the housing and use of the super-healthy domestic animals needed for the development and testing of these products. The New England Biotechnology Business Development Center's pre-clinical testing facility will also accommodate the transgenic animal work that so clearly is a vital source of breakthrough treatments and products in human (e.g., new drugs, animal tissue transplants) and veterinary medicine (e.g., lower fat, disease resistant). Tufts University School of Veterinary Medicine has been a pioneer in the development of transgenic animals and animal products for human transplant.

The New England Biotechnology Business Development Center will be operated and maintained by Tufts University School of Veterinary Medicine. It will be available to, and used, by, the school, biotechnology companies, biotechnology industry associations and other scientific and educational organizations. \$3.5 million is needed to construct this ~15,000 square foot facility at \$250.00 per square foot.

Why should this important facility be located in Massachusetts, and why at Tufts University? Being close to the industry, and to the academic institutions from which biotechnology innovations spring is the most important reason. New England has the second highest concentration of biotechnology companies in the United States, most located in Massachusetts. It has the highest number of colleges and universities. Central Massachusetts is a hotbed of biotechnology and accessible to all New England. Tufts University has the only veterinary school in New England. It is the only university in the country that has schools of medicine, dental medicine, biomedical sciences, veterinary medicine, nutrition and engineering. It is uniquely positioned to make a multidisciplinary contribution to the growth of the biotechnology industry.

Tufts University School of Veterinary Medicine is special among its peers. It is located in Grafton, Massachusetts near the center of the state (and the center of New England) half way between, and less than an hour's drive from Boston in the east and Springfield in the west. It is also

just seven miles from the Massachusetts Biotechnology Park in Worcester, the largest biotech park in the state. Tufts Veterinary School does a sizeable amount of biomedical research, much funded by N.I.H. and U.S.D.A.. But what makes Tufts unique is that nearly half the Veterinary School's research is work done for biotechnology companies to assist them in bringing their new technologies to market. The School's commitment to biotechnology is deep and longstanding. In addition to the above research, it trains veterinarians for work in the industry. Tufts Veterinary School has already built a Biotechnology Business Incubator, a building composed of laboratories in which new biotech companies can get started, surrounded by the scientists and support facilities of the university. On the Veterinary School's Grafton campus, Tufts University is developing a biotechnology research and development park where more mature biotech companies will build R & D labs and offices, still being able to take advantage of the Veterinary School's facilities and the expertise of its faculty. As further evidence of the need for the biotechnology industry to be near the universities where the research and scientific education is being done, a unit of the Worcester Chamber of Commerce is developing a biotechnology park adjacent to the Tufts campus for companies which have reached the stage to build manufacturing facilities for the production and commercialization of their biotech products. Therefore, the New England Biotechnology Business Development Center at Tufts University will be ideally located near the industry it will serve and at the university uniquely positioned to make it succeed in its goals of strengthening the international competitiveness of the United States biotechnology industry and bringing high quality jobs to the region.



## New England Biotechnology Business Development Center

### BUDGET

The New England Biotechnology Business Development Center is a multi-purpose building whose mission is to strengthen the competitiveness of the United States biotechnology industry by facilitating the efficient transfer of technology to the marketplace.

<u>Building Component</u>	<u>Project Cost</u>
Pilot Demonstration Facility	
8,000 square feet @ \$210 per square foot   =	\$1,680,000
Technology Lecture Teaching Space	
4,000 square feet @ \$175 per square foot   =	\$ 700,000
Pre-Clinical Trial Component	
3,000 square feet @ \$300 per square foot   =	\$ 900,000
Site Preparation and Infrastructure               =	<u>\$ 220,000</u>
Project Construction Budget	<u>\$3,500,000</u>
 Total Square Feet	 15,000
Average Cost per Square Foot	\$ 233

TUESDAY, MAY 2, 1995.

**EDUCATIONAL ASSOCIATION OF UNIVERSITY CENTERS****WITNESS****THOMAS E. McCLURE, PRESIDENT**

Mr. FORBES. Next we have Thomas E. McClure, Educational Association of University Centers.

Mr. McCLURE. Good morning, Mr. Chairman. I represent the Educational Association of University Centers, that is a national association of the EDA University Economic Development Centers, 66 centers that are located in 46 States, funded by the Economic Development Administration, a very small program of \$7.5 million.

I am also the Associate Director of the Center for Improving Mountain Living of Western Carolina University that is comprised in part of an EDA University Center providing services to the western 28 counties of North Carolina in Mr. Taylor's district.

EDA University Centers throughout the country are in the forefront of the drive to make the United States economy more competitive. We have community-organized programs that will sustain businesses and create jobs. We help businesses become more competitive by improving their efficiency, by increasing their access to capital and by helping them access and make better use of the latest technology.

Although our centers receive a large part of their funding from State, local and university funds, we couldn't accomplish what we do without the indispensable assistance received from Federal funds. It is the Federal grants that are responsible for bringing forth the State and university support. You can see it from the charts that are in the testimony; the \$7.5 million that is invested here by the Federal Government leverages another \$15.3 million at the local level simply to provide the technical assistance in this program.

A few examples, included in the statement, clearly demonstrate the continuing positive impact of this program. Much of this impact is in distressed areas that otherwise would not provide the opportunity for people being included in the economic mainstream.

A 1995 survey sample of University Centers that are individually funded at levels of \$102,000 to \$122,000 per year reveals nearly \$200 million in capital investments carried with assistance of EDA University Centers. This little program could indeed be the best bill in the U.S. Government deal when you see that \$7.5 million is invested to leverage \$200 million in capital investments across the United States. This represents a leveraging ratio of 26 to 1.

The University Center program is a program of public-private partnerships that can serve as an effective model not only for EDA, but for other agencies.

Over the past two years, we have worked very closely with EDA to develop a review process that includes on-site peer review performance for peer evaluation. This component is being implemented in a pilot phase this year. We expect to do our first reviews beginning in September. These on-site program assessments conducted by teams of EDA staff and experienced University Center directors promise to strengthen the overall program delivery and

address instances of unsatisfactory performance by individual centers. Prescriptive strategies to better address the needs of distressed areas will be developed. Peer review, long recognized by EDA University Center directors as a critical need, will serve to strengthen EDA Centers by improving or, if necessary, eliminating unproductive centers.

The University Center program has traditionally been funded in the Technical Assistance Grants line item under the Economic Development Administration budget. The total funding for Technical Assistance for fiscal year 1995 was \$10.9 million with \$7.5 million of that allocated for the University Center program. However, the administration budget for fiscal year 1996 includes \$6 million for Technical Assistance but moves the University Center programs under the Competitive Communities program to \$134 million. The Competitive Communities program is intended to deal with revolving loan and/or direct investments in business development. It would appear that the Centers could not participate in this.

We would respectfully request, Mr. Chairman, that you consider moving this back under Technical Assistance, which is a more direct application for the University Center program.

Mr. Chairman, I would like to mention, as time permits, a few examples of the University Center program. One is in western North Carolina where a railroad was being abandoned. We picked up the reins of this and did a feasibility study that allowed the State to see that it was feasible to buy this railroad and lease it to a private company. As a result of that, shipping was preserved on that line and, in addition, it was turned into an excursion line that over a six-year period has hauled 886,000 people. The contribution, we estimate, that has been made to the economy in western North Carolina is \$31-plus million.

The other examples, Mr. Chairman, I will forgo in the interests of time and ask that the entire statement be included in the record.

Thank you very much for the opportunity to appear before the Committee. We appreciate your support, this Committee's support in the past for this program.

Mr. FORBES. Thank you, Mr. McClure. Your full statement will be made a part of the record.

Mr. MCCLURE. Thank you.

[The information follows:]

**STATEMENT OF THOMAS E. MCCLURE**  
**PRESIDENT**  
**EDUCATIONAL ASSOCIATION OF UNIVERSITY CENTERS**  
  
**SUBMITTED TO THE**  
  
**SUBCOMMITTEE ON COMMERCE, JUSTICE, AND STATE,**  
  
**THE JUDICIARY AND RELATED AGENCIES**  
  
**COMMITTEE ON APPROPRIATIONS**  
  
**UNITED STATES HOUSE OF REPRESENTATIVES**

May 2, 1995

I represent the Educational Association of University Centers that is an association composed of the 66 University Centers located in forty-six states, most of whom are affiliated with institutions of higher education. They provide economic development assistance to communities, as well as management and technology transfer assistance to business and industry.

I am also the Associate Director of the Center for Improving Mountain Living of Western Carolina University, where I direct the Regional Development Programs that includes an EDA University Center. We provide services to the 28 westernmost counties of North Carolina, specializing in business counseling and planning, feasibility studies, assistance in financial packaging, community economic development planning, data collection and dissemination, regional economic development studies, leadership development, workforce competitiveness, sustainable development issues, non profit development, and training for local government officials in partnership with the North Carolina Institute of Government.

EDA University Centers throughout the country are in the forefront of the drive to make the United States economy more competitive. We help communities organize programs that will sustain competitive businesses and create jobs. We help businesses become more competitive by improving their efficiency, by increasing their access to capital, and by helping them access and make better use of the latest technology.

Although our Centers receive a large part of their funding from state, local, and university funds, we could not accomplish what we do without the indispensable assistance received from federal funds. It is the federal grants that are responsible for bringing forth the state and university support. Indeed this \$7.5 million serves as the catalyst to leverage the other dollars.

As a matter of fact this is probably the best deal in the US Government. This program is like a high value added manufactured product. The very tiny amount of \$7.5 million provided by the federal government leveraged capital investments of nearly \$200 million across the nation positively impacting distressed areas. The few examples included in this statement clearly demonstrate the continuing positive impact of this program. Much of this impact is in distressed areas that otherwise would not be able to provide the opportunity for its people to be included in the economic mainstream.

A 1995 survey sample of University Centers that are individually funded at levels of \$102,000 to \$122,000 per year reveals nearly \$200 million in capital investments secured with the assistance of EDA University Centers. That means that nearly \$200 million is leveraged for a \$7.5 million investment of federal funds. This 26:1 leverage demonstrates the effective strategy of the EDA University Center Program.

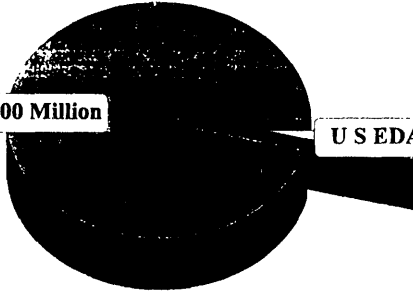
The EDA University Center Program, a program of public/private partnerships, can serve as an effective model not only for EDA, but for other agencies as well.

# University Center Program Funding

Capital Investments Leveraged

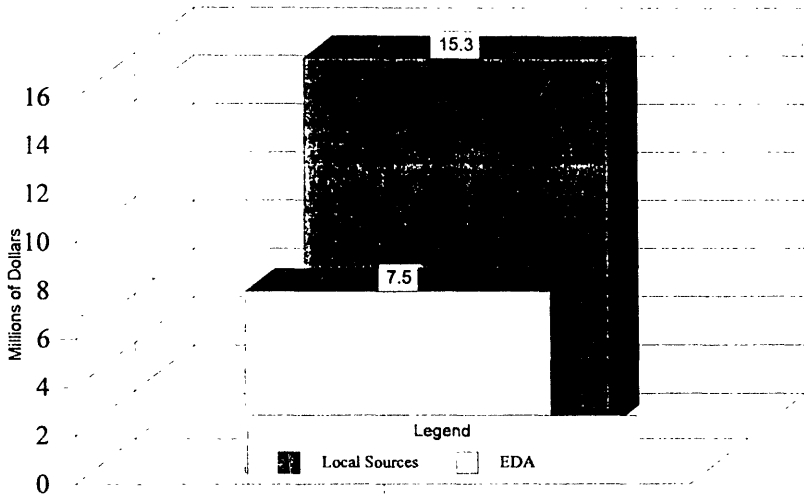
Capital Investments - \$200 Million

U S EDA - \$7.5 Million



# University Center Program Funding

EDA and Local Sources



We continue to maintain a very high level dialogue with the Assistant Secretary at EDA. Over the past two years we have worked very closely with EDA to develop a review process that includes an on site peer review component for program evaluation. This review component is being implemented in a pilot phase this year, with six to ten center reviews to be conducted during the next twelve months. These on-site program assessments conducted by teams of EDA staff and experienced University Center Directors, promise to strengthen the overall program delivery and will address instances of unsatisfactory performance by individual centers. Prescriptive strategies to better address the needs of distressed areas will be developed, instead of punitive removal of funding to those communities most in need of assistance. These efforts will result in a more purposeful program and an even more effective expenditure of the Federal finds provided by the Congress. Peer review, long recognized by the EDA University Center Directors as a critical need, will serve to strengthen the EDA Centers by improving or, if necessary, eliminating unproductive centers.

The EDA University Center program has traditionally been included in the Technical Assistance Grants line item under the Economic Development Administration budget. The total funding for Technical Assistance last year (FY '95) was \$10.926 million with \$7.5 million of that amount allocated for the University Center program. However, the Administration budget for FY '96, for EDA includes \$6 million for Technical Assistance, but funding for the University Center program in the amount \$7.5 is included in the \$134 million proposed for the Competitive Communities program. The Competitive Communities program is intended to deal with revolving loan and/or direct investments in business development. Since the University Centers are university based, the standard policies governing educational institutions would preclude us from direct participation in the primary activities of the Competitive Communities program. Clearly, the Competitive Communities program is not a good match for the University Center program and we respectfully request and strongly recommend that you move the \$7.5 million for the University Center program from the proposed Competitive Communities program and put it back under Technical Assistance for FY '96 as follows:

Technical Assistance grants	\$10.926 million
(University Center Program)	\$ (7.5 million)

Moreover, if the Technical Assistance line were increased back to the FY '95 amount of \$10.926 million, a savings of \$2.374 million would result, since currently there is a total of \$13.5 million allocated for Technical Assistance and the University center program, as proposed in the Administration budget for FY '96.

I understand that some members of Congress are considering the elimination of the EDA and replacing it with block grants to state governors. Based on more than 10 years experience with the EDA University Technical Assistance Center Program, I do not believe the EDA should be eliminated and converted to a state block grant program. While the state block grants may result in savings by improving the administration and increasing the efficiency of some programs, these potential benefits will not be realized by the EDA University Center Program. Such a move would clearly undercut the strength of the program, which is to concentrate its efforts on competitive projects impacting the most economically distressed areas. The block grants would



result in already limited funds being formula-distributed to states, where the expense of setting up state administration and monitoring will overshadow any potential savings from decentralizing program operations.

Currently, EDA University Centers are required to operate their programs with over 70% of the project activity in direct response to local requests for assistance. The University Centers are definitely providing market driven services, requested and needed by the communities in their service areas.

The EDA University Center Program cannot be effectively managed from the state level. The potential for diversion or mismanagement of the already limited funds for this program (possibly to replace existing state support of other economic development agencies) is too great. State politics would likely result in the allocation of resources to the major research universities instead of to the regional, rural-based universities who actually serve the distressed areas.

Absent some statutory language at the federal level directing the states to continue funding for existing centers at current levels, it is doubtful that the program could survive in a block grant environment.

This is an outstanding program and one that very much needs to be continued. As our impact assessment demonstrates it is a very small program that has a tremendous economic impact. I reiterate that this small \$7.5 million program leverages nearly \$200 million in capital investments across America, representing a 26:1 ratio. It represents a smart investment on the part of the federal government that pays a very high return: Truly a good deal for the American taxpayer!

Here are just a few of the more outstanding examples by which EDA University Centers help make a more vibrant American economy:

**EDA University Economic Development Center  
Western Carolina University**

In 1987, burdened with operating a short, unprofitable freight line called the Murphy Branch line in Western North Carolina, Norfolk-Southern Railroad abandoned operations along the sixty-seven-mile stretch of rail and put it on the market. A stipulation attached to the sale was that the buyer agree to continue freight service to the four counties served by the Murphy Branch line. Freight service had been declining due to the high prices Norfolk-Southern was forced to charge in order to cover their high maintenance and operation costs. Despite a remarkably low asking price (\$630,000) Norfolk-Southern found no buyer in the year that followed.

The shippers along the line who were interested in maintaining the rail service got together with some local business leaders in an effort to purchase the rail line. They wanted to operate a freight service/tourist excursion line through the scenic WNC mountains. The Murphy Branch line twists its way from Dillsboro to Murphy through some of the most picturesque and unspoiled countryside in the state. Unfortunately, the purchase price along with equipment expenses and operation and maintenance costs made the project impractical as a commercial investment. However, North Carolina Governor Jim Martin was interested in assisting the region with maintaining its freight service and possibly expanding tourism activity in the area.

The local shippers and owners/investors requested assistance from the EDA University Center based at the Center for Improving Mountain Living at nearby Western Carolina University. The EDA University Center staff met with the shippers to identify their level of commitment to freight service. They also explored the potential for the tourist excursion railroad operation and reviewed the expenses of operating an independent railroad. Based on this research, a detailed financial projection of the potential revenue from freight service and the excursion ridership charges was compared to projected expenses for operation, maintenance, marketing, and equipment (locomotives and coaches/cabooses). The analysis demonstrated that starting the excursion service and providing the freight service would be feasible if the state would purchase the line and lease it back to the new railroad for \$40,000 per year.

By demonstrating the financial feasibility of the project, with assumptions for ridership and expenses supported by the EDA University Center research, the state and the owners/investors developed a plan to finance the start-up of the new railroad. As a result, the Great Smoky Mountains Railway has continued freight service to between six and eight shippers in the four-county area, thereby facilitating their continued industrial operation and retaining over 200 jobs. Even more important has been the Railway's significant impact on the region's economic development.

Over the past six years, 886,145 persons (from 115,000 in the first year and increasing to over 177,000 in 1994) have enjoyed the three-hour train ride through the Nantahala Gorge and parts of the Great Smoky Mountains National Park in

comfortable coach cars, open-air cars, and the popular cabooses. The depot towns of Dillsboro, Bryson City, and Andrews have benefited from an increase in tourism and shoppers. Visitors' dollars have contributed to the revitalization of business districts in these towns including the addition of over 15 new businesses in previously closed storefronts, and the expansion of business for many craft stores, gift shops, restaurants, and other service businesses. New businesses that cater to the tourists (from t-shirt and souvenir shops to various refreshment stands and eating establishments) have sprung up throughout the area to serve the influx of tourists.

Based on an estimated expenditure of \$129.31 per day, per party of tourists (1994 estimate by North Carolina Department of Commerce, Travel, and Tourism Division), the economic impact of the Railway ridership over the past six years would exceed \$31,412,401 in the four-county region - one of the most distressed regions of the state. The Railway employs between 20 and 25 full-time, year-round workers and approximately 110 seasonal workers. In addition, the Railway was featured in the 1994 full length, feature film, *The Fugitive*. Film crews working on location in the area for two months bolstered the local economies and sparked additional interest for the excursion railroad. All of this has provided an economically-distressed area of North Carolina with a high-quality tourist attraction which contributes significantly to the economic development of the region.

The staff at the EDA University Center at Western Carolina University provided the critical research and financial feasibility analysis that enabled the state to justify its investment and supported the efforts of the private investors to start a unique and valuable business that has served the region and continues to provide significant economic benefits to the area.

#### GREAT SMOKY MOUNTAINS RAILWAY RIDERSHIP ECONOMIC IMPACT CALCULATIONS

YEAR	#RIDERS	#IN PARTY	TOTAL \$ AVG. PER PARTY	ESTIMATED ECONOMIC IMPACT
1989	115,000	3.25	\$100.06	\$ 3,540,500
1990	159,107	3.25	\$105.32	\$ 5,156,232
1991	139,073	3.25	\$110.87	\$ 4,744,193
1992	136,589	3.25	\$116.70	\$ 4,904,691
1993	159,266	3.25	\$122.84	\$ 6,019,985
1994	177,110	3.25	\$129.31	\$ 7,046,798
<b>TOTALS</b>	<b>886,145</b>			<b>\$31,412,401</b>

**EDA University Center  
Eastern Kentucky University**

Since 1989, the Center for Economic Development has focused efforts on secondary wood industry development in Kentucky with special emphasis on the Appalachian region. The following projects in which the Center's role was crucial are an indication of our impact:

- » Assisted in development and passage of legislation creating the Kentucky Wood Products Competitiveness Corporation, a public non-profit group charged with promotion and development of Kentucky's secondary wood industry. The state has committed funding of \$1.6 million for the first two years of operation. Temporary offices located at Eastern Kentucky University.
- » Location of Trus-Joist Macmillan laminated strand lumber plant at Hazard, Kentucky. This represents a \$100 million investment, employing 120 people directly, and over 200 indirectly.
- » Startup of a hardwood dimension manufacturing company at Clay City, Kentucky. This is a \$3 million-plus enterprise employing 70 people directly.
- » Start-up of a hardwood dimension manufacturing company at Jeffersonville, Kentucky (Montgomery County). A \$3 million project employing 30 people initially, projected to grow to 70 within two years.
- » Start-up of a wood furniture manufacturing company in Liberty, Kentucky. A \$2 million project employing 30 people directly.
- » Start-up of a hardwood dimension company in Albany, Kentucky, currently under construction. A \$2 million project, expected to employ 30 people the first year of operation.

Of 30 secondary wood companies starting up or locating in Kentucky from 1989 to 1994, 17 were in Appalachian counties. These counties had previously been almost devoid of secondary wood processing facilities.

**EDA Center  
University of Missouri**

The UMC-EDA center has provided management and technical assistance to the Missouri-Pacific Lumber Company (New Franklin, Missouri) over a fifteen month period. The services provided were in collaboration with the U. S. Small Business Administration, the Economic Development Administration, the Missouri Department of Economic Development, the County of Howard, the City of Fayette, and the Howard County Electrical Co-operative. Following the Flood of 1993, the Missouri-Pacific Lumber Company lost most of its inventory of finished lumber and much of its raw material stockpiles. The finished lumber that was not washed away was caked with mud and debris. All seventeen structures were severely damaged, one totally. All their machinery was damaged and needed expensive repairs. The losses to this company exceeded three million dollars. The owner was faced with the decision to close operations entirely, move the work to another sawmill in Illinois, or to rebuild at an alternate site in Howard County. He needed to locate sources of capital and resource people to help him rebuild his family business. The UMC-EDA center director and other economic development professionals saw the need to keep this business in Missouri.

The UMC-EDA center provided assistance in assessing the damages to his business and identifying potential sources of loans and grants. Technical assistance came in the form of: first designing a machine to clean nearly 1.5 million board feet of oak and walnut, with an average selling price of \$2.50 per board foot. This lumber was thus rendered salable at a value of \$3.75 million dollars to provide a cash flow for the business. Two Industrial Engineering students created the "move plan," developed a proposed plant lay-out, prepared line drawings and building specifications, and helped with the loan proposal to EDA. The owner of the lumber company was not in an adequate financial position to secure these much needed services from other sources. Two Industrial Engineering faculty members (Dr. James Noble and Dr. Louis Occeña) monitored the work of the students. The center director has been asked to serve as the head of oversight (Project Supervisor) for the relocation project and is performing this function.

The immediate impact of the work performed helped to save 45 jobs in Howard County, with a direct annual economic impact of \$750,000 in payroll, and more than \$12,000,000 in annual sales. Lease payments to Howard County will exceed \$750,000, which the county can use for future economic development. Additional jobs throughout Missouri will also be impacted. All this was a result of the assistance provided by the UMC-EDA University Center, which enabled a combination of loans and grants, totalling over \$3.2 million, to be made to the Missouri Pacific Lumber Company exceeds.

**Institute for Business and Industry Development  
North Dakota State University**

North Dakota is just completing the development of "Growing North Dakota III" for the 1995 legislative session. The state programs, along with much assistance from EDA, have helped North Dakota turn the corner and have gotten the economy turned around in the state. Specific examples of IBID's contributions are:

Client Survey for Impact Results:

The Institute for Business and Industry Development (IBID) surveyed clients who had received service from IBID during the 12 month period from August 1, 1993 through July 31, 1994. Slightly over 30 percent of the clients were from established businesses when they contacted IBID for assistance. Roughly half of them were concerned with business-related issues; a small percent of the clients listed their primary concern as both engineering and business-related. About half of IBID assistance was geared toward improving an existing operation or product, and some of the assistance with new products and new processes was actually provided to existing firms. Clients reported the main benefits of IBID service as engineering and product development assistance (49%); management and productivity improvement assistance (31%); and assistance in improving their market position (17%).

Respondents were asked to estimate the dollar value of the service they received from IBID. The average value of the service was estimated to about \$12,760 per client. (This does not include one client who estimated IBID's service value at \$2M). In an attempt to determine the impact of IBID's services on levels of employment, clients were asked for information about the immediate and projected effect of IBID's assistance on their labor force. Nearly 40 percent of the respondents projected the total jobs created and jobs saved as a result of IBID's assistance - 107 and 14 respectively. Total projected/long-term (3 years or more) jobs created were estimated at 353; total jobs saved at 58. Clients were asked to estimate the financial impact of the benefits of IBID's assistance to their business. Because these estimates were given as annual or one-time figures or as a total amount saved or earned, reporting an average financial impact is difficult. The amount of the financial impacts ranged from about \$7,000 in savings to an estimated \$4,000,000 per year for one manufacturer.

Assistance to Native Americans:

Among the most significant Indian projects the Center has been involved with over the past few years is continuing assistance to the large tribally owned manufacturing plants on the Fort Totten and Turtle Mountain Indian Reservations in North Dakota. The Center has played a very major role in providing critically needed assistance in market and business planning in order for these companies to make the transition to the competitive commercial market. Failure to survive could mean the loss of employment for many of the firms' 900 employees. Two of the nine companies are in the process of applying for 8(a) status, and IBID is

helping in that effort as well. IBID presented a market plan development seminar and is in the process of establishing marketing plans and strategies for the companies. A labor cost analysis done for Uniband, Inc. of Belcourt, North Dakota, helped secure a \$19 million contract from the U.S. Department of Treasury. A current project includes market assessment and business planning and feasibility study assistance to expand an existing business to include a medical supply distribution component - a successful plan will result in 100-150 new jobs in the state.

Further Economic Development Spawned by the EDA Project:

A report by the Fargo-Cass County Economic Development Corporation credits IBID for directly serving over 10 percent of the current Cass County manufacturing base, including export information, engineering, marketing, new product development, and other professional services. As a result, two companies entered the export market, one company purchased new equipment to provide services previously unavailable in North Dakota, and four companies are expected to strengthen markets - one of which is entering a completely new market. "Engineering services provided by NDSU-IBID directly and positively impacted the survival of one company. Without IBID's involvement, the product life of the previous lines would have elapsed without having a new product to present to the market." The report credits IBID's service with results including a new 50,000 square-foot manufacturing expansion, 40 new or retained jobs from the current manufacturing base, an estimated 100 new jobs from manufacturing expansions in the next two years, and another 10 to 30 positions expected from new products developed and/or worked on during the past two years.

We are grateful to your Subcommittee for the support it has given to this program in the past, Mr. Chairman, and we respectfully ask that you continue that support in the years ahead.

On behalf of the Educational Association and the 66 center directors, I want to express our profound gratitude to you for supporting this program over the years. Your support in previous years has made a great deal of difference to hundreds of communities, businesses, and industries that have been helped by the efforts of University Centers.

Thank you very much for the opportunity to speak to this committee.



TUESDAY, MAY 2, 1995.

**THE UNIVERSITY OF PUERTO RICO****WITNESS****PROFESSOR TOMAS FLORES, DIRECTOR, OFFICE OF PLANNING AND DEVELOPMENT, CENTRAL ADMINISTRATION**

Mr. FORBES. Next this committee would like to hear from Professor Thomas Flores from the University of Puerto Rico.

Mr. FLORES. Good morning, Mr. Chairman. I am the Director of Planning and Development for the University. I am here representing Dr. Norman Maldonado, who is unable to be here today. With me is Anne Howard de Tristani, our Special Assistant to the President.

The University of Puerto Rico, founded in 1903 as a land grant institution, is the largest Hispanic institution in the United States. It has 55,000 students, 66 percent of whom are women. It has three main campuses and eight college and regional units throughout the island. The University operates a law school and schools of science and math, engineering, medicine, architecture, humanities, social science and education—in all, 360 academic programs, fully accredited by national organizations.

It is the premier Hispanic institution of the United States. It has graduated over 250,000 students, many of whom have made significant contributions to American society.

The University ranks number one in all U.S. institutions in terms of Hispanic students that go on to obtain a Ph.D. in science, math and engineering. The University also is the largest producer of Hispanic women professionals in the Nation.

The University is the sixteenth largest engineering school in the Nation. It enrolls over 4,000 students and has over 1,600 women enrolled currently.

Over 20 percent of the medical doctors and those who obtain a bachelor's degree in science, math and engineering granted to Hispanics obtained the degree at the University of Puerto Rico.

Among those Hispanic Americans receiving Ph.Ds in math, science and engineering, 20 percent get their bachelor's degree at the University of Puerto Rico.

We hold the unique distinction of being the only land grant, sea grant, space grant institution of higher education in the States. No other school in the Nation can boast these statistics. For example, while the island of Puerto Rico has a population of only 3.6 million people, a paper published last summer entitled Economic Relations of the United States and the Puerto Rican economies: An Interregional Input-Output Approach, estimated that activities under way on the island contribute close to \$40 billion to the U.S. gross domestic product annually.

Additionally, as the Nation's attention turns to Latin America, there is a unique and pivotal role that the University of Puerto Rico can play as one of the Nation's largest university systems graduating purely bilingual students.

In looking at programs sponsored by the Department of Commerce since 1991, the University has operated a Climatology Center to benefit U.S. citizens in Puerto Rico and the Virgin Islands.

This Center has received some technical assistance from the Southeast Regional Climate Center located in Columbia, South Carolina, and receives about \$10,000 a year in a grant from the Southeast Regional Climate Center.

This grant, though appreciated, is not enough to help meet the needs of the Caribbean region. During the last two years, the demand for services from the Puerto Rico and US/VI Climatology Center has increased dramatically. In 1993, it was 63 requests; in 1994, 276; and this year the Center is receiving twice the amount of user requests as in previous years. These trends, in terms of natural disasters and user access, demonstrates the importance of accessibility to timely and pertinent climate information from the Caribbean region for impact assessment.

The University respectfully requests that the committee provide \$5.4 million to support these existing regional centers.

Our main proposal from the Department of Commerce is the Sea Grant program. It is a purely bilingual international program that provides linkages to north and south activities. It helps us in the development of migration plans for national catastrophes, researched pharmaceuticals including anti-HIV and cancer fighting compounds from tropical marine sources, and has recommended environmental standards appropriate for tropical environments.

Furthermore, the University has demonstrated that the economic benefits of Sea Grant far outweigh the costs of funding this program. We ask that the Committee provide \$55 million in funding for the program in fiscal year 1996.

We also would like to encourage the committee's support for other activities. In fact, we have provided a lot of information for the record for all the different activities that this Committee has helped, and we continue to solicit your funding.

Thank you, Mr. Chairman.

Mr. FORBES. Thank you for your time, and we will make your full statement a part of the record and any additional information you may wish to provide.

[The information follows:]

**TESTIMONY OF**

**PROFESSOR TOMAS FLORES  
DIRECTOR, OFFICE OF PLANNING AND DEVELOPMENT  
CENTRAL ADMINISTRATION**

**THE UNIVERSITY OF PUERTO RICO**

*Before*

**THE HOUSE OF REPRESENTATIVES  
COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, JUDICIARY  
AND RELATED AGENCIES**

**MAY 2, 1995**

## **A. Introduction and Background**

Good morning.

Mr. Chairman and distinguished Members of the Subcommittee, thank you for the opportunity to appear before you today. I am Dr. Tomas Flores, Director of the Office of Planning and Development at the University of Puerto Rico (UPR). Dr. Norman Maldonado, the President of the University, is unable to be here today. He asked that I deliver the following testimony on his behalf. Joining me today is Mrs. Anne Howard de Tristani, Special Assistant to the President for Federal and External affairs, who will be available to join me in answering any questions you may have.

The University of Puerto Rico, founded in 1903 as a land grant institution shortly after the United States assumed responsibility for shared governance of Puerto Rico, is the state university of Puerto Rico and is the largest Hispanic institution of higher education in the United States. Moreover, it is one of the largest multi-campus systems in the United States. The UPR has over 55,000 students (66 percent of whom are women), 5,000 faculty members, four major campuses and six regional colleges and other units throughout the island, and 360 academic programs all fully accredited by national organizations. The University operates schools of Law, Science and Mathematics, Engineering, Medicine, Architecture, Humanities, Education and Social Sciences. As the premier Hispanic institution in the United States, The UPR has graduated over 250,000 graduates, many of whom have made significant contributions to American society.

## **B. Accomplishments**

The University ranks number one among all U.S. institutions in terms of the number of Hispanic students that go on to obtain Ph.Ds in science and engineering. For instance:

- One in ten students attending the University's largest campus at Rio Piedras that receive a Bachelors degree in science go on to obtain Ph.Ds.
- The University is the largest producer of Hispanic women professionals in the nation. UPR at Mayaguez is the 16th largest engineering school in the nation, enrolling over 4,000 students, of which about 1600 are women.
- Over 20 percent of the MDs and BS degrees in science, engineering and mathematics granted to Hispanics have been awarded by The UPR.
- Among those Hispanic Americans receiving Ph.Ds in science, engineering and mathematics, 20 percent did their undergraduate work at The UPR.
- The UPR is the leading source of Hispanic engineers for the National Aeronautics and Space Administration (NASA).

- The UPR holds the unique distinction of being classified as a land grant, sea grant and space grant institution of higher education

No other school in the Nation can boast these statistics. The University's enormous talent pool of Hispanic students, faculty and researchers has contributed to the development of the island, other parts of the Caribbean, and the nation. Consider, for example, that while Puerto Rico is an island with a population of about 3.6 million people, a paper published just last summer entitled, *The Economic Relation of the United States and the Puerto Rican Economies: An Interregional Input-Output Approach*, estimated that activities underway on the island contribute \$39.8 billion to the U.S. Gross Domestic Product annually. Consider also, that almost every one of our nation's major pharmaceutical companies, approximately 30, have a plant on the island generating about \$6.7 billion of the island's total Gross Domestic Product. The vast majority of the Chief Operating Officers managing these companies in Puerto Rico are graduates of The UPR.

The contributions of The UPR to the nation's economy and overall well-being are clear. On behalf of Dr. Norman Maldonado, I am here to tell you that Federal assistance from the Departments of Commerce, Justice and State have made a difference. Additionally, as the nation's attention turns to Latin American markets, there is a unique and pivotal role the University of Puerto Rico can play as one of the nation's largest university systems graduating bilingual students. In this context, I want to strongly emphasize to you the critical need for continued Federal assistance to the Commonwealth of Puerto Rico and The UPR, particularly as our efforts relate to those agencies falling under your subcommittee's jurisdiction.

#### *1. Department of Commerce*

In looking at programs sponsored by the Department of Commerce, The UPR has distinguished itself as a partner and national leader in areas related to monitoring, conducting research and disseminating information related to climatic occurrences, sea grant activities, and hemispherical cooperation in research, education, technology assessment and manufacturing applications. Since 1991, The UPR has operated a Climatology Center which has benefited many U.S. citizens of Puerto Rico and the U.S. Virgin Islands. This center has received some technical and financial support from the Southeast Regional Climate Center (RCC), located in Columbia, South Carolina. The UPR receives about \$10,000 a year from the Southeast Regional Climate Center. This grant, while appreciated, is not enough to help meet the demands of the Caribbean Region.

Puerto Rico and the U.S. Virgin Islands are the only locations of the United States in the Atlantic Ocean that are situated in a strategic area for tropical climate studies. Their locations are significant because these islands are situated in an area which is sensitive to climatic events, many of which affect the United States, such as tropical weather phenomena which have cost American lives and which have a direct bearing on the U.S. economy. Recent examples include the severe droughts of 1994 in Puerto Rico, Hurricane Hugo in 1989, and the massive floods of 1985.

During the last two years, the demand for services from the Puerto Rico and US/VI Climatology Center has increased dramatically. The number of users has increased from 63 in 1993 to 276 in 1994. This year, the Center is receiving twice the amount of user requests over last year. These trends, in terms of natural disasters and user access, demonstrate the importance of accessibility to timely and pertinent climate information from the Caribbean region for impact assessment.

As you know, the Administration has proposed termination of the Regional Climate Centers, based at the National Oceanic and Atmospheric Administration (NOAA). The UPR respectfully requests that the Committee reject the Administration's request and provide \$5.4 million to support the six existing regional climate centers. Of the amount provided above last year's funding level (\$3.2 million), we ask that \$100,000 be provided to support enhanced activities in Puerto Rico and the Virgin Islands. Allocation of the \$100,000 for Caribbean activities will allow The UPR to provide better service throughout the Caribbean and enhance tropical climate research and develop a more effective early warning system for natural disasters.

In addition to supporting activities sponsored by The UPR's Climatology Center, Department of Commerce monies support The UPR Sea Grant College Program. The UPR Sea Grant program has been in existence for 15 years. In 1990, The UPR Sea Grant received the honor of being designated as a College Program in recognition of ten years of excellence in research, marine advisory services and education. The UPR Sea Grant program has developed bilingual international linkages, assisted in the development of evacuation plans for natural catastrophes, designed and developed artificial reefs to enhance fisheries and offset coral destruction, researched pharmaceuticals including anti-HIV and cancer fighting compounds from tropical marine sources, and recommended environmental quality standards appropriate for tropical environments.

The activities underway at the UPR involve collaboration with industry, other institutions of higher education, elementary and secondary schools, and government agencies. Our success at The UPR demonstrate that the economic benefits of Sea Grant far outweigh the costs of funding this program. Consequently, we ask that the committee provide \$55 million in funding for this program in FY 1996.

Furthermore, the UPR would like to encourage the committee to continue to support the development of initiatives that will create new markets for American goods and services. In looking at the technological, research, educational and scientific advances originating in the United States, we see tremendous export opportunities in Latin America. In this vein, The UPR, working in cooperation with local officials, state agencies such as the Economic Development Administration (FOMENTO), industry leaders, and Federal agencies like the National Institute of Standards and Technology (NIST), is developing several initiatives which will allow the university to serve two critical roles: (1) providing cultural, linguistic and exemplary educational opportunities serving as a bridge between the North and the South; and (2) serving as an optimum geographical hub of research and development.

activities related to basic and applied research, technology assessment, and manufacturing. In this area, two NIST initiatives are of particular importance. The State Technology Extension Project, or STEP, provides funding to Puerto Rico to plan and implement industrial extension efforts. The Manufacturing Extension Partnerships (MEP) is another program that is very important. This coming year The UPR will seek an MEP Center to bring new technology to small and medium sized manufacturing firms on the island. I am providing for the record information on The Industry University Research Center (INDUNIV) which is promoting close and effective interaction between industry and the academic community in applied research, with support from FOMENTO, the Economic Development Administration of Puerto Rico.

Additionally, the Committee will be interested to know that the University is working with NIST to develop programs that will help to establish more uniform standards and measurements needed to enhance manufacturing, research and trade opportunities between the United States and Latin America. Additionally, the University's Center for Hemispherical Cooperation in Research and Education in Engineering and Applied Science (CoHemis), working in cooperation with representatives from 13 countries in the Americas, has developed a bold program which facilitates, supports and conducts applied research, technology assessment, and human resources development programs across the Americas and throughout the Caribbean.

Also, I am pleased to report that The UPR, and the Government of Puerto Rico have been working with federal officials to develop initiatives which will help to rebuild the social and economic infrastructure of Haiti, and strengthen democratic institutions in that country. In December of 1994, Puerto Rico Governor Pedro J. Rossello led an official state delegation to Haiti. In February, The UPR President Norman Maldonado followed up the Governor's visit with a specialized team from The UPR. In March 1995, Secretary of State Baltasar Corrada del Rio was invited to join a U.S. Presidential commercial mission to Haiti which was sponsored by the U.S. Departments of State and Commerce. Currently, The UPR is working to provide assistance in a number of areas, including short-term management training and technical assistance, health services, law and other areas.

As the University develops these linkages throughout the hemisphere, we recognize the importance of telecommunications. I am pleased to report to the committee that The University has been asked by the Governor of Puerto Rico to lead the Island's government agencies, other institutions of higher education, social service providers, and other stakeholders in the creation of a comprehensive telecommunications plan to develop the information infrastructure of the Island. The goals are to identify the information needs of Puerto Rico and to determine the best network architecture to deliver services to meet these needs using interactive voice, video, and data technologies. The UPR is leading efforts to craft an agreement on infrastructure priorities and recommendations related to governance and regulatory issues. By establishing a comprehensive and coordinated telecommunications infrastructure, The UPR and the Commonwealth of Puerto Rico will be able to develop much needed partnerships and linkages with the mainland states,

allowing us to replicate successful education, research and development, training, and healthcare models which can be used to address the multiplicity of issues affecting the nation, particularly as these issues relate to changing demographics and the Hispanic community. In this regard, we ask for the committee to at least level fund the Telecommunications Information and Infrastructure Plan program at the National Telecommunications and Information Agency, U S Department of Commerce.

## *2. The Department of Justice*

Finally, turning to the Department of Justice, I would like to note The UPR's support for those programs sponsored by the Department which address violence against women. As I know the committee is aware, a woman in America today faces a shockingly high likelihood of being the victim of a violent crime because of her gender. Regrettably, the Hispanic community is not immune from these disturbing trends.

Recognizing the rising rate of violence against women, last year, Congress authorized \$25 million as a part of the Violence Against Women Act that was included in the crime bill. We ask that you continue your commitment to preventing violence against women and provide full funding for this account in FY 1996. I would also like to ask the committee to encourage the Department of Justice, in the committee report for FY96, to support activities which will help to serve and educate Puerto Ricans and other Hispanic Americans.

## **C. Conclusion**

With the Hispanic population being the fastest growing minority population in the country, persons from our community undoubtedly will be called upon to provide the leadership and expertise needed for the next century. As we attempt to address the challenges we face, as well as those that lie ahead, we at The UPR understand that no community can afford to be an island. The Commonwealth of Puerto Rico and The UPR need Federal assistance now as much as ever. Continued receipt of Federal assistance is critical to the future growth of both the Island and the Nation, as we strive to build bridges across diverse communities in a way that will allow our country to most effectively meet the industrial, trade, educational, and cultural challenges which are upon us.

More importantly, with your continued assistance, the University of Puerto Rico will remain a leader in the training of Hispanic scientists, engineers, and entrepreneurs, affirming our place as a major source of skilled professionals needed to lead the nation into the 21 century. Again, thank you for allowing me to testify today. I would be pleased to answer any questions.



TUESDAY, MAY 2, 1995.

**TRILATERAL NAFTA PARTNERSHIP FOR SMALL  
BUSINESS DEVELOPMENT**

**WITNESS**

**REV. HAROLD C. BRADLEY, ASSISTANT TO THE PRESIDENT OF  
GEORGETOWN UNIVERSITY**

Mr. FORBES. Now, Reverend Father Harold Bradley, representing Georgetown University.

Rev. BRADLEY. Thank you, Mr. Chairman, for allowing us to testify before your Subcommittee. As you noted, I am Father Bradley, and not Father Collins, and I have worked with Father Collins for more than 20 years. I would like to ask that the statement be submitted for the record, and if there are any questions, I would be happy to answer them.

Mr. FORBES. And we will do that, submit it for the record. Thank you very much.

[The information follows:]

**Subcommittee on Commerce, Justice, State, Judiciary, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Scheduled Testimony for FY96  
May 2, 1995  
Room H-309, 10:40 a.m.**

Mr. Chairman and members of the Committee, I am Rev. Harold C. Bradley, Assistant to the President of Georgetown University. Thank you for the opportunity to testify on the Trilateral NAFTA Partnership for Small Business Development.

The Presidential FY96 budget to be submitted to Congress has important outlays reserved for the Small Business Administration and the International Trade Administration of the Department of Commerce, under which Georgetown University proposes a very timely program. Georgetown University's Edmund A. Walsh School of Foreign Service, in cooperation with two selected universities in Canada and Mexico, will institute a Trilateral NAFTA Partnership for small business development and trade analysis. This unique initiative is a very wise investment for it will produce business activity and trade at a value many times over the requested funding amount.

The Trilateral NAFTA Partnership will create the first permanent, inter-university program to promote small business development through continual NAFTA trade analysis and active business cooperation. The NAFTA Partnership program will provide small businesses with the most advanced trade and commercial information on NAFTA actors and policies, with an emphasis on intra-zone commerce and joint ventures. The program will guide preexisting business toward export and investment activities spanning the free trade zone, at the same time creating new businesses which will be oriented from the start toward an internationalized business strategy. Additionally, the program will help guide cooperation between small businesses and other trade and business entities in all three countries. As preeminent academic institutions, these universities will pursue research and instruction on the NAFTA through their own faculties, taking advantage of a wide array of analytical resources. The universities will disseminate findings from the Trilateral NAFTA Partnership to a network of small business development centers, as well as to other small business-related organizations in their respective countries.

The universities will be linked by the ACTS satellite, which provides live, interactive audio/visual communication. The partnership program will depend heavily on this technology for orchestrating the overall program, as well as arranging conferences and trade meetings on NAFTA/small business issues and cooperation. This technology will also allow each university to exchange trade information, market studies, and business profiles in an effort to facilitate cross border investment and joint ventures. The universities' first year cost to provide these services is \$2 million. The program is three years long. Each subsequent year's request for funds drops substantially. A substantial proportion of this funding will be directed to U.S. small business development center participation. The Partnership of these three universities will rely on interactive satellite capability, which requires additionally that Georgetown University's Intercultural Center (ICC) be equipped to adapt to such satellite technology at a one-time cost of \$1.8 million.

TUESDAY, MAY 2, 1995.

**AMERICA'S PUBLIC TELEVISION STATIONS****WITNESS**

**JERROLD F. WAREHAM, PRESIDENT AND GENERAL MANAGER, WVIZ-TV, CLEVELAND, OH**

Mr. FORBES. Mr. Jerry Wareham for America's Public TV.

Mr. WAREHAM. Mr. Chairman, thank you very much. I am Jerry Wareham, President and General Manager of WVIZ-TV, northern Ohio, from Cleveland. I am also a member of the board of America's Public Television Stations, and I am here on their behalf to testify about the public telecommunications facilities program. Mr. Chairman, I have prepared more detailed remarks and would like to submit them for the record, with your permission, and just summarize the statement.

Mr. FORBES. Please. They will be submitted in full for the record.

Mr. WAREHAM. Mr. Chairman, as I said, I am here today to testify in favor of the appropriation for the Public Telecommunications Facilities Program. It is part of the National Telecommunications and Information Administration in the United States Department of Commerce.

Public TV stations are requesting an appropriation of \$29 million for this program in 1996. That is the same amount that was appropriated in 1995.

The Public Telecommunications Facilities Program provides matching grants to public broadcasting stations, to schools and to others for equipment necessary to originate and distribute educational programs and services. Since the 1950s, a modest Federal matching grant program of this type has leveraged an enormous investment of State and local funds and has been really the key stimulus in developing an impressive public telecommunications infrastructure which is important today in two different ways.

First of all, this program, the PTFP, is a critical and efficient tool in fulfilling the Federal role in public broadcasting. For a very modest Federal appropriation, it stimulates matching State and local dollars that assure the equipment is in place so that the educational and public service programming and public broadcasting stations is available to virtually all Americans; and second—and this is of growing importance—the PTFP program builds an institutional and technical infrastructure which is effectively and efficiently turning public television stations into community public telecommunications centers that use multiple channels and multiple media and offer broad access to emerging electronic networks to communities throughout the country.

While I am happy to be with you here in Washington today, I wish I could take you back to Ohio and give you a tour of my station. Our station is not unique by any means, but it is a good example of an emerging educational and public telecommunications center. If I could give you a tour of the station—and this would be true of many stations around the country—what you might see are preparations for a two-way interactive video series designed to help students in low wealth schools learn study skills. Four thousand teachers throughout the State of Ohio tap into WVIZ's on-line com-

puter service to obtain lesson plans, followed by educational media and even access the Internet.

Upstairs you would see tape machines whirring away making some of the tens of thousands of copies of videos for schools. And next door you would see an 11-channel microwave system that is bringing near video-on-demand to classrooms and distance learning to high schools all throughout northern Ohio. The same system delivers a full channel of college credit programs to students in homes through cable systems in northern Ohio.

Out in the hallway, you might trip over piles of videos and films and CD ROMs and other instructional materials being readied for shipment to schools. You would also see resources for training teachers on how to use technology in the classroom. All of this, Mr. Chairman, and we haven't even turned on the public station yet.

If you did watch WVIZ, you would see all of the wonderful education and all the cultural information programs you have come to select, including kid TV, on WVIZ. This is a preschool service designed to help children get ready to learn, and it has given WVIZ the largest audience of any television station in the market among the target audience of children under the age of six.

You would also see effective local community outreach programs about topics like women's health and youth violence. These programs put people who need help and information in touch with local resources who can give them that help and information.

Half of WVIZ's 24-hour broadcast day is dedicated to programs for young children. Two-thirds of the programming on WVIZ is designed with formal learning objectives. The station provides this service to an area with a population of nearly 4 million people on a budget about the size of a typical American high school. Most of the money comes from private contributions, but Federal funding is critical to almost everything we do.

This program, the Public Telecommunications Facilities Program, has helped to stimulate local and State support for the equipment that is required to provide the services I have been describing to you. WVIZ and other stations need that help now and in the future.

Telecommunications technology, as you know, Mr. Chairman, is advancing as a dizzying rate. Public stations are faced with the challenge of rebuilding their basic production and distribution infrastructure, and at the same time, stations can harness remarkable new technologies to build on an already efficient and effective system and provide better and more cost-effective educational and public service programs.

It is estimated that public stations will need to spend some \$290 million in 1996 on equipment. We are requesting a modest Federal appropriation of \$29 million for matching grant program to provide seed money for these projects.

Mr. Chairman, I hope these remarks have given you some sense of the effectiveness of public broadcasting and the importance of the Public Telecommunications Facilities Program. If I can answer any questions or provide further information, I would be happy to do so.

Mr. FORBES. I just have one quick question, if I might. How much of WVIZ's budget is viewer supported versus Federal or State money?

Mr. WAREHAM. About two-thirds of the money is raised in the community to operate the station.

Mr. FORBES. Okay. Thank you very much.

[The information follows:]



Written Testimony of  
Jerrold F. Wareham  
WVIZ, Cleveland, Ohio  
Association of America's Public Television Stations  
on the  
Public Telecommunications Facilities Program  
to the  
Commerce, Justice, State and Judiciary Subcommittee  
United States House of Representatives  
May 2, 1995

### **Public Television's Request**

Mr. Chairman, and members of the subcommittee, on behalf of America's 203 local, community based public television stations, thank you for the opportunity to submit testimony on appropriations for the Public Telecommunications Facilities Program (PTFP) at the National Telecommunications and Information Administration (NTIA). Public television requests an appropriation of \$29 million for PTFP for FY 1996. This is the same amount appropriated by Congress for FY 1995.

### **The Federal Role**

At a time of serious budget deficits, the government should continue to invest in programs that have proven themselves to yield a strong return on the taxpayer dollar. Public television has met this test. Local stations have matched federal support with private and other local contributions. PTFP maintains our nation's telecommunications infrastructure so it can serve Americans with critical educational and community services.

The Public Telecommunications Facilities Program is a competitive, matching grant program administered by NTIA a division of the Department of Commerce. It provides financial support for public television and radio equipment purchases. APTS estimates the annual cost for new and replacement equipment for public television stations to be \$296 million in Fiscal Year 1996. PTFP grants typically constitute 50 percent of the cost for eligible equipment items purchased with grant money.

### **Why Public Television**

Public television is more than the wide array of television programs seen on your local PBS station. It is an institution consisting of local, community-based telecommunications centers, many organized into state networks. These centers, financed largely by their local communities, possess the expertise to use the most appropriate technology to serve their respective community's educational and informational needs: video and audio, data, graphics and text; delivered by broadcast, cable, microwave, telephone lines, computer disk, telecomputing, interactive videodisc, print or in person; and complemented with support materials to aid its effective use with teachers, parents and students in the school, home or other community facility. The centers have achieved this through applying talent, know-how and the ability to adapt technology up to the limits of their available resources.

### **Service To Your Constituents**

Public television's reach and access are unrivaled. Public television can reach out to all Americans, offering equal access to lifelong learning—the "haves" and the "have-nots," urban populations and rural citizens, the "underserved," the "unserved" and cultural minorities. Ninety-nine percent of U.S. television households receive this educational programming; 160 million people watch each month; 30 million K-12 students in 3 out of 4 schools have access to instructional programming; and 2 out of 3 colleges enroll a total of 374,000 college students per semester in telecourses for credit through their local stations.

### **The Local Return On The Federal Investment**

Over the past 30 years, Congress has invested in a public telecommunications infrastructure through the PTFP. This federal investment has been matched by local and state contributions to build a coast-to-coast non-commercial education infrastructure. The total replacement value of the public television industry's broadcast facilities and equipment (excluding buildings, land, furniture or fixtures) is currently over \$1.79 billion. A continuing modest, annual federal investment will help guarantee that free, over-the-air noncommercial educational television continues to be available to all Americans regardless of their ability to pay.

The Administration has requested \$10.8 million for PTFP in FY 1996. This is not adequate. For the 1995 grant round, NTIA has received 296 grant applications for a total of \$75 million dollars. The current appropriation of \$29 million will only begin to meet that demand. The Administration's request will result in communities across the country beginning to lose their access to public television services as reach and universal access are compromised by inadequate capital replacement.

### **America's Response**

Public television currently provides a programming service committed to educating and informing the public in sciences, geography, literature, the arts, math, public affairs and culture. Every month, 75.6 million American households tune into their public television stations—a service which the American public values, in survey after survey, stating that it is more "important," "informative," "interesting" and "educational" than other media choices.

### **The Local Investment**

Federal support remains essential to preserving universal access to the opportunity for lifelong learning through a high quality noncommercial



television service. Federal funding also provides unrestricted seed money which can allow local institutions to gain access to the best that the nation—rather than just the community—has to offer. The most critical need is to sustain the national-local partnership which allows local communities to use telecommunications to address their own educational, cultural and information needs.

### **Services Provided**

Addressing local needs is primary to the mission of public broadcasting. Examples of local problem solving are outlined in the following summaries of public broadcasting initiatives.

- ◆ **Contributing to adult literacy.** With increased funds, public television can expand efforts to encourage and motivate adults to learn to read and then, through televised classes, provide the necessary instruction in the privacy of their own homes.

Also using public television, local stations can mobilize volunteers to assist in the personal mentoring which is so important to adult literacy training.

*Example: AETN has a contract with the state department of human services to provide training to state workers in Arkansas. It renewed a contract with the state's Early Childhood Education department to provide training; and it has initiated graduate-level courses. AETN will also continue to work with the Commission for Arkansas' Future, and has signed a contract with them for a series of additional telelinked town meetings.*

- ◆ **Providing job training and sharing information to find new opportunities in the work force.** Public television's cooperative work with business and education leaders to use video-based vocational and instructional courses to train workers, teachers and demobilized military personnel can be expanded with additional funds. Training can be conveyed directly to the workplace or other sites, as PBS and stations are already doing in selected cities through The Business Channel.

*Example: New Hampshire Public Television is hosting "Internet: A Practical Approach," a three-hour videoconference that will provide an introduction to the vast resources of this electronic information and communication service. Led by Ed Krol, author of THE WHOLE INTERNET USER'S GUIDE AND CATALOG, the seminar will be held at the NHPTV Broadcast Center, and at six other locations across the state.*

- ◆ **Enhancing educational use of technologies.** Public television adapts new technologies for educational use; makes them accessible to schools, teachers and learners; creates programs that expand the use of interactive educational technologies; and trains teachers to use these new technologies effectively. Technological advances have had a major impact in increasing the educational effect of television.

*Example: The Kentucky Network enables satellite technology to benefit educators. Teachers rely on KET not only for personal visits, but for the latest information on how to implement the Kentucky Education Reform Act.*

*KET's after-school satellite professional development seminars are designed to foster dialogue, understanding, and enthusiasm for the reforms and to integrate instruction with hands-on activities. In 1992/93, KET produced 76 seminars for 106 hours of training available to Kentucky educators.*

- ◆ **Assisting in times of disaster.** Public television stations are valuable community problem-solving partners, able to respond quickly to local needs and local emergencies. In the midwest, for example, public television stations worked singly and together this year to bring flood information and assistance to their communities, and to the nation.

*Example: "Tornado Alert: What You Need to Know" is a one-hour program that examines the harsh realities of these natural phenomena, explores the latest in cutting-edge tornado-tracking technology, and explains proven rules of family emergency preparedness. The new special—the result of an innovative collaboration between KERA and Dallas ABC affiliate WFAA—is hosted by Troy Dungan, chief weather forecaster at WFAA.*

### **Preserving The Investment**

Public television is a national asset. A continuing modest, annual federal investment will help guarantee that free, over-the-air noncommercial educational television services will be available to all Americans regardless of their ability to pay. America's communities, through their local public television stations, urge the committee to appropriate \$29 million for the Public Telecommunications Facilities Program for FY 1996.

TUESDAY, MAY 2, 1995.

**PRESIDENTS AND SUPERINTENDENTS OF STATE MARITIME ACADEMIES/COLLEGES OF CALIFORNIA, MAINE, MASSACHUSETTS, NEW YORK, TEXAS AND THE GREAT LAKES REGION**

**WITNESS**

**REAR ADMIRAL FLOYD H. MILLER, STATE UNIVERSITY OF NEW YORK MARITIME COLLEGE**

Mr. FORBES. Admiral F.H. Miller, representing Presidents and Superintendents of State Maritime Academies.

Admiral MILLER. I will have to tell my cadets that we testified in front of you today. We have more cadets out of your district, Suffolk County, than any other county in the State—it is a big market.

Mr. FORBES. We are very proud of that, too.

Admiral MILLER. I will be speaking on behalf of the six State maritime academies. With me, too, are Dr. Peter Mitchell from Massachusetts Maritime Academy; Rear Admiral David C. Brown, Great Lakes Maritime Academy; Dr. David J. Schmidly from Texas Maritime; and Rear Admiral Leonard Taylor from Maine Maritime Academy. We have submitted a written statement for the record.

Mr. Chairman, we have appreciated the support of this Subcommittee over the years. As you know, we educate the work force of the future. We are here today to ask for your continued support.

We serve a major segment of the transportation industry. We are the recruiters and trainers of the maritime industry. This vast industry, contrary to many reports, continues to grow. Waterborne commerce is and will continue to be a distinct part of our Nation's economy. We provide licensed officers for the deep sea fleet, the inland waterways, Great Lakes, tug and barge, coastal and offshore supply industries. Ashore, our graduates work in every facet of the marine industry ranging from ship design to shipbuilding and repair, brokering, chartering, freight forwarding, intermodal and container operations, admiralty law, environmental protection, oil spill response and on and on. We have expanded our curriculums to include the marine environment, oil spill response and so forth. The opportunities for jobs are vast and diversified. We are developing the work force of the future.

The State Maritime Academies, even during the most recent recession, have provided America's young men and women a first-class education with over 90 percent job placement a few months after graduation. We have at New York Maritime the highest placement for undergraduates of all of the State Universities of New York.

Mr. MITCHELL. We have the same in Massachusetts.

Admiral MILLER. Our cost-effective training is vital to ensure that our cadets meet the stringent requirements of the Coast Guard safety regulations, the Oil Pollution Act of 1990, International Marine Maritime Organization Standards of Training, Certification and Watchkeeping, the Water Resources Development Act of 1990, and the National Transportation Policy during a time of great environmental sensitivity.

Your support has further allowed the State Maritime Academies to adjust to changing times and to initiate new courses of study providing a trained manpower pool which fills jobs in growth areas of the maritime industry, such as environmental training, contingency planning and maritime management. In an era when jobs are critical, your support has been an investment in people, employment and income. It is a commitment to opportunity, an investment in tomorrow.

In regard to cost-effectiveness, using State University of New York Maritime College as an example, I should point out that the Federal Government contributes about 11 percent towards our budget, while the State contributes 38 percent and the students contribute 51 percent.

We support the President's budget of \$9.3 million. However, it should be pointed out that our budget has essentially been level since 1987. This represents a 24 percent reduction because of inflation over the past nine years. The difference has been devolved to the States and the students through tuition. These Federal funds represent a very modest investment on the part of the Federal Government to leverage and stimulate an industry which has strong connections to national security and our overall economic standing in the world marketplace.

We solicit your continued support and we would be pleased to answer any questions you may have at this time.

Mr. FORBES. There are no questions at this time. I just would like to thank the academies for their contribution they are making as a neighbor on Long Island. I certainly understand the value of the academies, so thank you.

Admiral MILLER. Thank you. We appreciate your support.

[The information follows:]

STATEMENT OF THE  
PRESIDENTS/SUPERINTENDENTS OF THE  
STATE MARITIME ACADEMIES/COLLEGES OF  
CALIFORNIA, MAINE, MASSACHUSETTS,  
NEW YORK, TEXAS AND THE GREAT LAKES REGION

BEFORE THE  
HOUSE COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, THE JUDICIARY  
AND RELATED AGENCIES

2 MAY 1995

We, the Presidents and Superintendents of the State Maritime Academies/Colleges of California, Maine, Massachusetts, New York, Texas, and The Great Lakes Region, appreciate the opportunity to present our comments on the Department of Transportation Maritime Administration's (MarAd) proposed budget for maritime education and training.

The State Maritime Academy System is a cost-effective investment in education, jobs, and our Nation's waterborne commerce. The State Maritime Academies are a prime example of the Federal Government investing in America by working cooperatively with the States. This cooperative effort is also vital in terms of our national security for we are the prime recruiters and trainers for our Nation's sealift capability - a capability so necessary in war or National emergencies.

In basic terms at the larger State Maritime Academies the Federal Government contributes about 11% of the costs while the States contribute about 38% and the students contribute 51%.

As contained in the Maritime Education and Training Act of 1980 and its predecessor Acts, our Nation's State Maritime Academies, with minimum Federal assistance, provide education and training for jobs afloat and ashore in the Maritime Industry. Under this system the Federal Government joins with the States and students in sharing costs.

We serve a major segment of America's transportation industry - the maritime industry. This vast industry is, contrary to many reports, continuing to grow worldwide. Waterborne commerce, the most cost-effective method of transporting vast products and goods is, and will continue to be, a necessity and certainly a strong segment of our economy.

We provide licensed officers for the deep sea fleet, the inland waterways, Great Lakes, tug and barge, coastal and off-shore supply industries. Ashore our graduates work in every facet of the industry ranging from ship design to shipbuilding and repair to marine insurance, brokering, chartering, freight forwarding, Port Authorities, intermodal and container operations, admiralty law, environmental protection, oil spill response and on and on. We have expanded our curriculums to include the marine environment, oil spill response, etc. The opportunities for jobs are vast and diversified! We are developing the work force of the future.

In regard to Sealift, as recently highlighted by the United States General Accounting Office (GAO), there is a continuing decline of the pool of available qualified U.S. Mariners to adequately crew our Nation's merchant ships in time of war and national emergency. A Nation without the ability to carry its ocean cargo will be at a great disadvantage. Worldwide, according to the International Maritime Organization, there could be a shortage of 400,000 officers by the end of this decade. Our

graduates play a strong role in slowing that decline. We have been called upon to meet this need in every conflict or emergency since 1874 when the first of our academies was established. Without our input there would be a very small input cohort to the pool of available mariners. We fill a very necessary National requirement.

Two of our training ships are dual purposed as troopships in the Ready Reserve Force (RRF). Expenses are cost effectively shared by the States and Cadets (students). Last year New York's training ship EMPIRE STATE was activated as a troopship to ferry troops from Mogadishu, Somalia to Mombasa, Kenya. The total Federal cost to maintain a ship at a Maritime Academy as a dual purposed training/troopship is about \$1.2 million per year while the cost, according to the GAO, of maintaining an RRF ship in a high readiness state is \$3.2 million per year. Also, the breakout costs of from \$1-2 million for readiness testing are avoided. This, too, is a prime example of cost-effective sharing between the States and the Federal Government.

The State Maritime Academies, even during the most recent recession, have provided America's young men and women a first class education with over 90% job placement a few months after graduation. Our cost-effective method of training is vital to ensure that our Cadets meet the stringent requirements of Coast Guard safety regulations, The Oil Pollution Act of 1990, International Maritime Organization Standards of Training, Certification and Watchkeeping, the Water Resources Development Act of 1990, and the National Transportation Policy during a time of great environmental sensitivity. Your support has further allowed the State Maritime Academies to adjust to changing times and to initiate new courses of study providing a trained manpower pool which fills jobs in growth areas of the maritime industry, such as environmental training, contingency planning and maritime management. In an era when jobs are critical, your support has been an investment in people, employment and income. It is a commitment to opportunity, an investment in tomorrow.

The State Maritime Academy concept, carefully crafted by the Congress, ranging from the training ship-troopship concept to shared training and education expenses, is the most cost-effective Federal program today.

We support the President's Budget, however, it should be noted that our budget has essentially been level since 1987. This represents a 24% reduction because of inflation over the past nine years. The difference has devolved to the States and the Students through tuition.

We are funded to the bare minimum. Our needs, and particularly those of our students, are many; however, we recognize the needs of our Nation must come first.

Under the 1980 Federal Maritime Education and Training Act, the Federal Government provides funding to the State Maritime Academies for:

1. A training ship plus ship's maintenance/repair and fuel money when authorized (Great Lakes excluded) to allow our Cadets to meet the Federally mandated "sea time" license requirements.
2. \$100 thousand per school for administration of a State Nautical School and up to \$200 thousand for regional schools, i.e., Great Lakes.
3. Student Incentive Payments (\$250/month) for students accepting commissions in the U.S. Naval Reserve/Merchant Marine Reserve.

In terms of Federal expenditures, the State Maritime Academy system is our Nation's most cost-effective system to produce licensed officers, officers already noted by experience to be in short supply, a supply predicted to become very short in the outyears. These Federal funds represent a very modest investment on the part of the Federal Government to leverage and stimulate our industry that has such strong connections to National Security and our overall economic standing in the world market place.

We appreciate your past support and trust and hope that we may continue to receive it in the future. We want to continue to provide high quality jobs by meeting the requirements of our Nation's Maritime Industry, the recently ratified International Maritime Organization Standards of Training and Certification of Watchkeeping (IMO-STCW), the National Transportation Act, the Water Resources Development Act of 1990, and the Oil Pollution Act of 1990. We want to continue to be a cost-effective contributor to our Nation's economy and security. We want to continue to provide young men and women the skills to hold productive jobs in our Nation's Maritime Industry and thereby contribute to its economy. We must continue to provide hope to our students in the near term and at the same time prepare them to meet the needs of tomorrow.

We would be pleased to discuss our situation with you and your staff at your convenience. We trust you will give our views your favorable consideration.



TUESDAY, MAY 2, 1995.

**PROJECT ACTA, INC., KINGS POINT, NY****WITNESS****FRED S. SHERMAN, PRESIDENT**

Mr. FORBES. Mr. Fred S. Sherman, Project ACTA.

Mr. SHERMAN. Good morning, Mr. Chairman. Thank you for the opportunity to speak to you about the United States Merchant Marine Academy this morning.

Last year, Congress reaffirmed the importance of the United States Merchant Marine Academy by overwhelmingly rejecting the Clinton administration proposal to begin charging tuition at Kings Point. One hundred forty-five Members of the House and Senate supported bipartisan legislation that prohibited charging tuition at Kings Point and the other four Federal academies.

As you know, there is a declining pool of licensed Merchant Marine officers who the Nation can rely on to crew the Ready Reserve fleet, the fleet needed for military sealift in time of national emergency. Today, Kings Point supplies 76 percent of the new personnel entering the Navy's Merchant Marine Reserve program, the backbone of manning this sealift capacity. Over the past five years, this percentage has climbed from 56 percent to 76 percent, confirming the participation from other sources has decreased since the number of Kings Pointers in the program has remained fairly constant. If the Academy were closed as a result of tuition or budget cuts, our Nation's strategic military sealift readiness would be devastated.

The best way for the Federal Government to ensure licensed ship's officers are available to meet sealift readiness is to exercise control through the United States Merchant Marine Academy. Relying on other programs outside of national control could be fraught with risk.

The Merchant Marine Academy also trains professionals who serve the multimodal transportation industry and the economic well-being of America. Further, Kings Point midshipmen receive state-of-the-art training to ensure protection of the environment. In addition, the United States Merchant Marine Academy is cost-effective, being the least expensive Federal academy; it is 44 percent below the average cost of the other four academies, and when compared to the State Maritime Academies, Kings Point is at least 10 percent less expensive to the Federal Government for similarly qualified graduates.

I was shocked that some Members of this Congress would even consider charging tuition at the Academy. Charging tuition at Kings Point would lead to the closure of the Academy.

Also, you should be aware of the threat of tuition and its ramifications today. Recruiting has been considerably hindered, both in attracting quality and quantity of applications. Reaccreditation, which is presently going on, could be affected. Diversity will be dealt a blow when the ability to pay replaces the congressional appointment system which uses merit as its sole criterion.

Finally, in March, the Department of Transportation's Inspector General testified before this subcommittee, recommending the clos-

ing of Kings Point. Although the IG's report has not been released, a review of his testimony reveals many errors and misstatements. I have dealt with these errors in my prepared statement.

Needless to say, the Inspector General's proposal to close the Academy is analogous to saying, close West Point and let VMI, The Citadel and other such military colleges set the standard for the Nation. I hope you can see the folly in the IG's recommendation and will review my prepared statement in more detail on this matter.

In conclusion, the best way to ensure that there are sufficient licensed Merchant Marine officers for military sealift readiness is through the United States Merchant Marine Academy. A decline in funding or charging tuition will eventually close the Academy, which would also mean losing a significant source of leaders for the multimodal transportation industry. I urge you to ensure the United States Merchant Marine Academy receives the proposed 32.1 million in fiscal year 1996 and remains fully funded in the future.

Thank you for your attention and support of the United States Merchant Marine Academy. I would be happy to answer any questions.

Mr. FORBES. Thank you, Mr. Sherman. I appreciate your vigilance on this question.

Mr. SHERMAN. Thank you.

Mr. FORBES. We will certainly make your full remarks a part of the record, and something that I will closely examine as we attend to the business of the academies.

Mr. SHERMAN. Fine. Thank you very much. We appreciate the opportunity.

[The information follows:]

Statement of  
**FRED S. SHERMAN**  
  
**PRESIDENT**  
**PROJECT ACTA, INC.**

Before the  
  
**COMMITTEE ON APPROPRIATIONS**

**Subcommittee on the Departments of Commerce,  
Justice, and State, the Judiciary, and Related Agencies**

**UNITED STATES HOUSE OF REPRESENTATIVES**

**MAY 2, 1995**

I am Fred Sherman, President of Project Acta, an organization composed of alumni, parents and friends of the United States Merchant Marine Academy, which was organized to inform and educate the public, Congress and public officials about the value of the United States Merchant Marine Academy to the nation. Last year, Congress reaffirmed the importance of the United States Merchant Marine Academy by overwhelmingly rejecting a proposal by the Clinton Administration to begin charging tuition at the Academy. 145 Members of the House and the Senate supported bipartisan legislation that would block the charging of tuition at any of the federal service academies, a provision that ultimately was included in the FY '95 Defense Authorization Bill.

As a nation that faces a severe decline in seagoing manpower and skills, we need a strong U.S. Merchant Marine Academy to provide the graduates to meet our national security needs. Moreover, as a maritime nation that depends vitally on trade, our country needs skilled multimodal transportation professionals to advance our national economic interests.

As a graduate of the Academy, I was thus distressed that the Inspector General of the Department of Transportation would attack the Academy and that some in Congress would now consider charging tuition so recently after the Administration's earlier proposal was rejected. I am here today to tell you why keeping the Academy fully funded will advance our national security and economic interests, and why the tuition proposal will undermine that objective.

## **WHY DOES OUR NATION NEED THE U.S. MERCHANT MARINE ACADEMY?**

Every map of the United States shows that we must be a maritime nation. Every student of economics knows we are a trading nation. And every businessman knows we are a nation dependent on multimodal transportation systems. Ninety-nine percent of our imports and exports – over 2 billion tons a year, worth over \$1 trillion – moves through our multimodal transportation system onto or off of ships. The value to the nation of preparing leaders for the multimodal transportation industry should be more obvious today than over 50 years ago when the U.S. Merchant Marine Academy was founded.

To many people the value is not obvious, so let me highlight only three specific areas of benefit to the Nation: national security, economic security, and environmental security.

### ***National Security***

We are in a period of a declining pool of licensed merchant marine officers who can be called upon to crew the nation's Ready Reserve Fleet, the fleet needed for military sealift readiness. Should there be another "Persian Gulf"-type action a year or so from now, the United States may be unable to get its Ready Reserve Fleet out of port – a problem which we do not believe is being addressed.

Five years ago Kings Point supplied 56% of the entrants into the USN Merchant Marine Reserve. In 1994 the Academy supplied over 76% of the entrants into this program. Kings Point's numbers haven't changed, since all graduates enter this or other military programs. Other sources have declined so significantly that should Kings Point be closed there will be a devastating impact on our nation's strategic military sealift readiness. We cannot lose sight of the significance of the U.S. Navy Merchant Marine Reserve obligation.

### ***Economic Security***

Kings Point ensures that the largest trading nation on earth has thoroughly trained men and women to serve as multimodal transportation professionals and leaders. Protecting our economic security by helping guarantee our access to foreign and domestic sources of raw materials and domestic and foreign markets for sale of our manufactured goods is a federal

concern of the highest priority. Federal commitment to Kings Point underscores the commitment to preserving our economic security.

### ***Environmental Security***

The Merchant Marine Academy plays a role in preserving our environmental heritage. The United States has nearly 90,000 miles of sensitive shoreline, much of which is comprised of delicately balanced marine ecosystems. Larger, more complex ships with smaller crews and advanced technologies – as we see today – require the highest professional competence acquired through rigorous training. At Kings Point, Midshipmen receive state-of-the-art training in preventing a major pollution-causing disaster.

The need for the U.S. Merchant Marine Academy goes beyond these three reasons and includes the need for a federally controlled institution that provides national leaders for our maritime and multimodal transportation industry.

### ***Federal Control***

The best way for the federal government to ensure that there are a sufficient number of licensed officers to meet the nation's strategic sealift readiness needs is to exercise control over both the curriculum and obligation of the graduates of the United States Merchant Marine Academy. Recent experience has demonstrated that absent federal control in these areas there is a serious declining trend in young people obtaining the maritime transportation background and military commission required to meet national contingency requirements.

### ***The Maritime Industry Has Changed***

The maritime industry has and will continue to change. When I graduated from Kings Point, a shipping company had ships and focused only on getting cargo from port to port. This port-to-port portion of today's shipping company's costs are less than 20% of its total expenses. Sea-Land and American President Lines, although they are called shipping companies, are really multimodal transportation companies, concerned with moving goods all the way from the point of origin to the end user. Often this necessitates using an integrated system of trucks, rail cars and/or barges, as well as ocean-going ships. So is it with the military who must move their supplies from point of origin to commanders in the field. In doing so, they must also utilize rail, highway, marine as well as air modes of transportation.

It is for these reasons that the future of the multimodal transportation industry is by nature a federal concern. Multimodalism and logistics are the more inclusive terms today, and shipping companies have led the way in becoming multimodal logistic companies.

Likewise, the U.S. Merchant Marine Academy is evolving into this broader scope. Although the main focus of the Academy remains the education of merchant ship officers, it keeps pace with the times. Port management, intermodalism, logistics, terminal operations, environmental safety and protection, and engineering management are being augmented into the curriculum.

### ***Midshipmen Trained To Be Future Leaders Of The Nation***

The Academy for the past 50 years has a history of success in producing leaders for our armed forces and the maritime industry. Based on Standard & Poor's Register data, the United States Merchant Marine Academy ranks 16th of all U.S. colleges in percentage of graduates holding executive positions in U.S. industries. In both the 1985 study as well as the 1990 examination, Kings Point ranked 16th. (See table below.)

The Top 25 Schools On This List Are:

1. Yale University	14. John Hopkins University
2. Princeton University	15. Illinois Institute of Technology
3. Harvard University	16. <b>U.S. Merchant Marine Academy</b>
4. Dartmouth College	17. Case Western Reserve Academy
5. Williams College	18. New York University
6. Amherst College	19. Webb Institute of Naval Architecture
7. MIT	20. Stevens Institute of Technology
8. Washington and Lee University	21. Bowdoin College
9. California Institute of Technology	22. Davidson College
10. Cornell University	23. Virginia Military Institute
11. Columbia University	24. General Motors Institute
12. University of Pennsylvania	25. Stanford University
13. University of Chicago	

## THREAT OF TUITION RETURNS

Although the 103rd Congress clearly indicated full support for the United States Merchant Marine Academy by enacting legislation prohibiting the charging of tuition at all federal academics, there again are indications about charging tuition at Kings Point. This suggestion was included in an illustrative example of possible budget cuts for the next five years even though the original no tuition bills introduced in the last Congress had 145 cosponsors, reflecting broad bipartisan support.

The tuition suggested threatens the existence of the Merchant Marine Academy and its historical role in serving the nation. Charging tuition will result in closing the Academy.

I do not think many recognize how this ill-advised tuition recommendation has hurt the United States Merchant Marine Academy's efforts to attract well-qualified young men and women. The loss will not only be to these young people, but also to our nation.

The threat of charging tuition voiced has already caused highly-qualified applicants to decline their appointment to Kings Point this year. Similar threats to charge tuition resulted in a 25% drop in applications and a significant decline in applicant quality. Fortunately, when the threat of tuition was removed last year both the number of young people seeking admission and their SAT scores returned to previous levels. Unfortunately, today the tuition issue continues to create uncertainty as to the future, thereby possibly undermining the Academy's mission.

Charging tuition at the Academy raises many associated problems regarding graduates' obligations, the recruiting process, accreditation and student body diversity:

### **Impact on Obligation**

Upon entering the Academy, Midshipmen must commit to several postgraduate obligations in addition to agreeing to complete the Academy's course of instruction.

#### **8-Year Reserve Obligation**

U.S. Merchant Marine Academy students, after four years of military discipline at the Academy, must qualify for and accept a commission as an officer in the U.S. Naval Reserve or in the reserve component of another armed service in order to graduate. Graduates are required to remain in the armed forces reserve for at least eight years.

#### **10-Year U.S. Coast Guard License**

Prior to graduating, all Midshipmen must pass a rigorous multiday examination to obtain a U.S. Coast Guard license as a deck or engineering officer. As graduates, they must

renew their ship's officers license once. Since a license is valid for a five-year period, the renewal means that each graduate remains licensed for a minimum period of ten years.

#### **5-Year National Service Obligation**

Each graduate also has a legal obligation to serve in the U.S. maritime industry or on active duty in the armed forces for a minimum of five years after their graduation. Should he or she fail to do so, the graduate can be involuntarily ordered to active duty in the Navy or be required to repay the federal government for their education.

Any fair-minded person would agree that a college level education with so many obligations on the part of the graduate is not a "free ride." Instead, the education provides our nation with many benefits that far exceed the cost of the education.

Most students who attend the Academy have high SAT scores and can qualify for scholarships at other institutions. Why then would they choose to go to the U.S. Merchant Marine Academy, pay tuition if it were imposed (plus current fees which total almost \$8,000 over four years) and have some sort of "obligation"? Tuition will lead to fewer young people being interested in Kings Point and will consequently force the demise of the institution.

#### **Impact on Appointment and Recruitment**

At present, candidates for appointment to the U.S. Merchant Marine Academy are drawn from every state of the Union upon receiving a nomination from a Member of Congress. Appointment is based upon merit, including academic record, test scores and extracurricular activities. If tuition were imposed, the candidate selection process will of necessity be based upon a candidate's ability to afford tuition. Obviously this would deny many well-qualified young people of modest circumstances the opportunity to attend the Academy and in turn to serve in the U.S. maritime industry and as officers in the reserve components of the Armed Forces of the United States.

#### **Loss of Accreditation**

The Academy's accreditation is based not only on its curriculum, faculty and administration, but also on its fiscal structure. Eliminating the certainty of the Academy's financing will most likely jeopardize its accreditation. The Academy is uncertain if it will be able to grant an accredited degree if funding is cut and tuition is imposed.

#### **Loss of Diversity**

Tuition will produce negative results on diversity, particularly if Members of Congress are no longer able to nominate the best qualified candidates, providing geographic as well as gender, ethnic, and economic diversity. Of necessity, the principal criteria for the selection of appointees would be financial means.

### **CORRECTION OF THE RECORD**

Earlier this year testimony was given by the Department of Transportation Inspector General before this Subcommittee about the U.S. Merchant Marine Academy which contained errors and misinformation. The following information identifies some of the errors and provides the correct analysis of the situation for each instance based on discussions with Academy staff and Naval Reserve officials.

#### **State Maritime Academy Costs Verses USMMA Costs**

The Inspector General stated that it costs the federal government less to educate students at state maritime academies than at Kings Point. There are two errors with this statement.

First, the state academy cost for a similarly qualified graduate – a graduate with a marine engineering or marine transportation degree, a U.S. Coast Guard license and a U.S. Navy Merchant Marine Reserve commission – is greater than the cost per graduate at Kings Point.

In fiscal 1994, the federal budget shows the government spent \$10.3 million at state maritime academies. Only 57 state academy graduates had the comparable education, license and Naval Reserve commission. Kings Point provided 185 graduates for \$30.2 million. This comparative analysis indicates that on an equivalent graduate basis, the state maritime academies are at least 10% more expensive to the federal government. In fact, this analysis does not account for the 16 Kings Point graduates who went directly onto active duty nor does it account for the federal government's cost to purchase and modify training ships for state academies. These two factors would decrease the equivalent graduate cost at the U.S. Merchant Marine Academy and increase the similar cost at the state academies thus widening the cost gap.

The second error was to compare Kings Point to the state maritime academies at all. This is a faulty comparison, as the state academies are meant to serve local needs and have basically a local or regional student body. Kings Point serves a national need and draws a geographically diverse student body. Comparing the U.S. Merchant Marine Academy to the state maritime academies is like comparing the role of West Point to the Virginia Military Institute, the Citadel, and other such military colleges.

The most important difference is the controlling entity for each academy. In order to meet national defense and economic security needs, the federal government can control every aspect of the U.S. Merchant Marine Academy. If there is a need for more or fewer licensed officers, the federal government can direct Kings Point to adjust enrollment. If officers are needed sooner, the federal government can order Kings Point to adjust the curriculum to graduate Midshipmen early, as they did during the Vietnam War.

Can we expect a state's legislature to consider national security or other federal needs when deciding on a state maritime academy's budget?

#### ***Fulfillment of the Naval Reserve Obligation***

The Inspector General stated that 91% of the graduates reviewed did not serve the required 6 years in the reserves. There are several errors in this statement. First, Kings Point graduates currently have at least an eight-year (not a six-year) military reserve officer obligation. Equally important is that on average 15% of each Academy graduating class enters active duty in one of the armed forces. Accordingly, only about 85% of each class has any other reserve obligation. The third error is that an obligated reservist cannot unilaterally decide to quit the reserves. When graduates enter the reserves, they are in the reserves until they are discharged by the military service. How the DOT Inspector General came up with this testimony is unknown since the report this statement is based on has not been made available.

It should be noted that the obligation to the Naval Reserve is different for graduates of the U.S. Merchant Marine Academy than those from the state maritime academies. All graduates of the U.S. Merchant Marine Academy commit to remain in the Naval Reserve for at least eight years – those state academy graduates enrolled in the Naval Reserve program (typically a minority of each class) commit to remain in the Naval Reserve for only three years. Furthermore, the number of graduates from state maritime academies entering the Navy Reserve has been in steady decline over the past five years. In 1994, the U.S. Merchant Marine Academy sent 185 people into the Naval Reserve while the six state academies provided a total of 57 reservists.

#### ***Graduates Obtain Seagoing Positions***

The Inspector General also stated that their analysis showed that Merchant Marine Academy graduates are less likely than state academy graduates to obtain afloat positions. The Inspector General claimed that an average of 58% of state academy graduates found afloat positions



compared to 41% from Kings Point. We are not sure if the Inspector General's analysis for the state academies used the entire population of the state academies for the denominator in this calculation or if they only used the students in the U.S. Coast Guard licensing program. Using the later could be misleading. The value cited for the U.S. Merchant Marine Academy is correct, however, it does not account for graduates who go on active duty in the Navy and Coast Guard in afloat positions. Roughly 30% of the Class of '95 will pursue an active duty military career upon graduation. Further, of the 10 most recent graduating classes of Kings Point, 95% had jobs fulfilling their obligations within 6 months of graduation.

### **Accreditation**

The Inspector General's testimony painted a picture that the Academy faces major accreditation problems. The U.S. Merchant Marine Academy does not have accreditation problems. It is going through the normal, self-review part of the accreditation cycle. The Academy has identified areas, such as computerizing the "card catalog" in the library, where funds could be spent to upgrade the Academy. Most of the \$756,000 cited in the Inspector General's statement would go to this project.

### **Cost Per Graduate**

The Inspector General stated the cost to graduate a person from the Academy was \$150,000. The methodology used to determine this value overstates the true operating cost. Using the GAO-approved methodology for determining costs at federal academies, the cost to graduate each member of the class of 1994 was slightly under \$119,000. For comparison purposes, the cost to graduate a person from the Merchant Marine Academy is approximately 44% less than the average cost per graduate of the other federal academies and 37% less than similar costs at the top 25 universities in the United States. Simply stated, the U.S. Merchant Marine Academy is a bargain for the federal government.

## **CONCLUSION**

The best method of ensuring there are sufficient numbers of licensed officers to meet strategic sealift readiness requirements is for the federal government to exercise control over the curriculum and obligation of the Midshipmen at the United States Merchant Marine Academy. As experience has demonstrated, that absent this avenue of training there is a declining trend in young people obtaining the maritime background and military commission to meet this need.

A decline in funding for the Academy will eventually close the Academy. Closing the Academy would have a negative impact on the pool of licensed officers available for strategic sealift readiness as the Academy is currently providing over 76% of the people entering the U.S. Navy's Merchant Marine Reserve.

In the long term, closing the Academy would also mean the loss of a significant source of young people being trained for leadership roles in the multimodal transportation industry.

The Department of Transportation Inspector General's recommendation to close the United States Merchant Marine Academy was based on faulty and incomplete analysis. In fact, a thorough analysis would have shown that closing the Academy will have a chilling impact on our national and economic security.

The program at the United States Merchant Marine Academy is dynamic and cost efficient.

We urge you to ensure the U.S. Merchant Marine Academy remains fully funded at \$32.1 million in FY 1996, as well as fully funded in the future.

Thank you for your attention and support for the United States Merchant Marine Academy.

TUESDAY, MAY 2, 1995.

**INTERNATIONAL ASSOCIATION OF FISH AND WILDLIFE AGENCIES****WITNESS****GARY TAYLOR, LEGISLATIVE COUNSEL**

Mr. FORBES. Mr. Gary Taylor, representing the International Association of Fish and Wildlife Agencies.

Mr. TAYLOR. Thank you, Mr. Chairman, for the opportunity to share our perspective with you. My name is Gary Taylor, Legislative Counsel for the Association. Our organization represents the public agencies in North America charged with the stewardship of fish and wildlife resources. As you are aware, all 50 State fish and wildlife agencies are members of our association.

We sincerely appreciate the continued support of this Subcommittee, Mr. Chairman, in providing to the National Marine Fisheries Service the appropriate funding to advance objectives for marine fisheries conservation efforts. You do have our detailed statement with recommendations in it, so I will quickly summarize, if I may, what we believe should be some guidelines in considering the budget request for the National Marine Fisheries Service.

Number one, we believe that programs which have opportunities for partnerships between Federal and State fishery agencies and private organizations should receive high priority. National fishery management objectives we believe can best be met through these partnerships—for example, including adequate funding for the Interjurisdictional Fisheries Act grants, funding the—continuing to fund the Interstate Fishery Management Commissions, funding the Atlantic Coastal Fisheries Cooperative Act and continuing to fund the regional fishery management councils. And we have detailed recommendations for funding levels in our statement, Mr. Chairman.

Number two, there remains a critical need for fisheries statistics to enable Federal and State agencies to manage marine fish stocks to ensure their viability and sustainability. We believe this goes to the foundation of what the National Marine Fisheries Service is about, and that is research, data collection and management of this Nation's marine fishery resources and their habitats. For those marine stocks where population status is known, data has suggested 43 percent are overutilized and 39 percent are fully utilized. For other species, there simply is insufficient data to say what their population status is. Again, we make recommendations in our submitted statement for necessary and appropriate funding levels for the National Marine Fisheries Service.

Number three, we strongly support increased National Marine Fisheries Service funding for protected species. A variety of endangered species issues have increased demands on both National Marine Fisheries Service and States to provide data assessments and protocols for the listed species under the Endangered Species Act to the State to facilitate joint Federal and State recovery efforts so that species will be recovered and ultimately delisted.

Also we believe that we simply need to do a better job of preventing species being defined by taking the appropriate management

efforts before it becomes necessary to list a species as threatened or endangered. Again, we make specific recommendations in our statement on funding levels for these programs.

Finally, we do continue to support funding matching grant efforts with industry under the Saltonstall-Kennedy grants and recommend that their focus continue to be on bycatch studies and recovery efforts of the depleted stocks.

Thank you again, Mr. Chairman, for the opportunity to appear before the Subcommittee.

Mr. FORBES. Thank you, Mr. Taylor. Like those before you, we will make the full extent of your remarks a part of the record.

Mr. TAYLOR. Thank you.

[The information follows:]

**STATEMENT SUBMITTED TO THE HOUSE APPROPRIATIONS SUBCOMMITTEE  
ON COMMERCE, JUSTICE, STATE, THE JUDICIARY  
AND RELATED AGENCIES  
ON THE FISCAL YEAR 1996 APPROPRIATIONS FOR  
THE NATIONAL MARINE FISHERIES SERVICE  
by R. Max Peterson, Executive Vice-President  
International Association of Fish and Wildlife Agencies  
April 5, 1995**

The International Association of Fish and Wildlife Agencies, founded in 1902, is a quasi-governmental organization of public agencies charged with the protection and management of North America's fish and wildlife resources. The Association's governmental members include the fish and wildlife agencies of the states, provinces, and federal governments of the U.S., Canada, and Mexico. All 50 states are members. The Association has been a key organization in promoting sound resource management and strengthening federal, state, and private cooperation in protecting and managing fish and wildlife and their habitats in the public interest. I appreciate the opportunity to share our perspectives with you today.

In these times of fiscal constraint, the Association recognizes and appreciates the modest increases to some of the natural resource agencies' budgets. Accordingly, we have made thoughtful deliberations over our recommendations and have been careful to support only prudent and modest increases where it is necessary.

**NATIONAL MARINE FISHERIES SERVICE (NMFS)**

The Association generally supports the Administration's proposed FY 1996 budget to address the increasingly critical needs of the nation's marine fishery resources. The Administration's proposal, as reflected by NOAA and the Department of Commerce's support for the FY 1996 NMFS budget request, continues the commitment established last year to a more realistic budget request to help meet the nation's responsibilities to marine fishery resources.

The FY 1996 NMFS budget presents a unique opportunity to use innovative partnerships with states and private organizations to achieve critical conservation and management needs. The Association heartily supports this philosophy. Government-wide workforce reductions, combined with the recognition of the fisheries resource needs reflected in the FY 1996 budget request, strongly suggest that many federal management objectives can be best met through partnerships with state management and research organizations. These opportunities present themselves throughout the NMFS and NOAA budget.

The Association's position remains that NMFS' top priority should be marine resource conservation; specifically, research, data collection and management of marine fishery resources and their habitats. For those marine fish stocks for which population status is known, 43 percent are overutilized and another 39 percent are fully utilized, according to the 1993 Report on the Status of U.S. Living Marine Resources (Department of Commerce). Additionally, there is insufficient information to evaluate the status of many marine fish stocks, many of which continue to decline. Bycatch mortalities seriously cripple the use of a number of stocks which are decimated by these non-targeted fisheries. For example, an estimated 10 billion juvenile finfish are destroyed each year in the Gulf of Mexico.

The FY 96 NMFS budget presents an unprecedented opportunity for state/federal cooperation. The Association believes that partnerships with state management and research organizations should be reflected throughout the NMFS FY 1996 budget request. Successful templates for cooperation with states include programs under the Interjurisdictional Fisheries Act, Atlantic Coastal Fisheries Cooperative Management Act, and Anadromous Fish Conservation Act. The Association supports the Administration requests of \$3.156 million for Interjurisdictional Fisheries Act grants, \$2.108 million for Anadromous Fish Conservation Act grants, \$4.0 million to the Interstate Fishery Management Commissions, and \$250,000 for the Anadromous Fishery Project. These programs have been used to manage important species such as Pacific salmon, Dungeness crab, white sturgeon, American shad, river herring, and Gulf and Atlantic striped bass. Further, the programs assist state fish and wildlife agencies in managing and restoring other Atlantic, Gulf, and Pacific coast fish species that annually provide billions of dollars and tens of thousands of jobs on all coasts.

The Association supports the Administration budget for the Regional Fishery Management Councils at \$10.2 million. In the past decade, the need for prompt action by the Councils has grown far faster than necessary funding. In many areas, fishing pressure has increased and the Councils' ability to respond with regional solutions has been hampered by lack of funding. The Councils' ability to craft effective, regional solutions under the Magnuson Fishery Conservation and Management Act will be enhanced by the FY 1996 NMFS budget request.

Reliable fishery statistics provides the foundation upon which all fishery management decisions are based. State participation in fishery statistics programs is critical to ensure the validity, comparability, and usefulness of data. Therefore, it is essential that states and Interstate Fisheries Commissions be included in cooperative statistics programs. NMFS has begun to work with the states in developing cooperative statistics programs. Current programs on the Atlantic, Gulf, and Pacific coasts such as PACFIN and RECFIN are outstanding examples of this commitment. The proposed FY 1996 budget is critical to forging coastwide, cooperative statistics programs. To this end, the Association supports the Administration request for Information Analysis and Assessment, including improved data gathering and bringing the new NMFS computer system on-line to provide timely, accurate fishery statistics

Similarly, the cooperative research programs between NMFS and state marine fisheries agencies provide information vital to proper assessment of fish resources. These include the SEAMAP and MARFIN programs which provide fishery-independent research on high priority species. MARFIN continues to provide funds for Congressionally mandated shrimp bycatch studies. SEAMAP is building a long-term fishery-independent data base needed for managing heavily exploited species and for identifying and protecting critical habitat.

The Association supports the NMFS request for research and management of Atlantic highly migratory species. The 1990 amendments to the Magnuson FCMA transferred responsibilities from the Regional Fishery Management Councils to the Secretary of Commerce for management of highly migratory species such as billfish, pelagic sharks and tunas. The wide-ranging migrations of these stocks make them subject to many international fisheries. The fisheries management community has little understanding of stock dynamics and management requirements. These funds for research and management planning are essential to carry out Congressional intent.

The NMFS budget request seeks to transfer funding responsibility for the Columbia River hatcheries (Mitchell Act) from the NMFS to the Bonneville Power Authority (BPA). Accordingly, a cut of \$10.3 million is proposed for the NMFS. The Association supports continued unimpeded operation of these important hatcheries and an appropriation of \$10.3 million to allow for their operation in the event the needed funding is not obtained from BPA. In addition to the \$10.3 million, the agency request includes a related cut of \$3.5 million from the hatchery maintenance and construction account. The Association requests continuation of this \$3.5 million item to allow continued maintenance operation of the Columbia River hatcheries.

The Association is pleased to see that the FY 1996 budget includes funding for the Atlantic salmon program and for data collection and analysis related to U.S. obligations under the Pacific salmon treaty. The Association opposes the proposed reduction of \$400,000 appropriated by Congress last year to support critical funding needs of the Great Lakes Fisheries Commission's sea lamprey control program.

The Association is concerned that the land-based and ship platforms, essential to NMFS data gathering and management missions, be maintained in good operating condition and be modernized to meet the needs of the 21st century. Regarding NOAA vessels, the Association understands that the agency is responding to a recent National Academy of Science study of the NOAA fleet and the FY 1997 budget should reflect a realistic view of vessel based fishery research needs.

The NMFS FY 1995 budget was the first budget submittal that showed an adequate commitment to handling the severe infrastructure problems of the NMFS; the commitment of the Congress to fishery research and management facilities reflected this need. The Association

supports significant continued support in this area to ensure NMFS ability to conduct needed management and research operations.

The Association supports an appropriation of \$2.3 million for marine mammal/fishery interaction studies. The relationship between marine mammals and the nation's fisheries is the subject of intense policy consideration and reliable information is critical to resolution of these conflicts. Congress has mandated new studies and reports developed in conjunction with the States. This funding is critical to fulfilling Congress' mandates in the Marine Mammal Protection Act.

The Association strongly supports the Administration's request for \$11.1 million in increased funding for protected species. A variety of endangered species controversies have placed significant new demands for analysis, planning and recovery on the NMFS and coastal states. Thus, increased funding for programs dealing with protected, threatened and endangered species is critical. Increased Section 6 grants would make possible the joint state-federal implementation of recovery plans so that species can be recovered and eventually delisted. Protected resources management provides another opportunity for increased partnership with state management agencies. Joint state/federal implementation of recovery plans is an integral part of the eventual recovery and delisting of depleted resources.

The Association supports the Administration's proposed increase in the NMFS habitat conservation and restoration of \$4.1 million. Commercial and recreational fisheries are clearly dependent on adequate habitat which support viable populations. For that portion of the critical fish habitat that occurs in State waters, the Association again recommends that this research and management be done cooperatively with state agencies.

The Association applauds the Administration for requesting the Saltonstall-Kennedy (S-K) grants program at \$9.265 million to address high priority research and development needs and to generate industry matching monies. These funds are derived from import duties on fishery products, and for over 35 years have been used, at least in part, to support U.S. fisheries. The Association continues to recommend that the grant program focus on bycatch studies and on recovery of the depleted stocks, as proposed by the NMFS.

The Association supports the Administration request for an increase in the funding for critical law enforcement activities. The Association believes NMFS could make its law enforcement activities more efficient by working with state law enforcement agencies and therefore recommends that a portion of this increase be used for cooperative enforcement activities with the states.

In addition to the NMFS budget, the Association offers the following comments on several areas within the NOAA budget. In the National Sea Grant College Program budget, the Administration proposes to eliminate \$2.8 million designated by Congress for control and

elimination of the zebra mussel problem. The Association recommends that Congress restore these funds, and direct that these funds be used for research in the control of aquatic nuisance species, including the zebra mussel. Similarly, the Association recommends restoration of the \$1.5 million provided for oyster disease research. Finally, the Administration proposes to eliminate the entire budget, \$3.2 million, for the Regional Climate Centers. These six regional centers provide a wide array of data, products and services for a diverse array of users across the country. Several of these centers provide information important in addressing the relationship between climatological trends and effects on coastal fisheries and habitats. The Association recommends restoration of this \$3.2 million and continuation of this critical program.

The Association supports the Administration's inclusion of \$3.0 and \$4.183 million, respectively, for Advanced Fisheries Prediction Studies and Coral Reef and South Florida Ecosystems studies, both efforts aimed at improving fishery management.

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TUESDAY, MAY 2, 1995.

**PACIFIC STATES MARINE FISHERIES****WITNESS****BRAD GILLMAN**

Mr. FORBES. Mr. Brad Gillman representing the Pacific States Marine Fisheries.

Mr. GILLMAN. Thank you, Mr. Chairman.

I don't know who orchestrated the list, but it worked out fairly well for me, because Mr. Taylor, the previous witness, has explained the guts of the fishery information statistical programs. We are, in fact, one of the partnerships he has referred to.

The Pacific States Commission is a not-for-profit organization created by our Federal authorization interstate compact in 1947. For the last 15 years we have been providing the fishery information statistical baseline data for the entire West Coast.

Rather than go through and explain the structure of our programs which are in the National Marine Fisheries Service budget RECFIN program, the PACFIN program and Interstate Fisheries Commission line item programs, I would like to address four points where I think the Commission and its structure can be a solution to the problems being created by the Federal downsizing process over the next five years, and these are fully discussed in my testimony which has been submitted.

First, the Commission is FTE-free. We do not create Federal employee slots and never have. We contract for our services on a temporary and sometimes on a long-term basis to provide basic fishery collection and data, data collection information.

We have, in fact, been used in the last three or four months to fill in other areas for the National Marine Fisheries Service. They just don't have the manpower slots available anymore. They are contracting through us to do some of the seasonal work for the threatened and endangered species recovery plans in the Columbia River.

We believe that our structure as a commission can be a valuable tool for both this Subcommittee and the Service in the years to come to fill in those temporary slots where they need work done but they don't have FTE slots—in particular with fishery data collection and assimilation.

Second, we are lean and mean. We have always prided ourselves in making sure that as much of every dollar spent on fishery information data collection goes into the field for collection and dissemination into baseline data.

Our federally approved overhead rate is 15 percent. That is compared to the Service's internal overhead rate, which is 30 to 40 percent, depending on the programs. We are roughly half to one-third of the cost of the agency's overhead, which means that for every dollar spent on fishery information more of it gets into the field through our programs.

With respect to all of the projects we fund through the Interstate Marine Fisheries Commission line item, we pass that directly through to the project. We take no overhead out of that. So that is overhead-free.

Third, we provide substantial economies of scale to the region, both to the Federal Government, the States and the private sector. We have a clearinghouse. It is really a single fishery information program. Part of it is funded through the National Marine Fisheries Service budget, RECFIN, PACFIN and the International Commission budget. Part of it is funded through the regional market processing center where we process coded wire tags. Part of it is funded privately through the Bonneville Power Administration to do the Columbia River fishery information statistical gathering and assimilation. Part of it is funded directly by the States, their dues, and part of the data in the system is funded and collected by the States and then given to us to put into our central clearinghouse fishery information.

When you combine all of the various Federal, State and private sources, we have a fishery information system that is highly effective for a fraction of the cost of what the Federal Government or any individual State government would have to pay if it replicated the program on its own.

Fourth, for lack of a better term, we are transparent in our funding. I worked on the Senate and did NOAA appropriations for years, and if you have ever had to sort through and try and figure out what is in the programmatic accounts in the National Marine Fisheries Service, how they spend their money—and we know it is well spent—but to try to find areas of duplication or overlap, it is just not possible.

The way we account for our funds, within a two-week period we can provide this Subcommittee with a detailed accounting of where every dollar is spent for not only just the Federal money but all the State and private money as well.

So, in sum, Mr. Chairman, we should be kept around because we are lean and mean, we are FTE-free, we provide substantial economies of scale, and we are absolutely transparent. Thank you.

Mr. FORBES. Thank you very much. I appreciate your testimony.  
[The information follows:]

**West Coast Fishery Information Programs  
FY96 Appropriations Request**

The Pacific States Marine Fisheries Commission is a private, not-for-profit organization authorized by the Congress in 1947. One of the Commission's primary roles is to administer comprehensive fishery statistical databases for the West Coast. The Commission receives funding from the National Marine Fisheries Service for a portion of its operating budget (the "Interstate Marine Fisheries Commission" line item). The Commission administers the RECFIN, PACFIN, and Coordinated Information System fishery information databases. The Coordinated Information System database is funded by the Bonneville Power Administration, while RECFIN and PACFIN are funded through the National Marine Fisheries Service budget. These programs are combined under one roof to provide for a comprehensive clearinghouse for fisheries statistics, harvest data, and species distribution for the West Coast commercial and recreational fisheries. States also contribute their own funds and personnel to increase the scope of this comprehensive program.

The individuals hired by the Commission for these programs are neither State nor Federal employees. The database and collection services are provided on contract to the States, NMFS, and BPA. The Commission's approved government contract overhead rate is 15 percent, a rate substantially better than other government contracts and most agency programs. The Commission is able to collect, assimilate, and maintain the data without such personnel being charged against NMFS Full Time Equivalent ("FTE") ceilings. The Commission's lean overhead rate assures that the maximum level of funding is put into the field for the intended purpose. The Commission is therefore capable of assisting the Federal Government in maximizing the collection and assimilation of fishery statistics and fish harvest information during years when required reductions in FTEs are forcing resource agencies to redefine how to accomplish their statistical mission.

The combined West Coast fishery information program administered by the Commission is a model example of a Federal-State-Private partnership. The following is a brief description of the elements of the Program which are funded through the National Marine Fisheries Service budget. Each item is accompanied with a specific appropriations request, including report language where necessary.

**1. Recreational Fishery Information Network ("RECFIN")**

The National Marine Fisheries Service currently administers the Marine Recreational Fisheries Statistical Survey ("MRFSS"). The MRFSS is a comprehensive national survey of marine recreational anglers and their catch. It is a statistically sophisticated approach to estimate catch by species and mode of angling. The

information is used by the National Marine Fisheries Service, the Pacific Fishery Management Council, and the West Coast states to understand harvest impacts of recreational fishermen and distribution of salmon and other species of importance to the recreational, river guide, and commercial passenger vessel sectors of the industry.

NMFS has engaged in a long-term partnership with the states to maximize the benefits of Federal funding of the MRFSS. The RECFIN line item of the NMFS budget provides the Federal contribution to regional recreational fishery information activities. The RECFIN program for the West Coast is administered through the Commission. The Commission works with the NMFS Fish Statistics Program and the states of California, Oregon, and Washington to design and implement a cost-effective program for the West Coast. The RECFIN funding is combined with cash and in-kind contributions of the participating states. For instance, the NMFS contribution to the RECFIN program in 1994 was roughly \$730,000. The State of California funded the Central California Sportfish Survey and Analysis, the Salmon Sportfish Sampling Project, and supervised the MRFSS for California. These activities cost California alone roughly \$700,000. Other states provide in-kind services at similar levels. Activities funded through the states exceed the Federal funding levels for the West Coast Program.

The funding for RECFIN in Fiscal Year 1995 was \$2.9 million, and the President's budget requests this level of funding for Fiscal Year 1996. Only \$385,000 of this amount was budgeted for the West Coast portion of the RECFIN Program in 1995. The House Commerce, Justice, State Appropriations Subcommittee included language in the FY96 report to NMFS to restore funding for the West Coast Program, and NMFS has allocated roughly \$340,000 from the Fish Statistics funding to make up a portion of the shortfall.

RECFIN FY96 appropriations request: \$3 million

Requested Report Language

The West Coast Program should receive equal treatment with the Atlantic States and Gulf States regions. Report language should be included in the House and Senate reports instructing NMFS to provide one-third of the RECFIN funding to the West Coast program. All three regions should receive uniform treatment under the RECFIN program, with an understanding that the Fish Statistics Program Manager has the authority to supplement priority projects with Fish Statistics program funds on a case-by-case basis when necessary. The following language is recommended--

"The Committee has provided \$3 million for the RECFIN Program. The Committee expects that the programs for the West Coast, Atlantic States, and Gulf States shall each receive

one-third of the funds. The Fish Statistics Program manager may continue to use his Fish Statistics program funds when necessary to supplement these regional allocations for region-specific projects."

## 2. Pacific Fishery Information Network ("PACFIN")

PACFIN is the element of the Commission's comprehensive West Coast database involving harvest and distribution data for marine commercial fisheries. The PACFIN data includes harvest and distribution information from fisheries off the coasts of Washington, Oregon, California, Alaska, Hawaii, and the American Trust Territories. The states have already contributed in excess of \$25 million in data collection and processing to the comprehensive database for commercial fisheries. This information is used by the North Pacific, Pacific, and Western Pacific fisheries management councils and NMFS in developing and implementing fishery management regimes for the three regions. The PACFIN information is combined with RECFIN harvest and distribution data to give fishery managers a more precise picture of the health of West Coast fish stocks.

The Fiscal Year 1995 budget provides \$2.3 million for PACFIN, and includes funding for West PacFIN (Hawaii, American Samoa, Commonwealth of the Northern Marine Islands). The President has requested \$2.3 million for the Fiscal Year 1996 budget. Even at the President's request, there is a shortfall of \$1.7 million necessary for the entire West Coast, Alaska and the Western Pacific Region.

PACFIN FY96 Appropriations request: \$3 million

Report Language: none requested

## 3. Interstate Marine Fisheries Commission budget

The Interstate Marine Fisheries Commission line item has traditionally funded the Federal share of the interstate commission budgets. The three interstate marine fisheries commissions created by Congress are the Pacific States Marine Fisheries Commission, the Atlantic States Marine Fisheries Commission, and the Gulf States Marine Fisheries Commission. The Pacific States portion of the interstate commission funding is another critical component of the comprehensive West Coast fishery information program discussed above.

Interstate commission funding is authorized at \$600,000 annually (\$200,000 for each commission). The Fiscal Year 1995 bill appropriated \$500,000 to the commissions (\$166,666 each). Additionally, \$3.4 million in funding for a new interjurisdictional fishery management program administered by Atlantic States was

added to the Interstate Marine Fisheries Commission line item. The President has requested \$4 million for the line item in Fiscal Year 1996.

Interstate Marine Fisheries Commission FY96 appropriations request: President's requested level of \$4 million

Requested Report language

There was substantial confusion during the FY95 appropriations cycle over how the money would be allocated between the Atlantic States' new management program and the traditional interstate marine fisheries commission program. The SJC appropriations subcommittee should consider creating a separate line item for the Atlantic States management program. Alternatively, the following report language should be included in the FY96 report--

"The Committee is including \$\_\_\_\_\_ for interstate fisheries commissions. This amount provides \$600,000 for the three interstate commissions, with the remainder directed at the implementation of the Atlantic Coastal Fisheries Cooperative Management Act.

TUESDAY, MAY 2, 1995.

**NATIONAL WEATHER SERVICE EMPLOYEES  
ORGANIZATION****WITNESS****RAMON SIERRA, PRESIDENT**

Mr. FORBES. Mr. Sierra, representing the National Weather Service Employees Organization.

Mr. SIERRA. Good morning, Mr. Chairman. Mr. Chairman, I am pleased and honored to appear before you regarding the fiscal year 1996 NOAA National Weather Service appropriations.

My name is Ramon Sierra. I am President of the National Weather Service Employees Organization, and I am stationed at the Weather Service office in Brownsville, Texas. With me this morning is Mr. John Chwat, our representative.

Our union represents approximately 4,000 employees of the National Weather Service and the National Environmental Satellite Data and Information service, each part of NOAA. These employees are engaged in observing, forecasting and disseminating weather warnings, forecasts and other information to the entire United States for the protection of life and property.

We have submitted our testimony in writing for your consideration, so this morning, in the interest of time, I would like to mention only the highlights.

The Automated Surface Observing System, ASOS. Just this year alone we have seen two GAO reports, February of 1995 and April of 1995, which detailed serious problems with this system.

Mr. Chairman, we recommend a moratorium on the proposed purchase of 35 additional ASOS units and that the fiscal year 1996 budget request of \$16.9 million for the purchase of these units be applied instead to the cost of maintaining National Weather Service observers at airport facilities until user-acceptable technology can provide this important function. Perhaps it is time for us to request not another GAO investigation, nor even an IG review, but a Department of Justice inquiry into this \$351 million program.

The next generation weather radar, NEXRAD. We oppose the \$28 million reduction in the NEXRAD acquisition program. These funds should be restored and dedicated to procuring "Gap-Filler" radar technology and the necessary maintenance support. Our review reveals 35 sites requiring Gap-Filler radar coverage in support of our warning function and the mission to protect lives and property. A listing is included in our testimony showing the location for each of the 35 radars.

We urge this Subcommittee to direct the National Weather Service to prepare a Gap-Filler radar procurement plan to fund the remaining gaps in the fiscal year 1996-1997 appropriations.

We have estimated that it is possible to purchase these Gap-Filler radars for about \$1 million each. Twenty-six of these radars could be purchased in fiscal year 1997 for about \$28 million. The remaining nine could be purchased for about \$10 million in fiscal year 1997.

The Advanced Weather Interactive Processing System, AWIPS. AWIPS, the cornerstone of the National Weather Service mod-

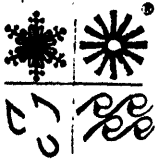
ernization program, will cost more than \$471 million. Approval of the fiscal year 1996 budget proposal of \$52.1 million for this system should be made conditional on soliciting bids from new contractors specifically for the development of a satisfactory AWIP systems architecture and the integration of government-developed software and contractor-provided hardware.

Privatization of the agency. The administration has proposed to reduce National Weather Service funding by \$3.3 million by privatizing agricultural weather services and fire weather support services. We strongly oppose the piecemeal privatization of the National Weather Service.

Mr. Chairman, we urge this subcommittee to continue funding agriculture and fire weather services at current levels by the National Weather Service. We also request that a recent letter which we wrote to Congressman Roemer over this issue be included as part of our testimony.

[The information follows:]





*National Weather Service*  
*Employees Organization*

AFFILIATED WITH MEBA AFL-CIO

April 25, 1995

Representative Tim J. Roemer (D-IN)  
 United States House of Representatives  
 Room 407 CHOB  
 Washington, D.C. 20515

Dear Rep. Roemer:

I am writing in opposition to H.R.1450, on behalf of the members of the National Weather Service Employees Organization (NWSEO). The NWSEO is the exclusive representative of 4,000 employees of the National Weather Service. We are willing to participate in the on-going debate over whether we should privatize the National Weather Service. In fact, we look forward to contributing to such a debate, but much remains to be discussed before embarking on a privatization plan.

Our opposition to your proposed legislation centers on one vital point -- it is piecemeal privatization of an interconnected network of sophisticated systems, people and programs. The reason it works as well as it does is because it is a national network of ground, air and satellite weather collection systems, which provide raw data to a highly skilled national network of interdependent weather forecasters and analysts. Like any national network, when you start cutting pieces out of it, it is no longer a network the nation can rely on.

A good example that illustrates my point is your proposal to privatize Aviation Weather. The Aviation Weather portion of the NWS serves the Federal Aviation Administration, the Department of Defense, Airlines, general aviation flying community, and millions of citizens who fly as passengers every year. We do not feel it is prudent to put the private sector in the middle of this process, for this will limit the service only to those who will pay for it. Please note that the DOD has decided to use NWS products in lieu of having their own service. Your legislation will put private weather services in the position of being the sole provider of aviation warnings to the military. For the airline industry and the general flying public, the NWS issues inflight warnings of dangerous weather conditions, such as severe thunderstorms, severe turbulence, or severe icing. They also issue warnings to aircraft and pilots who do not have instrument flying ratings. We have serious concern that H.R.1450 will have a negative impact on the general aviation community's ability to access affordable weather data. Poorly informed pilots may put Americans at greater risk by creating a dangerous air traffic system.

As to privatizing fruit frost and fire weather forecasts, it is estimated that the monetary savings of these transfers to the private sector would be approximately \$3 million per year. We oppose this privatization. For example, in the agricultural weather service area, it is our understanding that the National Weather Service's agricultural weather programs in the state of

Rep. Tim J. Roemer (D-IN)  
 April 25, 1995  
 Page two

Texas represents annual savings of \$400 million to ranchers and farmers. These savings to the agricultural community are directly attributable to the proven record of success of the Southwest Agricultural Weather Service Center at Texas A&M University. In turn, these savings are passed on to consumers at the check-out counter of their local grocery store. Eliminating these weather services will be felt by consumers in the form of higher prices. In addition to serving Texas, this center also serves Oklahoma and New Mexico, on a budget of only \$300,000 -- your proposal will eliminate the service. There are three other agricultural centers, one of which is Auburn, Alabama, which has developed a computer software program that is being used by weather forecast offices. We believe that the assumption that the private meteorological community can provide agricultural weather services is false. Agricultural users have heard these arguments for years. They are concerned about liability issues and the small farmer is fearful of larger growers receiving preferential treatment based on ability to pay.

The lack of detailed fire weather information was one of the contributing causes in the loss of 14 lives in the South Canyon fire in Colorado last summer. Contracting for fire weather forecasting, we believe, places life and property dangerously at risk -- many others agree. I have attached copies of letters from: the Under Secretary for Natural Resources and Environment, Department of Agriculture, Mr. James R. Lyons; the President, National Association of State Foresters, Mr. William A. Farris; and the Vice President, National Association of State Foresters, Mr. Stanley F. Hamilton. In the past, we have urged the Congress not to take action on previous recommendations to privatize fire weather information until the issue has been reviewed further. Congress should take note that the issue of tort liability of private meteorologists, who are completely dependent on National Weather Service data and processing networks, is a critical factor in determining whether to privatize National Weather Service functions. During 1994, in Washington State alone, more than 240,000 acres were burned. Fire suppression costs reached an estimated \$112,000,000. One can only speculate how many court cases would be on the docket today, had this vital function been put in the hands of private meteorologists. I have attached a DNR-NOAA Fire Weather Office fact sheet for your review.

In addition, the NWS provides nationwide weather services to all citizens. We provide frost warnings not only to the likes of Sunkist, but to the family who grows a garden every year to provide food for the family. We provide marine weather warnings to cargo vessels, luxury liners, yacht owners, and the weekend fisherman. We provide fire weather service, not just to fire fighting units, but to all citizens who may find themselves in harms way. We are concerned that this legislation will disenfranchise the families whose home and property may be ravaged by fire; the millions of weekend fishermen who simply want to pursue their hobby; and the millions of families who depend on their garden for food.

The NWS provides the most cost effective forecasting for the tax payers' dollar. It also provides the most dependable source of weather information in the protection lives and property. One thing we are certain of, is that piecemeal privatization is bad for the country and will result

Rep. Tim J. Roemer (D-IN)

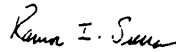
April 25, 1995

Page three

in severing vital parts of a national system that depends on the whole system to produce important weather information for all the citizens of the United States.

We respectfully request you reconsider urging passage of your bill, H.R.1450, by the House Science Committee, and instead, consider legislation in this session of Congress, perhaps in the FY 96 NOAA appropriations legislation, directing the National Weather Service to undertake a detailed review of the implications and costs associated with privatization. We also recommend you support a series of hearings in your committee on this issue for later this year. We would like the opportunity to testify at that time.

Respectfully,



Ramon I. Sierra, President  
NWSEO

Enclosures

As Stated

104TH CONGRESS  
1ST SESSION**H. R.** 1450

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**IN THE HOUSE OF REPRESENTATIVES**

Mr. ROEMER (for himself and Mr. KLUFO) introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

**A BILL**

To eliminate certain activities from the functions performed by the National Weather Service, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SPECIALIZED WEATHER SERVICES.**

4 The National Weather Service shall not provide any  
5 weather services specifically for the aviation, marine, or  
6 agricultural communities, other than as a necessary part  
7 of the provision of weather warnings and forecasts for the  
8 protection of the lives and property of the general public.

1 **SEC. 2. PRIVATE SECTOR COMPETITION.**

2 The National Weather Service shall take all appro-  
3 priate steps to avoid engaging in, or supporting the efforts  
4 of another to engage in, competition with the private sec-  
5 tor with respect to the provision of weather services other  
6 than weather warnings and forecasts for the protection of  
7 the lives and property of the general public.



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20250

March 22, 1995

The Honorable James Baker  
Under Secretary for Oceans and Atmosphere  
Department of Commerce  
Hebert C. Hoover Building  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Dear Dr. Baker:

Recently, I had the opportunity to visit the USDA Forest Service Aerial Fire Depot and the Intermountain Fire Sciences Laboratory and the new National Weather Service facility in Missoula, MT. I was extremely impressed by the efficiency of the two agencies with fire weather coordination.

It has come to my attention that the Administration's FY96 budget proposal has identified Agriculture and Fire Weather programs as items which are more appropriately provided by the private sector with the users paying the costs of the support. While I duly understand the difficulties of cutting budgets, I ask you to reconsider transferring these programs to the private sector. The National Weather Service's Agriculture and Fire Weather programs have efficiently provided vital information to USDA Forest Service firefighting efforts. This information has reduced firefighting costs and risks. I fear that privatizing these programs could hamper the ability of the Forest Service to effectively fight fires and increase overall firefighting costs.

I appreciate your attention to this matter and would like to hear your response. Best personal regards.

Sincerely,

James R. Lyons  
Under Secretary  
Natural Resources and Environment



# NATIONAL ASSOCIATION OF STATE FORESTERS<sup>®</sup>

444 North Capitol Street, NW Suite 540 Washington, D.C. 20001 202/621

March 3, 1996

Dr. Elbert W. Friday  
Assistant Administrator for Weather Services  
National Oceanic and Atmospheric Administration  
U.S. Department of Commerce  
1325 East West Highway  
Silver Spring, Maryland 20910

## 1996 EXECUTIVE COMMITTEE

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At-Large Representative  
Tom Bates

Dear Dr. Friday:

I am writing to express our extreme concern and dismay with the National Weather Service's proposed reduction in the Fire Weather Forecasting budget for Fiscal Year 1996. We believe the Service's proposal represents a reversal of the agency's previous strong support for this program and sets a bad precedent for the future of fire weather.

On behalf of the National Association of State Foresters, we urgently request that you reverse this position and reinstate a continuing level of funding that will support all user services.

The budget information provided by the agency reflects a lack of commitment to the cooperative fire control efforts of State and Federal agencies. While couched as an attempt to reduce Federal support for non-wildfire weather forecasting for non-Federal users, the reality is that the proposed cut would hamper the ability of the NWS to provide forecasting for the "basic warning, forecast and advisory services" which the agency says it hopes to maintain.

Please note a letter sent in January of last year from James Travers, Chief of Operations for the National Weather Service, to NASF last year. In it, Mr. Travers recognized that the \$449,000 increase to the agency base represents

"the restoration of eight full time positions. What is more important is that (Fire Weather Forecasting) is now officially part of the duties of NWS meteorologists and will be included in all planning activities, including the modernization and restructuring of the NWS."

The agency's new position, contained in your corrected budget request, reflects a 180 degree turn from your position just one year ago, and, moreover, fails to recognize the integrated nature of wildfire control operations.

The NWS corrected request indicates that the reduced budget will support "basic warning, forecast and advisory services...and to provide support for very large, dangerous wildfire." This attempt to create a distinction between Federal and non-Federal fire control efforts can not stand in the face of reality. Fire control operations are conducted in close cooperation, with Federal, State and local officials, equipment and personnel working

Dr. Elbert W. Friday  
March 3, 1995  
Page 2


together and under joint command in many cases. State forestry agencies have control responsibilities that include Federal lands and vice versa.

The basis of the NWS request appears to be a belief that non-Federal entities need fire weather information in the same way in which private, agricultural interests need frost warnings. The State Foresters would point out that, while certain prescribed burning activities do help increase the commercial value of forested lands, there is still a pressing public safety issue involved when prescribed fire is used that is not the case with frost warnings. Beyond that, we hope the NWS recognizes that accurate, site specific weather information is needed by foresters in order to stay in compliance with the Clean Air Act.

The most important point is that the proposed reduction represents a backing off from the NWS's previous commitment to work with it's non-Federal partners on Fire Weather Forecasting. We believe that your agency's ability to deliver even the minimal services you commit to continuing would be severely hampered by this proposal. We hope you can work with us to ensure that Fire Weather Forecasting is funded at a continuing level.

In the long-term, we are concerned that recent trends may lead towards elimination of the entire Fire Weather Forecasting program. We would like to know specifically from you what the long-range plans are regarding the full Fire Weather Program. The Federal and State fire agencies responsible for fire protection need to be prepared. We expect the trend of catastrophic fires such as those experienced last summer to continue.

We would like to discuss these issues with you in person at the earliest possible time and will be contacting your office to set up an appointment. Please feel free to call either myself or Terri Bates in the NASF Washington Office at 202/524-5415 if you have any question in the meantime.

Sincerely,  
  
William A. Farris  
President

Attachment

cc State Foresters  
House and Senate Commerce Appropriations Subcommittees



## NATIONAL ASSOCIATION OF STATE FORESTERS

444 North Capitol Street, NW Suite 540 Washington, D.C. 20001 202/624-3415

March 16, 1995

Dr. Susan Zevin  
Deputy Assistant Administrator, Operations  
National Weather Service  
National Oceanic and Atmospheric Administration  
U.S. Department of Commerce  
1325 East-West Highway  
Room 18164  
Silver Spring, Maryland 20910-3283

Subject: Fire Weather Forecasting Budget Reduction

Dear Dr. Zevin:

My name is Stan Hamilton. I am the State Forester of Idaho and the Vice President of the National Association of State Foresters (NASF).

I attended the meeting in Boise, Idaho last Thursday, at which you discussed the proposed reduction of \$449,000 from the National Weather Service (NWS) budget for fire weather and smoke management forecasts for forestry management.

NASF was amazed to find that fire weather forecasting was an issue in the President's budget. We had understood that this matter was satisfactorily resolved a year ago in favor of an enhanced program. We are still puzzled by the abrupt change in direction. See the attached March 3, 1995 letter from the NASF President Bill Farns to Dr. Friday. Also attached is a January, 1994 letter in which your agency assures our membership that Fire Weather Service to states is part of your core mission and is contained in your base budget.

Aside from the possible future demise of fire weather forecasting by NWS, our most critical concern with this issue are the "presumptions" that:

- (1) State fire suppression agencies ("non-federal users") are not entitled to receive fire weather forecasts; and,
- (2) Pre-suppression, prescribed fire, and "slash burning" (air quality) forecasts are different from spot weather forecasts for emergency fire suppression activities

THE STATE FORESTERS WANT NWS TO RELATE TO THE STATE FIRE MANAGEMENT AGENCIES ("NON-FEDERAL USERS") IN THE SAME MANNER IT RELATES TO THE FEDERAL FIRE MANAGEMENT AGENCIES.

When it comes to fire management activities, including pre-suppression, suppression, and prescribed fire services, the federal agencies and the fifty state agencies stand together as a community. We do the same fire management job - together.



Dr. Susan Zavin  
 March 16, 1995  
 Page 2

We are essentially a single fire fighting entity comprised of forces garnered from throughout the country. Our Incident Management teams are built from employees of federal, state, and sometimes private organizations. The wildland fire suppression program in the United States is probably the best example of interagency cooperation in the world.

**CONGRESS HAS ENCOURAGED AND APPROVED OF THE WILDLAND FIRE MANAGEMENT PROGRAM RELATIONSHIP BETWEEN THE 50 STATE FORESTERS AND THE USDA FOREST SERVICE**

The Clarke-McNary Act of 1924 (P.L. 68-270; 16 USC 505) established in Federal law the basic direction for Federal-State cooperation in fire protection and forest management that has grown in strength for the last 70 years. The Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), amended by the 1990 Farm Bill, directs the Secretary of Agriculture to cooperate with the State Foresters in developing and implementing a national wildfire suppression program. See Section 10, (16 U.S.C. 2106) relating to Rural Fire Prevention and Control (attached).

Congress recognizes the contribution that State Foresters make to wildfire suppression in the United States, and Congress has established a partnership relationship between the State Foresters and the USDA Forest Service -- if not with all other fire management agencies.

**IT HAS BEEN OUR UNDERSTANDING THAT THE RELATIONSHIP BETWEEN THE USDA FOREST SERVICE AND THE NATIONAL WEATHER SERVICE ALSO EXTENDS TO THE STATE FORESTERS AND THEIR FIRE MANAGEMENT ORGANIZATIONS**

The NWS may view emergency fire weather forecasts in a different light than pre-suppression, prescribed fire, and "slash burning" (air quality) forecasts. We do not.

State fire management agencies, like federal fire management agencies, use fire weather forecasts for pre-suppression positioning of people and equipment, and for development and implementation of burn plans for prescribed fires.

We consider uses to lie within the public health, safety, and welfare domain of fire management, inasmuch as lives and property are at risk. Those risks can be lessened considerably through accurate, timely weather forecasting.

We similarly see weather forecasts for the purpose of ensuring maximum dispersion of smoke from slash burning (a form of prescribed burning) to be a matter of public health and safety. The more smoke is dispersed, the lower the associated health hazard. The more accurate the weather forecast, the lower the chance that a slash burn will escape and become a wildfire with associated risks to life and property.

**THE STATE FORESTERS STRONGLY SUPPORT A HIGH QUALITY FIRE WEATHER FORECAST CAPABILITY WITHIN THE NWS.**

If NWS does not have the capability to provide the forecast services needed by the state and federal agencies, then the agencies will need to develop the capabilities themselves -- either through in-house staff or consulting services.

Dr. Susan Zevin  
March 16, 1995  
Page 3

Consultant services will be more expensive than NWS services and may not be as reliable due to low bid requirements and frequent turnover. In-house meteorological and forecasting staffs will eventually do the job but will take time to fund and develop.

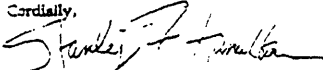
The overall cost of either alternative will easily exceed the cost of maintaining NWS staff to do the job. Federal appropriations would be better used to strengthen NWS staff to serve multiple weather forecasting needs than to buy consulting services or in-house capabilities just for fire weather forecasting.

Dr. Zevin, NASF wants to emphasize the importance of the issue to State Foresters and the entire state and federal fire community. We view the NWS as an invaluable partner in the business of wildfire suppression. We want the relationship to grow and prosper rather than fade away as this proposed budget action seems to portend. We have asked for an appointment with Dr. Friday and look forward to meeting him to discuss this issue.

Nothing is more important to us than the lives of the people we work with and send to the fire lines. Accurate and timely weather forecasts help keep them safe -- whether the job is wildfire suppression or prescribed fire management.

Please help keep the NWS fire weather forecasting operations as a viable and effective partner in America's fire management program.

Cordially,



Stanley F. Hamilton, SF-ID  
Vice President  
National Association of State Foresters

Attachments: March 3, 1995 letter -- Bill Farns to Dr. Elbert W. Friday  
16 U.S.C. 2101 (the Cooperative Forestry Act)

cc: State Foresters  
Jack Ward Thomas, Chief, USDA Forest Service  
Mike Dombeck, USDI Bureau of Land Management  
Dr. Elbert W. Friday, U.S. National Weather Service  
NIFC Fire Directors

APRIL 1995

## The DNR-NOAA Fire Weather Office

The DNR-NOAA Fire Weather office is a jointly staffed office of the Washington Department of Natural Resources (DNR) and the National Weather Service, located on the 4th floor of the Natural Resources Building in downtown Olympia.

Since 1956, staffs of the two agencies have shared a common facility and operated complimentary operations.

The National Weather Service is primarily responsible for fire weather forecasting and other operational forecasting/meteorological services in support of various federal and state land management programs.

DNR is primarily responsible for meteorological forecasting services related to the agency's role in carrying out numerous state and federal environmental laws. This includes DNR's role in providing daily weather forecasts for silvicultural burning, as required by the Washington Clean Air Act, as well as specialized meteorological services custom-tailored to specific resource management and scientific projects.

### Office hours

During Fire Season: April 15 — October 15  
 Sunday — Saturday ..... 3 a.m. - 6 p.m.  
 The remainder of the year  
 Monday — Friday ..... 3 a.m. - 4 p.m.

### A cost-efficient partnership

By operating a joint fire weather program, each agency is able to provide year-round, full-time forecasting at a much lower cost than could two independent forecasting centers. Besides combined staffing, both agencies also share equipment and data systems, again reducing overall public costs.

### Fire weather services

Fire weather is a highly specialized service of the National Weather Service, a branch of the the National Oceanic and Atmospheric Administration (NOAA). Needed primarily in the western states, where the danger of wildfire is significant, fire weather meteorologists provide tailored forecasts for federal and state land managers. Washington fire weather offices are located in Olympia and Wenatchee.

Timely, site-specific fire weather forecasts allow fire managers to make the best decisions on how to suppress wildfires, thus contributing toward a savings in the millions of federal and state dollars spent annually for wildfire suppression. Timely weather forecasts also saves lives and property.

While most Washington wildfires occur April through October, they can and do occur year-round. During fire season, a DNR fire weather forecaster works with National Weather Service forecasters to provide round-the-clock coverage out of a joint Olympia office, and on location at actual fire sites as needed.



WASHINGTON STATE DEPARTMENT OF  
**Natural Resources**  
 W. A. Boushner, Commissioner of Natural Resources

**Other services include:**

- 1 Daily and short-turnaround requests for fire weather forecasts and interpretation, national fire danger ratings, climatological data and weather watches and warnings from Olympia-based meteorologists assigned to the fire weather program.
- 1 Wildfire spot forecasts.
- 1 Smoke management guidance.
- 1 Consultation on weather station siting, fire danger interpretation and climatological briefings.
- 1 Fire weather and fire behavior classroom instruction at user-sponsored training courses.
- 1 Classroom presentations at public and private schools.

**Environmental weather services**

As the need for scientific management of state and private resource lands grows, DNR meteorologists are able to draw upon technological and environmental science advances to support informed decision-making as it relates to the weather. Up-to-date weather research, combined with daily forecasting ability and current technology, enables DNR to efficiently carry out diverse resource planning, management and protection efforts. This includes working with federal, state and private land managers to carry out the Washington Clean Air Act as it relates to smoke management and outdoor burning.

**The DNR-NOAA Fire Weather Office also allows DNR to:**

- 1 Analyze local, historical and prehistoric trends in weather and fire history to provide a scientific context for current land management and policy decisions.
- 1 Provide air quality information to support forest health programs.
- 1 Assist in fire behavior analyst training for wildland firefighters.
- 1 Operate DNR's Remote Automatic Weather Station (RAWS) program, which provides real-time weather data from remote wilderness and other hard-to-reach places.
- 1 Operate DNR's National Fire Danger Rating System (NFDRS), which controls logging activity during the fire season through determination of industrial fire precaution levels.
- 1 Make computerized information from the USDA Forest Service Weather Information System (WIMS) available to federal, state and private land managers.

**For more information**

For more information on fire weather or land management weather services in western Washington, please contact the:

DNR-NOAA Fire Weather Office  
1111 Washington Street S.E., Natural Resources Building  
P.O. Box 47037  
Olympia, WA 98504-7037  
Phone (360) 902-1300



# DNR 1994 Fire Summary

## IMPACT OF THE 1994 FIRE SEASON

During 1994 the Washington State Department of Natural Resources (DNR) made its greatest commitment of fire suppression resources over the longest period in its 37-year history.

### SUMMARY OF MAJOR FIRES/COMPLEXES INVOLVING DNR

Name	Agency	Total Acres	DNR Trust Acres	Est. Total Cost	Est. DNR Cost
Tyee	DNR/FPS	135,170	3333	\$43,357,000	\$6,671,000
Hatchery	DNR/FPS	46,694	1099	26,293,000	8,517,000
Highlands	DNR	1,703	10	1,314,000	1,314,000
Murray	DNR	304	0	520,000	520,000
Butler	DNR *	1,100	0	1,500,000	1,500,000
Palmer	DNR *	9,665	650	1,179,000	1,179,000
Stracken Pt.	DNR †	2,580	0	385,000	385,000
Total		197,136	5,092	\$74,548,000	\$20,085,000

\* Managed by Oregon Dept. of Forestry fire teams

† Managed by U.S. Forest Service fire team

DNR also independently managed four additional project fires. A total of 1,196 fires were suppressed in 1994 on DNR-protected lands.

Because firefighting resources were scarce, and some fires burned across the protection boundaries of federal agencies and DNR, suppression efforts were closely coordinated. Fires were grouped into "complexes" and managed jointly, regardless of land ownership. Resources moved freely among fires, depending on the values at risk. Each agency's cost will be based on the number of acres burned within its protection responsibility.

DNR is eligible to recover a significant portion of the suppression costs it incurred during the Tyee and Hatchery complexes from the Federal Emergency Management Agency (FEMA). The preliminary recovery estimate is \$10,053,000.

At the peak of firefighting efforts, the following resources were on Washington's firelines:

- ! 7,176 firefighters
- ! 86 bulldozers
- ! 33 helicopters
- ! 500-plus engines

These include resources from all federal, state, and local wildland agencies, Washington's National Guard, the US Army and Marines, and the private sector.

DNR's share of this commitment included:

- ! 3 fire teams
- ! 3 field kitchens, each capable of feeding 500
- ! 4 helicopters
- ! 1,150 DNR employees (approximately) or nearly 60 percent of DNR's permanent, temporary and seasonal employees
- ! 35 10-person crews (from 40 crews available)
- ! 88 engines (from 114 available)



WASHINGTON STATE DEPARTMENT OF  
NATURAL RESOURCES

Interagency  
cooperation,  
federal reimbursement

Peak use of resources

**Chronology**

Lightning began in the Pacific Northwest on July 23, 1994, and continued daily for the next 18 days. By Aug. 8, more than 4,100 strikes were documented. Eastern Washington was hardest hit with fire starts during the lightning storm's first two days. At times during this period, a new fire report was received every two to three minutes and more than 100 fires burned nearly simultaneously on or near DNR-protected land. While many were small, several fires between 50 and 400 acres in size were reported from Klickitat County on the Columbia River to Pend Oreille County in northeast Washington. All initial attack resources were committed, and reinforcements from western Washington were mobilized. Other lands in Washington managed by the U.S. Forest Service (USFS), Bureau of Indian Affairs (BIA) and National Park Service (NPS) experienced similar fire activity. This was also true in Oregon.

- 1 On July 26, the State Mobilization Act was invoked. This triggered the mobilization of fire apparatus for structure protection. Washington's resources were quickly exhausted and engines were dispatched from Oregon.
- 1 Four fires were declared eligible for Federal Emergency Management Agency (FEMA) funding.
- 1 Gov. Mike Lowry declared a state of emergency that allowed, for the first time, the use of the National Guard as firefighters and support personnel. In one week, DNR trained 950 members of the Guard as firefighters.
- 1 All available firefighting resources in Washington and Oregon from all agencies were committed and orders were placed nationally through the National Interagency Coordination Center at Boise, ID. By Aug. 5, no other resources were available nationally and outstanding orders for crews, supervisory personnel and helicopters were unfilled.
- 1 DNR and its partners from federal, state and local firefighting agencies battled the fires until Aug. 31 when the Tyee fire was the last to be controlled.

**DNR's Fire Budget**

The 1994 fires burned more than 240,000 acres. Fire suppression costs reached an estimated \$112,000,000 for all wildland fire agencies in Washington.

DNR's Forest Fire Program is separated into two parts, including:

**Protection:** All costs associated with prevention, weather forecasts, training, crew readiness, assessments, detection, regulation, interagency cooperation, and smoke management.

**Suppression:** All costs directly associated with fire suppression.

BUDGETS FOR THE TWO PROGRAMS ARE:			
	FY 93-95 Actual	FY 95-97 DNR Request	FY 95-97 Gov. Request
<b>PROTECTION</b>			
General Fund-St.	\$ 4,523,000	\$ 3,630,000	\$ 2,500,000
Other	18,337,000	19,207,000	19,290,000
Total	\$22,860,000	\$22,837,000	\$21,790,000
<b>SUPPRESSION</b>			
General Fund-St.	\$ 7,072,000	\$ 8,164,000	\$13,993,000
Other	1,552,000	1,586,000	2,299,000
Governor's Supplemental Req.	26,961,000	—	—
Est. FEMA recovery	10,053,000	—	—
Total	\$25,632,000	\$9,850,000	\$16,292,000

**CONTACT:**

Mimi Welch, Legislative Liaison ..... 902-1015



Mr. SIERRA. The National Centers for Environmental Prediction. We understand that the Chairman of this subcommittee on April 6, 1995, sent a letter to Assistant Secretary Tom Bloom, U.S. Department of Commerce, approving, without objection, the NOAA plans to reorganize nine meteorological centers.

We fear these centers will result in the automation of weather forecasting, which may prove, in the near future, to degrade service to the American public. Meteorology is not an exact science and needs human evaluation of computer-generated guidance and any final forecast product.

Mr. Chairman, we recommend that this Subcommittee should insist that the centers not replace any local weather forecast offices and that a detailed accounting be made for new facilities, transferring personnel and other costs associated with this restructuring.

Thank you for the opportunity to present our testimony, and we will be glad to answer any questions or provide any additional information that you might require.

Mr. FORBES. I appreciate your comments, and we will make the full extent of your remarks a part of the record as well as the additional materials.

[The information follows:]



*National Weather Service  
Employees Organization*

AFFILIATED WITH MEBA AFL-CIO

Statement by Ramon Sierra  
on Behalf of the  
National Weather Service Employees Organization  
Before the  
House Appropriations Subcommittee  
on Commerce, Justice, State, the Judiciary and  
Related Agencies on  
FY-1996 National Weather Service Appropriations

May 2, 1995

Mr. Chairman and distinguished members of the subcommittee, I am pleased and honored to appear before you regarding FY-1996 NOAA/NWS appropriations.

I am president of the National Weather Service Employees Organization (NWSEO). I am stationed at the Weather Service Office in Brownsville, Texas. Our union represents approximately four thousand employees of the NWS and the National Environmental Satellite Data and Information Service (NESDIS), each part of NOAA. These employees are engaged in observing, forecasting weather conditions for, and disseminating weather information to the entire United States.

While NWSEO remains concerned about employment issues, we have traditionally focused our congressional testimony on matters that impact the vital service our members provide to the American people. Our members are proud of the service they provide and are committed to maintaining the high standards of their profession.

The NWSEO has consistently supported National Weather Service budgets and programs that provide a full range of public safety services for the protection of lives and property. For many years, in testimony to Congress, we have stressed three important points:

1. Maintaining the integrity of National Weather Service programs and functions and rejecting any proposals to eliminate or transfer these functions piecemeal to other agencies or to the private sector;
2. The services performed by the National Weather Service must be provided to the public by a full complement of professional meteorologists and employees performing their various functions, without any degradation of services, using technology that has been proven in the field to perform according to specifications; and



3. Maintaining an adequate budget for the National Weather Service, which will not fall below what we have termed a "fail-safe" level. Similar to the national military strategy that added the "fail-safe" term to our lexicon, it is the point, beyond which, further reductions in national weather programs expose our people, our economy and our food production to unacceptable risks. Eliminating positions, closing weather forecasting offices and supporting a system-wide degradation of service puts us dangerously close to this fail-safe level.

The NWSEO has adopted the role of guardian of the NWS, which we consider a complex and vital provider network of people and technology, not a bureaucracy. Hence, I would like to comment on portions of the FY 96 budget justification sent by NOAA to this committee for review.

### **The Automated Surface Observing System (ASOS)**

We commend the General Accounting Office for its February 21, 1995 Weather Service Modernization Report (GAO/T-AIMD-95-87), that highlighted many problems with the ASOS. We wish to point out to the committee that for the past four years, the NWSEO has maintained the position that the ASOS system is not performing as specified. The NWSEO was the only party for many years to question ASOS reliability, and now ASOS reliability and the representativeness of observations these units produce have been questioned not only by our members, but by the aviation community and other users, as they have gained experience with the system and its weather reports. These concern on ASOS have most recently been reinforced by the April 1995 GAO report (GAO/AIMD-95-82) entitled "Weather Forecasting, Unmet Needs and Unknown Costs Warrant Reassessment of Observing System Plans". We call your attention to the latest GAO findings:

"While NWS has corrective actions under way, it has not determined the full range of problems that it will address, nor how much the system enhancements or supplements needed to do so will cost. Moreover, it has yet to establish explicit, user-based system performance and cost/benefit criteria for releasing observers. Until NWS does so, it runs the risk of spending money to enhance and supplement a system that may not be cost-effective and providing weather observations that could impair important public safety and environmental decisions. ...NWS may run the risk of releasing weather service observers before ASOS can meet needs that some users describe as important."

**We recommend a moratorium on the proposed purchase of 35 additional ASOS units, and the FY 96 budget request of \$16.9 million for the purchase of these units be applied instead to the cost of maintaining NWS observers at airport facilities until user-acceptable technology can provide this important function.** We believe that the GAO report on ASOS confirms our suspicions about ASOS. We find it hard to believe that the Congress has simply ignored several GAO investigations and recommendations relating to this system. We also find it strange that a \$351 million program, fraught with such serious problems has been allowed to continue, despite users objections and GAO recommendations. Perhaps it is time for us to request not another GAO investigation, nor even an IG review, but a Department of Justice inquiry. We recommend your staff review this request very seriously.

### Next Generation Weather Radar (NEXRAD)

We oppose the \$27.733 million reduction in the NEXRAD (WSR-88D) acquisition program. These funds should be restored and dedicated to procuring "Gap-Filler" radar technology and the necessary maintenance support. Over 67,000 Americans responded to the Department of Commerce during a 30-day period, expressing their concern that current weather services may be degraded as existing radars are decommissioned or as field offices are closed, consolidated, automated or relocated during the modernization of the NWS. Gap-Filler radars would do exactly what the name implies. That is, provide radar coverage for better forecast and warning services to those Americans living outside the NEXRAD doppler umbrella. Our review reveals 35 sites requiring Gap-Filler coverage. Of these 35 sites, 10 have been identified as areas of concern by the Department of Commerce in a National Research Council study. Filling these radar gaps will not require the more expensive WSR-88D radars. Instead, inexpensive new radars should be installed in these gaps to collect data which would be disseminated to a nearby Weather Forecast Office. Cost savings are significant: WSR-88D radars cost approximately \$5 million each, while less-expensive Gap-Filler radars would cost approximately \$1 million each. Since the Gap-Filler radars would use remote transfer technology, only a minimal increase in maintenance staff would be required. This approach could solve the coverage issue, save public funds, and most importantly, protect lives and property. Another very important benefit from this gap-filler radar network, directly under NWS control, would be its usefulness as backup to the WSR-88D network. Therefore, we urge this committee to direct the NWS to prepare a Gap-Filler Radar Procurement Plan to fund the remaining gaps in the FY 96-97 appropriations. The following summarizes our recommendations to this subcommittee for funding the 35 Gap-Filler sites, as well as a listing, showing the location for each of the 35 radars around the country. We urge your support for this proposal.

#### 35 Gap-Filler Sites (Proposed)

	FY 96 (in millions)	FY 97 (in millions)
Radar Costs	\$26.0 <sup>1</sup>	\$9.0
Personnel	\$ 1.3 <sup>2</sup>	\$ .45
Spare Parts	<u>\$ .4</u>	<u>\$ .15</u>
<b>Total</b>	<b>\$27.7</b>	<b>\$9.6</b>

<sup>1</sup>. Restore reductions in NEXRAD Acquisition.

<sup>2</sup>. Represents 26 FTE maximum, at \$50K per FTE. However, we recommend, for full coverage, a minimum of 4 FTE per radar, rather than 1. Congress should consider the fact that AWIPS is not operational and Weather Forecast Offices at NEXRAD sites may not be adequately staffed to process Gap-Filler weather data.

**NWSEO RECOMMENDED GAP-FILLER RADAR SITES**

Alexandria, MN	Kirkville, MO
Alliance, NE	Lufkin, TX
Alpine, TX	Marfa, TX
Bangor, ME	Meridian, MS
Beria, KY	Monroe, LA
Charlottesville, VA	Norfolk, NE
Chattanooga, TN	Redding, CA
Columbus, OH	Rhineland, WI
Copales Beach, WA	Rockland County, NY
Erie, PA	Roswell, NM
Evansville, IN	Sault Ste Marie, MI
Farmington, NM	Sheridan, WY
Ft. Smith, AR	Toledo, OH
Ft. Wayne, IN	Valentine, NE
Harrisburg, PA	Waterloo, IA
Hope, AR	Wentatchee, WA
Huron, SD	Williston, ND
International Falls, MN	

**Advanced Weather Interaction Processing System**

AWIPS, the cornerstone of the NWS modernization program, and the basis for planned staff reductions, is fraught with problems; mostly contractor problems. Approval of the FY 96 budget proposal of \$52.1 million should be made conditional on soliciting bids from new contractors, specifically for the development of a satisfactory systems architecture and the integration of NWS-developed software and contractor-provided hardware for this system. In its February 21, 1995 report, the GAO noted:

"After more than 2 years, NWS still does not have an approved system design and the contractor has yet to begin writing the software. Several things led to this situation. According to the results of an independent review team of government and industry experts, AWIPS suffered from (1) insufficient technical expertise within the NOAA program office and the contractor, which as led to inadequate system engineering and software development discipline, (2) insufficient interaction among the NOAA program office, the contractor, and NWS, (3) inappropriate assignment of certain software development activities to the contractor rather than to NWS, and (4) unsuitability of the chosen system development approach. To address the panel's findings, NOAA is restructuring the AWIPS program and plans to have an approved system design and renegotiate the AWIPS contract by June 1995. ...In our 1993 report on AWIPS, we raised this as a risk that needed to be addressed before the AWIPS design was approved and significant software development began. Today, this remains outstanding. Still another risk is the fact that the AWIPS design has not yet been approved. Without an acceptable design, NWS cannot move forward on AWIPS, which in turn delays the entire modernization."

This is a second example of our repeated concerns expressed to Congress on a weather system, in which the GAO has concurred with our assessment. In the case of AWIPs, it is estimated that total deployment of this system will cost over \$471 million, and again, we find it fiscally irresponsible, that NOAA has continued this contract, given contractor non-performance.

## Privatization

We strongly oppose the proposed piecemeal privatization of the NWS. Weather collection and forecasting and data dissemination relies on a vast, integrated national network that relies on satellites, radars, aircraft, and observers, all working together to track, report and predict the movement of an ever-changing weather picture. The NWSEO is willing to participate in the on-going debate over whether we should privatize the National Weather Service. Much remains to be discussed and all sectors of our country must be involved in this debate. For example, the Administration has proposed to reduce NWS funding by \$3.3 million by privatizing agricultural weather services, fruit-frost warnings for winter and spring crops, fire weather support services to non-Federal land management users, and the dissemination of weather charts via marine radiofacsimile. This is piecemeal privatization that cuts into the fabric of our integrated national system. Worse, it "assumes" that someone in the private sector will provide these services at a reasonable cost, and that commercial weather providers will not simply cater to the most profitable sectors, but will also provide services to marginally profitable or even unprofitable sectors. Much is yet to be known about the effects, cost, delivery methods, technological advancements, research and development, timely delivery of weather information, military and defense support, liability and insurance, international markets, severe weather forecasting, capitalization and financing of such a prospective enterprise, and countless other considerations. After reviewing these issues, **your committee should hold public hearings to allow all parties to participate in the debate, including the NWSEO.** We have recommended this approach to the House Science Committee.

## National Centers For Environmental Prediction

We understand that on April 6, 1995, you, as Chairman of this subcommittee, sent a letter to Assistant Secretary Thomas Bloom, U.S. Department of Commerce, approving, without objection, the NOAAs plan to reorganize nine (9) meteorological centers. The new centers and locations are:

Hydrometeorological Prediction Center-----	Washington, D.C. area
Storm Prediction Center-----	Norman, Oklahoma
Aviation Weather Center-----	Kansas City, Missouri
Tropical Prediction Center/Nat'l Hurricane Ctr---	Miami, Florida
Marine Prediction Center-----	Monterey, California
Climate Prediction Center-----	Washington, D.C. area
Environmental Modeling Center-----	Washington, D.C. area
Space Environmental Center-----	Boulder, Colorado
NCEP Central Operations-----	Washington, D.C. area

We fear these "Centers" will result in the automation of weather forecasting, which may prove, in the near future, to degrade service to the American public. Meteorology is not an exact science and needs human evaluation of computer-generated guidance and any final forecast product. These centers should not replace your local weather forecasting offices. We urge you and this subcommittee to secure from NOAA, budget justification for the creation of these centers and have them detail any impact these centers might have on weather forecasting personnel.

Since these Centers have already been approved by the subcommittee, we recommend that the subcommittee should insist that the Centers not replace your local weather forecast office in your district, and that a detailed accounting be made as to expenditures for building new facilities, transferring personnel, and other cost associated with this restructuring. We believe that in this time of cost-cutting, this is an unnecessary expenditure of taxpayers' money, and we would look to this subcommittee to make sure this will not be the case.

I hope our testimony is helpful to you and your committee in evaluating the FY 96 NOAA/NWS budget proposal.

Thank you.

TUESDAY, MAY 2, 1995.

**NATIONAL ASSOCIATION OF STATE FORESTERS****WITNESS****JOHN E. SERGEANT, STATE FORESTER FOR THE STATE OF NEW HAMPSHIRE**

Mr. FORBES. Mr. John E. Sergeant.

Mr. SERGEANT. Thank you, sir. Good morning, Mr. Chairman.

My name is John Sergeant. Although I am the State Forester for the State of New Hampshire, this morning I appear before you representing the National Association of State Foresters in which I am the current Chairman of their Forest Fire Protection Committee.

We appreciate the opportunity to present budget recommendations for fiscal year 1996 on the National Weather Service Fire Weather Forecasting program, which this Subcommittee oversees. We, the NASF, are extremely concerned that proposed reductions in this program budget will hamper the ability of the National Weather Service to fulfill its core mission of protecting life and property.

The National Association of State Foresters represents the directors of the 50 State forestry agencies and three territories. We are responsible for the protection and management of over 300 million acres of the Nation's State and private forests, representing 57 percent of the Nation's forest resources.

Forests are a diverse resource and provide a multitude of benefits to the country. State Foresters administer a wide range of programs that meet the needs and demands of the public. These programs include protection against fire and diseases, the establishment and care of urban and community forests, assistance to rural forest landowners and the development of the markets for the opportunities to conserve and recycle forest products.

We would like to comment and make recommendations today on the National Weather Service's Fire Weather Forecasting Program, which is funded through National Oceanic and Atmospheric Administration appropriation. The NASF must take strong exception to the administration's proposal to reduce funding for this essential program.

The National Association of State Foresters was stunned to learn of the National Weather Service's proposal to cut \$449,000 from the Fire Weather Forecasting Program, specifically eliminating support for non-Federal users. This proposal would eliminate approximately 8 out of 32 FTEs within the National Weather Service staff.

We are especially disappointed since this position represents a complete reversal from the National Weather Service's previous commitments to fully fund and support the Fire Weather Forecasting program. Although the administration claims that the cuts proposed will only affect nonemergency forecasting services, this distinction does not hold up in reality. The proposed cut would hamper the ability of the NWS to provide the same quality of forecasts to all users, especially during wildfires.

State forestry agencies have traditionally borne principal responsibility for protecting State and private forest, range and watershed lands from wildfire and are also a major partner in assisting fire-

fighting efforts on Federal lands. Local, State and Federal Government agencies and wildland fire protection responsibilities work together under formal cooperative agreements to protect the Nation's wildlands.

With such a successful partnership, it is impossible to distinguish between State and Federal fire control efforts. State and Federal firefighters work under unified commands and need adequate weather information for their safety.

Currently, the Fire Weather Forecasting Program provides critical and specialized information to a broad range of Federal, State and local firefighting organizations who are integral partners to fire prevention and control efforts. These meteorological services are also necessary for local implementation of the Federal Clean Air Act regulations for wildland smoke management programs. A third use is for insect and disease control measures.

In an attempt to deal with the deteriorating forest conditions being experienced in many parts of the country, foresters are expanding the use of prescribed fire to reduce fuel loads and restore historic stand structures. These efforts will reduce fire hazards and leave healthier forest behind. Fire weather forecasting is needed to provide accurate information so that these burns can be conducted safely in the high-risk situations found in many areas.

NASF understands the need to make dramatic reductions in Federal expenditures, and programs that are unnecessary should be considered for privatization. However, if you contrast the Fire Weather Forecasting Program with the other services slated for cuts, it is clear that it is very different.

Unlike fruit frost warnings, with fire weather there is a distinct public safety issue involved. State and local agencies are hardly on par with large fruit growers or recreational boaters. We have a responsibility to ensure the safety of our crews working on wildfires and to protect the public from dangerous fires. When it comes to controlled burning, we and others need accurate weather information to comply with other Federal mandates in the Clean Air Act.

Thank you, Mr. Chairman.

Mr. FORBES. Thank you very much, sir. We appreciate your time. [The information follows:]



## NATIONAL ASSOCIATION OF STATE FORESTERS

444 North Capitol Street, NW Suite 540 Washington, D.C. 20001 202/624-5415

Testimony by  
John E. Sargent, Chairman  
National Association of State Foresters  
Forest Fire Protection Committee

before the

House Appropriations Committee  
Subcommittee on Commerce, Justice, State  
and the Judiciary

May 2, 1996

Good Morning. My name is Jack Sargent and I am the State Forester of New Hampshire. I am also currently the Chairman of the National Association of State Foresters Forest Fire Protection Committee and am here today as their representative. I appreciate the opportunity to present budget recommendations for Fiscal Year 1996 on the National Weather Service Fire Weather Forecasting program, which this subcommittee oversees. We are extremely concerned that proposed reductions in this program budget will hamper the ability of the National Weather Service to fulfill its core mission of protecting life and property.

The National Association of State Foresters represents the directors of the fifty State Forestry agencies and three territories. We are responsible for the protection and management of over 300 million acres of the nation's state and private forests -- 57 percent of the nation's forest resources. Forests are a diverse resource, and provide a multitude of benefits to the country. State Foresters administer a wide range of programs that meet the needs and demands of the public. These programs include protection against fire and diseases, the establishment and care of urban and community forests, assistance to rural forest landowners, and development of markets for and opportunities to conserve and recycle forest products.

I would like to comment and make recommendations today on the National Weather Service's (NWS) Fire Weather Forecasting program, which is funded through the National Oceanic and Atmospheric Administration (NOAA) appropriation. The NASF must take strong exception to the Administration's proposal to reduce funding for this essential program.

### NWS Fire Weather Forecasting Program

NASF was stunned to learn of the National Weather Service's (NWS) proposal to cut \$449,000 from the Fire Weather Forecasting Program, specifically to eliminate support for non-Federal users. This proposal would eliminate approximately 8 out of 32 FTE's from the NWS staff. We were especially disappointed since this position represents a complete reversal from the NWS previous commitments to fully fund and support the Fire Weather Forecasting program. Although the Administration claims that the cuts proposed will only effect "non-emergency" forecasting services, this distinction does not hold up in reality. The proposed cut would hamper the ability of the NWS to provide the same quality of forecasts to all users, especially during wildfires.

State Forestry agencies have traditionally born principle responsibility for protecting state and private forest, range, and watershed lands from wildfire and are also a major partner in assisting fire fighting efforts on Federal lands. Local, state, and Federal government agencies with wildland fire protection responsibilities work together under formal cooperative agreements to protect the nation's



wildlands. With such a successful partnership, it is impossible to distinguish between State and Federal fire control efforts. State and Federal firefighters work under unified commands and need adequate weather information for their safety.

Currently, the Fire Weather Forecasting Program provides critical and specialized information to a broad range of federal, state, and local fire fighting organizations who are integral partners to fire prevention and control efforts. These meteorological services are also necessary for local implementation of the federal Clean Air Act regulations for wildland smoke management programs. A third use is for insect and disease control measures. The meteorological information provided by this program is vital to protecting lives, property, homes as well as important forests and other ecosystems. This program has been especially critical over the last several years, when the Nation has seen some of the most destructive and costly fire seasons in history.

In an attempt to deal with the deteriorating forest health conditions being experienced in many parts of the country, foresters on all ownerships are seeking to expand the use of prescribed fire to reduce fuel loads and restore historic stand structures. These efforts will reduce fire hazards and leave healthier forests behind. Fire Weather Forecasting is needed to provide accurate information so that these burns can be conducted safely in the high-risk situations found in many areas.

NASF understands the need to make dramatic reductions in Federal expenditures, and programs that are unnecessary should be considered for privatization. However, if you contrast the Fire Weather Forecasting program with the other services slated for cuts, it is clear that it is very different. Unlike fruit frost warnings and marine radio facsimile services, with Fire Weather there is a distinct public safety issue involved. State and local agencies are hardly on par with large fruit growing conglomerates or recreational boaters; we have a responsibility to ensure the safety of our crews working on wildfires and to protect the public from dangerous fires. When it comes to controlled burning, we and others need accurate weather information to comply with another Federal mandate, the Clean Air Act.

Mr. Chairman, the most important point is that the Administration's proposal backs away from the NWS previous commitment to work with its non-Federal partners on Fire Weather Forecasting. We believe that the NWS ability to deliver even the minimal services they commit to continuing would be severely hampered by the proposal. We hope we can work with the committee to ensure that Fire Weather Forecasting is funded at a continuing level. In the long-term, we are concerned that recent trends may lead to the elimination of the entire Fire Weather Forecasting program. We would encourage this subcommittee to determine what the agency's long-term plans are. The Federal, State and local fire agencies need to be prepared. We expect the trend of catastrophic fires such as those experienced last summer to continue. We believe it would be worthwhile for this committee to include report language specifically stating that Fire Weather Forecasting should be part of the National Weather Service's core mission.

Thank you Mr. Chairman and I would be happy to take any questions.

#### NASF Budget Recommendations -- Fiscal Year 1985

##### Commerce, Justice, State, Judiciary and Related Agencies (\$ in thousands)

	<u>Final</u> <u>FY '85</u>	<u>Admin.</u> <u>FY '86</u>	<u>Recommended</u> <u>NASF</u> <u>FY '86</u>
National Weather Service			
Fire Weather Forecasting	449	0	500

TUESDAY, MAY 2, 1995.

**THE COMMERCIAL WEATHER SERVICES ASSOCIATION****WITNESS****JEFFREY C. SMITH, EXECUTIVE DIRECTOR**

Mr. FORBES. Mr. Jeffrey C. Smith, representing the Commercial Weather Services Association.

Mr. SMITH. Good morning, Mr. Forbes. Thank you for the opportunity to testify on issues related to the National Weather Service.

First, I thought I was in the wrong room, because I am here representing an association that wishes to have less government funding for various services that should be better provided by the private sector.

My first point is that some of the recommendations that we have outlined in our testimony have been made for 15 years, have been made since the first Reagan budget of 1980. They were made by the recent budget by Mr. Clinton, as well as Mr. Bush. So they have been advanced again and again, and Congress has rejected them each year.

Basically, the recommendations are as follows: Number one is to privatize specialized services. Specialized services are currently provided to citrus growers, cranberry farmers, private pilots, yacht owners and utilities. All of these groups also subscribe to private weather forecasting companies. So it duplicates what already exists in the private sector.

Our membership is made up of approximately 40 companies that provide weather service in the U.S. and approximately 200 additional small consulting firms that also provide weather forecasting. All of these companies are ready and willing to pick up the slack and to serve these users. And, as I mentioned, most of them already do provide these services.

The second point is there is broad agreement for an increased private sector role. As I mentioned, it has been recommended by three budgets, including the most recent. There are three budgets, including the most recent budget, that is the fiscal year 1996 budget.

It was also advanced and is now being advanced in the House by H.R. 1450 which seeks to eliminate government competition with the private weather industry. But, most important, this has been preceded by the weather Service's 1990 policy statement, which the weather Service itself wrote, and that states, quote, "The NWS will not compete with the private sector when a service is currently provided by commercial enterprises, unless otherwise directed by applicable law."

Well, Mr. Chairman, the applicable law we are talking about is some of the appropriations of Congress year in and year out. And that has been a primary competition with the entrepreneurs in our industry.

The third point, the savings. Currently, what we are talking about here, though it does elicit some controversy, is only 1.4 percent of the National Weather Service's fiscal year 1995 budget, a very small amount. Mr. Clinton's budget has proposed \$47 million

over a five-year period in budget authority to be cut, and those savings have not been identified.

A good start is to adopt the Clinton proposals which include fruit frost and agricultural forecasting, add \$2.3 million of fire weather management forecasting. This is not emergency forecasting, according to Weather Service Director Friday, but management forecasting and marine facsimile services. All of these services are done by the private sector.

Agricultural forecasting, as Mr. Chrysler said when we introduced H.R. 1450, benefits well-known companies such as Dole, Sunkist, Gallo and Ocean Spray.

Second, the additional areas are domestic aviation weather forecasting and marine weather forecasting. Those are two additional areas for the committee to look at. And those will have to—consistent with the Clinton budget of \$47 million in five-year cuts, those will have to be looked at.

These hard choices will have to be made, and these services can still be provided. The difference is they wouldn't be provided at any cost to the taxpayer.

Thank you very much.

Mr. FORBES. Thank you very much. I appreciate your time.

[The information follows:]



**Commercial Weather Services Association**

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**TESTIMONY OF  
THE COMMERCIAL WEATHER SERVICES ASSOCIATION  
BY JEFFREY C. SMITH, EXECUTIVE DIRECTOR  
FOR THE  
HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE  
U.S. HOUSE OF REPRESENTATIVES  
MAY 2, 1995**

Thank you, Mr. Chairman and members of the Subcommittee, for this opportunity to testify on budget issues related to the National Oceanic and Atmospheric Administration (NOAA) and the National Weather Service (NWS).

I represent the views of Commercial Weather Services Association, which is the national trade association for private weather firms. Our members offer forecasting and information services to private and public customers including: the print and broadcast news media, agriculture, transportation, marine, aviation, and other weather sensitive industries.

Private meteorologists and for-profit companies provide the public upwards of 85 percent of its weather forecasts, through television weathercasts, in newspaper weather maps, and on radio. Commercial weather companies play an indispensable role in our nation's economy by providing tailored business-specific weather information.

Because of this significant and ever increasing role of the private sector, major budget savings for the government can be

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May 2, 1995  
Page 2

realized if Congress decides to limit the National Weather Service to its core mission, that is: data collection, atmospheric modeling, emergency watches and warnings for the protection of life and property, and broad general forecasting.

**1. The Current Problem: Funding Specialized Weather Services**

Over the past ten years, Congress has required the NWS to provide specialized services, which benefit narrow constituencies. Among the specialized services currently funded by Congress are forecasts for: citrus growers, cranberry farmers, private pilots, yacht owners, and utilities. These taxpayer supported services compete directly against small businesses in the weather forecasting industry. These federal services to the few have been appropriately characterized as a form of corporate welfare.

At a time when policymakers seek to get spending under control, and the weather service needs to focus on its crucial core mission, there is no reason why the federal government needs to provide site specific, tailored or specialized forecasts and data to business, industry, the media, governmental agencies and special interests. Private sector entrepreneurs are ready and willing to absorb all demand for these types of services.

**1. Broad Agreement for an Increased Private Sector Role**

There is general agreement that the role of the private sector should be increased in serving weather sensitive industries and companies. The Reagan, Bush and Clinton Administrations have all sought to eliminate specialized weather services from the budget, recognizing that specialized weather forecasting is an area better served by the private sector.

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The FY 1996 Budget contains the Clinton Administration's Reinventing Government Initiative on the National Weather Service, which states the following: "The budget proposes to privatize portion of the National Weather Service--specifically specialized weather services provided to aviation, marine, and agriculture communities. The service will continue to provide basic warnings and forecasts to the public. This proposal permits a more active role for the commercial weather services industry." [Appendix 1].

This initiative was further advanced on April 6, when a bipartisan group of House Members introduced H.R. 1450, which seeks to eliminate government competition with the private weather industry. [Appendix 2].

Both of these efforts were preceded by the National Weather Service's 1990: "Policy Statement on the Role of the Private Weather Industry and the National Weather Service." This policy document, which was drafted in consultation with the Commercial Weather Services Association, contains limits to the federal role by stating: "The NWS will not compete with the private sector when a service is currently provided by commercial enterprises, unless otherwise directed by applicable law." [Appendix 3].

### 3. The Savings:

The Clinton Administration's Reinventing Government effort has identified \$47 million in Budget Authority over 5 years (or \$40 million in outlays) as savings from privatizing specialized weather services. But this is only 1.4 percent of FY 1995 NWS budget of \$658 million. Further, the Administration's FY 1996 budget details only \$3.3 million in savings for the first year, with savings to come in the out-years.

## CWSA Congressional Testimony

May 2, 1995

Page 4

- A. Clinton FY 1996 Proposals for NWS Privatization:  
*Dollar amounts in thousands (FY 1996 base):*  
 Fruit frost and agricultural forecasting: \$2,300;  
 Fire weather forecasting \$449;  
 Marine facsimile service \$500;  
**TOTAL \$3.3 Million**  
 also, listed separately: Regional Climate Centers - \$3,200.  
*Source: NOAA Budget Summary, Page 90, [Appendix Four]*
- B. Additional Areas for Consideration:  
*Dollar amounts in thousands (outlays FY 1995):*  
 Domestic aviation weather forecasting: \$4,154;  
 Marine weather forecasting \$2,022;  
**TOTAL \$6.1 Million in additional potential savings**

As indicated by section B above, many other areas where savings can be obtained have not yet been listed by NOAA, and to identify the savings, a comprehensive look at current weather service activities is in order. A graphically depicted paradigm for this is contained in Appendix Five.

Cutting these industry and company specific services out of the federal budget will not spell their termination, but will allow the private sector to provide them to the weather sensitive industries at no cost to the taxpayer.

###

## Appendix 1

**Privatizing the National Weather Service:** The budget proposes to privatize portions of the National Weather Service—specifically, specialized weather services provided to aviation, marine, and agricultural communities. The Service will continue to provide basic warnings and forecasts to the public. This proposal permits a more active role for the commercial weather services industry, which already provides specialized weather information for aviation, marine, and agricultural users, and will save an estimated \$40 million through 2000.

**Table S-6. REINVENTING GOVERNMENT—PHASE II**  
(In millions of dollars)

		Estimate					Total
		1996	1997	1998	1999	2000	1996-2000
<b>OTHER RESTRUCTURING</b>							
<b>Interstate Commerce Commission:</b>							
Eliminate the ICC and transfer residual functions to Transportation, Justice and the Federal Trade Commission <sup>1</sup> .....	BA	-4	-32	-32	-31	-30	-129
	OL	-2	-28	-32	-31	-30	-123
<b>Commerce:</b>							
Privatize portions of the National Weather Service of NOAA .....	BA	-3	-13	-11	-10	-9	-47
	OL	-2	-8	-10	-10	-10	-40
<b>Federal Deposit Insurance Corporation:</b>							
Assess user fees for examination of FDIC-insured banks and bank holding companies .....	OL	-105	-110	-115	-119	-124	-573
	GR	-79	-83	-86	-89	-92	-429



**Appendix 2**

I

**104TH CONGRESS  
1ST SESSION****H. R. 1450**

To eliminate certain activities from the functions performed by the National Weather Service, and for other purposes.

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**IN THE HOUSE OF REPRESENTATIVES****APRIL 6, 1995**

Mr. ROEMER (for himself, Mr. KLUG, and Mr. CHRYSLER) introduced the following bill; which was referred to the Committee on Science

---

**A BILL**

To eliminate certain activities from the functions performed by the National Weather Service, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SPECIALIZED WEATHER SERVICES.**

4 The National Weather Service shall not provide any  
5 weather services specifically for the aviation, marine, or  
6 agricultural communities, other than as a necessary part  
7 of the provision of weather warnings and forecasts for the  
8 protection of the lives and property of the general public.

1 **SEC. 2. PRIVATE SECTOR COMPETITION.**

2       The National Weather Service shall take all appro-  
3 priate steps to avoid engaging in, or supporting the efforts  
4 of another to engage in, competition with the private sec-  
5 tor with respect to the provision of weather services other  
6 than weather warnings and forecasts for the protection of  
7 the lives and property of the general public.

○

Appendix 3

1-18-91  
Vol. 56 No. 13

# federal register

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Friday  
January 18, 1991

**POLICY STATEMENT ON THE ROLE OF THE PRIVATE WEATHER  
INDUSTRY AND THE NATIONAL WEATHER SERVICE**

For further information contact:

Commercial Weather Services Association  
655 Fifteenth Street, NW, Suite 310  
Washington, DC 20005-5701  
(202) 546-6993

(Docket No. 91045-1008)

**Policy Statement on the Weather Service/Private Sector Roles****AGENCY:** National Oceanic and Atmospheric Administration, Commerce.**ACTION:** Notice.

**SUMMARY:** This notice publishes the policy statement on the weather service/private sector roles entitled "The National Weather Service (NWS) and Private Weather Industry: A Public-Private Partnership." This statement was jointly prepared by the Privatization Branch of the Office of Management and Budget (OMB) and the National Oceanic and Atmospheric Administration's National Weather Service (NWS). The process, which began in early 1989, resulted in the milestone publication of a draft policy statement in the Federal Register on December 22, 1989 (54 FR 52839). During the past year the comments received, as well as a continuing dialogue with the private sector and internal NWS and OMB coordination, have resulted in this policy statement.

The policy statement focuses on the concept of a public-private partnership to enhance total weather services to the American public, government, and industry. It designates the NWS as the single "official" voice in the critical area of severe weather, hurricane, flood, and tsunamic warnings. It emphasizes the need to protect the free and open exchange of meteorologic, hydrologic, and oceanographic data as well as delimiting the areas in which the NWS and the private sector will provide products and services. It provides a mechanism to implement this policy and establishes a strong basis for a Government/private sector partnership and should minimize any misunderstandings and false expectations which may occur between both parties. It offers the close cooperation and coordination needed to ensure that the public receives the best possible weather service.

Generally the comments received were favorable. Some, however, reflected a concern on the part of the private weather industry that the policy statement could provide restraints on existing activities. Several comments urged the NWS to more clearly define what the relationship between the public and private weather industry should be. The information which follows will address the significant comments received and the new areas which were added to the policy statement. In addition, there were

comments concerning clarity in general and changes were made in both restructuring and rewording the statement in order to respond.

**Comment—**Comments were received from the private weather industry expressing concern on what it perceives as a limited role for it in providing weather services to the general public.

**Response—**The NWS firmly believes that the private weather industry plays an important and essential role as a partner in ensuring that the Nation receives the full benefit of weather and hydrometeorological information for promoting protection of life and property, and economic prosperity. The final policy statement more clearly delimits areas in which the NWS and the private weather industry will provide such products and services as well as a mechanism to implement the policy.

**Comment—**Under the section entitled General Criteria, the NWS noncompetition paragraph will be better stated. "The NWS will not compete with the private sector in those areas where the private sector services are available." Along these same lines, a responder voiced concern over the NWS providing specialized agricultural services. Another expressed concern about the NWS withdrawing from providing those same services.

**Response—**The NWS will not compete with the private sector when a service is currently provided or can be provided by commercial enterprises, unless otherwise directed by applicable law, e.g., the provision of NOAA's Appropriations Act concerning the fruit frost program which has attracted some private sector interest.

The NWS will also assure the public of continuation of services when those services are not available from the private sector, unless directed otherwise.

**Comment—**Implication of the use of the words "single" and "official," especially in combination, was of great concern to one of the responders. He states that the connotation of the use of the word "official" means "governmental." Then the wording is not objectionable, but if there is any intent here which suggests that by making the NWS the "single official voice," the private weather industry is to be restricted or limited in any way in providing to the public its own weather forecasts or information regarding severe weather or floods, then this is a serious incursion into the area of freedom of speech.

**Response—**In order to avoid confusion on the part of the public, it is vital that there be one single "official"

voice when issuing warnings of life threatening situations. The policy statement is not intended to discourage or preclude the private sector from providing comments and advice on publicly issued warnings, but the distinction between the NWS "official" warning and these comments and interpretations of it must be clear to the public. This is in no way a restraint on freedom of speech.

**Comment—**Placing scientific data, especially real-time information, that can effect decisions concerning the protection of life and property and the ability of firms in the private weather sector as well as individual

meteorologists and scientists to access, analyze, comment upon, predict from, and disseminate information is of grave concern. Placing such resources in the hands of a limited number of major corporations who have control, not only over the collection of the data but its dissemination and the establishment of the price that will be paid for the receipt of the data, coupled with the ability to pick and choose who may be given access to that data, needs to be stopped.

**Response—**The NWS provides access to near real-time alphanumeric and graphical data and information through a variety of ways. This access is open to anyone in the marketplace who signs an agreement with the NWS or a contractor who has been competitively selected to provide specialized services for the delivery of and access to data by the private sector and others requiring that data. An example is the Contel ASC contract to deliver the NOAA Weather Wire Service to the Government and other subscribers around the Nation at an agreed to price. Contel, like any NWS contractor, cannot pick and choose who receives the data but is required to provide the data both efficiently and at a more reasonable price than the NWS could do by itself. Currently the NWS costs are based on the incremental access costs, but a fair market pricing policy is being developed as a result of the 1990 Budget Reconciliation Act.

**Comment—**One responder expressed concern over the direct participation of NWS personnel with the radio and television media.

**Response—**The policy limits direct NWS participation with the radio and television media to those situations requiring urgent public action, as in the case of severe or extreme weather and flooding or to education and preparedness activities.

**Comment—**Representatives of the World Meteorological Organization and others questioned how the NWS intends to ensure that the free and open

international exchange of data concept continues.

**Response**—The NWS has incorporated into this final policy statement a section requiring that the private weather industry and the NWS work together to protect the free and open international exchange of data provided by the NWS by ensuring that the data are not used to compete directly with or interfere with internal policies of national meteorological agencies in those countries where they also provide commercial weather services. Any activity by a U.S. weather company in another country must, of course, be in accordance with the laws and established practices of that country.

**Comment**—Representatives of the library community questioned whether this policy statement would in any way interfere with existing laws, e.g., title 44 U.S.C., which requires NOAA and NWS publications to be made available through the Depository Program regardless of privatization.

**Response**—This policy statement in no way changes or alters existing arrangements among NOAA and the NWS and the library community for the receipt of its data and information.

**Comment**—Insert the following two phrases in the section entitled "The Private Weather Industry."

- Provide climatological summaries, probability values of weather extremes, and similar materials for design and construction; and

- Provide special case-oriented retrospective weather reconstruction and provide expert testimony relating to them for weather-related private litigation.

**Response**—The first phrase dealing with the provision of climatological summaries, probability values of weather extremes, and similar materials for design and construction has been included in the final policy statement. However, the second phrase was not included since the subject of testimony in litigation is too complex for this statement. The issue is addressed in detail in Federal regulations (15 CFR parts 15a and 999.4) which state that NOAA employees will not provide such testimony and generally anticipate that the private sector will. However, exceptions exist where NOAA and the NWS could provide expert testimony, for example, in Government-related cases. This, of course, in no way precludes the private weather industry's recognized role to provide expert

testimony in both civil and Government litigation.

This policy statement is the first of its kind to be developed within NOAA. It applies only to the National Weather Service and should not be interpreted to apply to any other component of NOAA nor to prejudice any future decisions by NOAA and its components with regard to relations with private sector users of their services and products.

**FOR FURTHER INFORMATION CONTACT:**

Edward M. Gross, Constituent Affairs Officer (NWS), 1325 East-West Highway, Silver Spring, Maryland 20910, (301) 427-7258.

Elbert W. Fidday, Jr.,

Assistant Administrator for Weather Services.

**Policy Statement of the Weather Service/Private Sector Roles**

**The National Weather Service and the Private Weather Industry: A Public-Private Partnership**

Accurate and timely weather and river forecast and warning systems are vital to the safety and well-being of the Nation's population. Weather and water resources forecasting harnesses modern advances in information to increase the productivity of American industry, thereby contributing to economic growth. A public-private partnership is needed to provide American industry with the most effective means to increase productivity.

A continuing strong cooperative relationship between the National Weather Service (NWS) and the private sector will provide both industry and the general public with more accurate and timely weather and river forecasts and other hydrometeorological products. An effective partnership will allow each sector to perform those functions which it can carry out best and avoid unnecessary duplication or competition between the Government and the private sector.

The purpose of this policy statement is to define the relationship and respective roles of NWS and the private sector to ensure that Federal resources are focused on providing essential core functions and to encourage the private sector to provide those services which it is ideally suited to provide.

The goal is a partnership which enhances total service to the American public, Government, and industry.

**General Criteria**

The policy statement is based on the

respective roles of NWS and the private sector described below.

- The primary mission of the National Weather Service is the protection of life and property and the enhancement of the national economy. Hence, the basic functions of NWS are the provision of forecasts and warnings of severe weather, flooding, hurricanes, and tsunami events; the collection, exchange, and distribution of meteorological, hydrologic, climatic, and oceanographic data and information; and the preparation of hydrometeorological guidance and core forecast information. The NWS is the single "official" voice when issuing warnings for life-threatening situations and is the source of a common national hydrometeorological information base. The national information base forms an infrastructure on which the private sector can build and grow.

- The NWS will not compete with the private sector when a service is currently provided or can be provided by commercial enterprises, unless otherwise directed by applicable law.

- The private weather industry is ideally suited to put the basic data and common hydrometeorological information base from the NWS into a form and detail that can be utilized by specific weather and water resource-sensitive users. The private weather industry provides general and tailored hydrometeorological forecasts and value-added products, and services to segments of the population with specialized needs.

**Policy**

In order to carry out its mission and foster this public-private partnership, NWS shall:

- Collect and exchange hydrometeorological data and information on a national and international basis;

- Issue warnings, and forecasts of severe weather, floods, hurricanes, and tsunami events which adversely affect life and property;

- Issue weather, river, and water resources forecasts, and related guidance materials used to form a common national hydrometeorological information base for the general public, private sector, aviation, marine, forestry, agricultural, navigation, power interests, land and water resources management agencies, and emergency managers at all levels of government;

- Provide climatological summaries, frequencies, and limits of hydrometeorological elements to

establish a basis for various Federal regulations and design criteria and to support the real-time operations of federally-operated facilities;

- Provide private weather access to near real-time alphanumeric and graphical data and information through a variety of techniques;

- Establish basic quality controls for the observed and collected data, and provide the user community with sufficient information to evaluate data and forecast reliability and applicability;

- Conduct and support research and development of atmospheric and hydrometeorological models;

- Produce global, national, or general regional atmospheric models and river basin models.

The NWS also recognizes the important contribution that private broadcast meteorologists, newspapers, and news agencies make to the timely dissemination of NWS watches and warnings and other products that may require public response. The relationship is one of mutual support and cooperation. In order to protect the competitive nature of the privately-owned media, direct NWS participation with the radio and television media should be limited to those situations requiring urgent public action as in the case of severe or extreme weather and flooding or educational and preparedness activities.

The private weather industry provides:

- Tailored weather, river, and water resources forecasts detailed hydrometeorological information, consultation, and data for weather, river, and water resources sensitive industries and private organizations;

- Value-added products such as weather and hydrologic-related computer hardware and software, observational systems, imaging systems, displays, communications, charts, graphs, maps, and images for clients;

- Climatological summaries, probability values of weather extremes, and similar material for specific design and construction problems.

Free and open international exchange of data.

- The private weather industry and the NWS will work together to protect the free and open international exchange of meteorologic, hydrologic, and oceanographic data provided by the NWS by ensuring that the data are not used to compete directly with or to interfere with internal policies of national meteorological agencies in those countries where they also provide commercial weather services;

This concept of a public-private partnership is not intended to discourage or preclude the private sector from providing comments and advice on publicly issued warnings and forecasts nor government agencies from obtaining weather services from the private sector. However, in the critical area of severe weather, hurricane, flood, and tsunami warning, the NWS is the single "official" voice.

#### Implementation

It is the responsibility of all NWS officials and employees to comply with this policy. An effective partnership requires that the parties understand each other's role and be sensitive to the constraints and aspirations that govern their respective actions. This policy statement cannot cover all possibilities. However, it should minimize any misunderstandings and false expectations between both parties. Close coordination and cooperation are essential to ensure that the public receives the best possible weather service. Regional and local NWS officials should arrange periodic meetings with private meteorologists and hydrologists to promote an exchange of ideas which will be mutually beneficial and increase understanding between the two groups. The overriding goal of this policy statement is to ensure that the Nation receives the full benefit of weather and hydrometeorological information to promote safety of life and property and economic prosperity. Effective partnership between the NWS and the private meteorological sector is the means to that end.

Persons who believe that NWS or any of its employees are providing specialized services contrary to this policy may bring the matter directly to the attention of the Assistant Administrator for Weather Services, 1325 East-West Highway, room 18130, Silver Spring, Maryland 20910. The Assistant Administrator for Weather Services shall ascertain the facts and report promptly to the complainant the results of his inquiry and advise him of any remedial action that will be taken by the NWS to assure full compliance with this policy. In the event that the situation resulted from decisions made by the Assistant Administrator, the resolution will take place at the National Oceanic and Atmospheric Administration level.

[FR Doc. 91-1242 Filed 1-15-91; 11:37 am]

BILLING CODE 2610-12-M

## Appendix 4

	<u>FY 1996</u> <u>Base</u>	<u>FY 1996</u> <u>Decrease</u>	<u>FY 1996</u> <u>Increase</u>
<b>NATIONAL WEATHER SERVICE</b>			
Operations and Research:	371,991		
Local Warnings and Forecasts		(704)	
Base Reductions (ASTFWS)			1,000
NOAA Weather Radio Transmitter Maintenance (ASTFWS)			3,000
Radiosondes	1,339		
MARDI (ASTFWS)	115,946	(31,159)	
Agricultural & fruit frost/Fire weather/Marine Fax (ASTFWS)	3,265	(3,265)	
Susquehanna River Basin Flood system (ASTFWS)	1,250	(581)	
Samoa (ASTFWS)		(100)	
Regional climate centers (ISICF)	3,200	(3,200)	
Central Forecast Guidance (ASTFWS)	29,888		1,048
Atmospheric and Hydrological Research (ASTFWS)	2,553		129
Systems Acquisition			
Public Warning and Forecast Systems			
NEXRAD (ASTFWS)	82,982	(27,733)	
ASOS (ASTFWS)	17,515	(563)	
AWIPS/NOAAPort (ASTFWS)	34,947		17,150
Computer Facility (ASTFWS)	9,985		2,760
FTB and Administrative Reductions for NWS		(8,412)	
Total NWS		(75,717)	25,087
<b>NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE</b>			
Satellite Observing Systems			
Polar spacecraft and launching (ASTFWS)	146,419		53,208
Polar Convergence/Joint Program Office (ASTFWS)	16,000		38,000
Geostationary spacecraft and launching (ASTFWS)	131,342		55,853
Ocean Remote Sensing (ASTFWS)	6,000	(4,400)	
Environmental Observing Services (ASTFWS)	56,214		307
Landsat (FADOC)	0		12,000
Environmental Data Management Systems			
Data and Information Services	40,023		4,087
Base and satellite active archive (ISICF)			
FTB and Administrative Reductions for NESDIS		(2,552)	
Total NESDIS		(6,952)	163,455

**Appendix 5**

**Figure 1**

**National Weather Service Core Missions  
And Relations To Private Sector**

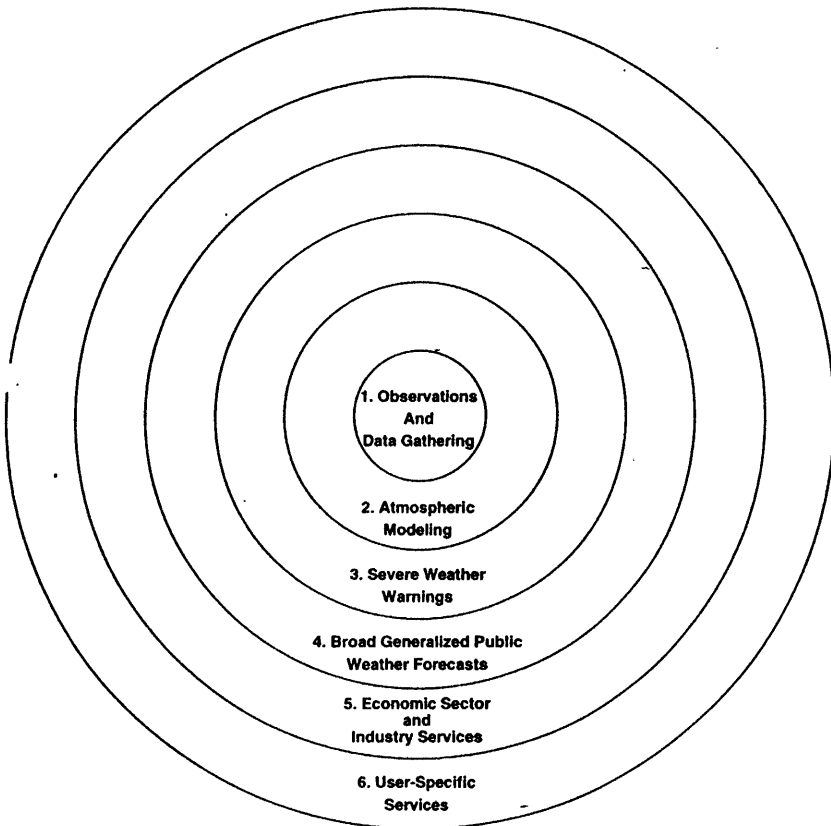
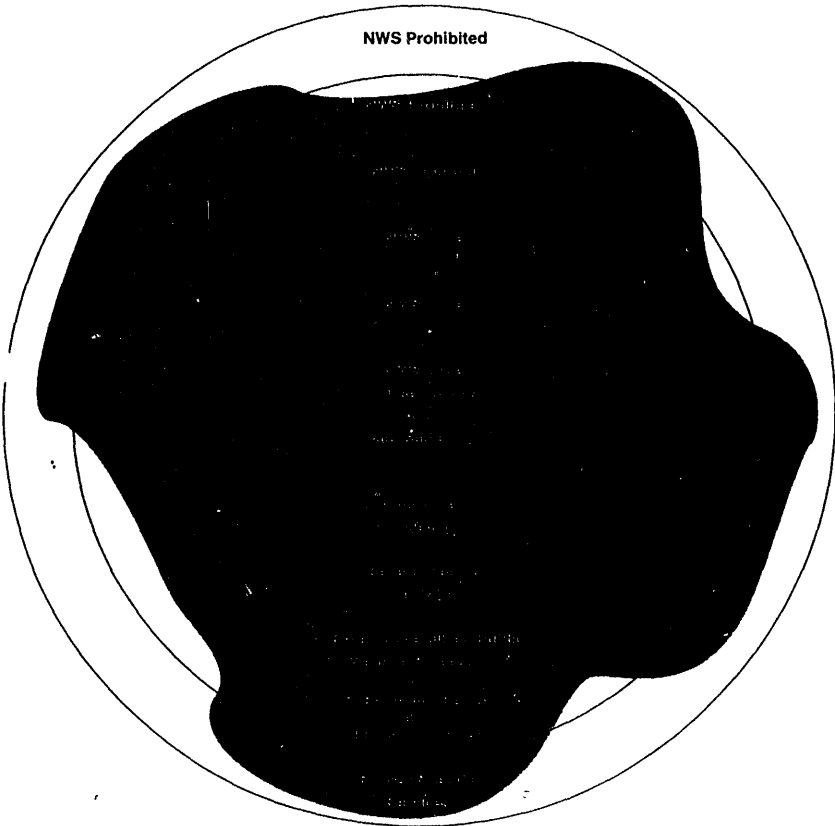




Figure 2

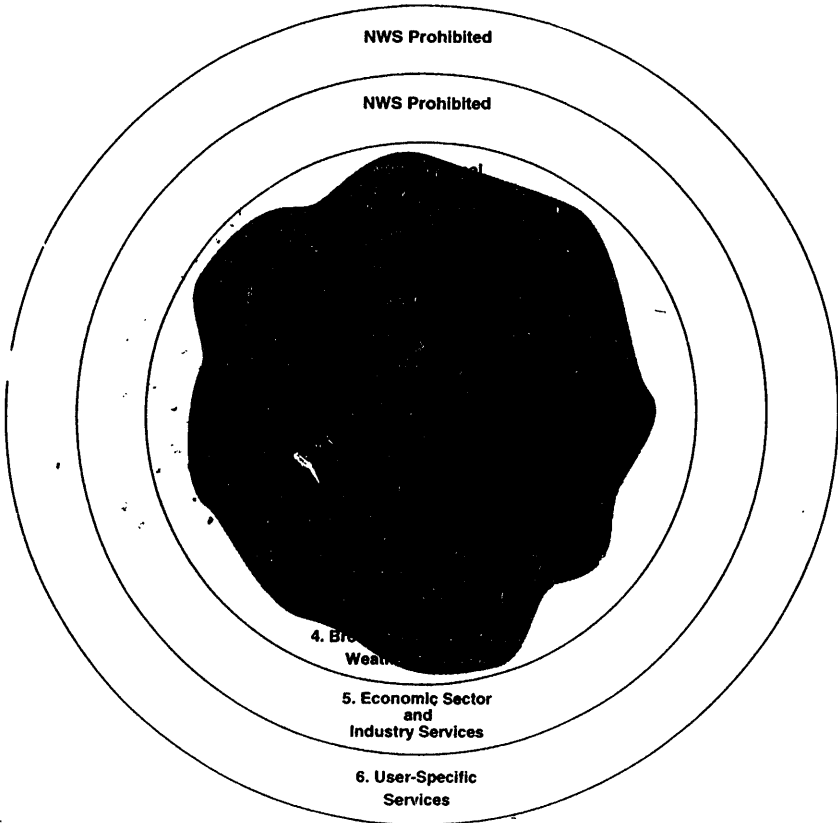
**National Weather Service Core Missions  
And Relations To Private Sector  
Current Boundary Analog Under The Organic Act**



**Shaded area shows current boundary of NWS operation**

Figure 3

**National Weather Service Core Missions  
And Relations To Private Sector  
Proposed Boundary Analog Under A Revised Organic Act**



**Shaded area shows proposed boundary of NWS operation**

TUESDAY, MAY 2, 1995.

**AMERICAN SOCIETY OF MECHANICAL ENGINEERS****WITNESS****NATHAN HURT**

Mr. FORBES. Mr. Nathan Hurt, representing the American Society of Mechanical Engineers.

Mr. HURT. Good morning, Mr. Chairman and staff. I am Nathan Hurt, Chairman of the ASME NIST Interaction Committee and a member of the Council on Engineering, also of the American Society of Mechanical Engineers, and I am pleased to have this opportunity to testify before you today on the value of the programs within the NIST fiscal year 1996 budget request.

The task force has long supported the mission of NIST, which is to promote U.S. economic growth by working with industry.

While the task force heartily supports the efforts of Congress to reduce government spending and understands the hard choices that are going to have to be made, we urge that you carefully consider the importance of the NIST programs in light of today's highly competitive economic climate. The task force believes that NIST's efforts to facilitate the development of new technologies and the transfer of these technologies to the civilian industrial sector are essential to assuring that U.S. companies, particularly small and medium-sized companies, can compete on a level playing field in the global market.

I would like to focus my remarks now on specifically two programs, the Advanced Technology Program, ATP, and the Manufacturing Extension Partnerships, the MEP, which are both NIST programs.

The Advanced Technology Program was created by Congress to solve a specific U.S. need, the need to provide a level playing field for small- and medium-sized companies. Federal R&D long has focused on basic research and the missions of national security, space, health and energy, but today's fierce competitive environment demands a much more effective approach, which the ATP provides. The ATP shares the cost with industry of long-term, inherently high-risk research at the preproduct development stage. It helps bridge the gap between basic research and a company's own investments.

As an example, the Diamond Semiconductor Group of Gloucester, Massachusetts, a small firm, has the knowledge—or had the knowledge to develop an ion implantation technology for processing larger and more cost-effective semiconductor wafers, but they didn't have the financial resources to test it, and they were unable to find funding within a U.S. company. They actually were thinking of going to foreign companies for the investment, but, fortunately, before they did, they checked with DSG. The DSG checked with the ATP, and their project thus was selected in 1992, which allowed them to develop their concept to build a prototype machine. The ion implanter which they then developed is now being manufactured and sold worldwide.

NIST has been administering the ATP program for five years now. The initial feedback that we have indicates that ATP is gain-

ing a reputation for being a well-managed program requiring proposals for undergoing a rigorous competitive process which includes an evaluation of both the technical and business merits of the project. As such, the task force urges the Subcommittee to make no further cuts in funding for this program—any further than it has already been impacted through recent recessionary measures—without allowing for at least a decent period to assess the results of the program.

The task force supports the continuation of the Manufacturing Extension Partnership, the MEP. The MEP helps America's small manufacturers succeed in the marketplace through a network of regional and local extension centers providing hands-on technical assistance. We have examples, but for the lack of time I won't get into those now.

In conclusion—in closing, the task force wishes to emphasize to the Subcommittee that American industry, in particular the small- and medium-sized companies that employ the majority of the U.S. workers, often face insurmountable competitive forces in the global marketplace. This is because high-risk technology ventures are often subsidized by foreign governments in cooperation with their national industries and financial ventures. Programs such as the ATP and the MEP were designed to assist U.S. companies to level this playing field. We need to give those programs a chance to continue to work.

Thank you. I will answer any questions you have, Mr. Chairman.

Mr. FORBES. Thank you. We will make your full written statement a part of the record.

Mr. HURT. Thank you.

[The information follows:]

# **The AMERICAN SOCIETY of MECHANICAL ENGINEERS**

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FOUNDED 1880

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**Statement on the  
FY 1996 Budget Request  
for the  
National Institute of Standards and Technology  
Submitted by  
the NIST Task Force  
of the  
Council on Engineering  
of the  
American Society of Mechanical Engineers  
to the  
Subcommittee on Commerce, Justice, State, the Judiciary,  
and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives**

**May 2, 1995**



**The American Society of  
Mechanical Engineers**  
1828 L Street, N.W., Suite 908  
Washington, DC 20036-5104  
(202) 785-3756

Mr. Chairman and Members of the Subcommittee:

I am Nathan Hurt, Chair of the National Institute of Standards and Technology (NIST) Task Force of the Council on Engineering of the American Society of Mechanical Engineers (ASME), and I am pleased to have this opportunity to testify before you today on the NIST Fiscal Year (FY) 1996 budget request. ASME is a worldwide engineering society focused on technical, educational, and research issues. It conducts one of the world's largest technical publishing operations, holds some 30 technical conferences and 200 professional development courses each year, and sets many industrial and manufacturing standards. Our society is 115 years old and our current membership of 125,000 includes 25,000 students of mechanical engineering. This testimony represents the considered judgement of this task force and is not necessarily a position of ASME as a whole.

The task force has long supported the mission of NIST, which is to promote U.S. economic growth by working with industry to develop and deploy technologies across a broad spectrum of areas appropriate for the civilian industrial sector and to develop and maintain world class capabilities in metrology and standards. NIST's continuing technical programs, and those programs related to emerging technologies, are unique in that they foster government and industry cooperation through cost-shared partnerships. These government-industry partnerships create long-term investments based on technology, and are aimed at improving the technical support and technology infrastructure needed for our nation's future economic health.

While the task force heartily supports the efforts of Congress to reduce government spending and understands that hard choices have to be made, we urge you to carefully consider the importance of NIST's programs in light of today's highly competitive economic climate. The task force believes that NIST's efforts to facilitate the development of new technologies and the transfer of these technologies to the civilian industrial sector are appropriate and should continue.

My comments will focus specifically on: (1) NIST's laboratory programs; (2) the Advanced Technology Program (ATP); and (3) the Manufacturing Extension Partnership (MEP).

#### Laboratory Programs

The task force endorses continuing support for the research activities of the NIST laboratories. These laboratories provide a vital link with industry through their work in developing infrastructural technologies such as measurements, data evaluation, standards, and test methods that provide a common language for use by industry in commerce. NIST is often the only place capable of providing these specific technologies and services to industry. It is also important to note that, once NIST solves a problem, the benefits are spread across whole industries.

Essential to the function of the laboratories are the highly qualified technical personnel that are required to transfer the knowledge to the industry users. This government-industry

relationship closely parallels that which our foreign competitors have established in supporting their national industries. It is for this reason that the task force urges that this critical activity at NIST be maintained.

#### Advanced Technology Program

As stated in the FY 1996 issue of *Technology Budget Administration Highlights*, "Congress created the ATP to solve a specific U.S. need. Federal R&D long has focused on basic research and the missions of national security, space, health, and energy. Spin-off benefits to the economy have been significant but slow and often insufficient. Today's fierce competitive environment demands a much more effective approach. The ATP shares the cost with industry of longer term, inherently riskier research at the preproduct development stage. It helps bridge the gap between basic research and a company's own investments."

Take the case of Diamond Semiconductor Group (DSG) of Gloucester, Massachusetts. DSG is a small firm that had the potential to develop an ion implantation technology for processing larger and more cost-effective semiconductor wafers, but did not have the financial resources to test it out and was unable to find funding from a U.S. company. Before looking for overseas investors, DSG applied for the ATP. Their project was selected in 1992, which allowed DSG to develop their concept and build a prototype machine. DSG's ion implanter is now being manufactured and sold worldwide.

NIST has been administering the ATP for five years. Initial feedback indicates that the ATP is gaining a reputation for being a well-managed program requiring proposals to undergo a rigorous competitive process which includes an evaluation of both the technical and business merits of a project. As such, the task force urges the subcommittee to make no further cuts in funding for this program -- any further than it has already been impacted through recent rescissionary measures -- without allowing for a reasonable period of evaluation to assess the results.

#### Manufacturing Extension Partnership

The Task Force supports continuation of the MEP. The FY 1996 issue of *Technology Budget Highlights* states, "The MEP helps America's small manufacturers succeed in the marketplace through a network of regional and local extension centers providing hands-on technical assistance. A National Research Council study of smaller manufacturers found that these firms lacked awareness about new technologies, production techniques, and management practices; had difficulty locating high-quality neutral technology advice; were isolated from other companies in similar situations; were disproportionately burdened by regulations compared with larger companies; and had difficulty obtaining operating capital and investment funds for modernization."

Examples of the relevance and value of this program are well known. For instance, Spartanburg Steel Products, Inc. of Spartanburg, South Carolina -- a small manufacturer of stamped metal parts -- was in the process of developing a lighter, lower-cost alternative to

the metal brace used to secure the dashboard to the frame of an automobile made by one of its customers. The company developed a new design, however its engineering department ran into difficulties in determining whether or not the design would satisfy the load conditions and other structural-integrity requirements. Conventional, manual methods of stress analysis were not a practical, cost-effective option for the engineers to make this determination. Through interaction with senior specialists at the Southeast Manufacturing Technology Center, the company's engineers were able to conduct the essential stress and weight analyses at the center's Computer-Aided Design Laboratory to confirm that the brace would satisfy the necessary structural requirement. The new design is now in full production in the manufacture of a popular, high-volume vehicle.

### Conclusion

In closing, the task force wishes to emphasize to the Subcommittee that American industry -- in particular, the small to medium-sized companies that employ the majority of the U.S. workforce -- often faces insurmountable competitive forces in the global marketplace. This is because high-risk technology ventures are often subsidized by foreign governments in cooperation with their national industries and financial institutions. Programs such as the ATP and MEP were designed to assist U.S. companies to level the playing field. We need to give these programs a chance to work.

Mr. Chairman, this completes my statement. I would be happy to answer any questions which you or any of the Subcommittee members might have.



TUESDAY, MAY 2, 1995.

**AMERICAN ASSOCIATION OF ENGINEERING SOCIETIES****WITNESS****ERNEST DAMAN**

Mr. FORBES. Mr. Ernest Daman, representing the American Association of Engineering Societies.

Mr. DAMAN. Good morning, Mr. Chairman, staff. I, too, am testifying on the NIST matter, just as my colleague, Mr. Hurt, did before me.

I would like to abstract a little bit from the testimony that we are providing. The testimony before you reflects the views of the Engineers' Public Policy Council of the American Association of Engineering Societies, whose membership consists of over 800,000 engineers. We are well aware and supportive of the need to reduce the deficit and hence the critical examination of government spending, including that supporting research and development.

I want to comment on the concern expressed by your Committee and others regarding the government's picking winners and losers or, more elegantly put, as perpetrating an industrial policy. Certainly that is precisely what our most serious foreign competitors argue. I do not believe, however, that any of the NIST programs fall into that category.

Please recognize that my comments are perhaps skewed by the experience of 45 years in industry as a senior officer in a multibillion dollar international corporation with responsibilities including operation of their research establishment.

I would hope you will agree that of the three major NIST activities, i.e. standards and measurements, Manufacturing Extension Service and the Advanced Technology Program, only the latter needs to be cleansed of a connection to industrial policy. So let me please briefly review these three programs.

First, the standards and measurement activity is a vital service to industry. All products, processes and systems of national and international trade are judged based on standards and measured values of properties. Individual companies cannot and should not develop such standards.

The high quality of NIST work in this area is internationally acclaimed. It is a vital part of American product and process quality in a highly competitive market. These services need to be continually enhanced and expanded as new technologies emerge.

NIST Manufacturing Extension Partnership, second, is a program that serves a unique function in providing effective technology transfer to the manufacturing industry which consists of approximately 370,000 units, most with less than 500 employees. This activity is designed to assure the survival of the United States manufacturing industry by keeping it up to date or competitive in a rapidly expanding worldwide manufacturing capacity. The analogy to the highly successful Agricultural Extension Service is often and correctly made.

We believe that our Nation's ability to maintain and improve our standard of living requires a competitive manufacturing component. We assign high priority to that activity for that reason.

Third, the Advanced Technology Program, a new industry-driven activity of NIST. Let me remind you that we are living in a world of brutal global competition which poses as much of a threat to our well-being as we faced during the cold war. Our foreign competitors recognize that the first to market the invention, which is often our invention, is the vital step to capture market share and with it revenue and job creation.

All companies large and small are faced with choices and opportunities of where and in what technologies to invest. Given the need to satisfy stockholders or investors in a relatively short time frame leads to decisions in favor of short-term projects at the expense of high-risk, long-term projects. There is ample evidence that this is happening to a rather alarming extent.

The government's participation and partnership with industry through the ATP program might therefore be viewed as an extension of what industry wants to do but cannot or will not do because of the need to quickly and surely respond to the expectations of its investors. Thus, the ATP program responds to the new paradigm of global competition. It is vital to our future well-being as a Nation. I, too, urge you to assign high priority to continue and strengthen that program.

Thank you, Mr. Chairman.

Mr. FORBES. Thank you. Again, your statement will be made a part of the record.

[The information follows:]



AMERICAN ASSOCIATION OF ENGINEERING SOCIETIES

**Statement  
of  
Ernest L. Daman  
on behalf of  
The Engineers' Public Policy Council of the  
American Association of Engineering Societies  
before the  
Subcommittee on Commerce, Justice, State  
Committee on Appropriations  
U.S. House of Representatives  
on the  
National Institute of Standards and Technology  
FY 1996 Appropriations**

**May 2, 1995**

Good Morning Mr. Chairman and Members of the Subcommittee. My name is Ernest Daman, and I am currently Chairman Emeritus of Foster Wheeler Development Corp. in Livingston, NJ. As a former chairman of the American Association of Engineering Societies (AAES), I am pleased to be here on behalf of the AAES Engineers' Public Policy Council to express the engineering community's views on FY 1996 appropriations for the National Institute of Standards and Technology. AAES is a multidisciplinary organization dedicated to coordinating the collective efforts of over 800,000 members represented by 28 engineering societies to advance the knowledge, understanding, and practice of engineering.

It should be noted that NIST's budget is the only portion of the federal budget devoted to the specific purposes of enhancing and leveraging industry's development and use of technology. It should also be recognized that NIST helps small and medium-sized companies as much as it helps large companies, and that it is not engaged in picking corporate "winners and losers." NIST provides support for all industries based on technically sound, merit-based proposals free of political influence.

NIST's mission is to help U.S. industry maintain its clear, though slipping, international lead in those technologies deemed critical to our nation's competitiveness. It does so by conducting a world-class program of scientific and engineering standards and measurements, which are tools essential for all businesses that design and produce technology-based goods and services. It also does so by working in partnership with industry to develop generic and enabling technologies and quality-based manufacturing processes in high risk areas that industry is not able to fund on its own. These new technologies and advanced manufacturing processes, in turn, can be adapted and commercialized in the private sector as new products and services, which open new markets, produce economic opportunity, and generate high value added jobs.

We share the common concern that deficit spending must be reduced and we are fully aware of the budget constraints with which Congress must contend. Interest on the debt is sapping away the capital resources available for productive investment in our society. At the same time, however, we believe that the Federal government can and must continue to play an effective role in helping industry bridge the gap between federally-supported basic research and commercialization of technology by industry. Such an investment furthers our economic growth and standard of living in an increasingly competitive global market.

#### Standards and Measurements Laboratory Programs

We support the administration's efforts to strengthen NIST's laboratory programs and believe that these programs should be given priority in the NIST budget. NIST's standards and measurements mission is the cornerstone of its efforts to support the competitive health of U.S. companies. Since its days as the National Bureau of Standards, NIST has provided practical tools such as methodologies and standards for making measurements, evaluated data, and testing methods used by companies, both large and small, across all sectors. The necessity of providing such services has been well-recognized as long as we have been a nation, as reflected by the U.S. Constitution, which empowers the federal government to set

the standards of weights and measures.

Much of NIST's standards and measurements effort represents an investment in what might be called "infrastructural" technologies, or generic technologies needed by industry for use in commercializing other technologies as products and services. It is in this area where industry historically fails to adequately invest. This is because the measurement technology will be widely shared by companies as they develop competing products and since the measurement technology is not itself typically incorporated into a product or service whereby the related R&D costs could be recovered.

Despite the overall constraints on budgeting, we believe that a strong case can be made for increases in NIST's laboratory budget. In addition to meeting the growing technical needs of established industries, NIST must also be able to support industry's standards and measurements needs in new and emerging technology areas. In a global market where the life-span of a new, competitive technology is often measured in months, rather than years, U.S. industry often depends on prompt action by NIST to provide the necessary standards and measurement tools necessary for commercialization.

While industry does not need NIST to set standards, NIST plays an important role as a monitor, conveyer, facilitator, and producer of background material for standards development led by the private sector. In the area of conformity assessment, we support efforts by NIST to serve as a focal point for information relevant to the General Agreement on Tariffs and Trade (GATT). We do, however, believe that other conformity assessment activities of NIST - such as the National Voluntary Conformity Assessment Systems Evaluation (NVCASE) and the National Voluntary Laboratory Assessment Program (NVLAP) - should be self-supporting.

Congress should also be aware that recent and proposed cuts to R&D programs of other Federal departments and agencies can have a significant impact on NIST's laboratory programs. These cuts will ultimately affect non-appropriated revenue derived by NIST from fees, in-kind contributions, and contract research done for the Department of Defense, the Department of Energy, and other Federal agencies. They threaten to disrupt NIST's core laboratory programs. Accordingly, Congress should maintain a strong funding for NIST's laboratory program.

#### Advanced Technology Program

Unlike the government-directed "industrial policies" of our principal national competitors, NIST's Advanced Technology Program (ATP) embodies a uniquely American approach to strengthening our competitive posture, with industry leading the way in determining areas for commercially relevant innovations and working in partnerships with government support on the generic and enabling technologies needed to realize these new products and services.

The relatively small sums represented by an ATP grant can make all the difference for a small or medium-sized company with an innovative concept but which is unable to find private sector sources willing to invest in the higher risk initial R&D stages. While the venture capital market is growing, such funds generally look for less risk and a quicker

return on investment than projects supported by ATP can provide. Without ATP, these companies generally have three options: 1) abandon a promising technology, 2) sell the rights to their innovation to foreign competitors, who will enjoy the lion's-share of profits and jobs that result from successful commercialization, or 3) struggle along in the hopes that investors will eventually be found, while meanwhile, foreign competitors move rapidly to commercialize their technologies and use their first to market advantage to lock up market share. None of these options are productive for the U.S. economy. While endorsing the legitimacy of the ATP approach, we also believe there are clear boundaries to the government's role:

- ♦ Industry leadership and matching funds are essential; ATP should not (and does not) support high-risk technology efforts unless private companies are willing to make a significant financial commitment to the project. On average, companies have provided more than 50% of the costs of the research.
- ♦ ATP must continue to provide balanced support for companies both large and small and emphasize collaborations such as consortia of small companies and joint ventures that help leverage the available funding and broaden the dissemination of research results.
- ♦ ATP should not compete with the private sector as a resource for capital funding. To avoid this, ATP must continue to focus on high-risk, potentially high pay-off efforts for which capital investment in our economy is not currently available.
- ♦ ATP funding must continue to be awarded competitively, with proposals selected for funding on the basis of their technical and business merit by individuals qualified to do so.
- ♦ ATP awards should not support consortia to develop standards outside the private sector voluntary consensus system.
- ♦ Commercialization must continue to be left to the private sector.

As a relatively new program, ATP's track record is encouraging but admittedly incomplete. Technologies are not commercialized overnight and it takes time to realize return on investments. Thus, Congress should continue to scrutinize ATP to ensure that it stays within these boundaries and that tax-payer dollars are productively spent. As the program proves itself and until the high-risk capital market changes for the better, funding should continue to be increased to a level sufficient to ensure national impact. Unless adequately funded, the broad economic benefits of the program cannot be fairly evaluated.

We believe the argument that government bureaucrats should not be trusted over the private market to target promising new technologies ignores two key points: First, the private market produces the ATP research ideas, develops the business plans, and judges the merit of projects. Second and more important, ATP helps companies fund those high-risk technologies that would not likely be funded otherwise because companies cannot afford

to bear the cost alone for reasons cited above. Thus, ATP supported research is not designed to compete with or substitute for projects funded entirely with private funds, but to fill a void critical to our economic growth. The argument that projects not funded entirely with private funds are not worth funding at all overlooks many examples of productive government/industry partnerships.

#### Manufacturing Extension Partnership Program

Noting by analogy the success that agricultural extension services played in helping to make American agriculture one of the most competitive industries in the world, we support government outreach and extension services to industry, embodied in NIST's Manufacturing Extension Partnership (MEP).

Manufacturing extension is particularly valuable to small and medium-sized U.S. manufacturers, the primary job producers in our economy, by affording them the opportunity to assimilate proven technologies and by providing guidance on technical issues that these cannot solve on their own. Even small improvements to enhancing the productivity of a manufacturing line and/or reducing the cost of production can make a big difference for these companies in ensuring that they stay in business. The ability to make these improvements is becoming even more critical as small and medium-sized companies are increasingly exposed to foreign competitors in the U.S. market and the necessity of competing in the global market to remain viable.

For these reasons, we encourage Congress to maintain its support for NIST's Manufacturing Extension Partnerships, including a sufficient number of centers and development of an information network that ensures access by small and medium-sized businesses in all states and regions. We support the administration's recommended growth in this important program, and it should be recognized that the budget request also serves to integrate existing manufacturing extension centers funded by the Department of Defense, thereby freeing defense funds to help ensure our military readiness and other purposes.

#### Construction and Major Renovation of Facilities

The need to renovate and upgrade NIST facilities to provide reliable power, adequate environmental controls, and state-of-the-art capabilities remains critical to the Institute's ability to successfully meet its technology mission. We urge Congress to provide adequate funding for facilities renovation and construction.

#### Conclusion

The engineering profession believes NIST programs have an important role to play in sustaining the competitiveness of U.S. industry, both large and small. NIST's standards and measurements program, industry-lead precommercial R&D, and manufacturing extension efforts are not about picking "winners and losers" in the marketplace. Rather, they ensure that all companies, both large and small, have the basic tools they need to be competitive in the global marketplace. We urge the Subcommittee to provide strong support for NIST programs and to resist the temptation to cut investments essential to our nation's long-term economic health. Mr. Chairman, thank you for taking our views into account and I would be happy to answer any questions you may have.



1995

**AAES Member Societies**

American Academy of Environmental Engineers  
 American Indian Science & Engineering Society  
 American Institute of Chemical Engineers  
 American Institute of Mining, Metallurgical and Petroleum Engineers  
 American Institute of Plant Engineers  
 American Nuclear Society  
 American Society for Engineering Education  
 American Society of Agricultural Engineers  
 American Society of Civil Engineers  
 American Society of Mechanical Engineers  
 Institute of Electrical & Electronics Engineers  
 National Institute of Ceramic Engineers  
 National Society of Professional Engineers  
 Optical Society of America  
 Society of Fire Protection Engineers  
 Society of Hispanic Professional Engineers  
 Society of Women Engineers

**Advisor/Observer**

National Academy of Engineering

**AAES Associate Societies**

Association for International Practical Training  
 Federation of Materials Societies  
 INFORMS  
 National Action Council for Minorities in Engineering  
 NACE International  
 National Council of Examiners for Engineering and Surveying  
 Tau Beta Pi Association  
 The American Society for Nondestructive Testing, Inc.

**AAES Regional Societies**

District of Columbia Council of Engineering & Architectural Societies  
 Engineering Society of Detroit  
 Washington Society of Engineers



TUESDAY, MAY 2, 1995.

**MYSTIC SEAPORT MUSEUM****WITNESS****CHRISTOPHER COX, VICE PRESIDENT, DEVELOPMENT AND EXTERNAL AFFAIRS**

Mr. FORBES. Mr. Christopher Cox, representing Mystic Seaport Museum.

Mr. COX. Thank you, Chairman Forbes, for this opportunity to testify before this Subcommittee today. I serve as Vice President of External Affairs at Mystic Seaport.

Mystic Seaport is the oldest and largest maritime museum in the United States by 10 times. Over 25 million Americans have visited Mystic Seaport since it was opened in 1929. We are the State of Connecticut's largest cultural attraction.

For the past three years I have appeared before this subcommittee to express the thanks of Mystic Seaport for the support which we have received from this subcommittee in our efforts to build the American Maritime Education and Research Center. I appear today to further express the Seaport's appreciation and to request that Congress provide the necessary funds in fiscal year 1996 to complete the Federal share of this project—a project which is beneficial to Connecticut, to New England and to the Nation.

The purpose of the American Maritime Education and Research Center is to provide Americans with a facility devoted solely to public education and research into our country's historic and ongoing relationship with the sea and America's waterways. Understanding the importance of maritime connections in the development of the United States is more than just an academic issue. Our seas and waterways have been and will continue to be vital to the economic health of our country. Mystic Seaport interprets for children, parents, teachers and students through out the United States the vital link between the sea, waterways and commerce.

Congress during the past three years has generously provided \$3 million for the design and construction of this facility. The funds appropriated—the Federal funds appropriated for this project to date have helped Mystic Seaport design and prepare for construction of the American Maritime Education and Research Center. A major new education theme, titled America and the Sea, is designed to touch every American in a meaningful way. An America and the sea exhibit series will travel throughout the United States concurrently with educational curricula and educational television programming. We expect the American Maritime Education and Research Center to reach tens of millions of Americans by the year 2000.

The Federal funds committed to date have also helped Mystic Seaport to attract private and State funding. The State of Connecticut has committed \$10 million to the Seaport program, \$5 million of which is specifically for the \$25 million American Maritime Research and Education Center. To date, we have raised \$15 million in private funds in support of the project.

While our efforts to raise the private and non-Federal funds for the Center will continue to be successful, the remaining Federal portion of this project, \$2.2 million, remains critically important.

Congress has provided funds for the American Maritime Education and Research Center through the National Oceanic and Atmospheric Administration's construction account. As a result of our consistent missions, Mystic and NOAA have developed a strong working relationship. NOAA representatives visited the Seaport last summer to review plans for the new facility, and we have signed a contract for the third 1 million.

We have done economic analysis that is very favorable. As a result of the economic development implications of this project, Mystic has begun working with the Economic Development Administration to determine whether the Seaport is eligible for Federal funding through any of the EDA grant programs. We will keep the Committee informed of our efforts with EDA.

Chairman Forbes, we appreciate the Subcommittee considering funding the remaining Federal share of this important project.

I will be pleased to answer any questions that you might have.

Mr. FORBES. Thank you, Mr. Cox.

Governor John Rowland has also expressed strong support for Mystic Seaport, and we will make his remarks a part of the record as well as your written statement.

As you know, we are in very difficult times, and there are limited Federal resources. What happens if there is not any further Federal support of the Mystic Seaport at this time?

Mr. COX. We have problems, and we go on.

The most important part of this project and this funding right now is that we are doing the back of the house, the research center, putting all of the collections in order. We have 2 million objects with which we want to make a 40,000 square foot exhibit, the size of a large children's museum, to expand our winter, fall and spring attractiveness to the visitor. These dollars are very difficult to get.

What we are trying to do is find a way to maximize the Federal share now so that private foundations and others will be willing to support. As you know, of course they want government money in first. And so that is what we are trying to do is maximize that effort so that we can finish the \$25 million project with \$15 million of private and foundation support.

Mr. FORBES. I appreciate that. Thank you for your testimony today.

Mr. COX. Well, thank you, sir, very much.

[The information follows:]

TESTIMONY OF

CHRISTOPHER COX  
VICE PRESIDENT OF DEVELOPMENT AND EXTERNAL AFFAIRS  
MYSTIC SEAPORT

HOUSE APPROPRIATIONS SUBCOMMITTEE ON  
COMMERCE, JUSTICE, STATE AND RELATED AGENCIES

TUESDAY, MAY 2, 1995  
11:30 A.M.  
H-309, U.S. CAPITOL

Thank you, Chairman Rogers, for providing me the opportunity to testify before this Subcommittee regarding Fiscal Year 1996 Appropriations for the National Oceanic and Atmospheric Administration (NOAA). I serve as Vice President of External Affairs at Mystic Seaport.

Mystic Seaport is the oldest and largest maritime history museum in the United States. Over 25 million Americans have visited Mystic Seaport since it was opened in 1929. We are the State of Connecticut's largest cultural attraction.

For the past three years I have appeared before this Subcommittee to express the thanks of Mystic Seaport for the support which we have received from this Subcommittee in our efforts to build the American Maritime Education and Research Center. I appear today to further express the Seaport's appreciation and to request that Congress provide the necessary funds in fiscal year 1996 to complete the federal share of this project--a project which is beneficial to Connecticut, to New England and to the nation.

The purpose of the American Maritime Education and Research Center is to provide Americans with a facility devoted solely to public education and research into our country's historic and ongoing relationship with the sea and America's waterways. Understanding the importance of maritime connections in the development of the United States is more than just an academic issue. Our seas and waterways have been and will continue to be vital to the

Chris Cox: Mystic Seaport: Page 2

economic health of our country. Mystic Seaport interprets for children, parents, teachers and students throughout the United States the vital link between the sea, waterways and commerce.

For Mystic Seaport to continue to serve as our nation's leading institution devoted to maritime education, as well as a magnet for tourism in New England, it must develop infrastructure and programs to support the increased demand for our programs and services. The American Maritime Education and Research Center will help bring Mystic into the twenty-first century. Congress, during the past three years, has generously provided \$3 million for the design and construction of this facility.

The federal funds appropriated for this project to date have helped Mystic Seaport design and prepare for construction of the American Maritime Education and Research Center. A major new education theme, titled "America and the Sea," is designed to touch every American in a meaningful, thought-provoking way. An "America and the Sea" exhibit series will travel throughout the United States concurrent with educational curricula and educational television programming. We expect the American Maritime Education and Research Center to reach tens of millions of Americans by the year 2000.

The federal funds committed to date have also helped the Seaport attract private and State funding. The State of Connecticut has

Chris Cox: Mystic Seaport: Page 3

committed \$10 million to Seaport programs, \$5 million of which is specifically for the \$25 million American Maritime Research and Education Center project. To date, we have raised \$15 million in private funds in support of the project.

While our efforts to raise the private and non-federal funds for the Center continue to be successful, the remaining federal portion of this project (\$2.2 million) remains critically important.

Congress has provided funds for the American Maritime Education and Research Center through the National Oceanic and Atmospheric Administration's (NOAA) construction account. While "earmarking" funds through this account has been controversial, we believe that this approach is appropriate because the mission of the Seaport and the mission of NOAA are compatible. As a result of our consistent missions, Mystic and NOAA have developed a strong working relationship. NOAA representatives visited the Seaport last summer to review plans for the new facility.

The Connecticut Center for Economic Analysis, an independent organization associated with the University of Connecticut, recently conducted an economic impact analysis on the American Maritime Education and Research Center. They estimated that there exists an \$11.38 benefit\cost ratio for funds provided for this project. That is, every \$1 in public funds produces over \$11 in

Chris Cox: Mystic Seaport: Page 4

local economic stimulus.

The economic analysis also shows that the \$10 million State investment in this project will create 9000 job years, averaging about 300 jobs per year, between 1994 and 2026. It is clear that the federal investment in this project (total \$5.2 million) will have the same leveraging affect. I've provided the Subcommittee with a copy of this highly favorable economic impact statement.

As a result of the economic development implications of this project, Mystic has begun working with the Economic Development Administration (EDA) to determine whether the Seaport is eligible for federal funding through any of the EDA grant programs. We will keep the Committee informed of our efforts with the EDA.

Chairman Rogers, we appreciate your considering funding the remaining federal share of this important project, and we thank you for the opportunity to appear before you today. I would be pleased to answer any questions which you might have.



JOHN G. ROWLAND  
GOVERNOR

STATE OF CONNECTICUT  
EXECUTIVE CHAMBERS  
HARTFORD, CONNECTICUT  
06106

May 1, 1995

The Honorable Harold Rogers  
United States Congress  
Chairman, Subcommittee on the Departments of Commerce,  
Justice, State and the Judiciary  
House Committee on Appropriations  
H-309, U.S. Capitol  
Washington, D.C. 20515

Dear Hal:

On Tuesday, May 2, Chris Cox, Vice President for External Affairs for Mystic Seaport, will testify before your Subcommittee during Public Witness Hearings. I appreciate the fact that you are providing Mystic Seaport with the opportunity to be represented during these hearings. In addition to being Connecticut's largest tourist facility, Mystic Seaport has helped nearly 25 million Americans better understand and explore American history for the past forty years.

During the past three years, Congress has provided \$3 million of the requested \$5.2 million federal share to help Mystic Seaport build the American Maritime Education and Research Center. The State of Connecticut has committed \$5 million toward this \$25 million project. The Seaport is raising the remaining \$14.8 million required to complete the project from foundations and private donations.



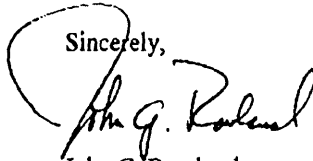
Page 2

The Honorable Harold Rogers

The American Maritime Education and Research Center is a truly worthwhile project for both Connecticut and the nation. I recognize the severe budget constraints facing the 104th Congress and, specifically, the Appropriations Committee. Understanding these constraints, I would nevertheless greatly appreciate your support for considering Mystic Seaport's request that Congress appropriate the remaining \$2.2 million of the requested federal share of this project in Fiscal Year 1996.

Thank you for receiving Mystic Seaport's testimony. We hope our funding request will receive favorable consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "John G. Rowland". The signature is written in a cursive style with a large, looping initial "J".

John G. Rowland  
Governor

TUESDAY, MAY 2, 1995.

**MASSACHUSETTS FOUNDATION FOR EXCELLENCE IN  
MARINE AND POLYMER SCIENCES****WITNESS****GARY GLENN, PRESIDENT**

Mr. FORBES. Mr. Gary Glenn, representing the Massachusetts Foundation for Excellence in Marine and Polymer Sciences. Thank you.

Mr. GLENN. Thank you, Mr. Chairman.

The economic urgency of expanding commercial aquaculture in the United States is now undeniable. The purchase of foreign fish is one of the worst causes of the U.S. negative balance of payments. And the now-occurring collapse of our own territorial fisheries off your coast, Mr. Chairman, and off our coast of Massachusetts and in the northern Atlantic in general will greatly exacerbate the negative balance of trade as Americans are forced to buy foreign caught and cultured fish.

We should welcome initiatives to increase United States aquaculture, such as the recently introduced national aquaculture legislation. Also of importance are aquaculture grant programs in USDA and Sea Grant and world quality research on aquaculture carried out at the Oceanic Institute in Hawaii. However, there is one area of commercial aquaculture promotion that has been almost totally neglected but that holds great promise for increasing the volume and value of U.S.-raised fresh fish. That area is urban aquaculture.

Urban aquaculture is the raising of fish on small plots or unused industrial space in urban areas. There is a very specific and workable precedent for this kind of activity. During World War II, faced with a potentially calamitous decline in agricultural production due to shortage of agricultural workers, millions of Americans started Victory Gardens in backyards and vacant lots. The amount of food produced by Victory Gardens surpassed all expectations and helped to feed the U.S., and other parts of the world as well, during a period of national emergency.

The impending shortage of U.S.-produced fish is also a national emergency. It is a deeply held goal of virtually every country in the world to be self-sufficient in food production, especially in basic commodities. U.S. consumption of fish has greatly increased in recent years, inspired by a realization of the high nutritional content of seafood, so we too should aspire to self-sufficiency in fish production. This can only be accomplished through aquaculture, and urban aquaculture will play an important role.

What is needed now, Mr. Chairman, is a clear demonstration that small-scale urban aquaculture is workable and profitable. We ask for this Committee's assistance by making \$475,000 available, which will be matched doubly by the State of Massachusetts, for a demonstration project to be managed by the Commonwealth of Massachusetts Foundation for Excellence in Marine and Polymer Sciences in cooperation with major U.S. aquaculture centers. The goal of the program will be to have 850 privately financed urban

aquaculture projects under way throughout the United States within two years.

And we thank you for this opportunity to testify, Mr. Chairman.

Mr. FORBES. You referred, I believe, to the national aquaculture development plan and pending legislation. One of the provisions in that plan, as I understand it, is from the Secretaries of Agriculture, Commerce and Interior to determine which species is a potential for culturing. I was wondering if you could just give us a quick—because time is limited, but a quick kind of a view.

One of the concerns I would have with that is that the Secretaries—well meaning—but the Secretaries of those departments would be setting the national agenda on that, as opposed to the entrepreneurs or people like yourself. This is a troubling part of that legislation, although I am given to support aquaculture endeavors in general.

Mr. GLENN. Interestingly enough, we have a parallel process going on in Massachusetts right now. And that exact question has come up on whether the States should identify species to be developed, and we have opposed that. Our sense is that the selection of species should be a function of the private sector and that it is a market-driven thing and the private sector best knows what the market can demand. And, therefore, it makes sense not to have, in our case, the State and we also believe the Federal Government determine which species should be developed.

Mr. FORBES. Thank you very much, sir.

Mr. GLENN. Thank you, Mr. Chairman.

[The information follows:]

**TESTIMONY**

**SUBMITTED TO THE US HOUSE OF REPRESENTATIVES**

**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE,**

**AND THE JUDICIARY**

**COMMITTEE ON APPROPRIATIONS**

**MAY 2, 1995**

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**Presented by Gary A. Glenn, President**

**Massachusetts Foundation for Excellence in Marine and  
Polymer Sciences  
9 Park Street  
Boston, MA 02108**

The economic urgency of promoting the expansion of commercial aquaculture in the United States is now undeniable. The purchase of foreign fish is one of the worst causes of the US negative balance of trade. And, the now-occurring collapse of our own territorial fisheries will greatly exacerbate the negative balance of trade, as Americans are forced to buy foreign caught and cultured fish.

We should welcome initiatives to increase United States aquaculture production, such as the recently-introduced national aquaculture legislation. Also of importance are aquaculture R&D grant programs in USDA and Sea Grant, and world quality research on aquaculture carried out at institutions such as the Oceanic Institute of Hawaii. However, there is one area of commercial aquaculture promotion that has been almost totally neglected, but that holds great promise for increasing the volume and value of US-raised fresh fish. That area is Urban Aquaculture.

Urban Aquaculture is the raising of fish on small plots (such as backyards) or unused industrial space in urban areas. There is a very specific and workable precedent for this kind of activity: during World War II, faced with a potentially calamitous decline in agricultural production due to shortage of agricultural workers, millions of Americans started Victory Gardens in backyards and vacant lots. The amount of food produced by Victory Gardens surpassed all

expectations, and helped to feed the US, and other parts of the world, during a period of national emergency.

The impending shortage of US-produced fish is also a national emergency. It is a deeply held goal of virtually every country in the world to be self-sufficient in food production, especially basic commodities. US consumption of fish has greatly increased in recent years, inspired by a realization of the high nutritional content of seafood, so we too should aspire to self-sufficiency in fish production. This can only be accomplished through aquaculture, and Urban Aquaculture can play an important role in supplementing production from rural and coastal areas.

What is needed is a clear demonstration that small-scale Urban Aquaculture is workable and profitable. We ask for this Committee's assistance in making \$475,000 available to NOAA for a demonstration program in urban areas of the northeast United States. The program would be managed by the Massachusetts Foundation on behalf of a consortium of non-profit, state, and academic institutions, with strong input from the private sector. The goal of the program will be to demonstrate the potential profitability and effectiveness of Urban Aquaculture so that cities throughout the United States can work with entrepreneurs and community groups to begin food production in urban areas.

Thank you for this opportunity to testify.

TUESDAY, MAY 2, 1995.

**CENTER FOR MARINE CONSERVATION****WITNESS****ROBERT IRVIN, DEPUTY VICE PRESIDENT FOR MARINE WILDLIFE AND FISHERIES CONSERVATION**

Mr. FORBES. Mr. Robert Irvin, representing the Center for Marine Conservation. Mr. Irvin.

Mr. IRVIN. Good morning. I am Robert Irvin, Deputy Vice President for the Center for Marine Conservation, and it is a pleasure to be here this morning to have this opportunity to express our support for the President's budget request for the National Oceanic and Atmospheric Administration.

Mr. Chairman, our oceans are extremely important to this country. Commercial fisheries in the United States support over 300,000 jobs. Seventeen million Americans engage in saltwater fishing as a recreational activity, and more than 3 million people engage in whale watching. So providing funds today for the conservation of our marine resources will have both immediate and long-term benefits for this Nation.

We support the President's budget request and in particular we support four areas: number one, improving funding for the National Marine Sanctuary Program; number two, increasing the funding to the National Marine Fisheries Service to build sustainable fisheries; number three, recover and protect species; and, fourth, ensuring adequate funding for marine pollution prevention programs. I would like to briefly review these.

The National Marine Sanctuary Program supports 14 sanctuaries around the country with appropriations last year of \$12 million. Now, that is an inadequate amount to adequately manage these sanctuaries, but it did represent a major step forward from past appropriations. And I am here this morning, Mr. Chairman, to encourage this Subcommittee to continue that effort and to maintain funding for the National Marine Sanctuary Program at 80 percent or more of the authorized level, which is \$20 million. So we are asking that you provide an operating budget of at least \$16 million for these sanctuaries.

We recognize that these are tight fiscal times. However, the Center for Marine Conservation believes that the National Marine Sanctuary Program provides benefits not only for the Nation as a whole but for local communities. One example of this, Mr. Chairman: the Florida Keys National Marine Sanctuary. This sanctuary is critical to protecting the only coral reef system that is complete and adjacent to the continental United States.

Now, this subcommittee is likely to hear later today from opponents of the sanctuary who are waging a campaign against it. However, I think it is important to note that this is an issue that has strong local support.

Attached to my testimony today is a letter from the Mayor of Monroe County, Florida, which is the Florida Keys, Shirley Freeman. She wrote this letter as a fellow Republican to the Chairman, Mr. Rogers, expressing her strong support for the appropriation

and for the National Marine Sanctuary Program, and I ask that that be included in the record with my testimony.

Mr. FORBES. It will be.

Mr. IRVIN. The second area of concern is building sustainable fisheries. Twenty-eight percent of the U.S. fish stocks are overutilized, 31 percent are fully utilized, and 29 percent we don't know. The fact is that, at current funding levels, the National Marine Fisheries Service does not have the resources to fully implement fishery management plans or to develop and implement new fishery management plans to reduce overfishing.

And the newspapers are full of stories of the consequences of this failure in management. In New England, one of the world's richest ground fisheries has been wiped out. So we are asking that the committee support the President's request of \$339.4 million to rebuild sustainable fisheries.

We also support the President's request for recovering protected resources, providing adequate funding for implementation of the Marine Mammal Protection Act and the Endangered Species Act. In fact, we ask the committee to increase those resources in the areas of enforcement, Section 6 funding and Marine Mammal Protection Act implementation.

Finally, Mr. Chairman, we ask that the committee support efforts to prevent marine pollution. The Marine Entanglement Research Program is one effort that the National Marine Fisheries Service has. To do this we are asking that the committee approve \$750,000 for that program and \$300,000 for NOAA's share of a joint coastal pollution monitoring program with EPA.

Thank you for this opportunity to testify. I will be happy to answer any questions.

Mr. FORBES. Thank you, sir. I appreciate your patience through the morning here waiting to testify, and we will make the full extent of your remarks a part of the record.

Mr. IRVIN. Thank you.

[The information follows:]





## Center for Marine Conservation

### Testimony of the Center for Marine Conservation Before the Subcommittee on Commerce, Justice, State, and the Judiciary House Appropriations Committee

May 2, 1995

Mr. Chairman and Members of the Subcommittee. I am Robert Irvin, Deputy Vice President for Marine Wildlife and Fisheries Conservation at the Center for Marine Conservation (CMC). CMC appreciates this opportunity to offer our support for the President's Fiscal Year 1996 budget request to improve the stewardship of our Nation's living marine resources by the National Oceanic and Atmospheric Administration (NOAA). CMC is the leading national environmental organization dedicated solely to conservation of the marine environment. CMC's more than 120,000 members are committed to maintaining the abundance and diversity of life in the oceans through science based policy research, public education, citizen involvement, and responsible advocacy.

Living marine resources are extremely important to our Nation. In 1992, U.S. commercial fishers earned \$3.7 billion in revenue from fish and shellfish. More than 80 percent of their catch was used for human food. Commercial fisheries in the U.S. support over 300,000 jobs. Approximately 17 million U.S. recreational fishers took over 52 million saltwater fishing trips along the Atlantic and Gulf Coasts in 1992. The conservation of marine mammals and endangered marine species provide abundant recreational opportunities to millions of Americans annually. In the U.S., more than 3 million people annually participate in whale-watching, generating more than \$230 million in direct and indirect revenue. Consequently, providing adequate funds today for the conservation and management of living marine resources will have both immediate and long-term benefits for the American people.

CMC urges the Subcommittee to approve the President's budget request. In particular, CMC strongly supports improving funding for the National Marine Sanctuary Program, increasing funding to the National Marine Fisheries Service (NMFS) for programs to build sustainable fisheries and recover protected species, and ensuring funding for important pollution prevention programs within NOAA.

#### I. Ensuring Protection of National Marine Sanctuaries

The National Marine Sanctuary Program (NMSP) conserves America's most outstanding marine resources and the coastal economies which depend on those resources. The NMSP has already achieved considerable success, but remains limited by inadequate funding. Nationwide, the NMSP supports 14 sanctuaries with appropriations in FY 1995 of \$12 million. However, even limited increases in sanctuary appropriations in recent years have paid healthy dividends for both local communities adjacent to sanctuaries and the Nation. Nonetheless, these increases have barely kept pace with the increase in number, size, and complexity of designated sanctuaries that continues to straddle the program's limited resources.



**Testimony of Center for Marine Conservation  
May 2, 1995**

Last year, CMC testified that the NMSP needed an operating budget of \$15 million to meet its statutory responsibility for protecting an expanded sanctuary system that now totals close to 20,000 square miles. Funding at that level would still be only half that recommended by an independent NMSP Review Panel in 1991 and endorsed by NOAA's public advisory committee in 1992. This Subcommittee responded positively to those recommendations by increasing NMSP funding to \$12.5 million, reduced in Conference to \$12 million.

The FY95 Appropriation represented a major step forward, recognizing the program's critical importance, and began to address historically inadequate funding, providing a strong base on which the program can build. Congressional action to continue this progress is essential to help NOAA meet its stewardship mission. CMC wishes to emphasize that current FY95 NMSP funding is \$12 million or 80% of the then authorized level of \$15 million. Therefore, \$12 million should be considered base funding for the program.

Authorized funding levels were set conservatively, but did anticipate growth to meet the program's increased responsibility for new sites. We urge you to maintain funding for the NMSP in FY96 at 80% or more of the authorized level (\$20 million) and provide an operating budget of at least \$16 million to cover sanctuary management including sites recently designated by Congress in the Florida Keys, California's Monterey Bay, and Hawaii. National Marine Sanctuaries are the marine equivalent of our National Parks, which, by comparison, received \$1.08 billion in FY 1995.

CMC recognizes that these are tight fiscal times. However, CMC encourages the Subcommittee to continue to recognize the tremendous value of the NMSP and provide a commensurate increase. Regardless of the level of funding you provide, CMC suggests that priority be given to funding local, on-site operation and management at the 14 existing sanctuaries, over funding for NOAA headquarters activities or for the development of additional new sites. For example, even if the NMSP is only level-funded at \$12 million, the Administration's request, increasing the portion spent in the field would still provide some improvement in public benefit and services. The NMSP's greatest strength, maximum benefits, and strongest support reside at the local level where it has the most impact.

The Subcommittee has previously encouraged NOAA to seek non-Federal revenue for the NMSP to supplement appropriations. While some progress has been made in this area, providing a small appropriation to NOAA's construction and acquisition account for the development of true NMSP visitor and interpretive facilities would make this a more feasible option. Unlike national parks and wildlife refuges, no sanctuary currently has such facilities. Yet such facilities are especially needed for sanctuaries, since submarine resources are not always fully accessible to, or appreciated by, the public. Visitor facilities that provide quality services are imperative to maximize public awareness and appreciation of sanctuaries. Furthermore, such facilities can be revenue-generating, if seed money is provided, and therefore provide a strong return for a minimal investment.

**Testimony of Center for Marine Conservation  
May 2, 1995**

One of the vitally important components of the NMSP is the Florida Keys National Marine Sanctuary. The Florida Keys National Marine Sanctuary is critical to protecting the only complete coral reef system adjacent to the continental U.S. It provides a unique opportunity to ensure that the natural resources and economy of the Keys receive long-term protection. Recognizing this fact, the Mayor of Monroe County, Shirley Freeman, has written a letter to you Mr. Chairman, as a fellow Republican, expressing her strong support for appropriations for the NMSP. A copy of her letter is attached to CMC's testimony.

Nevertheless, a campaign is being waged against the sanctuary using misinformation and scare tactics, such as alleging that "hundreds of small boats have been already been seized" when nothing of the sort has occurred. You may hear such claims by others testifying today. However, it does not reflect the sentiment of the majority of Keys residents and their elected leaders, like Mayor Freeman, who support the sanctuary.

CMC and other sanctuary supporters--including divers, commercial and recreational fishermen, fishing guides, business interests, and other environmental organizations--reject the argument that the Keys would be fine if NOAA just left them alone. "Business as usual" has resulted in the universally recognized problems in the Sanctuary--deteriorating coral reef health, vanishing fish populations, murky water. No one welcomes restrictions on their activities. But if any place in this country has been "loved to death," it is the Keys. The reef system is the most popular and heavily visited underwater site in the world. Millions of visitors arrive in the Keys each year to enjoy its natural resources. Maintaining the health of those resources is essential to the economy of the Keys. CMC urges you to ensure the conservation of these valuable resources by adequately funding the NMSP.

## **II. Building Sustainable Fisheries**

NMFS calculates that 28 percent of 231 U.S. fish stocks are overutilized, 31 percent are fully utilized, and the status of 29 percent is unknown. At current funding levels, NMFS lacks the resources to fully implement existing Fishery Management Plans (FMP's) or to develop and implement new FMP's to reduce and prevent overfishing.

Fisheries management funding is inadequate and is costing the Nation dearly. In New England, inadequate management has driven one of the world's most productive groundfisheries to near extinction. In the Gulf of Mexico, bycatch in shrimp trawls threatens the viability of other commercial and recreational fisheries. On the Pacific Coast, salmon stocks are in serious decline, with several already on the endangered species list. The depletion of our fisheries deprives Americans today and tomorrow of an affordable and sustainable food source, costs jobs, undermines community stability, and imperils marine ecosystems.

**Testimony of Center for Marine Conservation**  
**May 2, 1995**

CMC strongly supports the President's request of \$339.4 million to build sustainable fisheries. This increase of \$8.9 million over the FY 1996 base will assist NMFS in addressing the problems of insufficient data, provide for additional assessment of the status of fishery resources, and allow NMFS to begin addressing the backlog of management and conservation requirements under the Magnuson Fishery Conservation and Management Act.

The President's budget includes \$10 million in fisheries fees to be collected from users who have exclusive rights to harvest America's fish. The additional cost of developing, implementing and managing these limited access fisheries could be partially offset by the collection of this amount. Authorizing legislation to allow the collection of such rents from harvest quota programs is being considered in the House this week. CMC supports the collection of rents or fees from exclusive access fisheries, as the minimum return the public should receive for granting access to our living marine resources.

**III. Recovering Protected Resources**

The Marine Mammal Protection Act (MMPA) gives NMFS the responsibility to conserve and manage marine mammals in U.S. waters. At least 35 species of marine mammals, including whales, seals, dolphins, porpoises, and manatees, are found in U.S. waters of the Atlantic and Gulf of Mexico. At least 50 marine mammal species, including sea lions, walrus, polar bears, and sea otters, occur in U.S. waters of the Pacific. Similarly, the Endangered Species Act (ESA) gives NMFS the duty to conserve and manage threatened and endangered marine species, including the six threatened and endangered species of sea turtles occurring in U.S. waters. As with fisheries management, current funding is inadequate for NMFS to develop and implement recovery programs for all depleted, threatened, or endangered species or to develop proactive measures to avoid future listings under the Endangered Species Act.

To begin addressing this problem, CMC supports the President's request of \$58.5 million to recover protected resources. This \$18.6 million increase is necessary to support the goals and objectives of recovering protected species, and move toward fully implementing the MMPA and the ESA. CMC urges the Subcommittee, however, to increase funding for these programs beyond that requested by the President.

In 1994, CMC worked closely with the Congress and the fishing industry to amend the MMPA and institute a system to reduce the accidental mortality of marine mammals in commercial fishing operations. The program required by these amendments anticipates enhanced monitoring and management activities. While the President's request provides an increase for research and stock assessment, it does not include the necessary additions that will be required to convene incidental take reduction teams, devise take reduction plans, develop a streamlined system to report incidental mortality, observe fisheries at levels necessary to accurately determine incidental mortality, and conduct public outreach to the fishing community to inform them of the new requirements under the MMPA.

**Testimony of Center for Marine Conservation  
May 2, 1995**

Further, the President's budget does not provide sufficient research funds to assess marine mammal populations and to investigate fishing gear and technologies that reduce incidental mortality. These two areas are critical to the success of the program. Finally, enforcement funds are not adequate to cover the enforcement of both the MMPA and the ESA.

The proposed budget is insufficient to implement other provisions of the MMPA as well. For example, Title IV, the Marine Mammal Health Stranding and Response Act has been historically underfunded; nevertheless, unexplained die-offs of marine mammals have continued on almost an annual basis along the United States coastline. NMFS's response to these die-offs is hampered because, to date, no funds have been appropriated to the Emergency Response Fund. Without the necessary funds NMFS is powerless to determine the cause of these die-offs of marine mammals--animals that are potential indicators of the overall health of the marine environment.

CMC also supports the President's request for a \$2.6 million increase in enforcement, with 10 additional FTE's. Implementation of the new regulations prohibiting the intentional shooting of marine mammals as well as increased enforcement of existing regulations such as turtle excluder device requirements necessitate enhancing NMFS's enforcement capabilities.

Finally, CMC notes that no funds have been identified for cooperative endangered species agreements with the States. Federal-State cooperation can reduce endangered species conflicts, particularly in the marine environment, where State and Federal jurisdiction overlaps. CMC urges the Subcommittee to appropriate \$11.5 million for cooperative agreements pursuant to Section 6 of the ESA.

**IV. Preventing Marine Pollution**

Marine pollution poses a significant threat to living marine resources. Chemicals, sewage, and solid wastes all leave their mark on the oceans and its inhabitants. More than 34 billion plastic bottles are produced annually in the U.S. Plastics make up more than one-half of all human-caused debris items found at sea and on beaches. Marine mammals and other creatures are often entangled and killed in plastic debris.

In 1984, Congress recognized the problem of marine debris and directed NMFS to develop the Marine Entanglement Research Program (MERP). The MERP conducts educational activities aimed at debris generators; sponsors research on the origin, amount, and distribution of marine debris; and develops measures to reduce marine debris. Under NMFS's leadership, the MERP has brought together experts from industry, fishing interests, shipping, government, and the conservation community to develop cooperative approaches to solving marine debris problems. CMC urges the Subcommittee to continue these efforts by appropriating at least \$750,000 for the MERP.

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May 2, 1995**

Finally, to enhance coastal monitoring of marine pollution, CMC urges the Subcommittee to appropriate \$300,000 for NOAA's share of a joint coastal monitoring program with EPA, pursuant to Title 5 of the Marine Protection, Research and Sanctuaries Act.

On behalf of CMC and its more than 120,000 members nationwide, thank you for this opportunity to offer our support for enhancing funding for NOAA's stewardship of our Nation's living marine resources. I will be happy to answer any questions you may have.



Shirley Freeman  
Mayor

**COUNTY OF MONROE**

318 FLUMING STREET  
KEY WEST, FLORIDA 33040  
(305) 293-3430

Middle Keys (305) 284-6018  
Upper Keys (305) 852-7152  
Fax (305) 292-3377

April 27, 1995

The Honorable Harold Rogers  
United States Congress  
Chairman, House Appropriations Subcommittee for Commerce  
H-309, The Capitol  
Washington, DC 20515

Re: Urgent need to fund National Marine Sanctuary Program

Dear Congressman Rogers:

As a fellow Republican, and Mayor of Monroe County, Florida (the Florida Keys), I am writing to express our support for appropriations for the National Marine Sanctuary program.

Attached please find formal board resolutions dated 1991 and 1993 supporting same.

We urgently need the Florida Keys National Marine Sanctuary to save our fragile marine ecosystem.

The coral reef is diseased, Florida Bay is covered with scum, and the formally crystal clear water is cloudy.

Our economy and health depend on your appropriation.

HELP.

Sincerely,

*Shirley Freeman*  
Mayor Shirley Freeman

FAX		DATE	# PGS
TO	JACK SOBEL		
CO	FAX		
FROM	DAVE HOLTZ		
CO	PHONE		
MESSAGE		ATTN: FAX	

THE FLORIDA KEYS - AMERICA'S CARIBBEAN ISLANDS

APR-28-95 FRI 12:11

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TUESDAY, MAY 2, 1995.

## TRAVEL AND TOURISM GOVERNMENT AFFAIRS COUNCIL

### WITNESS

**WILLIAM S. NORMAN, PRESIDENT AND CEO OF THE TRAVEL INDUSTRY ASSOCIATION OF AMERICA**

Mr. FORBES. Mr. William S. Norman, President and CEO of the Travel Industry Association of America.

Mr. NORMAN. Good morning, Mr. Chairman, and thank you for this opportunity to testify on behalf of the travel and tourism industry which, in partnership with the U.S. Travel and Tourism Administration, USTTA, contributes greatly to the economic health of this Nation.

Mr. Chairman, I am William S. Norman, President and CEO of the Travel Industry Association of America known as TIA. But I also serve as Vice Chairman of the Travel and Tourism Government Affairs Council, and it is on behalf of that organization that I speak today.

I daresay, Mr. Chairman, that none of us in this room is without a memento of a recent trip, a holiday excursion to another country or region. But, too often, such travel and tourism is perceived as a trivial luxury. To illustrate the enormous impact that the travel and tourism industry has had upon the quality and economics of life in our country I ask, sir, that you indulge me as I recite a few facts and figures.

The travel and tourism industry generated \$416 billion in expenditures last year. Travel and tourism is the Nation's third largest retail industry and the second largest employer in the United States, directly employing 6.2 million American workers.

Last year, in 1994, travel and tourism was again the Nation's leading export, creating a \$22 billion surplus as international visitors spent more money here than Americans spent abroad. So for our Nation's citizens, travel and tourism means jobs and prosperity, not just vacations. Indeed, I often think of the travel and tourism industry as a kind of economic Samaritan, anonymously donating much-needed funds to individuals and communities and raising the standard of living for our Nation as a whole.

As good Samaritans, we ask for little in return. However, Mr. Chairman, we need some help now. I am deeply alarmed to report that international visitor arrivals this year will decline 4.2 percent to 43.8 million. Without the USTTA, we can only expect the decline to continue and perhaps accelerate.

In March, Speaker of the House Newt Gingrich addressed an industry event called the Unity Dinner at which he challenged our industry to think boldly. Specifically, he outlined a planning model that has only four interdependent layers—vision, strategies, projects and tactics—designed and used by leaders such as Franklin D. Roosevelt to handle complex ideas. We suggest as an industry that USTTA follows these four planning layers very well.

First, let me explain our vision. The first layer of the planning model of USTTA is vision. We see the USTTA as an epitome of the private-public partnerships that are the center of the government



reform debate goes on here in Washington. We see the USTTA working with U.S. private industries and foreign governments, using less tax dollars and creating a true cooperative work environment.

Our second level, strategies, is already being implemented by USTTA. In fiscal year 1994, the USTTA was involved in nearly 8,000 partnerships with hubs of States, cities, regions and private sector entities. As a result, more than \$16 million of these partners' funds were devoted to USTTA's cooperative international tourism marketing programs. These funds are almost equal to the USTTA budget.

Now, our current buzzword is information superhighway, and some of us are still riding around in our Edsels or Desotos, continuing to miss the on-ramp. However, the USTTA is launching the U.S. Travel and Tourism Information Network. This on-line welcome sign is one very effective way of opening the Nation's gates and allowing many new sources of income to enter uninhibited.

Next, we come to the third layer of our planning model: projects. Speaker Gingrich has defined a project as a definable, delegable achievement. Under Secretary Farmer has been instrumental in creating several worthwhile projects for the industry, including the White House Conference on Travel and Tourism which will take place in October of this year. This project involves thousands of representatives of our industry nationwide who are committed to developing a national tourism policy and strategy.

But I propose that the USTTA is so intrinsically a part of the White House Conference that to lose the agency before its completion would be catastrophic.

Let us also not forget, Mr. Chairman, that the Olympics are on the horizon and will be an international event the likes of which Georgia and much of America has rarely seen. The Olympics, too, are a project, one that will involve the USTTA heavily in international marketing and education.

This leads us, finally, to the fourth layer of our planning model: tactics. These are relatively simple. We can keep the USTTA funded for the next fiscal year, thereby preserving an integral part of the bold-use strategies and solutions set forth by the travel and tourism industry in 1995. But I can honestly state here that we as an industry will not be nearly as successful in achieving these goals if we do not have the USTTA as a partner with our government.

At the same time, we in the travel and tourism industry recognize that there is a need for change within our industry and the USTTA. Thus, within the context of the White House Conference on Travel and Tourism, we are developing bold strategies for new public-private partnerships to fully market the United States as the unparalleled destination that it truly is.

This concludes my testimony, Mr. Chairman, and I would be happy to answer any questions you may have. Thank you very much for the opportunity.

Mr. FORBES. Thank you, Mr. Norman. You speak about an industry that is an integral part of my district, so I thank you very much for your comments. Thank you for being here today.

[The information follows:]



# **Testimony**

before the

**Committee on Appropriations  
Subcommittee on Commerce, Justice, State,  
Judiciary and Related Agencies  
United States House of Representatives**

by

**William S. Norman**

**President and CEO  
Travel Industry Association of America  
and  
Vice Chairman  
Travel and Tourism Government Affairs Council**

**May 2, 1995**

**1100 New York Avenue, NW, Suite 450, Washington, DC 20036  
Tel: (202) 408-9600, Fax: (202) 408-1255**

Mr. Chairman and Members of the Subcommittee, good morning. Thank you for this opportunity to testify on behalf of an industry which is very close to my own heart, but which also affects all of us in this country in terms of employment opportunities and economic development. I refer to the travel and tourism industry, an industry which, in partnership with the U.S. Travel and Tourism Administration (USTTA), contributes greatly to the economic health of this nation. It is the future of the USTTA that I wish to discuss here today.

I am William Norman, President and CEO of the Travel Industry Association of America (TIA). TIA is the national, non-profit organization representing all components of the U.S. travel and tourism industry. I also serve as Vice Chairman of the Travel and Tourism Government Affairs Council, a coalition of 36 national associations, corporations and labor organizations. An affiliate of TIA, the Council is comprised of key elements of the travel and tourism industry, including transportation, accommodations, food service, travel agents, tour sales, recreation and attractions, as well as state and local travel and tourism officials. It is on behalf of the Council that I appear before you today.

I dare say that none of us in this room is without a memento, a photograph perhaps of a recent trip, holiday or vacation excursion to another country or region. Leisure travel is good for the soul; it is a means toward rejuvenation and peace. But in this hectic and fast-paced world, too often our industry and the services it provides are perceived as trivial luxuries. To illustrate the enormous impact that the travel and tourism industry has upon the quality and economics of life in our country, I ask that you indulge me as I recite a few facts and figures. I suggest that these figures are so astonishingly positive that they make a compelling case for investment in, and cultivation of, our industry.

The travel and tourism industry generated \$416 billion in expenditures last year. That is a rather incomprehensible number, but if that amount were put toward the Federal debt (and I'm not saying that it should be), it would completely wipe out the debt accumulated in one year, with some hefty change to spare. Travel and tourism is the nation's third-largest retail industry, behind automotive dealers and food stores. We are the second largest employer in the nation, directly employing 6.2 million American workers with a payroll of \$102.9 billion. In 1994, travel and tourism was again the nation's leading export, creating a \$22 billion surplus as international visitors spent more money here than Americans spent abroad.

Allow me, Mr. Chairman, to use your home state of Kentucky as a means to personalize these broad and overwhelming figures. In 1993, travel and tourism supported 72,600 jobs in the Bluegrass State, 2,000 of them through international tourism. Travel and tourism as a whole, aided by such tourism generating events as the Kentucky Derby, was responsible for generating \$448 million in tax revenue that same year. Travel expenditures in Kentucky were \$3.6 billion. For your constituents, Mr. Chairman, travel and tourism means jobs and prosperity, not just vacations. And these figures are proportional for most states in the U.S.

Indeed, the travel and tourism industry is a highly productive, beneficial industry which contributes untold riches to our economic well-being. I often think of the travel and tourism industry as a kind-of economic samaritan, anonymously donating much needed funds to individuals and communities, and raising the standard of living for our nation as a whole. As

a "good samaritan", our industry asks for little in return; however, we need some help now. I am deeply alarmed to report that, according to the USTTA, international visitor arrivals this year will decline 4.2% to 43.8 million. That means that revenue will decline 1.4% or \$56.4 billion. From 1993 to 1994, our nation's share of worldwide international travel receipts fell an estimated half a percentage point. If such a decline continues, it will translate into a cumulative 2 percentage points by the end of this year. This means \$1.1 billion in lost revenues for the U.S. \$1.1 billion -- that could fund the USTTA for more than 50 years at its current level of funding! The lack of investment America puts into its travel and tourism industry results in loss of jobs and revenue. It is a national disgrace that the U.S. ranks 31st in the world in terms of spending by National Government Tourism Organizations, ranked behind countries like Cyprus, Malaysia, Poland and Tunisia.

On March 1 of this year, an industry event was held called "The Unity Dinner," which was attended by close to 1500 people. Speaker of the House Newt Gingrich gave the keynote address, and he challenged and inspired the travel and tourism industry as much as anyone has done in a long, long time. He challenged our industry to "think boldly." He talked about a planning model with only four interdependent layers, designed and used by leaders such as Albert Sloane and Franklin Roosevelt (and countless others) to handle complex ideas. The four layers are: vision, strategies, projects and tactics. We suggest that the USTTA follows these four planning layers very well.

First, let me explain our vision of the USTTA -- the first layer of the planning model -- a vision shared by most in our industry but perhaps hasn't been well translated to the general public. We see the USTTA as the epitome of the public-private partnerships that are the center of the government reform debate going on here in Washington. We see the USTTA working with U.S. private industries and foreign governments, using less tax-dollars and creating a true cooperative work environment. We see the USTTA as an agency which involves the private sector with the U.S. government, allowing citizens to participate in decisions and choices usually reserved for government officials.

I will take a moment here to clear up some confusion. Some say that the formation of these public-private partnerships, and indeed the entire reason for USTTA's existence, is merely to provide a marketing tool for private corporations. I would like to make clear that the USTTA does not market specific companies as destinations, but rather markets *America* as the best place in the world to visit and explore. And of course, the main benefit of this is that these foreign visitors will spend lots of money and then leave, which benefits the U.S. broadly by contributing directly to the economy, jobs creation and our national prosperity. So we are talking about public-private partnerships between the USTTA and the travel and tourism industry as a whole.

Now, back to our four layer planning model. Our second layer, strategies, is already being implemented by the USTTA -- particularly in terms of public-private partnerships and technology. The USTTA is instrumental in the act of "bringing together," namely in terms of public-private partnerships. The USTTA is involved in coordinating the efforts of a very diverse industry, as well as in properly preparing state and local tourism officials to compete more effectively in the global marketplace. In FY 1994, the USTTA was involved in nearly 8,000

partnerships with hundreds of states, cities, regions and private sector entities. As a result, more than \$16 million of these partners' funds were devoted to USTTA's cooperative international tourism marketing programs. That fund amount equals the entire USTTA budget.

The USTTA is involved with other private-public partnerships as well. One of these, the U.S.-Japan 2000 program, has the goal of doubling the level of tourism between the two countries by the millennium. This translates into some powerful economic figures -- \$38 billion in travel receipts, and \$3.2 billion in taxes generated by the year 2000. These returns are within our grasp, but not unless we are committed to making them a reality. This requires investment in the agency bold enough to envision them in the first place -- the USTTA.

A current buzz-word is "information superhighway." Technology is advancing at a frenetic pace, and some of us are still riding in our Edsels or Desotos, seeming to continually miss the on-ramp. However, this low-funded government agency, the USTTA, has committed itself to help transmit its information to consumers. Partnering with the Travel Industry Association of America (TIA), the National Rural Tourism Foundation and the University of Colorado, the USTTA is launching the U.S. Travel and Tourism Information Network (USTTIN). This on-line service will allow access, through the Internet, to information on U.S. destinations and travel services. This is equivalent to posting road signs reading "We're open for business. Please deposit your money in our communities"! This is a welcome sign, a sign of accessibility. We need to show that welcome to other countries' business and people. This is a very effective way of opening the nation's gates and allowing many new sources of income to enter, uninhibited.

Speaker Gingrich often speaks about the "technological/information" age, and how we must not be left behind as it moves steadily and speedily forward. The USTTA is a prime example of a government agency committed to making technology work for itself *and* the people. And let us not forget that empowering the people to access information from their homes also conserves resources and time. The USTTA should be applauded for their use of technology.

Next we come to the third layer of our planning model: projects. Speaker Gingrich has defined a project as "a definable, delegable achievement." Indeed, the travel and tourism industry is entering into a most productive and highly ambitious era. The White House Conference on Travel and Tourism, which will take place in October of this year, is a "project" involving thousands of representatives of our industry nation-wide who are committed to developing a national tourism policy and strategy. Our industry considers the Conference to be a prime opportunity to involve citizens directly with governmental policy which will directly affect their livelihoods. In turn, the number two employer in the nation becomes even stronger, and there is greater commitment to its goals because we, its members, have helped to shape them in a clear, definable and recognized way.

The USTTA has been highly instrumental in working with its travel industry partners to make this event happen. The goals set forth have indeed been "bold." But I propose that the USTTA is so intrinsically a part of the White House Conference that to lose the agency before its completion would be catastrophic. It would negate much of what we have accomplished

already in the various state conferences and industry task forces around the nation, and in so doing would inhibit further growth and realization of industry goals. If this conference fails, and I hope this is hypothetical, we as an industry will be irrevocably damaged. The USTTA should continue to be the catalyst and guiding force for the White House Conference. Without it, we may lose not just a phenomenal opportunity to prepare for the 21st century in terms of increased revenues and jobs creation, but also what the conference has already accomplished.

Let us also not forget, Mr. Chairman, that the Olympics are on the horizon, set to take place next year. This is an international event the likes of which Georgia, and much of America, has rarely seen. International tourists are not, as some may suppose, just going to hop on a plane along with the international athletes, and come to America without any investment or marketing programs on our part. On the contrary, we will have to market this country as never before. We will have to cultivate this opportunity to get the greatest return on our investment. So the Olympics too are a project; one that will involve the USTTA extensively in international marketing and education. There are limitless possibilities here, not the least of which is spreading the economic benefits of the Olympics beyond Atlanta and to the rest of the southeast, and indeed the nation. We need a National Tourist Office to capitalize on those possibilities.

This leads us, finally, to the fourth layer of our planning model: tactics. How do we maneuver and what methods must we employ to achieve these goals, one might ask? It is relatively simple. We can keep the USTTA funded for the next fiscal year, thereby preserving an integral part of the goals set forth by the travel and tourism industry in 1995. We can take the bold new strategies and solutions arising from the White House Conference on Travel and Tourism and implement them in new and profitable ways. But I can honestly state here that we as an industry will not be nearly as successful in achieving these goals if we do not have the USTTA as our governmental partner, guide, and voice.

At the same time, we in the travel and tourism industry recognize that there is a need for change within our industry and the USTTA. Thus, within the context of the White House Conference on Travel and Tourism, we are developing bold strategies for a new public/private partnership to fully market the United States as the unparalleled destination that it truly is. But we need time to think such strategies through, achieve industry consensus, and explore funding possibilities for a new national tourism strategy and structure. We cannot successfully juggle the responsibilities of the White House Conference and the Olympics without the help of the USTTA. We hope the government is willing to continue this agency through fiscal year 1996, if only for that reason alone.

On behalf of the travel and tourism industry, I urge you to continue funding for the USTTA. Such funding relates directly to the well-being of our industry and to the new and more profitable directions this industry will explore during the next year, and beyond.

This concludes my testimony, Mr. Chairman, and I would be happy to answer any questions you or other Members of the Subcommittee may have. Thank you for your time.

# **TRAVEL AND TOURISM GOVERNMENT AFFAIRS COUNCIL MEMBERSHIP**

## **MEMBERS**

Air Transport Association  
 Airports Council International  
 American Automobile Association  
 American Bus Association  
 American Car Rental Association  
 American Council of Highway Advertisers  
 American Hotel & Motel Association  
 American Recreation Coalition  
 American Sightseeing International  
 American Society of Travel Agents  
 American Travel Affairs Council, Inc.  
 Association of Retail Travel Agents  
 Gray Line Worldwide  
 Highway Users Federation  
 Hospitality Sales and Marketing Association  
 International  
 International Association of Amusement  
 Parks and Attractions  
 International Association of Convention and  
 Visitor Bureaus  
 International Council of Cruise Lines  
 Meeting Professionals International  
 NATSO, Inc.  
 National Air Carrier Association  
 National Association of RV Parks &  
 Campgrounds  
 National Business Travel Association  
 National Council of Area and Regional  
 Tourism Organizations  
 National Council of State Travel Directors  
 National Council of Travel Attractions  
 National Council of Urban Tourism  
 Organizations  
 National Park Hospitality Association  
 National Restaurant Association  
 National Tour Association  
 Passenger Vessel Association  
 Recreation Vehicle Industry Association  
 Society of American Travel Writers  
 Society of Travel Agents in Government  
 Travel Industry Association of America  
 US Tour Operators Association

## **MEMBERS AT LARGE**

Ronald W. Allen, Delta Air Lines, Inc.  
 Roger H. Ballou, American Express Travel  
 Related Services Co., Inc.  
 Robert H. Dickinson, Carnival Cruise Lines,  
 Inc.  
 Michael Egan, Alamo Rent A Car  
 Edward P. Faberman, American Airlines,  
 Inc.  
 Richard Fain, Royal Caribbean Cruises, Ltd.  
 Gregory Fisher, Allied Tours  
 Charles Gillett, New York Convention &  
 Visitors Bureau  
 Judson Green, Walt Disney Attractions  
 Darryl Hartley-Leonard, Hyatt Hotels  
 Corporation  
 Noel Irwin-Hentschel, American Tours  
 International  
 Robert E. Juliano, Hotel Employees and  
 Restaurant Employees International Union  
 William Tiefel, Marriott Lodging  
 Jonathan M. Tisch, Loews Hotels

Mr. FÖRBES. I thank all of you for being here this morning, and this closes this part of the hearing.

[Recess.]

Mr. TAYLOR [presiding]. The subcommittee will come to order. We are continuing the subcommittee's outside witness hearings on fiscal year 1996 budget requests. We have already heard testimony from the administration on the fiscal year 1996 President's budget request. The hearing today gives the subcommittee an opportunity to hear from other interested groups and individuals on a variety of matters within our jurisdiction.

We are on a rather tight schedule, and we will be keeping time with the lights that we have here, so we will need to adhere to the 5-minute limit for each witness. The lights are part of an innovation that the committee came up with to help everyone see that we stay within the time limit. The yellow light will go on when you have one minute remaining and the red light indicates that your time slot has ended.

Let me assure each of you that your full written statement can be presented as part of the record and will be. In fact, many subcommittee Members who cannot be here for other reasons have asked for copies of the submitted written testimony, so they will be reading the written testimony rather than the comments that you make.

We welcome everyone here today, and certainly this is a tough year. We want to have everyone's interests heard and taken into consideration.

With that, we will begin with our first witness, Michele Wells-Usher on behalf of the Conch Coalition.



TUESDAY, MAY 2, 1995.

**CONCH COALITION****WITNESS****MICHELE WELLS-USHER**

Ms. WELLS-USHER. Dear Mr. Chairman Rogers and members of the Committee. Thank you for granting me the opportunity to express the concerns of myself and thousands of others who feel besieged and betrayed by the imposition of a proposed act called the Florida Keys National Marine Sanctuary Act, Public Law 101-605, also known as the FKNMS.

I am here accompanied by Ms. Mary Kay Reich who is here on her own recognizance and is one of our Monroe County Commissioners, on behalf of all of those who believe that this proposed Federal takeover of 100 percent of our country's land and sea resources is not only unnecessary, but unwanted and ultimately a seriously tragic and costly failure of legislative intent, which is primarily due to the militaristic and dangerously unbridled interpretation by the agency mandated to draft and enforce this act; more specifically, the National Oceanic and Atmospheric Administration, Sanctuaries and Reserves Division.

I am here to respectfully but urgently request that you consider enacting an immediate moratorium on all FKNMS budgets and operations expenses, until a special congressional hearing can be held, preferably in the Florida Keys, and the residents and voters of Monroe County are allowed to have a referendum vote on whether we want NOAA to encompass our county within a Federal marine sanctuary or not.

The opportunity to vote on this proposed plan was requested no less than three times prior to last primary elections. Through a response to a Freedom of Information Act request, we have discovered evidence that indicates our rights as citizens to vote on this supremely important issue was squashed by a powerful troika of special interest groups and at least one of them was being paid NOAA funds to do so under the guise of performing public outreach for the sanctuary.

We believe this provides ample reason to investigate the nature and the real intent of the federally mandated comprehensive management plan, and these powerful and collusive so-called partnership groups, which we believe directly contradicts Congress' mandates. The residents, taxpayers and voters of the Keys are outraged by this blatant and arrogant disregard for their rights. They were duped into believing their input would be included and considered in this process as was mandated by Congress, and they believed that the management plan would assure a timely and balanced solution to what ails our coastal ecosystem in a prompt and timely manner.

Despite the installation of a 22-member advisory council, our concerns and ideas were ignored and discounted. In fact, the make-up of this council is clearly and overwhelmingly slanted in favor of these same NOAA-funded special interest groups, while the user groups who are most likely to be eliminated or negatively impacted by this act have been denied representation at all.

Furthermore, the advisory council has no statutory authority to assure NOAA heeds any of their advice. So much for public input. Thus, two years after the congressional deadline of 30 months, we still have no substantiated scientific data nor any economic impact assessments to support this plan, and no rules or guidelines for what is already being enforced by NOAA since November of 1990 upon anyone who is suspected of harming their sanctuary resources.

Instead, we have a 788-page draft called, "A Strategy for Stewardship," that attempts to regulate every single item that exists or could exist within the FKNMS boundaries, which includes the lives and livelihoods of 82,000 Americans. It allocates total entitlements of every single resource contained within the FKNMS boundaries to NOAA and their agents under the supervision of a man who has stated in public meetings, quote, "the beauty of this plan is that we don't have the burden of proof to impose civil penalties," unquote, and whose legal counsel believes that the mere designation of the FKNMS Act gives NOAA the right to enforce and impose fines, forfeitures, and seizures based on the suspicion of harming their resources and prior to the final draft of its own guidelines.

They claim their authority supersedes all other Federal and international laws including admiralty law and international ingress-egress. This final draft confirms our worst fears, that NOAA doesn't have the resources, the expertise, nor the funds or authority to do anything about the original intent of the act, which was to prevent ships from running aground on our reefs and prohibit oil drilling inside the FKNMS boundaries, neither of which they can prevent; but merely enables NOAA to collect outrageous damages that they get to assess.

We are convinced that if you held a special hearing regarding the NOAA marine sanctuary, the FKNMS Act would be rescinded by Congress, thereby saving us hundreds of millions of dollars which could be better spent on other programs already in place, and a new county-driven resource plan could begin to take shape that truly would be "for, by and of the people."

The economic and ecological future of the Florida Keys is in your hands. The FKNMS has not been enacted by Congress yet. We, the concerned and most committed resource managers of the Keys urge you to undo the damages done. Call for a special hearing on the Florida Keys National Marine Sanctuary Act and its behemoth budgetary plans. The hundreds of millions of dollars NOAA is requesting can be better spent on programs and agencies already striving to preserve and manage our resources. Thank you for your time and consideration.

Mr. TAYLOR. Thank you. You always want to be cautious when the government comes in and takes over there, because once it is done, it is almost impossible to reverse. I would urge you to contact your Congressman and your two Senators, because they will have input on this as it moves along. So I will be glad to take a look. But I would urge you to work with them also, and through as much of your local government and your other representatives.

Ms. WELLS-USHER. I have been trying, sir. One particular representative I do have difficulty with. The organization that receives

some of these funds is the spouse of his aide. And I don't seem to have a very good communication network there.

Mr. TAYLOR. I would urge you to keep at it.

Ms. WELLS-USHER. Absolutely.

Mr. TAYLOR. Because if you are interested in trying to make your case with as many elected representatives whether they be congressional or not, to get them involved. I appreciate your presentation.

Ms. WELLS-USHER. Thank you. Are there any questions?

Mr. TAYLOR. It is so vast, I want to see your statement. Do you have any handouts of information?

Ms. WELLS-USHER. The red packet in front of you, it is full of back-up documentation including some historical information and some reference data.

Mr. TAYLOR. I would like to look it over and then perhaps we can correspond with you on questions rather than try to do it all today. Thank you very much. I appreciate your testimony.

[The information follows:]

May 2, 1995

Mr. Chairman Harold Rogers, and all Committee Members,  
House Appropriations Sub-Committee of Commerce, Justice, State, and the Judiciary,  
2362 Rayburn House Office Building  
Washington D.C. 20515

Dear Mr. Chairman Rogers and Members of the Committee,

Thank you for granting me the opportunity to express the concerns of myself and thousands of others who feel besieged and betrayed by the imposition of a proposed act called The Florida Keys National Marine Sanctuary Act ( P.L. 101-605.) also known as the FKNMS.

I am here -- accompanied by Ms Mary Kay Reich -who is here on her own recognizance and is one of our Monroe County Commissioners, on behalf of all those who believe that this proposed federal takeover of 100% of our county's land and sea resources is not only unnecessary, but unwanted and ultimately, a seriously tragic and costly failure of legislative intent, which is primarily due to the militaristic and dangerously unbridled interpretation by the agency mandated to draft, and enforce this Act: more specifically, the National Oceanic & Atmospheric Administration (NOAA) Sanctuaries & Reserves Division. I am here to respectfully but urgently request that you consider enacting an immediate moratorium on all FKNMS Budgets and Operations expenses, until a special Congressional hearing can be held --preferably in the Florida Keys, and the residents and voters of Monroe County are allowed to have a referendum vote on whether we want NOAA to encompass our county within a federal marine sanctuary or not. The opportunity to vote on this proposed plan was requested no less than three times prior to last primary elections. Through a response to a Freedom Of Information Act request, we have discovered evidence that indicates our rights as citizens to vote on this supremely important issue was "squashed" by a powerful 'troika' of special interest groups and at least one of them, was being paid NOAA funds to do so, under the guise of performing 'public outreach' for the sanctuary.

We believe this provides ample reason to investigate the nature and the real intent of the federally mandated comprehensive management plan, and these powerful and collusive so-called 'partnership'

groups, which we believe directly contradicts Congress's mandates. The residents, taxpayers and voters of the Keys are outraged by this blatant and arrogant disregard for their rights. They were duped into believing their input would be included and considered in this process as was mandated by congress, and they believed that the management plan would assure a balanced and timely solution to what ails our coastal ecosystem in a prompt & timely manner. Despite the installation of a 22 member 'advisory council', our concerns and ideas were ignored and discounted. In fact, the make up of this council is clearly & overwhelmingly slanted in favor of these same NOAA funded special interest groups, while the user groups who are most likely to be eliminated or negatively impacted by this act, have been denied representation at all. Furthermore, the Advisory Council has no statutory authority to assure NOAA heeds any of their advice. (So much for public input.) Thus, two years *after* the congressional deadline of thirty months, we still have no substantiated scientific data nor any economic impact assessments to support this plan, and no rules or guidelines for what is already being enforced by NOAA since November of 1990 upon anyone who is *suspected* of harming *their* sanctuary resources.

As for the 'balanced and timely solution to our ecological problems'—five years after this 'act' was designated, we still don't have aids to navigation (to prevent groundings) a final water quality protection program, nor the estimated \$400 to \$700 million dollars to address only the water quality issue, much less the operating costs for creating an 'enforcement' staff to patrol and enforce the 2,700 square nautical miles of this 'plan' and its three volume tome of regulations.

Instead, we have a 788 page 'draft' called A 'Strategy For Stewardship' that attempts to regulate every single item that exists (—or could exist) within the FKNMS boundaries—which includes the lives and livelihoods of 82,000 Americans. It allocates total entitlements of *every single resource contained within the FKNMS boundaries*, to NOAA and their agents, under the supervision of a man who has stated in public meetings "the beauty of this plan is that we don't have the burden of proof to impose civil penalties," and whose legal counsel believes that the mere designation of the FKNMS act gives NOAA the right to enforce and impose fines, forfeitures, and seizures based on the *suspicion of harming 'their' resources and prior to the final draft of it's own guidelines. They claim their authority supersedes all*

*other federal and international laws including admiralty law and international ingress egress'* This 'final' draft confirms our worst fears, that NOAA doesn't have the resources, the expertise, nor the funds or authority to do anything about the original intent of the act -- which was to prevent ships from running aground on our reefs and prohibit oil drilling inside the FKNMS boundaries. -- neither of which they can prevent; but merely enables NOAA to collect outrageous 'damages' that *they* get to assess.

Allowing this extremely diabolical attempt to usurp Monroe County's' rights of inclusion and to by-pass constitutional due process by allowing the delegation of congressional authority to a bureaucratic administration like NOAA, will spell disaster for a viable and much needed resources management plan for the Keys. The plan ignores the rule of law wherein citizens have the right to know how a law will affect them. This is a fundamental flaw that precludes whatever good it was intended to do.

Please give us the opportunity to manage our resources ourselves. Please do not allow this self-serving agency to squander our tax dollars on self perpetuation and unneeded bureaucratic expansion, that has only managed to undermine every other state, local, and federal agencies' management attempts. Please resolve to fix what is broken and not what isn't. Please don't let this become a crisis of human and civil rights.

We are convinced that if you held a special hearing regarding the NOAA marine sanctuary the FKNMS act would be rescinded by Congress, thereby saving us hundreds of millions of dollars which could be better spent on other programs already in place, and a new county-driven resource plan could begin to take shape that trully would be For, By and Of the People. The economic and ecological future of the Florida Keys is in your hands. The FKNMS has not been enacted by Congress yet. We, the concerned and most committed resource managers of the Keys urge you to undo the damages done. Call for a special hearing on the Florida Keys National Marine Sanctuary Act and it's behemoth budgetary plans. The hundreds of millions of dollars NOAA is requesting can be better spent on programs and agencies already striving to preserve and manage our resources. Thank you for your time and consideration.

Michele L. Wells-Usher  
3880 Gulfview Ave.  
Marathon, Florida Keys 33050

[CLERK'S NOTE.—Other supporting materials were provided by the witness and are on file with the Subcommittee.]

TUESDAY, MAY 2, 1995.

## COASTAL STATES ORGANIZATION

### WITNESS

DR. H. WAYNE BEAM

Mr. TAYLOR. The Coastal States Organization, Dr. Wayne Beam.

Mr. BEAM. Thank you, Mr. Chairman. I am Wayne Beam, Chairman of the Coastal States Organization. The organization is comprised of 35 coastal States, commonwealth and trust territories under the aegis of the National Government Association. We have been in business for about 25 years.

We understand that these are certainly tough—these are tough fiscal times for you, but I would like to point out that the programs that I am going to address are really a good investment for the Federal Government in that they require a \$1 match in non-Federal share for every dollar that is put up by the Federal Government.

We have heard a lot about unfunded mandates lately in the Congress, and I would like to point out to you that 34 of the 35 States are participating in a truly voluntary, totally voluntary program, so I don't believe the States—I can assure you, they don't look at this as an unfunded mandate to the States as far as coastal zone management is concerned.

Why are these programs vital to the States? I would simply point out that 110 million Americans or 53 percent of our citizens have chosen to live in the coastal zone in that area that comprises only 18 percent of the landmass in this Nation. The widespread desire of Americans to be located on or near the coast is a sure measure of the great value our people place on the coast and its resources.

Acre for acre, I would submit that America's coastal zone is perhaps our Nation's most valuable economic resource. The States have recognized that we must do something about the assimilation of this growth into some truly valuable resource areas; those areas that are not making any more of this type habitat and this type area along our coast.

We are in the growth business in these programs, and all we are trying to do is to assimilate growth into the area of the coastal zone and environment in a sensitive and sensible manner. I am proud to say that the National Oceanic and Atmospheric Administration has set coastal management as a priority in their fiscal year 1996 budget request. So we, therefore, understand that these are tough economic times and we would simply ask that you consider the President's figures that he sent up, the request for the programs. And those numbers are \$43.637 million for the basic 306 grant program under coastal management, under the CZMA; \$4.214 million for management research for the National Estuarine Research Reserves, those 22 sites around the country; \$5 million from the NOAA construction account for the National Estuarine Research and Reserves System, for land acquisition and facility construction;

\$7.8 million from the section 308 coastal zone management fund to be used only for fund purposes; \$12.573 million for the National Marine Sanctuary Program.

Mr. Chairman, we would respectfully urge the Subcommittee to establish the Coastal Management Act and this funding as a priority, economic development, environment conservation program and fund the CZMA programs at the levels that we set forth in our testimony.

I have submitted a written statement for the record and we appreciate you including that in the record of the hearing. We appreciate the opportunity to present these comments, and we stand ready to assist you in any way you feel appropriate as we go through the appropriations process.

Mr. TAYLOR. What would be the aggregate sum the local governments would be funding?

Mr. BEAM. The coastal management programs, they put up \$1 for every dollar that the Federal Government puts up. So it is a 50/50 match. I would say that your State, I am from South Carolina, your State. Those people do a really good job in North Carolina with these programs. I have had the good opportunity to work with those people in the past. They do a good job with their programs and they are a good source of information, if you would like to find out what these programs do.

Mr. TAYLOR. I am familiar—I was in the State Senate when the original act passed.

Mr. BEAM. Yes.

Mr. TAYLOR. But I was wondering about the match on dollars. That is State and local you are talking about.

Mr. BEAM. Yes, sir.

Mr. TAYLOR. The local governments, they can put up some money also.

Mr. BEAM. Yes, sir.

Mr. TAYLOR. Well, thank you very much for your presentation.

Mr. BEAM. Thank you, sir

[The information follows:]





On behalf of the Coastal States Organization, thank you for the opportunity to testify on fiscal year 1996 appropriations for the ocean and coastal programs administered by the National Oceanic and Atmospheric Administration (NOAA).

Since 1970, the Coastal States Organization (CSO) has served as the Governors' official representative for ocean, coastal and Great Lakes affairs of the United States. Delegates to the Coastal States Organization (CSO) are formally appointed by the Governors from each of the 35 States, Commonwealths and Territories bordering the Atlantic and Pacific oceans, the Gulf of Mexico or the Great Lakes.

Mr. Chairman, we are well aware of the tough fiscal decisions which lay ahead. With this in mind, we would like to present our views by answering the questions that Budget Committee Chairman Kasich has proposed about the programs the federal government funds:

- Is the program redundant of other federal programs, or outdated?
- Does the program benefit narrow special interest groups?
- Does the program have a high priority among national interests?

These are valid questions to which every federal program should be held to answer.

The Coastal Zone Management Act (CZMA), up for reauthorization this year, has a 23-year record of success. The strongest testament to the value of the national coastal management program is that 34 of 35 States and Territories are *voluntarily* participating in the program. Because the States are not mandated to develop CZM programs, this extraordinarily high rate of participation on a voluntary basis is solid proof of the support this national program has at the State and local level.

In a time when States complain of burdensome federal mandates and intrusions, why are States seeking entry into this federal program? The most important feature of the CZMA is that it is State driven, placing management decisions at the State and local level. The CZMA recognizes that coastal economies, landscapes and demographics vary greatly, and allows States to establish their own priorities among the national objectives identified in the federal Act. In addition, the CZM program puts the States on an level playing field with the federal government in the area of coastal resource management. Once State coastal management programs are federally approved, federal agency activities affecting the resources of the coastal zone must be consistent with the State's program.

The national CZM program is funded by both the States and the federal government. All federal grants are required by the CZMA to be matched by the States, dollar for dollar. Given these tight budgetary times, it is impressive to know that the federal government can get \$2.00 worth of results for every \$1.00 invested. That's a bargain.

# IS THE CZM PROGRAM REDUNDANT OF OTHER PROGRAMS, OR OUTDATED?

No. The reason why is that the CZMA is not a single purpose statute. The CZMA calls for taking into account -- on the one hand -- all of the "requirements for industry, commerce, residential development, recreation, extraction of mineral resources and fossil fuels, transportation and navigation, waste disposal, and harvesting of fish, shellfish, and other living marine resources," while -- on the other -- "giving full consideration to ecological, cultural, historic, and aesthetic values." The States are then charged with pulling all of these interests together, and developing 'CZM plans' with the ultimate goal of "achieving the wise use of the land and water resources of the coastal zone." Conflicts among competing coastal uses occur continually. For example:

- The dramatic increase in the value of coastal real estate is greatly changing the development dynamics and demographics of coastal communities;
- The economies of coastal communities must respond to the pressures of booming development and redevelopment, as well as the dislocations caused by the closure and downsizing of military facilities;
- The tremendous popularity of coastal recreation, such as recreational boating, are increasingly bringing users and waterfront property owners into conflict.
- Future deep water development on the outer continental shelf will place new demands for support facilities in coastal communities.

The need to have a means for conflict resolution through State CZM programs is constant. A hallmark of State coastal management programs has been their responsiveness to changes. State and local coastal zone management programs have provided government and private decision-makers with a broader perspective, making for better informed decisions. With clear policies and procedures, the nature of the decision-making process is less *ad hoc*, saving time and money.

DOES THE PROGRAM BENEFIT NARROW SPECIAL INTEREST GROUPS? Although the coastal zone of the United States comprises only 18 percent of the land area of the nation, 53 percent of the population of the United States (more than 110 million people) is located in the coastal zone. The population density of coastal counties is four times the national average. Each year there are 700,000 housing starts in coastal counties. By the year 2010, the population of coastal counties in the U.S. is expected to grow to 127 million.

The national interest in coastal management goes beyond those living in the coastal zone:

**Commerce and Trade:** No matter how far inland a community may be, the commercial and industrial base of communities is inherently intertwined with the export and import of goods and materials. Maintaining the viability of coastal ports and harbors is the essential link for the Nation's interstate and foreign trade.

**Energy Production:** Approximately 98 percent of U.S. refining capacity is located in coastal areas. Coastal communities are the base of operations for OCS oil and gas production. Long-term financing by coastal States and communities of the infrastructure supporting OCS production should be protected from boom and bust cycles. With the United States containing 25 percent of the world's coal reserves, U.S. ports are expected to be increasingly relied upon as transfer points for coal shipments.

**Fisheries and Wildlife Habitat:** Aside from affecting the availability and price of seafood, the destruction of coastal fisheries and wildlife habitat is certain to affect the fish and wildlife resources inland. Within the coastal areas are essential habitat that serve as stopovers on the flyways for waterfowl and other migratory resources.

#### DOES THE COASTAL PROGRAM HAVE A HIGH PRIORITY AMONG NATIONAL INTERESTS?

Clearly energy production, fishery habitat preservation and port and harbor maintenance are national priorities. The national interest in coastal management is as important as ever.

Why do 110 million people, or 53% of all Americans, want to live within the narrow band known as the coastal zone, which comprises only 18% of the land area of the Nation? Why are they willing to pay extra for a home with a view of the coast; or much extra for a home on the water? The widespread desire of Americans to be located on or near the coast is a sure measure of the great value Americans place on the coast and its resources. Acre for acre, America's coastal zone is one of the Nation's most valuable resources.

#### FUNDING THE NATIONAL COASTAL ZONE MANAGEMENT PROGRAM

The federal role in fostering coastal management is a continuing one. The reality is that without federal support the State CZM programs could not continue. Funding for the national CZM program over the past few years has been relatively level. Despite slightly increased funding in the last two fiscal years, funding for State coastal programs has declined due to the increasing number of States participating in the program and inflation. During FY96, Ohio is expected to join the program, along with four additional States (Texas, Georgia, Indiana, and Minnesota) in the next two years.

**State Section 306 Grants:** With coastal population increasing, State CZM programs initiating new projects, the addition of Ohio to the national program, and inflation, the Coastal States Organization believes that no less than \$46.637 million (the President's request) is needed in FY96 to fund CZMA §306 grants for State coastal zone management programs. This funding request is well below the authorized amount and only \$4 million above the FY95 appropriation. This funding will enable State CZM programs to protect coastal resources, coordinate State and federal activities, and wisely promote and plan for economic development.

**The National Estuarine Research Reserve System: CZMA §315.** In section 315 of the CZMA, Congress established the National Estuarine Research Reserve System (NERRS) to serve the

national interest by providing a network of sites for research, education, and long-term monitoring. Currently there are 22 sites comprising nearly 450,000 acres of varied estuarine environments. These sites ring the nation's coasts and serve as magnets for education and research relating to coastal management.

Monitoring and research conducted within the National Estuarine Research Reserve System are helping coastal resource managers determine how to control the invasion of exotic species, such as the Zebra Mussel; prevent nonpoint source pollution from the run-off of agricultural pesticides; develop sustainable management strategies for shellfish beds; and restore marshes and other wetlands. This knowledge is then distributed throughout the world to assist in the recovery of estuaries.

Much remains to be done in the establishment and development of Reserve sites. As a system representing the bio-geographic diversity of the estuarine environment, the Reserve System is only two-thirds complete. Continued Federal commitment is essential to the completion of the National Estuarine Research Reserve System. The Coastal States Organization is requesting \$4.214 million (the President's request) for FY96 appropriations, a level that will greatly benefit the entire national CZM program.

**NERRS Construction Account:** Further, the Coastal States Organization respectfully requests the Subcommittee to provide \$5.0 million from the NOAA Construction Account for the NERRS system, as it did in FY94 and 95. Bearing in mind that we are not requesting any increase in the President's request for the NOAA construction account, we are requesting that Congress make available \$5.0 million of these funds for land acquisition and facility construction of the NERRS system. The FY94 and 95 construction money has made a crucial difference in the development of the NERRS system.

**The Coastal Zone Management Fund: CZMA §308:** The Coastal Zone Management Fund is designed to provide funding for projects that address a broad array of coastal resource management issues. The Coastal States Organization requests that \$7.8 million be appropriated to the CZM Fund for FY96. This fund is financed through loan repayments of the retired Coastal Energy Impact Fund, and NOAA has projected that \$7.8 million in loan repayments will be received in FY96. Thus, we support the President's request of \$7.8 million to be appropriated to the CZM Fund. We believe that the funds in the CZM Fund should be available solely for §308 purposes.

Further, in FY95 Congress limited the use of the CZM Fund to no more than \$4.1 million for NOAA administration. We believe that this same limitation should be included in the FY96 appropriations bill.

#### FUNDING THE NATIONAL MARINE SANCTUARY PROGRAM

The President has requested \$12.573 million in FY96 for the National Marine Sanctuary Program, an increase of \$0.573 million over the FY95 funding level. The Coastal States Organization supports the President's request. With two additional sanctuary sites projected to come on-line in FY96, this increase is definitely needed. With the additional sites joining the national system,

however, the \$0.573 million increase will most likely not result in a any increase for the 13 existing sites. In fact, it is quite possible that the funding level for several of the existing sites will remain level in FY95, despite the requested increase of \$0.573 million to the national system.

#### CONCLUSION

The Coastal States Organization believes that the requested amounts—

- \$46.637 million for State coastal zone management program (§306) grants;
- \$4.214 million for grants for management and research (§315) of the 22 National Estuarine Research Reserve sites;
- \$5.0 million for land acquisition and facility construction for the NERRS system from the NOAA construction account;
- \$7.8 million in appropriations from CZMA §308 Coastal Zone Management Fund; and
- \$12.573 for the National Marine Sanctuary Program

are justified by the national interest, financial need and program merit. The Coastal States Organization recognizes the tight fiscal constraints upon the Subcommittee in FY96. But it is for this very reason that priority must be given to existing, proven, operating programs that truly do stimulate economic growth and development. We respectfully urge this Subcommittee to establish the CZMA as its priority environmental/economic development program, and fund the CZMA programs at the levels requested herein.

We greatly appreciate the opportunity to submit our recommendations to this Subcommittee. The Coastal States Organization stands ready to assist you in any way we can.

Thank you.

TUESDAY, MAY 2, 1995.

## INTERNATIONAL ASSOCIATION OF VISITORS AND CONVENTION BUREAUS

### WITNESS

**DANIEL E. MOBLEY, CAE PRESIDENT, WASHINGTON DC CONVENTION AND VISITORS ASSOCIATION**

Mr. TAYLOR. The International Association of Visitors and Convention Bureaus, Dan Mobley.

Mr. MOBLEY. Thank you, Mr. Chairman. Mr. Chairman and members of the Subcommittee, my name is Daniel Mobley and I am President of the Washington, D.C. Convention and Visitors Association. I am here today in my capacity as a member of the board of directors of the International Association of Convention and Visitor Bureaus.

We appreciate the opportunity to present our views on the fiscal year 1996 funding for the United States Tourism and Travel Administration. IACVB is at the crossroads of the travel and tourism industry because our 420 members represent all local tourism interests and their destinations and promote them to visitors, tour operators and meetings.

IACVB supports the continued full funding of the U.S. Travel and Tourism Administration through September of 1996 for the following reasons: One, USTTA is projecting a significant drop in the U.S. market share of the world tourism markets in 1995.

Last year, the U.S. captured 18.2 percent of the world tourism revenues, but this year we will fall to less than 17 percent. This is costing the U.S. significant import dollars that now contribute to the travel and tourism trade surplus of \$22 billion per year, the highest of any industry.

Secondly, the National White House Conference on Travel and Tourism will be held in October of 1995. This bipartisan event will raise the visibility of travel and tourism to a new high and produce specific recommendations on how to increase tourism to the United States and how to market more effectively. These recommendations will form the basis for a new successor organization to replace USTTA. USTTA's continued existence through fiscal year 1996 is critical to accomplish a smooth transition from the old organization to the new.

Third, 1996 is the most important year for the U.S. tourism because millions of visitors will travel to the United States to attend the summer Olympics in Atlanta. It is vital that the U.S. maintain USTTA to provide information and assistance to these international visitors and encourage them to travel to other destinations during their stay.

Mr. Chairman, all of our CVBs that represent cities and destinations across the United States use USTTA offices abroad to conduct marketing campaigns and to bring international visitors to this country. They confirm that travel is up in their destinations from regions of the world where they run campaigns. If USTTA or a similar entity is not funded to provide this valuable function, who will help American cities market their product?

In addition to this, USTTA runs regional market development programs, which is crucial to the United States' marketing tourism strategies. Through it, USTTA has developed some important marketing opportunities using a regional theme. My own organization here in Washington cannot afford to market all of the foreign markets without the help of USTTA's professional overseas staff. We work extensively with USTTA in such major markets as Germany, the United Kingdom, Japan and France.

Mr. Chairman, across the Nation, CVBs represent virtually thousands of small travel-related businesses that work collectively to provide important services to international businesses. These small businesses need the overseas support that USTTA provides so that the local CVBs can tie to the international marketing network that they leveraged for their investments. CVBs also rely heavily on the important in-flight surveys that USTTA conducts to measure the number of international visitors, their spending patterns, their destinations and their reasons for visiting the United States.

In addition to this, the export figures show \$22 million in positive trade balance for travel and tourism. Even with these important programs, the United States is far behind our international competitors in promoting tourism. In fact, the United States ranks 25th in the national tourism promotion expenditures. Greece spends \$143 million; Mexico, \$139 million; Austria, \$45 million, and the United States only \$17 million.

We understand the current climate of budgetary restraint. We support your efforts and those of your colleagues to restrain the growth of Federal spending. What we are asking for is time. Time to transition USTTA into a new national tourism organization. Time to allow the first and only White House Conference on Travel and Tourism to focus attention on issues affecting the vital industry. USTTA is key to that transition.

Without USTTA, the recommendations of the White House Conference are in peril. This plus the need to handle the myriad of issues surrounding the Olympics next summer, make the need to continue full funding of USTTA a very rational decision. We thank you for your time and your consideration.

Mr. TAYLOR. The 25th ranking, are these government and private funds combined or just government?

Mr. MOBLEY. That is government.

Mr. TAYLOR. We know what the aggregate is of the private companies involved?

Mr. MOBLEY. No, sir, but it represents millions and millions. For example, here in Washington—

Mr. TAYLOR. In other words, are we among the top spenders if you put government and private together?

Mr. MOBLEY. Not if you did that—if you used that translation across to what government and private would provide in the other countries as well, we would still run behind.

Mr. TAYLOR. Well, thank you very much. I appreciate this, and I am surprised that we are dropping to 17 percent with the dollar as low as it is.

Mr. MOBLEY. Well, these are anticipated figures. The dollar could help a little bit, but we are waiting to see—the summer is the heaviest traveled period from abroad and with the dollar low, that



may change a little bit. But then without the promotion, it won't either.

Mr. TAYLOR. Well, thank you very much. I appreciate, Mr. Mobley, your statement.

Mr. MOBLEY. Thank you, sir

[The information follows:]



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**Daniel E. Mobley, CAE**  
**President**  
**of the**  
**Washington, D.C. Convention and Visitors Association**

**and**

**Board of Directors Liaison to Government Relations Committee**  
**International Association of Convention & Visitor Bureaus**

**Testimony Delivered to the**

**House Appropriations Subcommittee on**  
**Commerce, Justice, State,**  
**the Judiciary, and Related Agencies**

**May 2, 1995**

Mr. Chairman and Members of the Subcommittee:

My name is Daniel E. Mobley, President of the Washington, D.C. Convention and Visitors Bureau. I am here today in my capacity as a member of the Board of Directors of the International Association of Convention and Visitor Bureaus (IACVB). IACVB appreciates the opportunity to present our views on FY '96 funding for the United States Travel and Tourism Administration (USTTA).

The International Association of Convention & Visitor Bureaus (IACVB) represents 414 member bureaus in 30 countries. The association was founded in 1914 to promote sound professional practices in the solicitation and servicing of meetings and conventions.

IACVB occupies a unique position at the "crossroads" of the hospitality industry because its member bureaus represent all significant travel/tourism-related businesses at the local and regional level, and also serves as the primary contact points in their destinations for a broad universe of convention and meeting professionals and tour operators. IACVB also has strategic relationships with a variety of key travel and tourism organizations such as the U.S. Travel and Tourism Administration, Travel Industry Association of America and many meetings-and-convention-oriented associations such as Meeting Professionals International, American Society of Association Executives, and the Professional Convention Management Association.

Convention and visitor bureaus (CVBs) are not-for-profit umbrella organizations that represent a specific destination such as a city or region. They typically coordinate and promote the common interests of city government, trade and civic associations, and travel/tourism businesses such as hotels, motels, restaurants, tourist attractions, and local transportation companies.

**IACVB Position on USTTA Funding**

**Mr. Chairman:**

*IACVB supports the continued full funding of the U.S. Travel and Tourism Administration (USTTA) through September 1996. Through the process of the White House Conference on Travel and Tourism, IACVB plans to work with USTTA and other travel/tourism trade associations to help form a successor organization to USTTA to promote the United States as an international destination. This new organization will involve increased private sector participation and begin its work in October 1996 to provide a smooth transition from USTTA.*

Mr. Chairman, here are the key points I want to make to support IACVB's position:

- 1) USTTA is projecting a significant drop in U.S. market share of the world tourism market in 1995. Last year, the U.S. captured 18.2 percent of world tourism revenues, but this will fall to less than 17 percent this year. This is costing the U.S. significant import dollars that now contribute to a travel/tourism trade surplus of \$22 billion per year, the highest of any industry. Travel/tourism is the world's fastest-growing industry, and the U.S. is lagging behind in promoting tourism, spending less than \$17 million per year when other nations such as Greece and Mexico are spending \$140 million. A new partnership with the private sector is needed to develop a new, more streamlined marketing organization.
- 2) The national White House Conference on Travel and Tourism will be held in October 1995. This bipartisan event will raise the visibility of travel/tourism to a new high and produce specific recommendations on how to increase travel tourism to the United States and market it more effectively. These recommendations will form the genesis of the successor organization to USTTA, and USTTA's continued existence through FY 1996 is critical to accomplish a smooth transition from USTTA to this new organization.

- 3) 1996 is an important year for U.S. tourism because millions of tourists will visit the United States to attend the Summer Olympics in Atlanta. It is vital that the U.S. maintain USTTA to provide information and assistance to these international visitors and encourage them to visit other U.S. destinations during their stays. This is a golden opportunity for travelers from abroad to see the United States first hand. USTTA is critical in supporting that effort.

Mr. Chairman, all of our CVBs that represent cities and destinations across the United States use USTTA offices abroad to conduct marketing campaigns to bring international visitors to this country. They confirm that travel is up in their destinations from regions of the world where these campaigns are run. If USTTA or a similar entity is not funded to provide this valuable function, who will help American cities market our product?

Mr. Chairman, in addition to this, USTTA runs a Regional Market Development Program (RMDP) which is crucial to the United States' marketing tourism strategy. Through RMDP, the USTTA has developed a key marketing opportunity using a regional theme.

This cooperative marketing plan helps coordinate multi-state promotional efforts to the international market. By leveraging resources (USTTA chips in one dollar for every four dollars the region invests, up to \$50,000 in USTTA money), the program allows states to break into international markets they alone would not be able to target.

Mr. Chairman, allow me to cite the USTTA Regional Market Development Programs for the record. They include:

*Pennsylvania/Rhode Island:* These two states have initiated this RMDP to increase exposure in German tour operator and wholesale catalogs. USTTA 1990 year-end figures show German visitation to Pennsylvania and Rhode Island at almost 30,000 and 2,000 respectively. In 1993, those figures reflected significant increases from the market to both states — with Pennsylvania at almost 70,000 and Rhode Island at 7,000.

***Southeast Tourism Society:*** Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia have joined forces to target driving and touring Canadian visitors. The Southeast Tourism Society RMDP has included specialized training programs for travel agents and tour operators, as well as concentrated coverage of Southeast attractions on television and distribution of discount coupon books in newspapers to more than 70,000 Canadian households. As a result, travel from this market to the Southeast has continued to grow, despite shrinking or static visitation from Canada to the rest of the country. During the period 1990 to 1993, Canadian travel to the region grew by 218,000, and five of the nine member states have experienced a double-digit increase in Canadian receipts, at a time when the national average expenditure rate declined 7.6 percent.

***America's Heartland:*** Iowa, Kansas, Missouri, Nebraska, and Oklahoma are targeting the Canadian market. The goal of America's Heartland is to increase the number of international visitors to the region, thus making a strong contribution to the economic and cultural environment of the member states. It will be attained by working with the travel industry in the member states to establish a unified advertising, promotion, and public relations program.

***Discover New England:*** Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont are targeting the France and United Kingdom markets. Their goal is to increase New England's market share of inbound tourism from both the United Kingdom and France; raise the awareness of New England attractions among travelers from these countries; put new tour products on the shelf in France; and develop private/public partnerships to maximize marketing expenditures and increase reach in the two markets.

***Old West Trail Foundation:*** Nebraska, North Dakota, South Dakota, and Wyoming have targeted Canada in this regional program. The goal is to increase Canadian tourist expenditures in the Old West Trail region 20 percent by October 1995; increase travelers' length of stay by one night per year; enhance the image of the region as a premier destination for experiencing and appreciating America's recreational, historic, and natural heritage; and develop products that enhance the efforts of each state's own tourism office without duplicating efforts.

**Great Lakes of North America:** Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin are targeting the United Kingdom. The goal is to increase the awareness of the Great lakes as a major holiday destination in the U.K., forge public/private partnerships to develop and promote unique tourism products and grow the number of visitor arrivals to the region six percent by 1995.

**Mississippi River Country:** Arkansas, Illinois, Iowa, Kentucky, Louisiana, Minnesota, Mississippi, Missouri, Tennessee, and Wisconsin are targeting the Japanese market. The goal is to promote international travel within the 10 Mississippi River states; increase awareness of areas in the region as potential vacation destinations; and to encourage international travelers to spend more of their vacation time/dollars in one or more of the Mississippi River states (25 percent increase in overseas arrivals by the end of 1995). The program focuses primarily on Japanese tour wholesalers and retailers, and Japanese consumers.

**New Mexico & Arizona:** In an effort to raise awareness of Arizona and New Mexico attractions in the minds of the German traveling public, this RMDP helped the region put new tour products on the shelf in Germany for the 1994 and 1995 tour season through targeted advertising, and by conducting familiarization tours and seminars. The goal of the program is to increase leisure travel from Germany to the two states using Continental Airlines and other carrier routes.

**American Rockies:** Colorado, South Dakota, and Wyoming are targeting the Japanese market to position the American Rockies as a viable destination and increase visitation to the region by 50 percent in 1994, 20 percent in 1995 and 20 percent in 1996. This RMDP hopes to reach its goals by building consumer awareness and establishing educational programs to increase knowledge about the American Rockies region within the Japanese market.

**Santa Fe Trail:** Colorado, Kansas, New Mexico, Missouri, and Oklahoma are targeting the German market in this three-year program slated to begin before the end of this year.

Mr. Chairman, in addition to these programs, many IACVB members report specific benefits to their destinations from USTTA programs. Following are a few examples:

**Lafayette, Louisiana:** The USTTA office in Montreal continually coordinates familiarization tours for the French Canadian market and promotes the area to travel writers. The USTTA office in Germany scheduled a familiarization tour for the top 20 German tour operators in May to South Louisiana.

**New Orleans, Louisiana:** This city participates with USTTA through a post-Hurricane disaster relief grant to promote the region in Germany, France, the United Kingdom, and Mexico through trade shows and sales missions. The program has resulted in a significant increase in visitors from these countries.

**Pittsburgh, Pennsylvania:** USTTA promotions to tour operators in the United Kingdom resulted in a 160 percent increase in the number for room nights from visitors from that country between 1993 and 1994. The USTTA office in Japan also offered valuable advice to tourism officials in Pittsburgh about how to promote the destination to Japanese visitors, saving the CVB more than \$10,000 that can be pumped back into the local economy.

**Dallas, Texas:** The Dallas CVB relies on USTTA to help plan 10 of its familiarization tours each year to bring international tour operators to explore the city. USTTA also provides valuable advice of advertising strategy, helps set up sales blitzes in Mexico and Canada translates brochures into foreign languages, and distributes promotion materials in USTTA international offices.

Mr. Chairman, the United States is far behind its international competitors in promoting tourism. For example, the United States is not even close to the top ten in national tourism promotion expenditures.

#1 - Greece	\$143 Million
#2 - Mexico	\$139 Million
#10 - Austria	\$ 45 Million
#25 - United States	\$ 17 Million

USTTA estimates that U.S. international tourism growth will be only about half the worldwide rate this year — 2.6 percent vs. 4.8 percent — dropping the U.S. market share from 9.2 percent to 9.0 percent.



USTTA is a vital federal resource for promoting tourism around the world. The USTTA will spend about \$17 million this year to promote tourism to the United States, but other countries are spending much more and taking visitors away from us. *Also, this is an investment in the U.S. rather than an expense, since travel and tourism generated about \$400 billion in consumer expenditures last year, including \$74 billion from international visitors to the United States. The industry generates \$54 billion each year in tax revenue for federal, state, and local governments.* Last but not least, two million Americans are employed solely because of international tourists visiting the U.S.

Overall, the travel and tourism industry is the second-largest private employer in the United States, directly employing 6 million Americans.

Mr. Chairman, Convention and Visitor Bureaus do spend money to promote their specific destinations, but I need to emphasize that only USTTA provides overall coordination on the federal level needed to market the entire nation to international tourists.

USTTA focuses on foreign tour operators and travel agents that want to see a range of options, not just focused marketing campaigns. USTTA also offers interpreters in 14 major airports and helps implement electronic passport reading machines to speed visitor processing.

Mr. Chairman, it is vitally important that the U.S. government have a seat at the table in international meetings and trade negotiations affecting travel and tourism. Every nation has a travel/tourism department and the U.S. must have one to deal with its international counterparts.

USTTA also conducts important research that cannot be handled by private enterprise. For example, in-flight surveys of inbound air travelers provide valuable statistics on the number of international visitors the spending levels of these visitors, the reasons for their visits, and their destinations. This data is provided to the U.S. Department of Commerce Bureau of Economic Analysis (BEA) to measure import/export figures that show a positive balance of trade of

\$22 billion per year for travel/tourism, the largest trade surplus of any industry. It also enables BEA to calculate total Gross Domestic Product that includes travel/tourism.

To conduct this research, USTTA has developed cooperative relationships with a variety of domestic and international air carriers and airports that allow these surveys because it is a U.S. government function. Many of these companies would not allow such research to be done privately due to competitive concerns.

USTTA has also made great strides during this past year to establish a much-needed Standard Industry Classification (SIC) Code for travel/tourism. As the nation's second-largest industry and the fastest-growing business in this country, this is a much-needed measure as the United States continues to evolve to a service and information-based economy.

Mr. Chairman, IACVB understands the current climate of budgetary restraint. We support your efforts and those of your colleagues to restrain the growth of federal spending.

What we are asking for is time! Time to transition USTTA into a new national tourism organization. Time to allow the first and only White House Conference Travel and Tourism to meet on bringing attention to the issues affecting this vital industry. USTTA is key to that transition. Without USTTA, the recommendations of the White House Conference are in peril. This plus the need to handle the myriad of issues surrounding the Olympic games next summer, make the need to continue full funding of USTTA a very rational decision.

Thank you for your time and consideration of our perspective.

TUESDAY, MAY 2, 1995.

**INSTITUTE OF MARINE AND COASTAL SCIENCES****WITNESS**

**J. FREDERICK GRASSLE, DIRECTOR, INSTITUTE OF MARINE AND COASTAL SCIENCES, RUTGERS UNIVERSITY**

Mr. TAYLOR. The Institute of Marine and Coastal Sciences, Frederick Grassle.

Mr. GRASSLE. Mr. Chairman, thank you for the opportunity to provide testimony to the Subcommittee. I am here to speak in support of NOAA's extramural scientific research programs conducted by university scientists and most particularly in support of the university-based research conducted by NOAA's National Undersea Research Program or NURP. This is the NOAA extramural program with which I am most familiar and is the Nation's only program dedicated to advanced underwater research in the oceans and Great Lakes.

In 1980, I participated in a study conducted by the Ocean Studies Board of the National Research Council, which recommended an undersea research program consisting of quote, "academic research groups having appropriate interest and expertise" that would make available facilities to carry out complex undersea observational and unique tasks in support of ocean research activities. And further, quote, "NOAA should involve active research scientists in overall program planning, facility development and detailed decisionmaking."

The program development would involve ad hoc working groups and funding decisions would use an "NSF style" peer review committee approach. Today, NURP has followed these recommendations and six regional centers provide access for the Nation's civilian research community to the safe use of submersibles, robotic vehicles, underwater laboratories, in situ observatories, and air and mixed gas diving.

The last two decades, major breakthroughs in understanding the ocean have occurred when ocean scientists stopped relying entirely on remote sensing and infrequent expeditions and started to have a real presence in the ocean.

Today, underwater research is most needed to maintain the health of ocean habitats and ecosystems, to better manage living and nonliving undersea resources, including our depleted fisheries, and to provide leadership in the application of underseas technologies. These efforts are central to NOAA's mission and the individual NURP centers' work to foster partnerships between scientists at NOAA and scientists in the academic community.

Through these partnerships the best science available can be used to solve some of the Nation's most pressing problems. Recent accomplishments include: Tanner crab, an economically important species which supports nearly \$200 million Alaskan fishery, was recently discovered to form large mating aggregations in the deep waters off Kodiak Island. This discovery represents a milestone in understanding the biology of this important species and provides critical information to manage the fisheries successfully.

The Gulf of Mexico seafloor is pockmarked with natural frozen hydrocarbon deposits. Estimates of the value of potential reserves frozen on the outer continental shelf are in the billions of dollars. In situ studies of exposed hydrated beds, discovered during NURP dives, are providing data on chemical and physical properties needed to tap these vast natural resources.

The fate and effects of municipal sewage sludge disposal in the deep sea off New Jersey was determined through NURP-sponsored research using the manned submersible ALVIN and the unmanned JASON/MEDEA vehicle. From this study it was possible to reassure fishermen and the public concerning the safety of eating seafood from the area. The results are relevant to proposed uses of the deep ocean for waste disposal.

The continued support of NURP is essential if the United States is to continue to be the leader in the application of new undersea technologies.

Some ongoing technology accomplishments include a low-cost lightweight, shallow-water, free-swimming, underwater frequent to survey hydrography and water quality in estuaries and on the continental shelf. This instrument is expected to be commercially developed for an international market and to lead to better management of the coastal ecosystems.

NURP is a world leader in the development of use of Nitrox, a breathing gas that increases the amount of time scientists can safely stay on the seafloor by up to 250 percent over dives with air. Related procedures and technology, continually perfected by NURP, are the foundation of a growing multimillion dollar commercial diving industry.

In 1986, an Undersea Research Study Panel, which included experts from industry, academia, museums, and research centers reaffirmed the need for a NOAA-sponsored national undersea research program. University scientists have been working closely with Federal scientists to integrate undersea research into NOAA's strategic plan. Each center regularly uses regional advisory groups to set priorities and to ensure local integration of projects and centers are now recertified every five years.

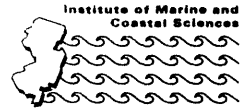
Competitive peer review process that decides which individual projects to fund has been strengthened to become a model for other programs. In the past three years, the results of NURP-sponsored research have been published in over 250 peer-reviewed scientific journal articles.

Authorizing legislation, which would further strengthen NURP, passed the House with a two-thirds majority in 1992, and a majority in 1994. Each year time ran out before the Senate could act. This year, I expect a NURP authorization to be passed by the Senate and I strongly urge the Committee to approve level funding for NURP in fiscal year 1996 of \$18 million. Although this amount is below what is needed to fully operate NURP, I and the other center directors recognize the current fiscal constraints demand that we exercise control over the rate of Federal spending.

I would be pleased to answer any questions. Packets are available for anyone who would like them and thank you again for the opportunity to speak to you.

Mr. TAYLOR. Thank you, sir. I appreciate it. We will take your statement and encourage Members if they need to put forth any other questions to you be sent to you by fax or mail. Thank you very much.

[The information follows:]



**PREPARED STATEMENT OF J. FREDERICK GRASSLE, DIRECTOR,  
INSTITUTE OF MARINE AND COASTAL SCIENCES AT RUTGERS UNIVERSITY,  
THE STATE UNIVERSITY OF NEW JERSEY FOR THE HOUSE APPROPRIATIONS  
SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, AND JUDICIARY**

May 2, 1995

Mr. Chairman, thank you for the opportunity to provide testimony to the Subcommittee concerning the National Undersea Research Program. I am here to speak in support of NOAA's extramural scientific research programs conducted by university scientists and, most particularly, in support of the university-based research conducted by NOAA's National Undersea Research Program (NURP). My own undersea research has included studies of coral reefs, estuaries, continental shelves, and the deep ocean floor. I have pioneered the use of deep-diving manned submersibles such as ALVIN for scientific research and was the leader of the first biological expedition to deep-sea hydrothermal vents. I worked 20 years as a research scientist at the Woods Hole Oceanographic Institution, and am currently the Director of both the Institute of Marine and Coastal Sciences at Rutgers University and the Mid-Atlantic Bight National Undersea Research Center. I am President of the International Association of Biological Oceanographers and have served on numerous advisory committees and working groups associated with marine research.

Federally-sponsored university research provides a broad base of new ideas relevant to NOAA's vision for a world in which societal and economic decisions are coupled strongly with a comprehensive understanding of the environment. A case for both the relevance and cost effectiveness of NOAA's extramural university research programs is made in an attached document prepared by the National Association of State Universities and Land-Grant Colleges (Attachment A). These include:

- the high degree of quality control, through peer review and other external review processes,
- state and private investment in university infrastructure,
- contribution of university research to education of future scientists and engineers through involvement of students in the research enterprise,
- rapid response to needs for innovation in emerging areas of research, e.g. universities offer a broad reservoir of new talent, new ideas, and new facilities.

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THE STATE UNIVERSITY OF NEW JERSEY  
**RUTGERS**

The NOAA extramural program that I am most familiar with is the National Undersea Research Program. NURP is the nation's only program dedicated to advanced underwater research in the oceans and Great Lakes. In 1980, I participated in a study conducted by the Ocean Studies Board of the National Research Council which recommended an undersea research program consisting of "academic research units having appropriate interest and expertise" that would "make available facilities to carry out complex undersea observational and manipulative tasks in support of ocean research activities". "NOAA should involve active research scientists in overall program planning, facility development, and detailed research decision-making." Program development would involve ad hoc working groups and funding decisions would use an "NSF style" "peer review committee approach" (NRC 1980). Today, NURP has followed these recommendations through six regional centers that provide access for the Nation's civilian research community to the safe use of submersibles, robotic vehicles, underwater laboratories, in situ observatories, and air/mixed gas diving. Despite strong support from the National Association of State Universities and Land Grant Colleges and the Consortium for Oceanographic Research and Education (Attachments B & C), NURP and two other NOAA extramural programs will be included in Conference Committee deliberations concerning rescission of 1995 appropriations.

In the last two decades, major breakthroughs in understanding the ocean have occurred when ocean scientists stopped relying entirely on remote sensing and infrequent expeditions and started to have a real presence in the ocean. Even in the intertidal zone, basic processes controlling the distribution of life were not understood until scientists spent long periods of time directly observing and experimentally manipulating the environment. On coral reefs, a new level of understanding has been achieved by divers spending significant portions of their working time underwater. The first visits to the deep ocean floor with the manned research submersible ALVIN completely revolutionized our thinking about this least understood habitat on earth. By using manned submersibles, geologists were able to traverse the rocky terrain of the Mid Ocean Ridge and volcanic islands, viewing the undersea world as a landscape, and taking rock samples in a broad visual context the way a geologist works on land. This approach led to one of the most significant discoveries of the century: the finding of deep-sea hydrothermal vents.

Today, undersea research is most needed to maintain the health of ocean habitats and ecosystems, to better manage living and nonliving undersea resources, including our depleted fisheries, and to provide leadership in the application of undersea technologies. These efforts are central to NOAA's mission and the individual NURP Centers work to foster partnerships between scientists at NOAA and scientists in the academic community. Through these partnerships the best science available can be used to solve some of the

nation's most pressing problems. Some recent accomplishments include:

- Tanner crab, an economically-important species which supports a nearly \$200 million Alaskan fishery, was recently discovered to form large mating aggregations in the deep waters off Kodiak Island. This discovery represents a milestone in understanding the biology of this important species, and provides critical information to manage the fishery successfully.

- The Gulf of Mexico seafloor is pockmarked with natural frozen hydrocarbon deposits. Estimates of the value of potential reserves frozen on the outer continental shelf are in the billions of dollars. *In situ* studies of exposed hydrated beds, discovered during NURP dives, are providing data on chemical and physical properties needed to tap these vast natural resources.

- NURP is the leader in understanding the factors contributing to the health of the nation's coral reef ecosystems, including the role of temperature and ultra-violet radiation on their survival. Coral reefs are an integral part of the ocean system and support a multibillion dollar fishing and recreation industry in Florida and the Caribbean.

- NURP-supported scientists have isolated previously undiscovered and undervalued chemical compounds from marine organisms that must be collected *in situ*. These compounds demonstrate promise for the treatment of heart disease, cancer and AIDS.

- The fate and effects of municipal sewage sludge disposal in the deep sea off New Jersey was determined through NURP-sponsored research using the manned submersible ALVIN and the unmanned JASON/MEDEA vehicle. From this study, it was possible to reassure fishermen and the public concerning the safety of eating seafood from the area. The results are relevant to proposed uses of the deep ocean for waste disposal.

The continued support of NURP is essential if the United States is to continue to be a leader in the application of new undersea technologies. Recently, Japan and France both have developed new undersea technology with capabilities that surpass those presently available in the U.S. If our nation is to regain leadership in this field, a stronger federal commitment to NURP must be made. Some on-going technology accomplishments include:

- A low-cost (<\$20,000), lightweight (<80 lbs.), shallow-water, free-swimming, underwater vehicle to survey hydrography and water quality in estuaries and on the continental shelf. This instrument is expected to be commercially developed for an international market and to lead to better management of coastal ecosystems. A number of these vehicles will be deployed in conjunction with NURP-sponsored projects at a Long-term Ecosystem Observatory on the



continental shelf (LEO-15, see Attachment D).

- AQUARIUS, the world's only underwater laboratory, provides unmatched resources and technologies to study the health of coral reef ecosystems.

- NURP support of the Loihi undersea observatory in Hawaii provides real-time data on material that spews from this subsea volcano and early warning data on seismic activity and potential earthquakes.

- NURP is a world leader in the development and use of Nitrox, a breathing gas that increases the amount of time scientists can safely stay on the seafloor by up to 250% over dives with air. Related procedures and technology, continually perfected by NURP, are the foundation of a growing multimillion dollar commercial diving industry.

In 1986, an Undersea Research Study Panel, which included experts from industry, academia, museums, and research centers (NOAA 1985), reaffirmed the need for a NOAA-sponsored national undersea science program. In 1991, an Ad Hoc Advisory Panel organized by the Council on Ocean Affairs found overwhelming support for NURP from the scientific community and recommended improvements in the management and operation of the program. Despite the adoption of many of these recommendations, old rumors persist about the quality and integrity of the program. I would like to put these rumors to rest at this time.

University scientists have been working closely with federal scientists to integrate undersea research into NOAA's strategic plan. Each center regularly uses regional advisory groups to set priorities and to ensure local integration of projects and Centers are now subject to recertification every five years. The competitive peer review process that decides which individual projects to fund has been strengthened to become a model for other programs. In the past three years (1992-1994), the results of NURP-sponsored research have been published in over 250 peer-reviewed scientific journal articles. In this same time NURP personnel have directed 2,000 submersible dives, 970 remotely operated vehicle (ROV) dives and 27,500 air and Nitrox scuba dives for scientific research. No other program in the world matches this record of diving safety and productivity. In the past four years, NURP has supported undersea projects involving 702 principal research scientists from 36 states, 14 from Canada, and 34 from other countries representing over 400 institutions worldwide.

Authorizing legislation, which would further strengthen NURP, passed the House with a two-thirds majority in 1992, and a majority in 1994. Each year, time ran out before the Senate could act on this authorizing legislation. This year, I expect a NURP authorization to be passed by the Senate and I strongly urge the Committee to approve level funding for NURP in FY 1996. Although

this amount is below that which is needed to operate NURP, I and the other Center Directors recognize that current fiscal constraints demand that we exercise control over the rate of federal spending. I would be pleased to answer any questions or further discuss any of the points raised. Packets that include my testimony and the attachments are available to the Committee. Thank you again for the opportunity to speak with you.

TUESDAY, MAY 2, 1995.

**REGIONAL CLIMATE CENTERS****WITNESS****KENNETH E. KUNKEL, DIRECTOR, MIDWESTERN REGIONAL CLIMATE CENTER**

Mr. TAYLOR. Next, for Regional Climate Centers, Dr. Ken Kunkel.

Mr. KUNKLE. Well, thank you, Mr. Chairman, for the opportunity to speak on behalf of the Regional Climate Center Program. I already submitted written testimony, and I would just summarize that.

This program, which was established by the National Climate Program Office, has been supported by Congress for the past eight years. I am director of the Midwestern center and on behalf of all of the center directors and their host institutions, I would ask that Congress consider restoration of funding for this program despite the lack of a budget request.

These centers pursue a program of research and information delivery on how climate conditions affect the ongoing economic and social activities of our Nation. I would like to give you a few examples of activities that my center has pursued that illustrate the functions and value of the program overall.

One important activity is the monitoring of climate conditions during major regional climate disasters such as the 1993 Mississippi River flooding and this year's California floods. During the 1993 floods, the Midwestern center produced specialized information and disseminated this to Federal, State and local government entities on the severity of the rainfall and on the potential for more flooding following that summer's floods.

The information we generated was used by government agencies to make decisions regarding post-flood cleanup and repairs to roadways and levees. The information wasn't available elsewhere and influenced decisions involving the expenditures of millions of dollars in public funds.

Now, climate disaster such as major floods and droughts are regional in extent and the information about them is sufficiently addressed at a regional level.

Even when the weather of a region is near normal, we routinely provide State and local government agencies with climatic information that is extensively used for climate monitoring purposes. For instance, last year the Midwestern center received an answer to over 1,000 requests which were primarily funneled through the Kentucky State climatologist office. The recent expertise and resources allows State and local agencies to more efficiently pursue their mission.

Another important task that the centers pursue is to produce and deliver information that has legal or regulatory ramifications and thus requires a governmental source. For example, the Midwestern center recently produced a much needed updated study and publication on heavy rainfall likelihoods for the Midwest. These heavy rainfall likelihoods are required for the design of roadways and

other structures. Our published values are now widely used throughout the nine-State region.

As a third example, we respond to a substantial demand for climatic information from the general public, much of which is directed to us from the National Weather Service offices across the Nation. Cutbacks in the number of weather service staff due to the agency's modernization make it increasingly difficult for their staff to respond to public requests for information.

Midwestern center now handles several hundred calls per month that are referred to us from the weather service offices. This frees up valuable National Weather Service staff time that can be focused on forecasting and weather-warning activities.

Finally, for your information, the States have contributed to the cost of operating the centers. In 1994, the States provided \$1.15 million. In addition, the centers charge for many of the services they provide to the public.

Given the Center's record of success, we hope that Congress will continue its support. Thank you, Mr. Chairman, for this opportunity.

Mr. TAYLOR. Thank you, sir. I would appreciate it if you would talk with my staff person perhaps sometime later on this because I would like to get some more information, but I won't do it today in the hearing. I want to review your statement some more. Thank you very much.

[The information follows:]

**TESTIMONY OF  
DR. KENNETH E. KUNKEL  
DIRECTOR OF THE MIDWESTERN REGIONAL CLIMATE CENTER**

**BEFORE THE  
SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE,  
THE JUDICIARY, AND RELATED AGENCIES  
OF THE  
COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES**

**MAY 2, 1995**

Mr. Chairman, Members of the Subcommittee:

Thank you for the opportunity to testify today regarding the Regional Climate Centers program funded by the National Weather Service, within the National Oceanic and Atmospheric Administration (NOAA). I am Dr. Kenneth Kunkel, the Director of the Midwestern Regional Climate Center. I am here representing all six of the regional climate center directors. Together, we are requesting a total budget of \$5.4 million for fiscal year 1996.

The Regional Climate Center program is designed to serve the needs of the 48 contiguous states, as well as Alaska, Hawaii, and the Caribbean and Pacific territories of the United States. The nationwide network of six centers are located in different physiographic, economic, and climatic regions across the nation. These include: the Western Regional Climate Center at the University of Nebraska in Lincoln, Nebraska; the Midwestern Climate Center at the Illinois State Water Survey in Champaign, Illinois; the Northeast Regional Climate Center at Cornell University in Ithaca, New York; the Southeast Regional Climate Center at the South Carolina Department of Natural Resources in Columbia, South Carolina; and the Southern Regional Climate Center at Louisiana State University in Baton Rouge, Louisiana.

Congress has consistently supported the centers. Programmatically, the Weather Service has worked with the centers to provide climate data to the public. For example, earlier this year, NOAA released a series of reports on El Nino. Those documents directed any interested party who wanted more information to contact one of the Regional Climate Centers. This demonstrates that the National Weather Service considers the services provided by the centers to be integral to their mission--the dissemination of climate data to the public on a timely basis--even as budgetary constraints have forced NOAA not to request continued funding for the centers.

Congress has realized the need for the centers, and has consistently provided resources necessary to perform their mission. Last year, Congress allocated \$3.2 million for the Centers.

Congress also passed the National Climate Program Act, which authorizes the activities of the centers. The driving force behind the program's establishment was a recognized local need for access to climate data and information services. In addition, the centers gather and disseminate weather information from sources other than the National Weather Service. This is an important mission of the centers, and one beyond the scope of the NWS.

The states also provide resources to the Centers, again demonstrating their value to the public and other data users. Each center derives a substantial portion of its total support from the state institution in which it is located as well as additional support from participating states in the region. In 1994, total state contributions to the regional climate center program amounted to \$1.15 million.

#### Benefits and Beneficiaries

The beneficiaries of regional centers vary greatly, depending upon the climate and the economy of a region. Despite the diversity, at least five major beneficiary groups can be identified.

- . **State and local government.** Most states have a person identified as a "state climatologist" to perform certain climate services, but the amount of state support varies greatly. The regional climate centers provide data and information to these climatologists, as well as to state agencies including those involved in water resources design and management, environmental protection, conservation, and agriculture. The centers access state-operated weather networks, inventory these unique data bases, and in many instances acquire the data and disseminate to other users.

- . **Federal government.** The regional climate centers perform a wide variety of services for federal agencies. The centers answer thousands of requests for climate information referred to them by the National Weather Service. Other elements of NOAA, such as the Climate Analysis Center and the National Climatic Data Center, are also major beneficiaries of the regional centers program. Similarly, USDA, DOI, DOE, COE, and EPA benefit by the expertise and applied studies of regional centers. The centers are serving as a key data-information linkage between federal entities typically housed in Washington, and state government entities. The centers also aid federal agencies which maintain offices in the states and regions. For example, the state and regional office of the BLM, Forest Service, SCS, DOE, EPA, and the USGS are among the users of the regional centers.

- . **Public.** The outreach, education, and extension service activities of the regional climate centers are designed to enhance the general understanding of climate. Publications, news stories, and workshops are provided. An estimated 29,000 request for information from individual citizens were answered by the regional climate centers in 1994.

- . **Scientific community.** Efforts by the centers to eliminate errors and increase the reliability of historical climate data sets now allow more meaningful studies of climate change. Our data management systems allow scientists to easily access massive climate data sets. The applied research studies conducted by the centers help to identify problem areas needing

fundamental research. Regional climate centers also acquire and make available data from non-federal climate networks that are not available in federal archives.

. **Climate-sensitive private sector.** This includes agribusinesses, law and insurance firms, energy producers, the transportation and construction industries, and tourism. These businesses purchase data, secure climate information from the near real-time data systems, and sponsor regional workshops and impact studies.

NOAA has made no provision, in its budget or planning documents, to provide these services or take care of these users.

**Potential Impacts of Closure:** If the appropriation for this program is not restored, the nation's six RCCs will cease operations. Nearly 200,000 current users will lose access to timely climate information. Nearly 50 highly trained climatologists will lose their jobs. National Weather Service offices throughout the country will be hard pressed, if not unable, to respond to the large and rapidly growing volume of information requests now handled by the RCCs in a timely, efficient, and useful manner. Ultimately, less accurate, reliable, or timely climate information may be referenced and used in critical economic, legal, engineering and planning decisions.

We are requesting that Congress restore \$3 million in base funding for the Regional Climate Centers for Fiscal Year 1996 to insure the continuity of the program. We are requesting an additional \$2.4 million to meet the rapidly growing volume of requests for climate information and address the complex informational needs created by severe winters, widespread flooding, and other extreme climatic conditions. Our total request, therefore, is \$5.4 million.

Again, thank you for the opportunity to testify before you today. I am happy to answer any questions you may have.

TUESDAY, MAY 2, 1995.

**PSOMAS AND ASSOCIATES****WITNESS****FRED HENSTRIDGE, PRINCIPAL DIRECTOR, PSOMAS AND ASSOCIATES**

Mr. TAYLOR. The next organization is Psomas and Associates, Fred Henstridge.

Mr. HENSTRIDGE. Good afternoon, Mr. Chairman. As you know, my name is Fred Henstridge. I am with Psomas and Associates that is a consulting engineering firm headquartered in Los Angeles. I am also a representative of the California Coalition for the Implementation of the North American Vertical Datum of 1988. The coalition has members from local, State, and Federal agencies, public utilities, along with private organizations.

We have joined together to analyze the technical requirements, deficiencies, along with capabilities to provide sound, civil engineering for the design, construction and maintenance of infrastructure, both public and private, throughout California. And, again, I would like to thank you on behalf of the coalition for allowing us this opportunity to come before you today.

I am here to respectfully request that \$5.73 million be added to the 1996 fiscal year base budget appropriation of the National Oceanic and Atmospheric Administration, and National Geodetic Surveys for the specific purpose of implementing the North American Vertical Datum of 1988 for California. This request would be in addition to the \$21.5 million appropriation for the NGS, which has been requested by the President.

The NGS is responsible for developing and implementing the National Spatial Reference System, NSRS, for the United States. And the NSRS forms the basic national coordinate system used for all mapping and boundary determinations. The NGS has been a Federal agency since 1807, during which time expertise has been developed to insure the accuracy and consistency of mapping and charting activities in the United States. Their leadership role has enabled the health and the growth of the engineering and surveying industries in the United States.

What is NAVD88? The North American Vertical Datum of 1988, a component of the National Spatial Reference System, is the latest, most technically accurate benchmark for measuring vertical data, that is elevations, and is used in turn to provide accurate and safely identified civil engineering information.

Engineering measurements must use both the horizontal and the vertical benchmark. These need to be standardized, such that engineering calculations, for purposes of design, construction and maintenance, are correct. These measurements must be accurate and must reflect the actual topography. This is necessary so that like information is exchanged among agencies and with private industry, and to have the engineering drawings match reality. We in California have the horizontal system in place, but we do not have the vertical Statewide element.

Mr. TAYLOR. I am afraid, Mr. Henstridge, your time is up, but we have your statement. You have summarized a good portion of



it and I would like to be able to go over other portions of it, and we can communicate with you with questions.

Mr. HENSTRIDGE. All right.

Mr. TAYLOR. I am sort of an old-time surveyor. I started out with the Jacob staff, and I am amazed what you can do now with the satellite technology and that sort of thing. I would like to spend some more time on it and be able to perhaps communicate with you, if we could. But thank you very much for the presentation. I wish we had more time for everybody here.

Mr. HENSTRIDGE. Okay. Thank you, sir. How can we continue this?

Mr. TAYLOR. I will try to look this over and have a staff person, when he comes back, see if we can get back in touch with you. He is out with the last speaker doing statements. We will have him get back in touch with you.

Mr. HENSTRIDGE. Thank you much, sir.

[The information follows.]

**TESTIMONY OF FRED HENSTRIDGE  
PRESENTED BEFORE THE  
SUBCOMMITTEE ON COMMERCE  
OF THE  
HOUSE APPROPRIATIONS COMMITTEE**

**MAY 2, 1995**

**INTRODUCTION**

Mr. Chairman, Members of the Subcommittee, my name is Fred Henstridge. I am a Principal, Director with Psomas and Associates, a consulting engineering firm headquartered in Los Angeles, California, and a representative of the Coalition for the Implementation of the North American Vertical Datum of 1988 (NAVD88) in California. The Coalition has members from local, State, and Federal agencies, public utilities, and private industry. We have joined together in order to analyze the technical requirements, deficiencies and capabilities of providing sound, civil engineering for the design, construction and maintenance of infrastructure, both public and private, throughout California. NAVD88 is a technically precise and accurate foundation for all vertical measurements in the United States. Thank you for allowing me on behalf of the Coalition, this opportunity to come before you today.

**REQUEST**

I am here to respectfully request that \$5.73 million be added to the fiscal year 1996 base budget appropriation of the National Oceanic and Atmospheric Administration (NOAA), National Geodetic Surveys (NGS) for the specific purpose of implementing the first year of the North American Vertical Datum of 1988 for California. This request would be in addition to a necessary \$21.502 million appropriation for the NGS, which has been requested by the President.

The NGS is responsible for developing and implementing the National Spatial Reference System (NSRS) for the United States. The NSRS forms the basic national coordinate system for the determination of all mapping and boundary determinations. The NGS has been a federal agency since 1807, during which time expertise has been developed to insure the accuracy and

TESTIMONY BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON COMMERCE,  
BY FRED HENSTRIDGE, MAY 2, 1995

consistency of mapping and charting activities. Their leadership role has enabled the health and growth of the engineering and surveying industries.

#### **WHAT IS NAVD88**

The North American Vertical Datum of 1988, a component of the NSRS, is the latest, most technically accurate benchmark for measuring vertical data, it is used in turn to provide accurate and safely identified civil engineering information. To clarify, surveying measurements must use both a horizontal and a vertical benchmark. These need to be standardized, such that engineering calculations, for purposes of design, construction, and maintenance are correct. These measurements must be accurate and must reflect the actual topography. This is necessary so that like information is exchanged among agencies and with private industry, and to have the engineering drawings match reality. We, in California, have the horizontal system in place, but we do not have the statewide vertical element. Such an element is necessary for all public works construction.

Engineers and surveyors expended a great deal of time and effort establishing vertical relationships after the 1994 Northridge Earthquake. This was due to the lack of a uniform and reliable basis for vertical measurements. If we had the use of the NAVD88 datum, and its reliable benchmarks, the engineers and surveyors could have used modern and efficient Global Positioning System (GPS) satellite technology, to accomplish these tasks and would have saved a considerable amount of funds.

Another current example of savings would be the \$1.8 million dollars expended by the Metropolitan Water District of Southern California. Extensive leveling work was required to establish the NAVD88 datum for their new Southern California water projects. (See attached letter from MWD).

#### **IMPLEMENTATION**

NAVD88 implementation requires that NGS/NOAA provide project oversight including standards, specifications, and coordination among agencies. Private industry, under contract from NGS, will perform field surveys, GPS observations, data processing and project reports. NGS, with its recognized expertise and experience, can provide the appropriate oversight role for the Federal Government. California does not have this authority.

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Examples of savings by implementing NAVD88 include:

- Federal Emergency Management Agency (FEMA) can reduce the need for flood plain insurance for California taxpayers;
- Accurate and usable vertical data will consistently reduce the time, and therefore the cost, of the design and construction of major public works projects such as highways, aqueducts, bridges, rail lines, dams, buildings, re-constituted wildlife sanctuaries;
- Accurate vertical data will provide much needed port and harbor information such that container ships can safely reach their coastal destinations in a timely manner;
- Reliable vertical data allows for needed technology transfer among public agencies and the private sector, such as required by today's Geographic Information Systems (GIS),
- Accurate vertical data provides for exchanging technology and building major projects under the new North American Free Trade Agreement (NAFTA);
- A consistent and state-wide vertical datum will allow for a better understanding of subsidence and its effect on the ground water table. This is critical to agriculture,
- An accurate vertical datum will allow for better monitoring of crustal movement and contribute towards earthquake prediction; and
- Restorations following catastrophic events such as earthquake, floods, volcanic eruption, mud slides and hurricanes can be more quickly repaired and re-built. Miles of transportation and utility infrastructure are often impacted by such events. NAVD88 would provide the needed engineering element for quicker and more effective responses.

TESTIMONY BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON COMMERCE,  
BY FRED HENSTRIDGE, MAY 2, 1995

**CONCLUSION**

This \$5.73 million will upgrade the National Spatial Reference System (NSRS) in California. The technology developed through this program will also be exportable - both domestic and international. - this means jobs. Jobs in both the service and product sectors.

This specific budgetary item would consist of \$1.0 million to the National Geodetic Survey (NGS) for the development of procedures, site selections for gravity measurements, data research, contract oversight, and scientific analysis. The balance of the funding will be in contracting for the field surveys, GPS observations, data processing, project reports, and technology transfer.

The interest among California business is that the major portion of this funding is to be used to contract with the private sector for performance of most of the statewide implementation process. The NGS supports contracting out in order to achieve implementation of NAVD88.

Mr. Chairman, it is clearly recognized by the Coalition that the Congress has the ominous task of making unpopular and sometimes severe budget decisions in these austere times. We believe, however, that NAVD88 is an appropriate role for the Federal Government. Coastal surveying and mapping, first implemented by then President Thomas Jefferson, was to promote national commerce and trade. Such Federal coordination has not diminished today. With today's rapidly changing technologies and global competition, it is even more imperative.

To this extent both public agencies and private organizations have invested a considerable amount of funds in implementing NAVD88 in California. As stated above the MWD has put forth \$1.8 million in "In Kind" funds, while Orange and Riverside Counties have invested nearly \$3.0 million. Private sector development must carry forth this effort on an "As Needed" basis. Some of the work is finished and will be incorporated into this program, but a complete statewide implementation is needed to make it a viable and accessible datum.

Mr. Chairman, without a Federal investment in the full implementation of NAVD88, the anticipated efficiencies, benefits and past efforts will be lost.

Thank you again for allowing me this opportunity to present this testimony. I'm prepared to answer any questions.

## **IMPLEMENTING THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) FOR CALIFORNIA, THROUGH A PUBLIC/PRIVATE PARTNERSHIP**

The California Coalition for NAVD88 (North American Vertical Datum of 1988) requests an additional line item added to the 1996 base budget of the National Oceanic and Atmospheric Administration (NOAA) for the purpose of implementing NAVD88 in the State of California. NOAA is to have an oversight role, and all work in reference to the complete development, implementation and maintenance of the NAVD88 System is to be contracted out to private industry.

### **BACKGROUND**

Accurate geographic information provides the foundation necessary for the design, construction, and maintenance of individual parcels of land as well as major infrastructure projects (highways, dams, reservoirs, canals, ports, flood control channels and the like). Currently, the California portion of the National Spatial Reference System (NSRS) consists of two basic units, the horizontal element and the vertical element. The horizontal element has been completed and is not at issue in the request. The vertical element has yet to be attended to due to a lack of funding at the State and Federal level. About 56,000 vertical control monuments, or bench marks were established in California by the Federal Government during the period from 1940 through 1960. These benchmarks are used to provide the vertical control for geographic information, engineering design and scientific measurements such as those required for crustal monitoring. The National Geodetic Vertical Datum of 1929 (NGVD29) was the standard for this national network.

Due to advances in satellite global positioning systems (GPS) and the need for a global geographic system the North American Vertical Datum of 1988 (NAVD88) has been developed by the Federal Government (NGS), and is now being required in order to provide technologically accurate vertical information throughout the United States, Canada and Mexico. Some local agencies have implemented NAVD88, but California seeks statewide implementation of NAVD88 in order to provide engineering accuracy and many economic benefits to the taxpayer.

To implement the NAVD88 system in California a network of about 1000 permanent and documented vertical control survey stations have been, or will soon be, established using the latest Global Positioning System (GPS) technology. The science for this technology has been developed, field tested and proven by staff from the National Geodetic Survey (NGS) at Silver Spring, Maryland. Most of these stations comprise the existing California High Precision

## **IMPLEMENTING THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) FOR CALIFORNIA, THROUGH A PUBLIC/PRIVATE PARTNERSHIP**

Geodetic Network (HPGN) and the densification of the network (HPGN-D). All of these stations are suitable for receiving GPS satellite signals. The remaining stations (about 30) are Continuous Operating Reference Stations (CORS) which employ state-of-the-art GPS receivers and collect data on a 24-hour basis. These CORSs transmit their collected satellite data to a central database where it is available for users on a continuous basis. Most of these stations would be suitable for a basic NAVD88 network in California.

### **SUPPORT FOR THIS REQUEST:**

California has a particular need for NAVD88 statewide because of its unique geographic and geologic characteristics. For example, California's constant vertical crustal motion has caused some benchmarks to have heave or subsided by nearly 30 feet. The magnitude and direction of change is difficult or, in some cases impossible, to determine due to the age and general unreliable characteristic of the entire vertical system as it stands today.

The National Oceanic and Atmospheric Administration, through the NGS, is the appropriate oversight organization because of its ability to provide non-political, technical support, and its ability to work efficiently with private industry in order to implement and maintain this worthwhile system.

Private industry and public agency engineers and land surveyors agree that California needs a statewide NAVD88 system :

NAVD88 will provide accurate vertical data such that millions of dollars are saved through numerous efficiencies. For example:

- Accurate vertical data for the Federal Emergency Management Agency (FEMA) will reduce the need for flood plain insurance for California taxpayers;
- Accurate vertical data reduces the time, and therefore the cost, of the design and construction of major public works projects.
- NAVD88 vertical data will provide much needed port and harbor information such that container ships can safely reach their California coastal destinations.
- Technology transfer will be available among public agencies and private industry;
- NAFTA projects will be more efficiently designed and constructed through the use of a single, uniform vertical datum;
- Pacific Rim technology can be more easily exchanged.

## **IMPLEMENTING THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) FOR CALIFORNIA, THROUGH A PUBLIC/PRIVATE PARTNERSHIP**

With the establishment of the North American Free Trade Agreement (NAFTA), and with California's active border with Mexico, NAVD88 is necessary in order to provide this technology to Mexico and to utilize this data as border crossings, highways, river channels and other joint projects are enhanced.

NAVD88 is cost effective because it provides accurate, reliable data to those thousands of surveyors, engineers, and mapping specialists who must seek vertical control data each year from the National Geodetic Survey (NGS).

Availability of a statewide California NAVD88 network provides for greater efficiency and quicker response times in restorations following a catastrophic event such as an earthquake, flood, volcanic eruption, mud slides or hurricane. In such an event, miles of transportation and utility infrastructure are sometimes affected. To quickly repair or rebuild these infrastructure elements, a reliable vertical datum is needed.

As we, as a nation, come to rely more and more on the National Spatial Data Infrastructure, as defined by the Secretary of Commerce, for our everyday commercial activities we will need this reliable, precise and accessible system to achieve these goals.

With the ever increasing use of Geographic Information System (GIS) technology in our daily lives we cannot be without such a network of reference points. This technology will be the basis of our Intelligent Transportation Systems (ITS), flood plain mitigation, environmental analysis and management, coastal zone management, urban planning and engineering design. Without a uniform and reliable spatial reference system we will not be able to take advantage of the electronic exchange of data over the information highway.

Finally, the implementation of this technology means jobs for Californians. Most of the GPS equipment sold round the world is manufactured in California; twenty percent (20%) of the world's GIS software is developed in California; and as a global trading partner we need better port, harbor and air transport facilities. These all translate into good paying jobs for Californians, both in the domestic and global markets.

### **THE PROGRAM**

Request that \$5.73 million be added to the 1996 NOAA base budget. This is to implement and integrate NAVD88 for California. NOAA is to provide scientific analysis, technical oversight, and contract administration. All implementation and integration is to be contracted out to private industry. Funding for the maintenance and perpetuation of the system to be provided by State and Local funding in the out years.



**IMPLEMENTING THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) FOR  
CALIFORNIA, THROUGH A PUBLIC/PRIVATE PARTNERSHIP**

**CONCLUSIONS**

This \$5.73 million will upgrade the National Spatial Reference System (NSRS) in California. The technology developed through this program will also be exportable - both domestic and international. - this means jobs. Jobs in both the service and product sectors.

This specific budgetary item would consist of \$1.0 million to the National Geodetic Survey (NGS) for the development of procedures, site selections for gravity measurements, data research, contract oversight, and scientific analysis. The balance of the funding will be in contracting for the field surveys, GPS observations, data processing, project reports, and technology transfer.

It is clearly recognized by the Coalition that the Congress has the ominous task of making unpopular and sometimes severe budget decisions in these austere times. We believe, however, that NAVD88 is an appropriate role for the Federal Government. Coastal surveying and mapping, first implemented by then President Thomas Jefferson, was to promote national commerce and trade. Such Federal coordination has not diminished today. With today's rapidly changing technologies and global competition, it is even more imperative.

**IMPLEMENTING THE NORTH  
AMERICAN VERTICAL DATUM OF 1988  
(NAVD88)  
FOR CALIFORNIA  
THROUGH A PUBLIC/PRIVATE  
PARTNERSHIP**



**Prepared By:  
Fred W. Henstridge, PLS**

**December 16, 1994**

**IMPLEMENTING THE NORTH AMERICAN VERTICAL  
DATUM OF 1988 (NAVD88) FOR CALIFORNIA, THROUGH A  
PUBLIC/PRIVATE PARTNERSHIP.**

By;

**FRED W. HENSTRIDGE, PLS  
DECEMBER 16, 1994**

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**ABSTRACT**

The California portion of the National Spatial Reference System (NSRS) consists of about 56,000 vertical control monuments (bench marks). The National Geodetic Vertical Datum of 1929 (NGVD29) was the standard national network until the development of NAVD88. NAVD88 was required because of the increased difficulty of adjusting new leveling data into NGVD29.

In August of 1994 a Forum consisting of 27 professionals from both public agencies and the private sector convened in Sacramento, California to discuss the full implementation of the NSRS in California and develop recommendations and action plans. This forum was chaired by members of the National Geodetic Survey; an arm of the Federal Government and a department within the National Oceanic and Atmospheric Administration (NOAA). A full report dealing with this issue was published on September 1, 1994.

This report will deal with the funding needed to accomplish this implementation, the political action and public/private sector partnerships needed to accomplish this full implementation. For a more comprehensive discussion of these issues you should see the *Final Report for Implementing NAVD88 For California*, dated September 1, 1994.

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**INTRODUCTION**

On August 4 and 5, 1994 a forum involving 27 professionals was held to discuss implementing the North American Vertical Datum of 1988 (NAVD88) in California. The status of vertical control networks in California was discussed. The capability of the Global Positioning System (GPS) to establish orthometric heights (elevations) was reviewed. Examples of crustal motion effects on the network were shown. In a working group format, forum participants developed issues and recommendations related to: (a) GPS-derived standards, specifications and procedures; (b) legal aspects; (c)

partnerships; and (d) network requirements and use. The primary recommendations from the forum included the establishment and maintenance of a basic network of NAVD88 control using both GPS and, where appropriate, conventional leveling. In addition, a common theme throughout the discussions was the immediate need for standards, specifications, and procedures for determining accurate GPS-derived orthometric heights/elevations. Also included in the recommendations was the need to develop an action plan to accomplish these recommendations.

## **BACKGROUND**

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### **CALIFORNIA VERTICAL CONTROL NETWORK**

The California portion of the National Spatial Reference System (NSRS) consists of about 56,000 vertical control monuments (bench marks). The National Geodetic Vertical Datum of 1929 (NGVD29) was the standard national network until the development of NAVD88. NAVD88 was required because of the increased difficulty of adjusting new leveling data into NGVD29.

Only about 17,000 (30 percent) of the 56,000 bench marks in California have NAVD88 elevations. Included in this total are: bench marks observed as part of the 1978 Southern California Releveling Project (2,100), bench marks observed by Imperial County (900), bench marks observed by the Metropolitan Water District of Southern California (600), and bench marks observed by the National Geodetic Survey following the Cape Mendocino and Loma Prieta earthquakes (300). About 500 additional NAVD88 bench marks will be added upon completion of leveling necessitated by the January 17, 1994 Northridge earthquake.

Resources to maintain even this minimal 17,000 bench mark network are not presently available. Until the 1970s, the National Geodetic Survey (NGS) provided active maintenance of California's vertical control network. This was accomplished through repeated leveling of the network and physical replacement of destroyed bench marks. Resources required to continue this maintenance are no longer available at the federal level (NGS).

### **VERTICAL CRUSTAL MOTIONS**

California has ten (10) separate regions where vertical crustal motion (subsidence or uplift) is prevalent (see Appendix D). Historical leveling data indicates that some of the bench marks in these areas have subsided nearly 30 feet. For example, both the City and Port of Long Beach monitor a bench mark network in the vicinity of Long Beach Semi-annually. The port area has subsided about 29 feet, with 16 feet coming in the 13-year period from 1951 to 1964. Since 1964, the Port and City have monitored groundwater

withdrawal and replenished the aquifer to virtually eliminate additional subsidence. This is an extremely costly process. Funding for this activity is borne primarily by the users of the Port facility and not through tax-generated funding.

A significant number of NAVD88 bench marks are no longer available. They have been destroyed, have reached, or will soon reach an unacceptable level of accuracy due to crustal motions.

#### **CALIFORNIA HORIZONTAL CONTROL NETWORK**

In California, a network of about 1000 monumented and documented survey stations have been, or will soon be established using GPS technology. Most of these stations comprise the California High Precision Geodetic Network (HPGN) and the densification of this network (HPGN-D). All of these stations are suitable for receiving GPS satellite signals. The remaining stations (about 30) are Continuous Operating Reference Stations (CORS) which employ state-of-the-art GPS receivers and collect data on a 24-hour basis. These CORSs transmit their collected GPS data to a central database, where it is available for users on a continuous basis. Most of these stations would be suitable for a basic NAVD88 network in California.

#### **LEGAL AUTHORITIES**

The NGS mission is to establish and maintain the Nation's Geodetic National Spatial Reference System (NSRS), including its horizontal and vertical components. This authority is specified under U. S. Code, Title 33, Section 883 and the Office of Management and Budget Circular A-16 (Revised) October 19, 1990. Current resources available to NGS have severely limited its ability to meet its mission.

The Federal Register notice filed on June 23, 1984, and signed by Dr. W. Stanley Wilson, Assistant Administrator for Ocean Services and Coastal Zone Management, National Oceanic and Atmospheric Administration, officially reports NGVD29 is to be superseded by NAVD88 as the official height reference system of the United States.

The Federal Emergency Management Agency (FEMA) has developed guidelines for relating National Flood Insurance Program maps to NAVD88. (See FEMA's "Converting the National Flood Insurance Program (NFIP) to the North American Vertical Datum of 1988 - Guidelines for Community Officials, Engineers, and Surveyors".) The handbook requirements have been met in several California communities but the scarcity of NAVD88 elevations in California will make the NFIP almost impossible to implement. This will, no doubt, create a financial hardship on both developers and homeowners.

In 1992, a California Geographic Information Task Force was established by a Governor's Executive Order and legislative authorization. The Task Force reviewed the entire spectrum of geographic information system requirements. In its final report, the Task Force encouraged the introduction of legislation which adopts NAVD88 as the official state vertical datum.

The County of Orange has implemented regulations requiring that all survey projects requiring vertical control be related to NAVD88. To support these regulations, the County has established a dense network of NAVD88 bench marks throughout the county.

#### **VERTICAL CONTROL NEEDS**

Vertical control networks are necessary in California for highway construction projects, water delivery projects (canals, aqueducts, pipelines, etc.), crustal motion monitoring, and other infrastructure related projects.

A modern vertical datum is critical to the study of the changes in ground elevations in many regions of the nation. This is especially true in California, which is subjected to disruptive crustal movements, systematic subsidence because of withdrawal of underground resources, and possible long-term changes in the sea level.

California has unique needs involving the development and delivery of water for domestic and commercial uses. A series of aqueducts, sensitive to changes in heights, are a critical element of these water delivery systems. This use alone justifies additional effort in rebuilding the California vertical reference system.

The absence of a single, unified, well-maintained vertical datum, such as NAVD88, has resulted in numerous local datums, many of them single-purpose, within California. Some areas have up to 20 different vertical datums. Any attempt to join these datums for geographic information systems and other needs will meet with failure and a significant waste of resources.

With some notable exceptions, most surveys performed by California surveyors would be classified as third-order because wood or metal rods are used. However, it is common to use three-wire levels for project control surveys with expected loop closures exceeding third order. Also, vertical control surveys for constructing and monitoring aqueducts, and for crustal motion studies are usually performed to standards and specifications exceeding third order.

Unless specifically required by the client, California surveyors generally use the vertical datum and control bench marks that are convenient. If NGVD29/NAVD88 control bench marks are not convenient, a local datum is

either used or established. Even when an attempt is made to use NGVD29/NAVD88, the surveyor has no assurance that the datum as represented by the control benches is accurate, in areas of known subsidence.

The three key criteria for the successful implementation (common usage) of NAVD88 throughout California are: (1) A monumented network that provides bench marks within a convenient distance to the project (5 km or less for conventional surveys, about 20 km for GPS surveys), (2) a timely bench mark maintenance program which ensures that the published elevations are accurate to the standard stated, and (3) an education program.

### **TODAY'S SITUATION**

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#### **INSUFFICIENT MONUMENTATION**

NGS has not fully implemented NAVD88 throughout California. It is economically prohibitive to establish NAVD88 elevations on all 56,000 previously-established NGVD29 bench marks. In fact, many of the NGVD29 bench marks no longer exist. But the use of NAVD88 will not occur in California until the surveyors can conveniently access NAVD88 control bench marks.

#### **UNRESOLVED CRUSTAL MOTIONS ISSUES**

Several thousand bench marks are located in crustal motion areas in California. Unlike secular horizontal motions, these vertical motions are not uniform. Vertical motion models usually can not be developed. Thus accurate, reliable NAVD88 elevations in crustal motion areas will require repetitive orthometric height determinations (resurveys).

#### **NO GPS STANDARDS, SPECIFICATIONS AND PROCEDURES**

The absence of established standards, specifications and procedures for GPS vertical surveys promotes the use of procedures which vary from project to project, location to location, vendor to vendor, and surveyor to surveyor. As a result, adjacent and overlapping projects may have significantly different elevations and/or accuracies associated with common points - even when the same accuracy standard is claimed.

GPS survey methods provide the only practical solution to implementing NAVD88 throughout California. But standards, specifications and procedures must be developed and established before this technology can be exploited. These standards, specifications and procedures will be developed by the NGS.

**LIMITED NGS RESOURCES**

NGS resources for conventional leveling are extremely limited. Only two (2) leveling parties are available to meet the leveling needs for the entire country. The total capability of these resources is about 2,000 bench marks per year. Obviously, this resource is incapable of meeting even California's NAVD88 vertical control needs.

**UNRESOLVED MAINTENANCE ISSUES**

Currently, there are not any plans (developed or established) for maintaining vertical control networks within California (methodologies, funding, etc.). NGS does not have the resources to provide even limited monitoring of vertical networks. In addition, all NGS funding for the physical maintenance of monumented points in the National Geodetic Reference System has been eliminated. Lacking this critical funding, NGS has attempted (with limited success) to identify local support for physically maintaining and, when required, relocating these monuments.

Bench marks in crustal motion areas are becoming more unreliable. Construction activities will destroy additional bench marks. Over time, the overall reliability and availability of bench marks to meet surveying, mapping and geographic information needs in California will be greatly compromised. The need for frequent monitoring of bench marks in California makes it imperative that GPS be the primary manner to establish and maintain a NAVD88 network within California.

**BENEFITS**

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**NATIONAL SPATIAL REFERENCE SYSTEM (NSRS)**

Surveyors, engineers and mapping specialists rely on accurate spatial data to accomplish their missions. Thousands of requests for vertical control data are received annually by the National Geodetic Survey. However, some vertical data has not been verified (releveled) since the 1960s. A fully implemented and maintained NAVD88 network throughout California would ensure that users of the system have accurate, reliable data to accomplish their missions in a cost-effective manner.

**NATIONAL SPATIAL DATA INFRASTRUCTURE (NSDI)**

The National Spatial Reference System is the foundation of the NSDI. The horizontal and vertical (NAVD88) components of the NSRS provide the framework to which all geographic data are related. An accurate, reliable



and uniform vertical datum will ensure a common reference system for the exchange and collection of spatially-related geographic data.

As noted previously, the California Geographic Information Task Force recommends the use of NAVD88 for referencing GIS data.

#### **CATASTROPHIC RESPONSE**

The availability of a statewide California NAVD88 network provides for greater efficiency and quicker response times in restorations following a catastrophic event such as an earthquake, flood, volcanic eruption, mud slide or hurricane. This condition was more than evident following the recent Northridge earthquake in Southern California. Miles of transportation and utility infrastructure were affected by the quake. In all cases, to repair or rebuild these infrastructure elements a reliable vertical datum was needed. Due to the low level of reliability of this vertical datum throughout California additional costs were incurred and time was lost.

#### **INTEGRATION WITH THE NATIONAL SPATIAL REFERENCE SYSTEM**

Implementation of NAVD88 throughout California will provide full integration with the National Spatial Reference System. This is probably the most important of the benefits to government, industry and the public. With the advent of GPS and related technologies, society is relying more than ever on the NSRS. The vertical component of the NSRS is as important to the reliability of the system as the horizontal component. Both components are required for the continuing use and development of new technology. For example, the NSRS (NAVD88) will be extremely crucial to the advancement of the Intelligent Transit System (ITS) (*formerly known as (IHVS) Intelligent Highway Vehicle System*) technology included in the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991. This technology alone will be valued into the billions of dollars and create great business opportunities and high-skilled jobs for American industry and the public.

#### **INFRASTRUCTURE MANAGEMENT AND REHABILITATION**

Considerable time, resources and capital are being targeted towards the repair, rehabilitation and expansion of existing physical infrastructure. This is extremely critical in the areas of transportation, water, wastewater and flood control. All of these elements have a vertical component in their engineering design. To continue with a non-national standard will add costs, delay projects, create errors and conflicts, and produce non-compatible GIS data.

**THE PRESENT CONDITION OF THE CALIFORNIA VERTICAL CONTROL NET**

Due to the ever present condition of crustal movement and subsidence, California's present vertical control net is a "mess." Not only is NAVD88 only partially implemented in California, but where it has been implemented there are areas of uncertainty. Subsidence, bench mark destruction and earthquakes have taken their toll on California's vertical system. This causes a large cost to the public for engineering design and infrastructure management.

**THE EVER INCREASING RELIANCE ON GEOGRAPHIC INFORMATION SYSTEMS (GIS) IN OUR SOCIETY**

As we progress into the 21st century, the use of GIS technology for the planning, development and management of California's physical, environmental and social infrastructure is increasing. A non-uniform spatial reference system will impede the effective use of this technology. This will become more and more of a problem as we begin widespread exchange of digital data. As data is the key to any GIS, its reliability and interchange has a direct cost-benefit to the public. The experience of other countries such as Turkey readily show the negative impact that the lack of reliable spatial data has on an economy.

**FLOOD PLAIN MAPPING**

The NAVD88 has been adopted by the Federal Emergency Management Agency as the official datum for use with the Flood Insurance Program. Many local agencies have realized a savings in insurance rates due to the improved data furnished by NAVD88. This has been demonstrated in two Louisiana Parishes (Calcasieu and Jefferson) where the cost for flood insurance has been reduced. The lack of NAVD88 in California will cost the public considerable increased costs to implement NAVD88 for flood plain mapping. Currently, FEMA is developing a national GIS for flood plain mapping and monitoring. All new developments will be required to submit digital data to FEMA on the required uniform national standard, NAVD88. Without reliable, accessible vertical control to develop these digital files, developers, agencies and the public will incur greater costs.

**RECOMMENDATIONS**

The most cost-effective way to restore the vertical datum in California would be through a Demonstration Project using Public and Private resources. Such a project could be carried out by private firms working under the supervision of the NGS. The funding for such a project would come from a special

appropriation to the NOAA budget. The current estimate, by the NGS, to complete the basic GPS work is \$6,000,000 dollars, with at least \$500,000 yearly maintenance cost.

This is not a unique solution, as currently two states have similar appropriations; South Carolina and Louisiana. The Louisiana case involves a yearly appropriation to several Parishes for the support of their GIS program. The parishes contribute 40% of the yearly funding. As stated, this program has brought savings to property owners residing in these parishes and fostered development. The project enjoyed strong congressional support and is supervised by the NGS, with all work being done by local, private firms.

The other example of this solution is the South Carolina case. This program does not involve matching local funds and involves twenty (20) counties in South Carolina. The funding is used to update the NSRS and provide state-wide mapping. Work is conducted by the NGS, state forces and private sector firms working in partnership.

For the full implementation of NAVD88 and the National Spatial Reference System in California the following actions should be taken:

1. Standards, Specifications and Procedures should be developed by the National Geodetic Survey for the efficient and cost-effective use of GPS to establish the vertical control. The NGS is in a position to develop the science for this project and has the expertise and experience for the task. This action would result in a secondary benefit. By developing and field proving these specifications U.S. private consulting firms would gain a technology that they could offer for export on a global basis. This technology would give U.S. firms a competitive edge on other international firms, thus winning international projects and creating domestic, high-skilled jobs.
2. Private sector firms, the business community and state and federal agencies should work with Congress to appropriate the funds for this Demonstration Project in the upcoming fiscal budget year. Time is crucial. No one knows when the next major earthquake will occur in California, and major savings would be realized in the restoration activities if the NSRS was reliable and complete.
3. The funds for the Demonstration Projects will be allocated to the NGS budget, with the NGS supervising the survey efforts. The GPS surveys would be carried out by private firms working under Federal contracting regulations, as defined in the Brooks Bill. As this would be a "one-time" project, the use of private sector resources would be the most cost-effective means to accomplish

this project. No additional staff would be required by the NGS or State agencies.

### **ECONOMIC IMPACTS**

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All Economic impacts would be positive. No budget increases would be required by using a one-time Federal appropriation for the initial work. The annual maintenance cost could be borne by both federal and state funds with the amount so minimal as to have little or no impact on current budgets.

The impact to the state's economy would be major. As cited above, the economic benefits to the maintenance, restoration and management of the states physical infrastructure would run into the hundreds of millions. The benefit accruing to the business and agricultural sectors would run the gamut from developing more effective transportation networks and better implementation of ITS to the more effective use of irrigation systems. The economic estimate here will run into the billions, along with giving the United States another technology to export.

### **CONCLUSIONS**

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The full implementation of the National Spatial Reference System through out the United States is vital to our economic and social development. Not only is the NSRS necessary for infrastructure planning, design, construction, rehabilitation and management; it is a crucial element of Geographic Information Systems (GIS). As we reach into the 21<sup>st</sup> century GIS will affect our daily lives more and more. Even today a major department store can advertise a sale two months in advance and not have any of the merchandise in expensive storage. The sale items are on a container ship in the middle of the ocean being tracked by GPS until they are delivered to the store, via ITS, on the morning of the sale. The province of Saskatchewan, Canada's Breadbasket, is saving \$200 million dollars each year in fertilizer costs and untold millions in environmental and health damage though the combined use of GPS and GIS in farming. In order to achieve these and other developing benefits the NSRS is a must.

The little country of Switzerland, having a population of just under 7 million and with almost 70% of its land area covered by the Alps, has one the most stable and viable economies in the world. There are many reasons for this condition, but one surely is the dedication and respect for their National Spatial Reference System. All aspects of their society are dependent on this system. They administer their infrastructure, run their highly efficient transportation system, conduct urban planning, and manage their health and public safety with this system; they have for over one hundred years. They were one of the pioneers in the use of GIS when, in the early 17<sup>th</sup> century,

Felix Platter used GIS technology to isolate and mitigate the affects of the Bubonic Plague in the city of Basel.

In California, the most populous State in the Union, and a State that will be greatly impacted by the recent NAFTA and GATT trade agreements, the full implementation of the NSRS is not only necessary, but acute. It will be crucial to the competitiveness of our economy. Infrastructure rehabilitation, agriculture, environmental management, public health and safety all depend on a viable NSRS and GIS technology. Even the effective tracking and disposal of the Mediterranean fruit fly, which causes millions of dollars in damage to California agriculture, can be better accomplished with GIS. As California enters the new millennium we will depend more and more on information management technologies such as GIS. For GIS to be effective it must be based on the National Spatial reference System. Only in this manner can costly data be acquired and exchanged so as to make full use of its potential.

**LETTERS OF SUPPORT  
FOR  
IMPLEMENTING THE NORTH AMERICAN VERTICAL DATUM  
OF 1988 (NAVD88) FOR CALIFORNIA,  
THROUGH A PUBLIC/PRIVATE PARTNERSHIP**

Attached are letters of support or descriptions of "In-Kind" contributions from the following public agencies and private corporations.

**CALIFORNIA DEPARTMENT OF TRANSPORTATION**

**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**RIVERSIDE COUNTY FLOOD CONTROL**

**MAGUIRE THOMAS PARTNERS**

**U.S. ARMY CORPS OF ENGINEERS**

**AMERICAN CONGRESS ON SURVEYING AND MAPPING**

**DEPARTMENT OF TRANSPORTATION**

ENGINEERING SERVICE CENTER

P.O. BOX 942874

SACRAMENTO, CA 94274-0001

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FAX: (916) 227-8765



April 28, 1995

The Honorable Harold Rogers  
 Chairman  
 Subcommittee on Commerce  
 House Appropriations Committee  
 H-309 U.S. Capitol  
 Washington, DC 20515

Dear Congressman Rogers:

This is to support an appropriation to the National Oceanic and Atmospheric Administration (NOAA) for the implementation of the North American Vertical Datum of 1988 (NAVD88) in California.

Currently, various vertical datums are being used by state and local agencies and the private sector in California. The datums are often single-purpose and do not interface with each other. Some locales have as many as 20 different vertical datums. Any attempt to join these datums for Geographic Information Systems (GIS), engineering design and other needs would be costly, often impractical, and a waste of resources. A California-wide uniform vertical datum needs to be put in place, and NOAA is the appropriate agency to oversee that system. NOAA can provide the public agency scientific and technical support and offer contract opportunities to ailing California businesses.

Caltrans, the California Department of Transportation, can utilize the NAVD88 element of the National Spatial Data Infrastructure (NSDI). Caltrans assisted in implementing the horizontal element of the NSDI through its support of the High Precision Geodetic Network (HPGN) in cooperation with the National Geodetic Survey (NGS). The implementation of NAVD88 will provide the needed vertical datum for accurate GIS and engineering data. NAVD88 will allow Caltrans to make better engineering decisions at a lower cost to the taxpayer. That is, information readily available and quickly used, means more efficiencies in dollars and in labor.

Caltrans does not have the authority to implement NAVD88 on behalf of the State. Therefore, this is an appropriate role and a traditional role for the Federal government, and we look forward to providing in-kind contributions, as resources are available, to the process and participating in using data once available.

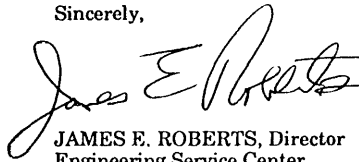
The Honorable Harold Rogers  
April 28, 1995  
Page 2

I know that in these austere times for government agencies we must carefully select those projects and programs which truly benefit a significant segment of the taxpaying public. Implementing NAVD88 in California would benefit 31 million Americans and would assist this agency, not only in design and construction of infrastructure, but in times of catastrophe when Caltrans has to respond to earthquake, flood, mud slide or other kinds of natural disaster damage.

As a part of the North American Free Trade Agreement, much technical work is being done with our neighbor nations. NAVD88 is a necessary component of making certain that the joint NAFTA work on major multi-national infrastructure projects is handled efficiently and cost-effectively.

I ask that you look favorably on this appropriation.

Sincerely,

A handwritten signature in dark ink, appearing to read "James E. Roberts", is written over the typed name.

JAMES E. ROBERTS, Director  
Engineering Service Center




## THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

## AVOID VERBAL ORDERS

April 19, 1995

TO: Fred W. Henstridge, Psomos &amp; Associates

FROM: Michael Duffy, MWD Geometronics Section Manager 

SUBJECT: Implementation of NAVD88 in California

In early 1992, Metropolitan's Chief Engineer made the decision to design and construct all future capital improvement projects on the NAVD88. Three major projects, already in the EIR or land acquisition stages, immediately needed NAVD88 information due the scarcity of NAVD88 monuments in Riverside County. In the following three years, Metropolitan spent approximately \$ 1.8 million dollars to provide NAVD88 to these three major projects and begin converting existing facilities over to this datum. Several years remain in this conversion process.

In a spirit of partnership, Metropolitan performed all precise leveling work to the National Geodetic Survey (NGS) Standards and Specifications, including their bluebooking format. This guaranteed Metropolitan an experienced review of the data and the California surveying community organized distribution of the data.

If a national NAVD88 grid existed throughout California, several hundred thousand dollars would have been saved by Metropolitan and their water customers. Several hundred thousand more dollars will be saved in the future if a national grid is created and maintained. These do not account for the thousands of dollars that will be saved after each major earthquake that occurs in Metropolitan's 5200 square mile service area in the future.

ENTERNET FLOOD.BYOUNG@20.RIVERSIDE.CA.US

GOOD LUCK      BILL YOUNG

13250 Jefferson Boulevard  
Los Angeles CA 90094  
310 822-0074

April 27, 1995

Maguire  
Thomas  
Partners

Mr. Harold Rogers  
Chairman  
Subcommittee on Commerce  
House Appropriations Committee  
H-309 U. S. Capitol  
Washington, D. C. 20515

Dear Mr. Rogers:

We respectfully submit this letter for your consideration relative to the fiscal 1996 appropriation for certain programs administered by the National Oceanic and Atmospheric Administration (NOAA). According to our engineering and surveying consultant here in California, it has come to our attention that the Subcommittee on Commerce, of the Appropriations Committee will soon be considering issues relative to fiscal 1996 appropriations for the programs under the Subcommittee's jurisdiction.

We are developers for the Playa Vista land development project located in Los Angeles, California. Playa Vista is approximately 1,000 acres of mixed use development with 13,000 residential units, 5 million square feet office, hotels, retail and marina facilities. It is the largest and most complex project of its kind in the County of Los Angeles. In order to develop the project's considerable flood control and wetland restoration measures are being undertaken. Consequently, we will be working with FEMA to revise much of the property flood hazard designations. In order to accomplish this we understand that the project must be converted to NAVD 88 vertical datum. We need to have NAVD 88 benchmarks in place and convert our existing topography. The cost of running precise levels from Orange County alone will cost approximately \$100,000. The topography conversion for the entire project would also run upwards of \$100,000.

If NOAA accomplishes the first order leveling and the new benchmarks soon, the savings could be passed onto the new homeowners for our project. Our understanding is that this work needs to be done anyway and the sooner it happens the better it is for our development.

Thank you for your consideration in this matter.

Very truly yours,



Douglas J. Gardner  
Senior Vice President

HFP 18 '95 10:0341

P.1



# FACSIMILE HEADER SHEET

US Army Corps  
of Engineers  
Sacramento District

US Army Engineer District, Sacramento  
1325 J Street  
Sacramento, California 95814-2922

18 April 1995

<b>TO:</b>  <b>Psomas &amp; Associates</b> <b>Attn: Fred W. Henstridge</b>	<b>Fax Phone:</b> <b>(714) 545-8883</b> <b>Voice Phone:</b> <b>(714) 751-7373</b>
<b>FROM:</b>  <b>Jim Stapleton</b> <b>Chief, Survey Section</b>	<b>Fax Phone:</b> <b>916-557-6803</b> <b>Voice Phone:</b> <b>916-557-7158</b>

Number of pages to follow: 0

## COMMENTS:

Between February 1993 and October 1994, the Corps ran approximately 150 miles of levels between Richvale (north of Marysville) and Sacramento with spur lines reaching out to Woodland, Zamora and Wheatland.

Around August and September 1994 we also ran about 80 miles of levels between Coalinga, and the California Aqueduct.

All of these levels were run with a Wild NA2000 digital level to what we consider 2nd order class II standards.

(If you need our costs for this work it would take quite a while to research)

I hope this information is of value in your efforts.

Jim



AMERICAN CONGRESS ON SURVEYING AND MAPPING  
NORTHERN CALIFORNIA SECTION

April 23, 1995

MAY 1 1995

Greg Helmer, P.L.S.  
Senior Director, GPS Services  
Chairman, California Coalition for NAVD88  
Robert Bein, William Frost & Associates  
14725 Alton Parkway  
Irvine, California 92713-9739

Fred W. Henstridge, P.L.S.  
Vice President  
Corporate Director of Large Scale Surveys  
Subcommittee Chairman, California Coalition for NAVD88  
Psomas & Associates  
3187 Red Hill Avenue, Suite 250  
Costa Mesa, California 92626

Dear Sirs:

On April 22, 1995, the Board of Directors of the Northern California Section of the American Congress on Surveying and Mapping voted unanimously to support the Coalition's efforts to ensure that California will have the Vertical control network necessary for highway construction projects, water delivery projects (canals, aqueducts, pipelines, etc.), crustal motion monitoring, and other infrastructure related projects as we enter the next century.

Please do not hesitate to call upon me, the Directors, or members of the NCS-ACSM for any assistance we can provide.

Very truly yours,

Earl R. Cross, P.L.S.  
Chairman, NCS-ACSM

cc: Don Marcott, P.L.S.  
Secretary, NCS-ACSM

NAVE88.DOC

TUESDAY, MAY 2, 1995.

**ANTARCTICA PROJECT****WITNESS****BETH MARKS, DIRECTOR, ANTARCTICA PROJECT**

Mr. TAYLOR. The next witness is Beth Marks.

Ms. MARKS. Good afternoon, Mr. Chairman. Thank you for the opportunity to testify today on the first 1996 budget for the Department of Commerce, and specifically, the Antarctic Marine Living Resources Program of the National Oceanic and Atmospheric Administration. I am Beth Marks, Director of the Antarctica Project.

This statement is presented on behalf of 14 conservation organizations. Our millions of members urge this Subcommittee to approve an appropriation of at least \$1.2 million to support the Antarctic Marine Living Resources Program, known as AMLR. AMLR is NOAA's marine research program in Antarctica.

This is the level at which AMLR has been funded for the past two fiscal years.

The Antarctic Marine Living Resources Program is vital to the U.S. economic, environmental and political interests in Antarctica and supports our international obligations to the convention on the conservation of Antarctic marine living resources.

This convention, known as CCAMLR, is the only international agreement designed to sustainably manage the marine resources of the Southern Ocean. However, proper implementation of CCAMLR is dependent on the adoption of sound conservation measures that limit fisheries to ecologically sustainable levels. And the only way to get fishing nations to agree to and comply with these conservation measures is if they are presented with scientific proof of a fishery's status.

NOAA's Antarctic Marine Living Resources Program is essential for the proper implementation of CCAMLR, because research results provide this scientific proof. Therefore, AMLR provides the foundation for the adoption of ecologically sound conservation measures by CCAMLR.

By helping to effectively implement CCAMLR, AMLR generates valuable lessons for managing U.S. domestic fisheries. Viewed from this perspective, the very small investments being made in an Arctic research can pay handsome dividends.

It is also in the best interests of U.S. fishers to have Antarctica's marine resources managed sustainably over the long term and to have a continued U.S. presence in the region. In this way, U.S. fishers can make informed decisions about the potential for future participation in the Southern Ocean fisheries.

This has already been demonstrated by the initiation of a crab fishery by an Alaskan fisherman. The presence of the U.S. at the meetings of CCAMLR was critical to ensuring that the interests of this fisherman were properly represented.

Without a strong U.S. research presence, Southern Ocean fisheries will be regulated by nations with a strong economic interest and presence in the region. Under such circumstances, we fear that implementation of conservation measures will be difficult, or that

fishing will persist and the region's marine living resources will be exploited beyond sustainable levels.

Politically, a U.S. presence in Antarctic marine research is important to maintain the status quo between those nations which historically lay claim to sections of the Antarctic and those nations, including the U.S., who do not recognize these claims. A decreased U.S. presence could alter this fragile balance and open up the possibility of claimant nations declaring 200 mile exclusive economic zones in these waters, thus limiting access to Southern Ocean fisheries.

In conclusion, I would like to emphasize that the continuation of NOAA's Antarctic Marine Living Resources Program has important implications for the U.S. from an environmental, economic and political perspective.

Continuation of AMLR will protect the leading role that the U.S. has played over the past 35 years in the Antarctic treaty system in developing ecologically sound and internationally acceptable approaches to Antarctic issues, including its marine living resources. It will send a strong message about our desire to maintain the Antarctic as a region dedicated to science and other peaceful uses, and to minimize harm to the environment. And it will allow the continued stability with regard to claims in the region.

And now that the United States has initiated an Antarctic fishery, it is especially important for us to maintain this credibility. This is not the time for the United States to decrease its research efforts.

While we recognize that Congress must make difficult budget decisions, it is important not to underestimate the value of the United States Antarctic Marine Living Resources Program. The modest allocation of funds that is being requested for investment in Antarctic marine research will go a long way toward addressing critical economic, environmental and political issues that the United States faces in Antarctica. For future generations, investing in this cost-effective program will be more important than the modest savings gained through its elimination.

For these reasons, we respectfully request this subcommittee to approve an appropriation of \$1.2 million to support NOAA's Antarctic Marine Living Resources Program.

Mr. TAYLOR. The ship that is necessary for the research is going to be retired. Do you know of any replacement or have any information on that?

Ms. MARKS. According to what I have heard, the NOAA fleet, I guess, is currently looking for possibilities of either chartering another vessel or sharing space with another—

Mr. TAYLOR. That will have probably something to do with the request. You have made it through a rescission, and you know, you are still here.

Ms. MARKS. Well, not me, NOAA has, yes.

Mr. TAYLOR. And that is very positive. But that may be applying—we will have to see. I appreciate what you are saying here. Who are the other nations that lay claim?

Ms. MARKS. There are seven nations. Argentina, Australia, Chile, France, New Zealand, Korea, and the United Kingdom. I have a little crib sheet.

Mr. TAYLOR. France and who?

Ms. MARKS. France, New Zealand, Korea and the United Kingdom. Of these nations, Chile is very active and very accessible to the Antarctica and has increased its fisheries over the past few years. The United Kingdom has several islands that they lay claim to and have been exercising their territorial capabilities.

The concern is that without a U.S. presence, the nations that have a claim and also accessibility to the region will obviously continue to stake out their claim and increase their fisheries.

Mr. TAYLOR. Thank you very much. We appreciate your comments.

[The information follows:]





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May 2, 1995

## STATEMENT OF BETH CLAUDIA MARKS

Director, The Antarctica Project

to the

HOUSE APPROPRIATIONS SUBCOMMITTEE ON COMMERCE

on the

FISCAL YEAR 1996 APPROPRIATIONS FOR THE  
UNITED STATES ANTARCTIC MARINE LIVING RESOURCES PROGRAM

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## I. Introduction

Thank you for the opportunity to testify today on the Fiscal Year 1995 budget for the Department of Commerce, and specifically, the Antarctic Marine Living Resources Program of the National Oceanic and Atmospheric Administration (NOAA). I am Beth Marks<sup>1</sup>, Director of The Antarctica Project. This statement, which is presented on behalf of 14 environmental organizations<sup>2</sup>, **urges this Subcommittee to approve an appropriation of at least \$1.2 million to support the Antarctic Marine Living Resources Program (AMLR), NOAA's directed research program in Antarctica.** An appropriation of \$1.2 million is the level at which AMLR has been funded for the past two fiscal years.

The AMLR Program has been supported by the NOAA ship, R.V. Surveyor. A \$1.2 million appropriation is sufficient if the AMLR Program continues to be supported by a NOAA ship. However, if the Surveyor or another vessel is not available, additional funds would be needed to charter a vessel. Obviously, without a vessel, AMLR cannot continue its research program.

**The Antarctic Marine Living Resources Program is vital to U.S. economic and political interests in Antarctica, and supports our international obligations to the Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR).**

CCAMLR was established under the Antarctic Treaty System to sustainably manage Southern Ocean fisheries. It is unique in its "ecosystem" approach to the management of fisheries because its aim is not only to conserve the targeted species, but to take into account the impact of fishing on those animals (seals, whales, penguins and other seabirds) that depend on the targeted species. However, since decision-making is by consensus, all nations must approve measures to prevent overharvesting. The only way that the fishing nations will agree to and comply with conservation measures that limit fisheries to ecologically sustainable levels **is if they are presented with persuasive scientific information.**

**Research results from the Antarctic Marine Living Resources Program have provided this information.** Since its inception, the AMLR Program has been crucial to CCAMLR's success because it has provided the foundation for the adoption of

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<sup>1</sup>Public sector representative on the U.S. delegation to the Convention on the Conservation of Antarctic Marine Living Resources, 1990-present.

<sup>2</sup>The Antarctica Project, Defenders of Wildlife, Environmental Defense Fund, Friends of the Earth, Greenpeace, The Humane Society of the United States, The Humane Society-International, National Audubon Society, National Parks and Conservation Association, Natural Resources Defense Council, National Wildlife Federation, Sierra Club, Society for Animal Protective Legislation, and World Wildlife Fund.

**ecologically sound conservation measures by CCAMLR member governments, based on recommendations from the Scientific Committee**

Through AMLR, the U.S. has played a leading role in identifying and brokering internationally acceptable approaches to conservation problems in the Southern Ocean. The ability of the U.S. to influence long-term international conservation efforts stems from our leading by example--both in Southern Ocean conservation and in the larger framework of the Antarctic Treaty System. A U.S. presence is especially important now that a U.S. fisherman has started a crab fishery in the Southern Ocean. **Decreasing the U.S. research effort while increasing U.S. fishing in the region could undermine U.S. leadership in Antarctica, and could jeopardize the continuing success of CCAMLR.**

Without a strong U.S. research presence, Southern Ocean fisheries will be regulated by nations with a strong economic interest and presence in the region. At present, the principal fishing nations are Japan, Russia and Chile. Under such circumstances we fear that implementation of conservation measures will be difficult, overfishing will persist, and the region's marine living resources will be exploited beyond sustainable levels.

By helping to effectively implement CCAMLR, AMLR also provides a model for ecosystem management of domestic and international fisheries. CCAMLR was launched as an experiment to determine if nations could design new ways to govern fisheries that would avoid ecological and subsequent economic catastrophe. The Large Marine Ecosystem experiments carried out by the National Marine Fisheries Service stemmed directly from the CCAMLR experience in the Southern Ocean. As we see fisheries around the world continuing to collapse, with consequent economic and diplomatic implications, it is clear that the "ecosystem as a whole" model provided by the Antarctic needs to be extrapolated to all fisheries. We would suggest that the U.S. take the lead in convening an international conference with that aim in the near future.

## **II. Background on Antarctic Fisheries**

Commercial harvesting of Antarctic fish began in the early 1970s. By 1976, several nations had launched commercial harvesting operations for krill, the shrimp-like crustacean that forms the basis of the Antarctic food chain. The **Convention on the Conservation of Antarctic Marine Living Resources** (CCAMLR) was negotiated in response to the collapse of several species of fish from unregulated fisheries, and the concern that a rapid escalation of a krill fishery could precipitate the demise of the Southern Ocean marine ecosystem. Because of krill's pivotal role in the food chain, an unregulated fishery could also impede the recovery of whale populations.

CCAMLR was formulated to provide a management system that would both protect the ecosystem and allow fishing activities in the region. CCAMLR is unique in its "ecosystem" approach to the management of fisheries, because its aim is to allow

sustainable use of any stock while preventing irreversible damage to populations of target species and species dependent on or related to the target species. CCAMLR is thus the first international convention to address ecosystem **management** goals.

The Convention entered into force in 1982, and established an advisory Scientific Committee and a regulatory Commission with authority to impose restrictions on commercial fishing operations. To date 22<sup>3</sup> nations, have agreed to subject their fishing activities to regulation under the Convention. This agreement comes at a price--**fishing is allowed to continue until proof of over-fishing has been established**. This is counter-intuitive to a scheme of sustainable management, because it permits harvesting to persist until stocks have decreased to alarmingly low levels. Yet it is the only way to reach international agreement.

The Convention requires **consensus** decision-making, which means that all nations must approve measures to prevent overharvesting. Only with persuasive scientific information will the fishing nations be forced to agree to and comply with conservation measures.

To give effect to the Convention domestically, and to ensure the acquisition of the requisite scientific information, Congress enacted the **Antarctic Marine Living Resources Convention Act of 1984**<sup>4</sup>. This Act directed NOAA to develop and implement a research program to support and facilitate implementation of CCAMLR. This program, the U.S. AMLR Program, has been implemented by NOAA's National Marine Fisheries Service, since 1986, when Congress approved the Program Development Plan<sup>5</sup>.

The U.S. AMLR Program was the first national research program to investigate the state of the fish stocks in the Southern Ocean. The first AMLR cruise confirmed that fishing operations were having adverse impacts on marine life and indicated that several fish stocks were being exploited at rates above those which allow replacement of the stock. Several species had been so heavily fished that their populations were less than 10% of their size in 1982<sup>6,7</sup>.

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<sup>3</sup>The following nations are members of CCAMLR: Argentina, Australia, Belgium, Brazil, Chile, European Union, France, Germany, Greece, India, Italy, Japan, Republic of Korea, New Zealand, Norway, Poland, Russian Federation, South Africa, Spain, Sweden, United Kingdom, and United States.

<sup>4</sup>The Antarctic Marine Living Resources Conservation Act of 1984 (P.L. 98-623)

<sup>5</sup>The Program Development Plan recommended annual funding of AMLR at the \$4 million level, including \$1.8 million for the charter of a dedicated research vessel.

<sup>6</sup>Testimony of Bruce Manheim, Environmental Defense Fund, before the House Appropriations Subcommittee on Commerce, 1987.

### III. Importance of CCAMLR and the U.S. Antarctic Marine Living Resources Program

**Proper implementation of CCAMLR is necessary to ensure the wise and sustainable use of Southern Ocean fisheries. The Antarctic Marine Living Resources Program is essential for the proper implementation of CCAMLR because research results have provided the foundation for the adoption of ecologically sound conservation measures by CCAMLR.**

The importance of CCAMLR and the U.S. AMLR Program is in their ability, over a decade's time, to monitor changes in the Southern Ocean ecosystem. Whether fluctuations in the marine environment, including changes in marine populations, can be attributed to human or natural events, can only be determined by research which continues over a long period of time.

Results from the past few years are illustrative.

1. The survival of krill predators (seals and penguins) is a good indication of the availability of krill. Since 1990, the survival of young penguins and seals has fluctuated. Although the krill harvest is at its lowest level, preliminary results from this past season indicate that krill were less available to its predators, as evidenced by a high mortality rate of penguin chicks.<sup>8</sup>

Whether these observed changes are the result of natural fluctuations or due to the location of the krill fishery is still not fully understood. However, these results highlight the challenges facing CCAMLR, and the need for continued research. to establish a relation between changes in the marine ecosystem and external (human-induced) vs. natural impacts, and to determine what is overfishing.

2. **A healthy krill population is also essential for the recovery of depleted fish stocks.** The AMLR Program initiated the first ecosystem monitoring program which studied the relationships between krill, their predators, and their environment. Research

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<sup>7</sup>Because these early studies confirmed low standing stocks of fish, the traditional harvesting areas surrounding the South Shetland and South Orkney Islands in the Southern Atlantic Ocean were closed to finfishing. Attempts to reopen these areas have not been successful. However, unless fish stock surveys are completed in the future, we could lose the agreement to keep these areas closed. It will only be due to the consistent and vigilant application of the results of the research cruises that consensus will be maintained to prohibit or limit fishing in these and other areas.

<sup>8</sup>Anderson, Ian. Penguins move out after chicks starve to death. *New Scientist*. Vol. 145, no. 1962. p. 9. January 28, 1995

results led CCAMLR to adopt a precautionary catch limit on krill fishing. The U.S. is only one of two nations which is conducting these studies<sup>9</sup>

3. In response to a U.S. fisherman applying for a permit to initiate a crab fishery in the Southern Ocean, the U.S. took the lead in ensuring that the fishery was developed using a conservative approach by developing a model research and development plan. In developing this plan, the fisherman was consulted, along with biologists and fishery management specialists. The crab fishery was used as an example of how to manage a new fishery, and set a precedent for other new and developing fisheries.

Based on the U.S. example, measures were adopted which defined "new" and "exploratory" fisheries and articulated procedures for conducting them. These measures are necessary to assure that fisheries develop slowly and in concert with the acquisition of biological and demographic data. Prior to this, fisheries were allowed to develop until the resource was depleted.

4. One of the biggest obstacles to the adoption of conservation measures is lack of data submission. Without this data, the Scientific Committee is unable to provide the best scientific advice on the state of a fishery or fish stock. Without data to back up claims of overfishing the fishing nations can argue that there is no proof of overfishing, and can attempt to increase allowable catches, and open previously-closed areas to fishing.

To help overcome this, personnel from the U.S. AMLR Program implemented the CCAMLR Scientific Observer program by placing an observer on board a Russian vessel. Observers enable compliance monitoring with the conservation measures adopted by the CCAMLR Commission. They provide verification of the fish species caught, fishing methods used, catch data, and accurate and timely reporting to the CCAMLR Secretariat.

5. U.S. AMLR personnel also initiated the CCAMLR Inspection Program of commercial boats in the 1990/91 season with the boarding of a Japanese vessel, and have carried out additional inspections during the past seasons. This set a precedent for other countries<sup>10</sup>

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<sup>9</sup>Review of the United States Antarctic Marine Living Resources (AMLR) Research Program, 27-29 May 1992, La Jolla, CA (Dr. Robert J. Hofman, Marine Mammal Commission, Chairman). This interagency review panel noted that **"AMLR is focussed on tasks that are essential to meeting the ecosystem-oriented objectives of CCAMLR, ... and are not being done by other Parties."**

<sup>10</sup>The CCAMLR Inspection Program seeks to measure compliance with CCAMLR conservation measures by allowing for unannounced checks of commercial boats which are engaged in harvesting activities.

Commercial fishing in the Southern Ocean is expected to grow. It is believed that the Southern Ocean is the "last remaining major source of marine protein, [and this will lead to] considerable harvesting activity in the Southern Ocean, which will require, if it is to have a chance of being sustainable, a massive extension of current ecological research."<sup>11</sup>

#### IV. U.S. economic interests

As mentioned above, the U.S., through AMLR, has been successful in achieving agreement on conservation measures designed to ensure the wise and sustainable use of the marine resources of the Southern Ocean, and has taken the lead in developing monitoring programs, primarily through the CCAMLR Ecosystem Monitoring Program. For example, the measure designed to ensure that new fisheries did not develop ahead of the collection of biological and demographic data was instigated by the U.S.

However, it is clear that for underdeveloped marine resources, it is in the best interest of U.S. fishers to understand as clearly as possible what the status of that resource might be, so that the resource can be managed sustainably over the long term. In this way U.S. fishers can make informed decisions about the potential for future participation in Southern Ocean fisheries. Thus, a continued U.S. presence in Antarctic marine resources research will ensure both an ecological and an economic benefit to U.S. fishers.

This has already been demonstrated by the initiation of the crab fishery by an Alaskan fisherman. The presence of the U.S. at the meetings of CCAMLR were critical to ensuring that the interests of this fisherman were properly represented.

As noted above, **the research conducted through AMLR could generate valuable lessons for managing U.S. domestic fisheries. Viewed from this perspective, the very small investments being made in Antarctic research can pay handsome dividends.**

#### V. U.S. political interests

In the U.S. view, Antarctica is owned by no one. It is governed by the Antarctic Treaty System, a collection of international treaties that articulate policies and permitted activities in the Antarctic region. Central to the Antarctic Treaty System is the Antarctic Treaty, which entered into force in 1961. Its primary purpose is to ensure that Antarctica will be used exclusively for peaceful purposes. To this end, the Treaty provides for the freedom of scientific research, promotes international cooperation towards this goal, and, most importantly for CCAMLR, freezes all territorial claims.

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<sup>11</sup>Drewry, D J 1993 The future of Antarctic scientific research, Polar Record 29:37-44

Seven nations claim sovereignty over territory in Antarctica (Argentina, Australia, Chile, France, New Zealand, Norway and the United Kingdom; the claims of Argentina, Chile and the UK overlap). The U.S. and Russia reserve their rights to assert claims in the continent. By freezing these claims, the Antarctic Treaty ensured that scientific research could proceed anywhere on the continent.

With the break up of the Soviet Union, and the reduction in the Russian Antarctic Program, the U.S. has become the principal non-claimant nation with a substantial presence in Antarctica. Thus, if a claimant nation tried to act on its claim, the U.S. might be the only country which could effectively challenge this action. This is especially true in the waters surrounding Antarctica. As long as claims are frozen, these waters are open to all fishers who wish to fish there (provided they abide by CCAMLR's regulations).

A decreased U.S. presence and involvement could alter this fragile balance and open up the possibility of claimant nations declaring 200 mile exclusive economic zones (EEZs) in these waters, thus limiting access to the viable fisheries to fishers from the U.S. and other nations.

## VI. FY 96 Appropriation Request

Although the AMLR Program is vital to U.S. interests in Antarctica, and to the sustainable management and geopolitical stability of Southern Ocean fisheries, it had been constrained by funding limitations since its inception. Congress originally recommended funding the Program at \$4 million annually; this included \$1.8 million to charter a research vessel. AMLR has never been funded near this level, and each year its appropriation has declined.

### A. AMLR Funding Levels

FY 1987	\$1.8M (included contracting the polish vessel, "Professor Svedlecki")
FY 1988	1.5M "
FY 1989	1.3M use of NOAA's ship "Surveyor"
FY 1990	1.3M "
FY 1991	1.3M "
FY 1992	1.275M "
FY 1993	1.2M "
FY 1994	1.2M "
FY 1995	1.2M "
FY 1996	1.2M (requested; assumes use of NOAA vessel)



## B. FY 96 Appropriation Request

For FY 96, level funding of \$12 million will be needed to continue the principal research components of the U.S. AMLR Program. Funding will allow the continuation of both the land-based and ship-based research programs. The land-based ecosystem monitoring program at Seal Island monitors the reproduction and foraging behavior of the primary mammalian and avian krill predators, while the ship-based studies monitor the physical oceanography and spatial distribution of krill in the Southern Ocean contiguous with, and extending beyond, Seal Island.

## VII. Conclusion

CCAMLR was launched as an experiment to determine if nations could govern fisheries to avoid ecological and subsequent economic catastrophe. By helping to effectively implement CCAMLR, AMLR provides a model for ecosystem management of domestic and international fisheries.

**The results of the research undertaken through NOAA's Antarctic Marine Living Resources Program have enabled the U.S. to argue persuasively for the adoption of conservation measures aimed at limiting the harvesting of exploited species.** Without a strong U.S. research presence, Southern Ocean fisheries will be regulated by nations with a strong economic interest and presence in the region. Further, implementation of conservation measures will be difficult, overfishing will persist, and the marine living resources will be exploited beyond sustainable levels.

Continued funding of the Antarctic Marine Living Resources Program will protect the lead role that the U.S. has played over the past thirty years, in the Antarctic Treaty and in the Antarctic Treaty System, in developing ecologically sound and internationally acceptable approaches to Antarctic issues. In addition, now that the United States has become a fishing nation, it is especially important for us to maintain credibility. This is not the time for the U.S. to decrease its research efforts.

Continuing to fulfill our obligations under CCAMLR will send a strong message about our desire to maintain the Antarctic as a region dedicated to science and other peaceful uses, and to minimize harm to the environment. It will allow the continued stability with regard to claims in the region. It will reflect positively on our commitment to the Antarctic Treaty System, and will preserve the leadership role of the United States in marine living resources research.

The AMLR Program has encouraged collaboration with scientists of many nations. Politically, this cooperation enhances U.S. interactions in other international fora, not only within CCAMLR and in the Antarctic Treaty System.

While we recognize that Congress must make difficult budget decisions, it is important not to underestimate the value of the U.S. AMLR Program. The modest allocation of funds that is being requested for investment in Antarctic marine research will go a long way toward addressing critical environmental and political issues that the United States faces in Antarctica. For future generations, investing in this cost-effective program will be more important than the modest savings gained through its elimination.

**For these reasons, we respectfully request this Subcommittee to approve an appropriation of \$1.2 million to support NOAA's Antarctic Marine Living Resources Program.**

TUESDAY, MAY 2, 1995.

**SUSQUEHANNA RIVER BASIN COMMISSION****WITNESS****JOHN E. McSPARRAN, CHIEF ENGINEER, SUSQUEHANNA RIVER BASIN COMMISSION**

Mr. TAYLOR. The Susquehanna River Basin Commission, John McSparran.

Mr. McSPARRAN. Good afternoon, Mr. Chairman. My name is John McSparran. I am the chief engineer for the Susquehanna River Basin Commission. I appreciate this opportunity to appear before you here today to seek adequate funding for the Susquehanna River Basin flood forecasting and warning system, also known as the Susquehanna system.

Before I begin my statement, I would like to tell you briefly about the commission and our connection to the Susquehanna system.

The Susquehanna River Basin Commission is the governing agency established by a 100-year compact signed nearly 25 years ago by the Federal Government and the States of New York, Pennsylvania, and Maryland. Our mission is to protect and wisely manage the water resources of the Susquehanna River Basin. Within that mission, one of our primary objectives is to prevent the loss of life from floods and reduce future damages.

Historically, flooding has been a major problem in the Susquehanna River Basin. In fact, this basin is one of the country's most flood-prone basins, having over six times the national average in damages per square mile per year. Since 1810, we have been hit with devastating floods on average once every 20 years. We just narrowly escaped two major floods in the springs of 1993 and 1994.

Every economically justifiable flood control project has been built in the basin, resulting in total damages being reduced around 75 percent. Nevertheless, the devastating flood from Hurricane Agnes in 1972 produced more than \$3 billion of damages—that is still a record when adjusted for inflation—followed by Hurricane Eloise in 1975. This clearly demonstrated the need for an improved flood forecasting system in the basin to help minimize property damages and to save lives.

In 1985, the Susquehanna River Basin Commission, in cooperation with the National Weather Service, the U.S. Geological Survey, the Army Corps of Engineers and the Commonwealth of Pennsylvania, developed the Susquehanna system.

Today, this system utilizes the Doppler radar and an extensive network of stream and rain gauges to forecast water levels on a 24-hour basis. This extensive coverage allows us to give county-level agencies maximum lead time to prepare for potential flood events and to warn the residents and businesses.

While the system has proven its value and cost-effectiveness over the years, securing adequate funding has become an annual struggle. This year is no different. The Clinton administration proposes \$669,000 for fiscal year 1996 for the National Weather Service and the U.S. Geological Survey to operate the Susquehanna system. This is far short of what is needed. Without adequate funding, we

will have to dismantle existing gauges and reduce personnel that operate the system, and we will also not be able to make the necessary maintenance on old equipment.

The agencies need more than \$1.3 million to maintain the 24-hour coverage and to make necessary maintenance and enhancements to the system.

On March 9, 1995, the Susquehanna River Basin Commission adopted a resolution calling on Congress to support adequate funding in the amount of \$1.372 million. A copy of that resolution is included in the packet.

Without adequate funding, the system's accuracy and effectiveness will be reduced significantly. We will reduce our hourly coverage capability and county emergency management agencies as well as businesses and residents located in flood-prone areas will lose as much as six hours of lead time to prepare for flooding. Given the basin's history of major flooding on the main river once every 20 years, this is not the time to lower our guard. I point out that we have a large basin and there are flood damages prevented many times every year.

After the Midwestern floods in 1993, a federally commissioned task force headed by General Galloway determined that the emphasis on flood control efforts should be nonstructural measures such as flood forecasting and warning systems, flood insurance programs, and homeowner relocations. These nonstructural measures such as the Susquehanna system have proven to be very cost-effective. This system, with a cost-benefit ratio of 12.5 to 1, is a prudent investment of Federal dollars.

I see my time has run out, and I would be happy to entertain any questions.

Mr. TAYLOR. Thank you. I appreciate it. We will take your written statement and pass it on and see if we have questions. If there are, we will be in touch with you. Thank you very much, sir.

[The information follows:]

TESTIMONY OF  
JOHN E. MCSPARRAN  
CHIEF ENGINEER  
SUSQUEHANNA RIVER BASIN COMMISSION  
Before the  
SUBCOMMITTEE ON  
COMMERCE, JUSTICE AND STATE APPROPRIATIONS  
May 2, 1995

GOOD AFTERNOON CHAIRMAN ROGERS AND MEMBERS OF THE SUBCOMMITTEE. MY NAME IS JOHN MCSPARRAN. I AM THE CHIEF ENGINEER FOR THE SUSQUEHANNA RIVER BASIN COMMISSION. I APPRECIATE THIS OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO SEEK ADEQUATE FUNDING FOR THE SUSQUEHANNA RIVER BASIN FLOOD FORECASTING AND WARNING SYSTEM, ALSO KNOWN AS THE "SUSQUEHANNA SYSTEM."

BEFORE I BEGIN MY STATEMENT, I WOULD LIKE TO TELL YOU BRIEFLY ABOUT THE COMMISSION AND OUR CONNECTION TO THE SUSQUEHANNA SYSTEM.

THE SUSQUEHANNA RIVER BASIN COMMISSION IS THE GOVERNING AGENCY ESTABLISHED BY A 100-YEAR COMPACT SIGNED NEARLY 25 YEARS AGO BY THE FEDERAL GOVERNMENT AND THE STATES OF NEW YORK, PENNSYLVANIA AND MARYLAND. OUR MISSION IS TO PROTECT AND WISELY MANAGE THE WATER RESOURCES OF THE SUSQUEHANNA RIVER BASIN.

WITHIN THAT MISSION, ONE OF OUR PRIMARY OBJECTIVES IS TO PREVENT THE LOSS OF LIFE FROM FLOODS AND REDUCE FUTURE DAMAGES.

HISTORICALLY, FLOODING HAS BEEN A MAJOR PROBLEM IN THE SUSQUEHANNA RIVER BASIN. IN FACT, THIS BASIN IS ONE OF THE COUNTRY'S MOST FLOOD PRONE BASINS, HAVING OVER SIX TIMES THE NATIONAL AVERAGE IN DAMAGES PER SQUARE MILE PER YEAR. SINCE 1810, WE HAVE BEEN HIT WITH DEVASTATING FLOODS ON AVERAGE ONCE EVERY 20 YEARS. WE JUST NARROWLY ESCAPED MAJOR FLOODS IN THE SPRINGS OF '93 AND '94.

EVERY ECONOMICALLY JUSTIFIABLE FLOOD CONTROL PROJECT HAS BEEN BUILT, RESULTING IN TOTAL DAMAGES BEING REDUCED AROUND 75 PERCENT. NEVERTHELESS, THE DEVASTATING FLOOD FROM HURRICANE AGNES IN 1972 PRODUCED MORE THAN \$3 BILLION OF DAMAGES. THIS FLOOD, FOLLOWED BY HURRICANE ELOISE IN 1975, CLEARLY DEMONSTRATED THE NEED FOR AN IMPROVED FLOOD FORECASTING SYSTEM IN THE BASIN TO HELP MINIMIZE PROPERTY DAMAGES AND TO SAVE LIVES. IN 1985, THE SUSQUEHANNA RIVER BASIN COMMISSION, IN COOPERATION WITH THE NATIONAL WEATHER SERVICE, THE U.S. GEOLOGICAL SURVEY, THE U.S. ARMY CORPS OF ENGINEERS, AND THE COMMONWEALTH OF PENNSYLVANIA, DEVELOPED THE SUSQUEHANNA SYSTEM.

TODAY, THIS SYSTEM UTILIZES THE DOPPLER RADAR AND AN EXTENSIVE NETWORK OF STREAM AND RAIN GAGES TO FORECAST WATER LEVELS ON A 24-HOUR BASIS. THIS EXTENSIVE COVERAGE ALLOWS US TO GIVE COUNTY-LEVEL

AGENCIES MAXIMUM LEAD TIME TO PREPARE FOR POTENTIAL FLOOD EVENTS AND TO WARN THEIR RESIDENTS AND BUSINESSES.

WHILE THIS SYSTEM HAS PROVEN ITS VALUE AND COST-EFFECTIVENESS OVER THE YEARS, SECURING ADEQUATE FUNDING HAS BECOME AN ANNUAL STRUGGLE. THIS YEAR IS NO DIFFERENT. THE CLINTON ADMINISTRATION PROPOSES \$669,000 FOR FISCAL YEAR 96 FOR THE NATIONAL WEATHER SERVICE AND THE U.S. GEOLOGICAL SURVEY TO OPERATE THE SUSQUEHANNA SYSTEM. THIS IS FAR SHORT OF WHAT IS NEEDED. WITHOUT ADEQUATE FUNDING, WE WILL HAVE TO DISMANTLE EXISTING GAGES AND REDUCE PERSONNEL TO OPERATE THE SYSTEM. ALSO, WE WILL NOT BE ABLE TO MAKE THE NECESSARY MAINTENANCE ON OLD EQUIPMENT.

THE AGENCIES NEED MORE THAN \$1.3 MILLION TO MAINTAIN THE 24-HOUR COVERAGE AND TO MAKE NECESSARY MAINTENANCE AND ENHANCEMENTS TO THE SYSTEM.

ON MARCH 9, 1995, THE SUSQUEHANNA RIVER BASIN COMMISSION ADOPTED A RESOLUTION CALLING ON CONGRESS TO SUPPORT ADEQUATE FUNDING IN THE AMOUNT OF \$1,372,000. A COPY OF THAT RESOLUTION IS INCLUDED IN YOUR PACKET.

WITHOUT ADEQUATE FUNDING, THE SYSTEM'S ACCURACY AND EFFECTIVENESS WILL BE REDUCED SIGNIFICANTLY. WE WILL LOSE THE 24-

HOOR COVERAGE CAPABILITY. COUNTY EMERGENCY MANAGEMENT AGENCIES AS WELL AS THE BUSINESSES AND RESIDENTS LOCATED IN FLOOD PRONE AREAS WILL LOSE AS MUCH AS SIX HOURS OF LEAD TIME TO PREPARE FOR FLOODING. GIVEN THE BASIN'S HISTORY OF FLOODING ONCE EVERY 20 YEARS, THIS IS NOT THE TIME TO LOWER OUR GUARD.

AFTER THE MID-WESTERN FLOODS IN 1993, A FEDERALLY-COMMISSIONED TASK FORCE HEADED BY GENERAL GALLOWAY DETERMINED THAT THE EMPHASIS OF FUTURE FLOOD CONTROL EFFORTS SHOULD BE ON NONSTRUCTURAL MEASURES SUCH AS FLOOD FORECASTING AND WARNING SYSTEMS, FLOOD INSURANCE PROGRAMS, AND HOMEOWNER RELOCATION AND EDUCATION PROGRAMS. THESE NONSTRUCTURAL MEASURES, SUCH AS THE SUSQUEHANNA SYSTEM, HAVE PROVEN TO BE VERY COST-EFFECTIVE. THIS SYSTEM, WITH A COST-BENEFIT RATIO OF 12.5 TO 1, IS A PRUDENT INVESTMENT OF FEDERAL DOLLARS.

LAST FISCAL YEAR, CONGRESS WISELY APPROPRIATED MORE THAN \$1.2 MILLION FOR THE SUSQUEHANNA SYSTEM. WE URGE CONGRESS TO PROVIDE A MODEST INCREASE TO \$1,372,000 FOR FISCAL YEAR 1996 SO WE CAN CONTINUE PROVIDING THE CRITICAL FLOOD FORECASTING SERVICES.

THANK YOU AGAIN FOR THIS OPPORTUNITY. I WOULD BE HAPPY TO ADDRESS ANY QUESTIONS.



## RESOLUTION NO. 95-02

A RESOLUTION of the Susquehanna River Basin Commission supporting funding for flood forecast and warning system improvements.

## WHEREAS:

1. Improvements to the Flood Forecast and Warning System are very important to the Susquehanna River Basin Commission and to the residents of the basin. One of the objectives of the Commission's Comprehensive Plan is to prevent loss of life and significantly reduce damages from floods within the basin. One of the goals of the Comprehensive Plan is establishment of an improved and expanded flood forecasting and warning system to provide the maximum amount of time during which evacuation and other damage reduction measures may be taken.

2. The Susquehanna River Basin is highly flood prone, as shown by the following facts:

- The basin comprises less than 1 percent of the land area of the continental United States, but experiences 6 percent of the national average flood damages;
- The basin has experienced major flooding on the average about once every 20 years for the last 180 years;
- Approximately 1,160 of the 1,400 communities in the Susquehanna basin are flood prone;
- The average annual flood damages in the Susquehanna basin are \$113 million in 1993 dollars.

3. The Corps of Engineers has determined that the most damage-prone areas in the basin cannot be protected by structural measures, and that the best way to reduce flood damages is through nonstructural measures such as flood forecasting.

4. The National Weather Service Middle Atlantic River Forecast Center (MARFC) provides flood forecasts for about 20 percent of the basin's population; 1.12 million people live along major rivers and are expected to benefit from more accurate and timely flood forecasts.

5. The Commission, in cooperation with signatory agencies, prepared a 1985 plan for improvements to the Flood Forecast and Warning System. Congress has already appropriated about \$12.7 million, since 1986, to implement the Commission's plan for system improvements. The original plan was never fully implemented, and inadequate funding, beginning in FY-90, resulted in reductions of the system, as implemented. These reductions were largely restored as a result of increased funding provided in FY-95.

6. The original plan proposed by the Commission is expected to reduce average annual flood damages in the Susquehanna basin about 15 percent, or \$17.0 million annually (1993 dollars), and has a benefit-cost ratio of 12.5 to 1. The National Weather Service has begun developing a hydrometeorologic forecast system that is expected to increase lead-time by

up to 6 hours and further reduce flood damages by 10 percent, or about \$10 million annually, at a cost of \$600,000.

The improvements included in the Commission's plan have direct benefits for the following river basins in addition to the Susquehanna basin:

- Passaic-Raritan River Basin in New Jersey;
- Delaware River Basin in New York, Pennsylvania, and New Jersey;
- Potomac River Basin in Maryland, Virginia, and West Virginia;
- James River Basin in Virginia; and
- Rappahannock River Basin in Virginia.

7. The signatory states and their political subdivisions in the Susquehanna basin have invested millions of dollars and considerable human resources in the development of emergency management services that are capable of effectively utilizing the forecasting information provided by the improved system.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Commission requests that funds in the amount of \$1,372,000 be appropriated to the National Weather Service for FY-96 to:

- Support 24-hour operation at MARFC;
- Operate and maintain the existing system of stream and rain gages;
- Continue development of the Hydrometeorological Forecast System to provide greater lead-time for key users;
- Begin replacing data collection platforms that are approaching the end of their expected life;
- Develop a cooperative ice observation network;
- Provide a backup satellite downlink to improve the reliability of the system.

2. The Commission requests the Congressional delegation, representing the people of the basin, support the inclusion of the funding for the improvements to the Susquehanna Flood Forecast and Warning System as a line item in the FY-96 federal budget, in the amount of \$1,372,000.

3. The Commission requests that the Clinton Administration accept this program as a continuing item in future budget requests, and accept this amount of funding in the FY-96 budget.

4. The Commission requests its signatory parties and all county and municipal governments in the basin, as well as parties affected by flooding, to contact their legislators, urging them to support this amount of funding.

Res. No. 95-02

5. The Commission directs the staff to continue evaluating the need for additional improvements to the system, in cooperation with signatory agencies, and develop recommendations as deemed appropriate.

6. The Commission authorizes the Executive Director to contact appropriate parties outside the basin, but within the MARFC area of responsibility, requesting their support for this funding request.

7. This Resolution shall be effective immediately and the Commission authorizes the Executive Director to transmit copies to members of the Congressional delegation, appropriate signatory agencies, and other interested parties.

Date: March 9, 1995

  
Chairman

TUESDAY, MAY 2, 1995.

**NEW ENGLAND AQUARIUM****WITNESS****JOHN PRESCOTT, DIRECTOR EMERITUS**

Mr. TAYLOR. The New England Aquarium, John Prescott.

Mr. PRESCOTT. Yes, sir, Mr. Chairman. Thank you. I am here to request support for two Department of Commerce programs within the National Oceanic and Atmospheric Administration: continued extramural funding for bluefin tuna research, and within the National Institute of Standards and Technology to initiate a program to support the application of new technologies and advance building methods for the development of environmental or environmentally sensitive "green" buildings.

Both programs require the development and application of new technologies and the involvement of user groups, suppliers and scientists. Both advance U.S. competitiveness and provide potential new opportunities for conducting business. Atlantic bluefin tuna, once considered valueless, is today the most valuable finfish in the world. The wholesale value in Japan seasonally exceeds \$70 a pound. The value of the fish, our traditional fishery management methods and overfishing have brought the fishery to the brink of collapse. Today the National Marine Fisheries Service estimates the current population is at 10 percent of its 1977 level, and several environmental organizations consider the species threatened. For comparison, a 90 percent reduction in population is equivalent to the reduction of elephants in the same period of time in Africa.

In 1992, the New England Aquarium introduced its initiative for the conservation of bluefin tuna. Its goals were to develop a better understanding of the history and ecological need of tuna to improve resource management; to develop a means for commercial application and to develop a constituency of decisionmakers and citizens for conservation of tuna populations.

Since the inception of the project, some adult bluefin tuna have been caught and exhibited growth rates that double their weight in 200 days. The bluefin tuna maintained for 18 months grew from 20 to 100 pounds. To date, we have results that reveal that it is possible to catch, transport and maintain bluefin tuna.

Marketing research indicates that the land value of bluefin tuna ranges from a low of \$3 a pound for fish sold in the U.S. domestic market to a high of \$25 a pound to the fisherman for prized specimens destined for the Japanese market. Thus, the potential of short-term holding of live fish may multiply the value of the catch by a factor of eight. The Aquarium has received additional grants, including funds from private foundations, to expand these studies.

In 1993, the Aquarium in concert with the East Coast Tuna Association, individual fishermen and distinguished water pilots initiated a unique project to develop an alternative method to estimate the population of bluefin tuna. The results of that study indicated it was possible to use aerial photographs to count the number of fish in a school. In 1994, with support from the National Marine Fisheries Service, the fishermen and spotter pilots, our scientists

analyzed and counted more than 22,000 tuna that were seen in a single day.

During the next phase of research, the biological and aquaculture project, we anticipate a pilot project to catch and maintain larger tuna to test the concept of adding market value to the catch by fattening and holding fish in a sea pen. Federal support is needed, due to the nature of our fisheries and fisheries management methods.

Unlike Japan and several other nations, such as Spain, the United States fisheries consist mainly of individual fishermen and not large corporations. While our fisheries are described as overcapitalized—too many boats—the fishing industry does not have the capital capability of developing innovative aquaculture alternatives without Federal support. Supplemental congressional funding is needed for an agency which still views its role as regulatory management of wild stocks, not the development of alternative fishing strategies.

The second item was the “green building” technology, and we are requesting policy direction from the Committee. We are not asking for additional funds; we believe that Congress has appropriated, but the use of those funds is not going to the application of technology, but the development.

Thank you.

Mr. TAYLOR. Thank you. I appreciate your presentation.

[The information follows:]

STATEMENT OF JOHN PRESCOTT  
 DIRECTOR EMERITUS  
 NEW ENGLAND AQUARIUM  
 BEFORE THE  
 SUBCOMMITTEE ON THE DEPARTMENTS OF COMMERCE,  
 JUSTICE AND STATE, THE JUDICIARY, AND RELATED AGENCIES  
 COMMITTEE ON APPROPRIATIONS  
 UNITED STATES HOUSE OF REPRESENTATIVES  
 MAY 2, 1995

Mr. Chairman and Members of the Subcommittee, I am John Prescott, Director Emeritus of the New England Aquarium, located in Boston, Massachusetts.

I would like to thank the Subcommittee for this opportunity to appear before you.

I am here to request support for two Department of Commerce programs within the jurisdiction of the Subcommittee:

- (1) Within the National Oceanic and Atmospheric Administration (NOAA), continued extra mural funding for Atlantic Bluefin Tuna Research; and
- (2) Within the National Institute of Standards and Technology (NIST), to initiate a program to support the application of new technologies and advanced building methods for the development of environmentally sensitive "Green" buildings.

A primary mission of the New England Aquarium is conservation and the sustainable use of our natural resources. Both of these programs involve conservation, although in different ways:

- The Atlantic Bluefin Tuna Program is concerned with the conservation and sustainable use of a living marine resource;
- The Advanced Technology and Green Building Initiative involves conservation and wise use of our physical resources.

Both programs require the development and application of new technologies, and the involvement of user groups, suppliers and scientists. Both advance U.S. competitiveness, and provide potentially new opportunities for conducting business.

#### Atlantic Bluefin Tuna

Atlantic Bluefin Tuna, once considered valueless, is today the most valuable fin fish in the world. The wholesale value in Japan seasonally exceeds \$70.00 per pound. The value of the fish, our traditional fishery management methods, and over fishing have brought the fishery to the brink of collapse. Today the National Marine Fisheries Service estimates that the current population is at

10 percent of its 1977 level and several environmental organizations consider the species threatened.

In 1992 the New England Aquarium introduced its initiative for the conservation of the Bluefin tuna. Its goals were to develop a better understanding of the life history and ecological need of tuna for improved resource management; to develop a means for rearing for potential commercial application and to develop a constituency, of decision makers and citizens, for the conservation of tuna populations.

To date we have advanced the biological and physiological understanding of tuna, initiated alternative technologies for the assessment of tuna populations, successfully captured, and reared Bluefin tuna.

Our FY 1996 Bluefin tuna research program has five objectives:

- Develop techniques for the live capture, transportation and rearing of large Bluefin tuna;
- Refine the aquaculture protocols for growth and nutritional requirements for the species;
- Continue biological studies on the physiology and reproduction of the species;
- Examine the commercial potential for "ranching" tuna to add value to the catch.
- Test aerial survey methods to develop an alternative method for population assessment.

Since the inception of the project sub-adult Bluefin tuna have been caught and successfully transported and maintained. The tuna have exhibited growth rates that double their weight in 200 days. A single specimen grew 25 cm (10 inches) and gained 22 kilograms (44 pounds). And Bluefin maintained for eighteen months grew from 20 to 100 pounds.

To date the results reveal that it is possible to catch, transport and maintain Bluefin tuna and that the growth rate exceeds previous estimates.

Additional grants, including funds from private foundations have enabled the New England Aquarium to initiate a study to artificially fertilize tuna eggs and search for tuna larvae, establish and participate in a conservation consortium for pelagic fishes and be a participant in the international negotiations.

Marketing research indicates that the landed value of Bluefin tuna ranged from a low of \$3.00 per pound for fish sold in the domestic market to a high of \$25.00 per pound to the fisherman for prized specimens destined for the Japanese market. Thus the potential of short term holding of live fish may multiply the value of the catch by a factor of eight. And it is possible to maintain and fatten live fish in a relatively short period.

In 1993, the Aquarium in concert with the East Coast Tuna Association, individual fishermen and

fish spotter pilots initiated a unique project to develop an alternative method to estimate the population of Bluefin tuna. Fish spotter pilots and an Aquarium scientist photographed schools of Bluefin tuna. The results of that study indicated that it was possible using aerial photographs to count the number of fish in a school. In 1994 with support from the National Marine Fisheries Service and aerial photographs taken by the "fish spotters" our scientists analyzed and counted more than 22,000 tuna that were seen on a single day. While the technique appears to be a possible method for estimating tuna abundance, further information is needed. In conjunction with the NMSF the Aquarium will repeat the survey in 1995.

During the next phase of the biological and aquaculture project we anticipate a pilot project to catch and maintain larger tuna to test the concept of adding market value to the catch by fattening and holding fish in a sea pen. It is anticipated that if the next test is successful that a commercial viability program will be tested. In addition further data will be generated on the physiological effects of catching and handling tuna and their nutritional requirements.

Federal support is needed due to the nature of our fisheries and fisheries management methods. Unlike Japan and other several other national fisheries, such as Spain, the United States fisheries consist mainly of individual fishermen and not large corporations. While our fisheries are described as over capitalized (too many boats) the *fishing industry* does not have the capital capability of developing innovative aquaculture alternatives without federal support. We believe that the expertise of the Aquarium is an appropriate resource for developing aquaculture technologies for exotic species such as the Bluefin tuna. Supplemental Congressional funding is needed for an agency which still views its role as regulatory management of wild stocks, not the development of alternative strategies.

Thus we are seeking \$600,000 for FY 1996, to continue our studies, test the commercial viability of farming tuna in the United States, adding value to the harvest and conserving our living marine resources.

#### Green Building Technology Research and Development

The New England Aquarium was one of three entities which received a grant from Fiscal Year 1993 Appropriations for the study of applying advanced technologies and sustainable materials for the development of a "Green Building".

"Green Building" in this context refers to the design and construction of structures incorporating environmental sensitivities and employing energy conservation efficiencies.

With regard to this initiative, there are provisions within the pending NIST authorization that could formally establish a "Green Building Technology Demonstration Program". The timing for an environmentally grounded approach to construction is appropriate. Parallel development of components of building construction and energy conservation have been conducted for years in the old National Bureau of Standards and in the Department of Energy programs. The umbrella of a "Green Building" title brings a holistic approach and additional directed fields of research and



energy efficiency applications to the broad field of applied research and development.

The 1993 initiative caught the attention of many important components of the U.S. construction industry. The American Institute of Architects (AIA) has undertaken a major study of this nature in setting standards for future building code revisions throughout the United States. There has emerged from private industry a "Green Building Council", which includes elements of the construction and manufacturing industries, environmental organizations and energy related corporate concerns.

The technology already exists that would enable us to achieve a more balanced approach in the construction of more environmentally sensitive and energy conscious housing, office, educational and private-use structures. The problem remains in standardizing these known technologies and processes. NIST is the logical Federal entity to carry out this important federal function that will foster job creation, assist small businesses nationwide, and promote investment and economic growth not only in the construction industry but also in the related industries and suppliers.

Most importantly, NIST should take an active role and interest in the application of advanced technology and "Green Buildings". NIST should provide the leadership we needed to bridge the gap between (1) designers; (2) manufacturers; (3) environmentalists; and (4) user groups.

NIST, however, needs more policy guidance and resources to proceed further with efforts that maintain the U.S. Government's leadership role in this emerging field.

I believe the resources to continue this program are available in the Administrations FY 1996 budget request. The large increase requested for NIST in FY 1995 was vague and lacked clear intent in some areas, particularly in the application of new and advanced technologies to meet more stringent environmental and energy criteria.

We are not seeking earmarks, nor increases above the President's budget. We request that the Subcommittee provide the following policy guidance in the report that accompanies the FY 1996 Appropriations Bill for the Department of Commerce:

Initiate the Green Building Program in FY 1995 with existing unobligated funds;

Continue in FY 1996 the Green Building Initiative, in conjunction with the Building Technology and Advanced Technology programs;

Develop the FY 1996 program in consultation with EPA, and the Department of Energy; and

Develop the FY 1996 program so that there are internal NIST components; extramural demonstration components of a competitively awarded nature; and industry/council support components.

Thank you for this opportunity to testify before your Subcommittee on these important matters.

TUESDAY, MAY 2, 1995.

**UNIVERSITY OF MEDICINE & DENTISTRY OF NEW JERSEY****WITNESS****DR. PAUL F. LARSON, SENIOR VICE PRESIDENT FOR ACADEMIC AFFAIRS**

Mr. TAYLOR. The University of Medicine & Dentistry of New Jersey, Dr. Paul Larson.

Mr. LARSON. Thank you, Mr. Chairman. I am pleased to present this testimony on behalf of the University of Medicine & Dentistry of New Jersey. We are the largest health sciences university in the Nation. We are a statewide university whose health profession educations are located on four campuses statewide, throughout the State, consisting of three medical schools, a dental school, a nursing school, a school of health-related professions and a graduate school. We also have health care facilities that we own and that we run—all, ones that we are related to, as well as relationships with 25 of our higher education institutions within the State.

A top priority for UMDNJ is to secure funding to create a model for telemedicine/distance learning, which would link the schools of UMDNJ to instructional sites throughout the State and connect all of our schools. We would say that this could be funded through the National Telecommunications and Information Infrastructure Assistance program.

We already have deemed this to be a high priority item for us. Indeed, we have put a considerable amount of money from the University in to develop this network throughout the State, and we have several of our projects which we have started as pilot projects. We offer an unparalleled opportunity to implement a telemedicine and distance learning network that would provide true education and training services to citizens in every part of the State.

We actually maintain a presence in the three major urban centers of the State: Camden, Newark and New Brunswick, but as I said before, we have a presence throughout the State, including the most rural areas. We serve the State's indigent, and we also take care of many of the elderly, which is a growing population for us.

We have several projects that we see that would enhance the teaching, and I would like to just present those for you right now. First of all is one that we started a pilot project on, and this is, as the hospitals have decreased in size, we now have our students scattered throughout the State; and in order to make sure that they get educational programs that are similar, we now have a situation where we can have a surgeon in an operating room, through interactive video, two-way from the hospital out to the sites throughout the State, also connected into our imaging center. We can have an operation observed by many students and have it interactive so that the students can talk to the surgeon and the surgeon back to the students.

It used to be that we only had one student or two students that could go in, but now with this we can see right down into the operative area, and we now have a new way to teach which is much better than any we have had before.

We also have the opportunity to teach students in multiple sites. This is becoming more important as many of our students are older students. It is no longer the traditional student, it is a student who has been out in the world, had one occupation or who wants to move up in their profession. So we have the ability to teach these students in their communities where they live, so that they don't have to come at night and on weekends when we deliver many of these courses.

The final thing is, we see that this would provide a network where we would be able to use data in the future to manage medicine in a new way and in a better way. Let me give you an example.

We are now doing an immunization study throughout the State. What we have found is that age 2, only 50 percent of the persons are immunized adequately, only 50 percent, when it would be very easy for them to be at 100 percent. We see by the use of this new technology, we would be able to teach, we would be able to use data, and we would be able to serve the citizens of New Jersey in a new and improved way.

Thank you.

Mr. TAYLOR. Thank you, Doctor. We appreciate it.

As you know, about half the program or half of the whole list have been rescinded, or they are in a rescission package, so it is a tough sell this year.

[The information follows:]



University of Medicine & Dentistry of New Jersey

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TESTIMONY PRESENTED TO THE  
HOUSE APPROPRIATIONS SUBCOMMITTEE ON  
COMMERCE, STATE AND JUDICIARY

BY

DR. PAUL F. LARSON, SENIOR VICE PRESIDENT  
FOR ACADEMIC AFFAIRS

UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY  
MAY 2, 1995

Mr. Chairman, I respectfully present testimony on behalf of the University of Medicine and Dentistry of New Jersey (UMDNJ), the largest health sciences university in the nation. The UMDNJ statewide system, located on four campuses, consists of 3 medical schools, a dental school, a nursing school, a school of health related professions and a graduate school of biomedical sciences. It also comprises a University-owned acute care hospital, three core teaching hospitals, two community mental health centers, and affiliations with about 100 hospital and health care facilities, as well as articulation agreements with some 25 sister institutions of higher education throughout the state.

I would like to bring to your attention a request for funding that will further the University's mission of educating health care professionals, conducting biomedical and clinical research, delivering health care services and providing community service to the residents of our host communities and the state.

A top priority for UMDNJ is to secure funding to create a model telemedicine/distance learning (tele-education) network, linking the schools of UMDNJ to instructional sites at affiliated hospitals, ambulatory care facilities and other institutions of higher education statewide. This collaboration will increase educational opportunities and improve delivery of health care services throughout New Jersey, while more effectively using existing human and financial resources.

The importance of telemedicine and distance learning in improving access to health services delivery, research and health education and training, is clear.



The University is an affirmative action/equal opportunity employer

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UMDNJ's statewide system offers an unparalleled opportunity for implementation of a telemedicine/distance learning network to provide education and training services to citizens in every part of the state. UMDNJ maintains a presence in three major urban centers -- Camden, Newark and New Brunswick -- and is a primary provider of health care in the most rural areas of New Jersey, where there are still an underestimated number of underserved individuals and families. UMDNJ is also the State's major provider of health care to indigent and to many of its elderly populations.

UMDNJ faculty are nationally recognized for their research and clinical care efforts in AIDS, tuberculosis, environmental medicine and cancer, all of which are major public health problems in New Jersey.

UMDNJ serves as a state and national leader in trauma care, and is the base for the New Jersey Trauma Center located at UMDNJ-University Hospital in Newark, which links the rest of the state's Level I and II trauma centers through a comprehensive trauma care system.

UMDNJ provides education and training for nursing and allied health professions programs, and has implemented significant outreach efforts to ensure expanded access to such programs. UMDNJ also provides continuing education for health professionals in all areas of the state, ensuring that the workforce needed for the health care system of the future is being developed and supported with new information, new technologies and new treatment techniques.

For these reasons, we believe that UMDNJ and New Jersey should be considered as a site for a model telemedicine/distance learning statewide demonstration network. This new technology will permit UMDNJ to offer state-of-the-art educational opportunities such as:

- Students at several locations being able to accompany a physician on hospital rounds or to observe complex surgical procedures through interactive television.
- More students being able to participate in community-based learning experiences because only one teacher will be required to supervise multiple sites.
- Older, part-time students who hold a full-time job and are pursuing careers in nursing or an allied health profession, being able to study at night in their own communities, rather than traveling to a specific campus site.

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- Enhanced continuing education opportunities for community health care professionals who can attend seminars with leading clinicians, researchers or other health care professionals, without the cost and time considerations inherent in long distance travel.

In terms of improved quality of patient care, UMDNJ plans to establish regional videoteleconferencing facilities in four medically underserved communities in New Jersey. The facilities will be located in three urban communities (Newark, New Brunswick and Camden) and one rural community (Bridgeton). One site in each community will be located in a primary care environment of a health care facility to enable health care professionals to confer about patient cases with UMDNJ faculty and off-site specialists. The other site in each community will be located in a public housing/geriatric care facility and provide the residents at that site with direct access to health care information resources, including written text and live video instruction/consultations with UMDNJ faculty.

This network will allow UMDNJ to offer:

- A multidisciplinary network of specialists in several locations to confer on particular cases or to accompany a physician on inter-hospital subspecialty rounds involving several patients. These video patient care conferences will provide a more efficient use of resources and should result in cost savings, particularly in specialties such as oncology, neonatology and cardiology.
- Access to current clinical data in the University Library System and to immediate on-site consultation for health care professionals offering primary care services.
- Development of confidential diagnostic databases that will allow quick recruitment of patients for clinical studies and more efficient, coordinated, data management of these studies so that effectiveness of treatments can be determined and delivered more rapidly. For example, the University has recently developed (with other partners) a centralized information system which registers immunization data from private physicians' offices (both pediatricians and family practitioners) and several social agencies.

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Centralizing this database will (1) trigger outreach efforts (2) prevent over immunization of children and (3) generate records for parents. Currently, there is a 50% deficiency rate of immunizations of children at age 2. A centralized patient database will significantly improve health outcomes for young children in underserved and other at-risk populations. The creation of these patient databases will provide a reliable foundation of data for population studies and research to prevent disease and to promote more effective and efficient health care.

UMDNJ is well positioned to create a telemedicine/distance learning (tele-education) communications network that would facilitate linkage to collaborating educational institutions, affiliated hospitals and community health centers for the purpose of health professions education, research and patient care activities. This statewide network could serve as a model for other states.

UMDNJ respectfully requests \$5 million for a telemedicine demonstration project from the Department of Commerce to be eligible for a grant under the Department's new Innovative Telecommunication Information Infrastructure Program. We also seek authorizing language recognizing this initiative as an example of a critical public health, safety and education project, qualifying for consideration for telecommunications and information super highway funds. We seek language as well in the FY 1996 appropriations bills for the Departments of Commerce, Health and Human Services, and Defense supporting initiatives in telemedicine and distance learning.

Thank you for the opportunity to present our request to this committee. We appreciate your consideration of our proposal, and hope to receive your support for a telemedicine/distance learning network to better serve the people of New Jersey.

Thank you.

TUESDAY, MAY 2, 1995.

**NATIONAL LAW-RELATED EDUCATION PROGRAM****WITNESS****BRUCE BONAR, LAW-RELATED EDUCATION COORDINATOR FOR KENTUCKY**

Mr. TAYLOR. The Law-Related Education Program, I believe we have Mr. Bruce Bonar.

Mr. BONAR. Mr. Chairman, I am Bruce Bonar, the Law-Related Education Coordinator from Kentucky, affiliated with Eastern Kentucky University. I have worked in education for about 25 years as a teacher in the public schools, an administrator and an LRE leader.

I am accompanied today by Jack Hanna, the Executive Vice President of the Phi Alpha Public Service Center, one of the five not-for-profit organizations that make up the national coordinated law-related education program.

Thank you, Mr. Chairman, and the subcommittee, for your support and leadership over the years for this important program. Today I would like to summarize the written testimony and particularly tell you about some of the good things going on in Kentucky regarding the law-related education.

First of all, law-related education is not legal training. It is not a prelaw program. Law-related education concerns the rule of law in helping young people participate in nonviolent conflict resolution. The national coordinated law-related education program brings the law-related education message to over 1.2 million children and thousands of teachers. LRE is one of the few juvenile delinquency prevention programs with a proven record of reducing delinquent and antisocial behavior. Law-related education focuses on violence prevention.

In 1995, thousands of young people have gathered with hundreds of public officials in nearly every State participating in youth summits designed to help develop public policy to prevent violence by and against youth.

Law-related education is a very effective prevention program, but it is also an intervention program. It reaches juvenile offenders in school settings as well as halfway houses, detention centers and other nonschool locations. While it targets at-risk children, it goes beyond the inner city and reaches kids in suburban and rural environments, such as in Kentucky.

Law-related education is one of the most effective programs in mobilizing volunteer support from criminal justice people, law enforcement officers, prosecutors and judges. It leverages a tiny Federal investment of \$2.8 million perhaps seven times over in private sector, State and local money and, in particular, volunteer support.

Now, Mr. Chairman, I would like to tell you a little bit about our success in Kentucky. We just conducted a youth summit involving 130 high school students from eight high schools in three alternative settings. The students studied violence-related topics and worked together to come up with realistic proposals. These proposals were presented to a panel of experts representing various aspects of State government.



Mr. Chairman, I wish you and the Committee could have witnessed the efforts of these young people. At the summit, kids from diverse backgrounds worked together. They came from prestigious, academically successful schools, rural schools, and the inner city. Two groups of students were delinquents sentenced by the courts to special schools. As one student said in the evaluation, this was a wonderful opportunity to express ideas and form solutions to our problems. Currently, their proposals are being seriously considered by State agencies in Kentucky.

Mr. Chairman, the youth summit has the best activity I have personally been involved with in 30 years of education and 25 years as an LRE leader. And it was successful because there is a network of organizations supporting law-related education from the university to the Department of Education, to the Supreme Court of Kentucky and the court system itself. In fact, the administrative office of the courts has developed a very strong program with its designated workers who deal with first-time offenders, and we have a strong LRE program in Kentucky teaching teachers who teach at-risk children. This network has been built with the leadership of the Congress and the excellent technical and training assistance of the five organizations that comprise the National Coordinated Law-Related Education Program.

Mr. Chairman, thank you very much for allowing me to speak today, and I urge the subcommittee to continue to support for the good work that has begun in law-related education.

Mr. TAYLOR. Well, thank you, sir.

Also, Mr. Hanna, we are glad for having you here. I know Chairman Rogers is disappointed he is not here to hear a fellow Kentuckian make the presentation. His wife, as you know, is very seriously ill. But thank you very much for your presentation. Perhaps you could check with staff later, too, if you will.

[The information follows:]

## NATIONAL LAW-RELATED EDUCATION PROGRAM

*A Non-Profit Coordinated National Consortium to Foster Citizenship and Reduce Juvenile Delinquency*

*Robert R. Delair  
General Counsel*

### SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE THE JUDICIARY AND RELATED AGENCIES OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

#### INTRODUCTION

Mr. Chairman and members of the Subcommittee, I am Bruce Bonar, the Law-Related Education Coordinator for Kentucky. I am the Director of Model Laboratory School, a campus school affiliated with Eastern Kentucky University where I hold the rank of Professor of Educations. I have worked in law-related education for 25 years as a teacher in the public schools, an administrator, a trainer in LRE, and coordinator of LRE programs. I testify today on behalf of Youth for Justice, the National Coordinated Law-Related Education Program.

In a very real sense, I also testify today on behalf of the over eight million youth nationwide who have been helped by this program in the past ten years. We respectfully request the Subcommittee's continued appropriation support for the fiscal year 1996.

Mr. Chairman, thanks to the continued commitment of this Subcommittee, Youth for Justice, the National Coordinated Law-Related Education Program has built a vital, cost effective program serving the needs of youth throughout our nation. This program:

- ▶ Involves young people in every state in identifying and implementing solutions to the nation's epidemic of violence;
- ▶ Promotes research based educational programs that strive for safe, disciplined and drug free schools and communities;
- ▶ Teaches young people acceptable ways to resolve conflict;
- ▶ Fosters constructive attitudes towards authority figures, such as parents, teachers and police officers;
- ▶ Provides young people with meaningful opportunities to serve their communities;

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- ▶ Promotes understanding of and reasoned commitment to the rule of law along with tolerance for varied points of view in a free and diverse society; and
- ▶ Helps young people understand the democratic process and develop the critical thinking, decision-making, and problem solving skills to enable their full participation in that process.

#### NEED FOR CONTINUATION

Although this program has reached millions of young people and trained well over 135,000 professionals who work with youth, there is considerable work yet to be done. We seek Congressional support for the following reasons:

First, systemic change in educational and juvenile justice systems is a lengthy process, requiring commitment and assistance over a period of time. Youth for Justice, the National Coordinated Law-Related Education Program, is in a unique position to provide research, training and technical assistance throughout the nation at a very low cost through its existing network. Materials development, research and training expertise located in a national, coordinated effort prevents costly, wasteful and frustrating reinvention and duplication of effort in the testing of strategies and solutions to the problems common to young people throughout the nation.

It is both unrealistic and prohibitively expensive to expect states to assume the costs and build new infrastructure related to research and program development that the existing network can now provide. We believe that programs that work well and meet a demonstrated national need deserve continued funding and can be cost effective at all levels.

Second, this program has an outstanding record in matching federal seed money many times over. Federal funds in a very small amount provide seed money to bring forth public and private grants and contributions on the state and local level at well over seven times the federal amount. Federal money also enables youth delinquency prevention programs to attract volunteers from legal, justice, education and business communities in every state.

Third, we are absolutely committed to providing leadership in the national effort to stop the outrage of violence committed by and perpetrated against this nation's youth. We have the capacity to involve young people directly in helping to identify and implement solutions. With the support of Congress, Youth for Justice is refocusing all programs to reflect the nation's growing concern about violence committed by and against young people in our schools and communities. LRE is one of the few juvenile delinquency programs with a **proven record** of reducing delinquent and antisocial behavior, increasing belief in the rule of law and developing responsible citizenship. The Law-Related Education program:

- ▶ Brings the Law-Related Education message to over 1.2 million children and thousands of teachers;
- ▶ Law-Related Education is not legal training. It is not a pre-law program. Law-Related Education concerns the rule of law and helping young people not merely to understand, but to participate in non-violent conflict resolution and other skills essential to good citizenship.

- ▶ Law-Related Education is one of the few juvenile delinquency prevention programs with a proven record of reducing delinquent and antisocial behavior, increasing belief in the rule of law and developing responsible citizenship.
- ▶ Law-Related Education focuses on violence prevention. In 1995 hundreds of young people have gathered with public officials in nearly every state, participating in Youth Summits designed to help develop public policy to help prevent violence by and against youth.
- ▶ Law-Related Education is an extraordinarily effective prevention program, but it is also an intervention program - Law-Related Education reaches juvenile offenders in school settings as well as halfway houses, detention centers, and other non-school settings.
- ▶ While Law-Related Education targets at-risk children, it does so not just in urban settings but also in suburban and rural environments.
- ▶ Law-Related Education is one of the most effective programs in mobilizing volunteer support from the criminal justice community, including law enforcement officers, prosecutors and judges.
- ▶ Law-Related Education leverages a tiny federal investment of 2.8 million dollars, perhaps seven times over in private sector, state and local money and in particular, volunteer support.

#### THE NATIONAL LAW-RELATED EDUCATION PROGRAM

The National Coordinated Law-Related Education Program is comprised of five not-for-profit corporations, each of which is recognized nationally and internationally as a leader in the field of law and civic education: The American Bar Association's Special Committee on Youth Education for Citizenship; the Center for Civic Education; the Constitutional Rights Foundation; the National Institute for Citizen Education in the Law; and the Phi Alpha Delta Public Service Center. By combining their expertise and experience as teachers, school administrators, juvenile justice professionals, attorneys and professors these five organizations have successfully administered a nationwide program in which they have:

- ▶ Established and maintained an effective network of delinquency prevention law and citizenship projects in all fifty states, the District of Columbia and Puerto Rico, so that accurate information and effective materials can be efficiently distributed and widely used without costly replication of research and development efforts;
- ▶ Provided annual funding and on-site technical assistance to the state projects in this network so that federal funding effectively leverages public and private funding appropriate to each state;

- ▶ Established innovative law and citizenship programs for at-risk youth in urban, rural and suburban communities and Indian reservations;
- ▶ Provided over 750,000 hours of training for teachers, law enforcement personnel and other professionals who work with young people;
- ▶ Developed and field-tested quality, research based curricular materials for children - kindergarten through grade twelve - in public and private schools, juvenile detention centers, after-school programs and court-related diversion programs;
- ▶ Organized special initiatives on violence prevention, drug prevention, juvenile justice and urban education, publishing materials and sponsoring more than 4,000 training events nationwide;
- ▶ Mobilized thousands of volunteers with expertise in law, public policy, drug and alcohol abuse prevention, juvenile justice and other areas;
- ▶ Provided leadership and organization for a season of Youth Summits in the Spring of 1995, involving youth and public policy makers in nearly every state in developing plans to solve the widespread problem of conflict and violence among our nation's youth.

The National Coordinated Law-Related Education Program acknowledges with pride the participation of dozens of organizations and thousands of individuals in the education, legal, law enforcement, judicial and juvenile justice organizations. The Program has had assistance from the executive branch and strong bipartisan support in Congress for the outstanding delinquency prevention programs and materials it has developed and implemented.

In addition, it is a particular source of satisfaction to note that similar partnerships have been developed in most of the states participating in this network. A small amount of federal support has provided the impetus to attract funding from local organizations, agencies and foundations as well as large numbers of volunteer hours. One important goal of this Program is to continue to provide the support and technical assistance necessary to enable all of the states to build their own public/private partnership networks, effectively leveraging a small amount of federal assistance to build strong, well funded local and state programs.

#### **EVALUATIONS OF LAW-RELATED EDUCATION**

A variety of evaluations, carried out over the period from 1980-1994, have found that Law-Related Education, when properly implemented, is a uniquely effective program for preventing a broad range of delinquent behaviors.

A four-year national quantitative evaluation of Law-Related Education was carried out in 32 schools in six different states from 1980-1984. Conducted by the Center for Action Research and the Social Science Education Consortium of Boulder, Colorado, the evaluation found that:

- ▶ Law-Related Education, when implemented properly, reduces those factors associated with delinquent behavior;
- ▶ Law-Related Education, more than any other subject, fostered a belief in students that laws are legitimate and should be obeyed; and
- ▶ Some of the positive effects of Law-Related Education included reduction of school infractions, decrease in the use of alcohol and other drugs, and a decrease in other delinquent behaviors.

The Office of Juvenile Justice and Delinquency Prevention has noted that evaluations of Law-Related Education Program have been "encouraging...confirming the previous findings that such education serves as a significant deterrent to delinquent behavior". Eighth Analysis and Evaluation of Federal Juvenile Delinquency Programs, U.S. Department of Justice, OJJDP, p. 60 (1985).

The Twelfth Analysis and Evaluation of Federal Juvenile Delinquency Programs published in 1988 similarly states, "[A] national study suggests that Law-Related Education, when properly implemented, can reduce the tendency to engage in delinquent behavior".

Dr. Timothy Buzzell of Drake University in Des Moines, Iowa, in 1992 published a study of one of the first Law-Related Education Programs in a juvenile justice setting. He found over the six year period of the study that a Law-Related Education Program implemented at the state training school for boys positively influenced risk factors commonly correlated with delinquent behavior.

A 1993 study of a Law-Related Education diversion alternative in Kentucky's Designated Court Worker Program showed both improved perceptions of the police and a low recidivism rate (10 % after one year)

A Law-Related Program, Teens, Crime and the Community, was implemented as a community-based educational intervention for selected juveniles who had frequently appeared before county juvenile court judges in Virginia. A 1994 study showed that program participants demonstrated increased knowledge of the legal system, increased empathy for crime victims, increased understanding of the consequences of their behavior and improved conflict management and problem solving skills.

Research and development projects in three major metropolitan areas are currently being developed as part of the National Coordinated Program. These will investigate the impact that LRE can have as violence prevention intervention.

## EXAMPLES FROM THE STATES, REACTIONS BY STUDENTS

Mr. Chairman, members of the Subcommittee, the National Coordinated Law-Related Education Program is effective because it truly reaches young people and the adults who work with them in the fifty participating states, the District of Columbia and Puerto Rico. It deserves federal support because the coordinated program's research and development efforts, along with seed money, help public and private decision makers in the states have the information they need to build programs meeting the needs of their community. Following are a few examples to illustrate these points:

- ▶ In March, 1995, a Kentucky Summit on Youth Against Violence was held as part of the National Coordinated Law-Related Education Program. The Kentucky Administrative Office of the Courts, Kentucky Department of Education, Eastern Kentucky University and Kentucky Justice Cabinet joined together to sponsor an educational event for over one hundred and thirty high school students from all over the state. Students from diverse backgrounds - magnet school students, rural area youth, housing project youth and "day treatment" youth - came together to study and suggest ways to prevent juvenile lawlessness. Two groups of students were delinquents sentenced by the courts to special schools. They were all there to seriously consider a great issue of our time, proposing well developed and thought-out solutions. The students worked together in study groups to pool their knowledge and consider the proposals they brought to Frankfort. In the afternoon they presented their proposals to a panel of experts in the historic "old capitol" house chambers. The experts represented several offices of state government.
- ▶ In Arizona a State Supreme Court Task Force spent the past year studying how to address the burgeoning problem of youth violence. With the help of the studies and materials of the National Coordinated Law-Related Education Program and the Arizona Center for Law Related Education, the task force concluded that Law-Related Education is an essential element in the campaign to curb youth violence. The Arizona legislature concurred and decided to make \$2.5 million in state funds available for school violence prevention projects, but only to schools which employ Law-Related Education as a central part of their leadership strategy.
- ▶ Colorado Governor Roy Romer last year signed into law legislation that "strongly encourages" schools to use Law-Related Education to keep students from getting involved in drugs and gangs.
- ▶ The Ohio Center for Law-Related Education annually involves over 2,000 students in its competition designed to teach young people to apply problem solving skills to critical contemporary problems. The Ohio Youth for Justice Summit and other programs have enlisted the financial and personnel support of the Ohio Attorney General's Office, the Secretary of State, the Ohio State Legislature and the Ohio State Bar. The National Coordinated Law-Related Education Program has provided training, technical assistance and a small amount of funding to help build these efforts.

But, in many ways, the most important responses to these programs are those of the young people. And so we share with you the written comment of on Kentucky student after the Youth Against Violence Summit in Frankfort, "I'm glad that adults do care about what the younger generation has to say, and that we are able to have a helping hand in making our country a safer place".

Mr. Chairman, Youth for Justice, the National Coordinated Law-Related Education Program would like once again to express its appreciation to you, to this Subcommittee and to the Congress for your support. We accept the responsibility and the challenge of providing the best possible programs that we can for the benefit of all of America's children.



TUESDAY, MAY 2, 1995.

**NATIONAL CRIME PREVENTION COUNCIL****WITNESS****JOHN A. CALHOUN, EXECUTIVE DIRECTOR**

Mr. TAYLOR. Next we have John Calhoun, Executive Director of the National Crime Prevention Council.

Mr. CALHOUN. Thank you, Mr. Chairman. I am pleased to report to you on what your funding has produced for the country.

We know that crime claims two victims, an individual and a community, and thus, our mission is dual—to stop crime and to build communities in which kids can be kids and caring people can rejoin their communities as citizens. We have got to lock up the most violent, and we do need more police, but we do have to worry about prevention. If the California three-strikes law is fully implemented, the State will be spending 18 percent of its budget on corrections and 1 percent on universities.

We do know some things, Mr. Chairman, dropping out of school does produce trouble. Most inmates in adult corrections are high school dropouts. Most come from abusive or dysfunctional families, mistrusting communities produce trouble, and teens and guns are a lethal combination.

Conversely, we do know that tight neighborhoods, caring neighborhoods where residents look out for each other, have lower crime rates. Cities that tackle crime comprehensively—police, schools, churches, others—can reduce crime. Caring, reliable adults who hold high expectations, transmit values and provide support can produce crime-free kids; and youth, when given the opportunity to work and to serve and are acknowledged, develop more pro-social behavior patterns.

Mr. Chairman, you funded us to do several things. One, we run the phenomenally successful public service advertising campaign, which has reached more than 100 million Americans. They feel a higher degree of personal responsibility, and it costs a mere 2.2 cents to educate each person and 2.9 cents for behavioral change. This has been evaluated by the Department of Justice National Institute of Justice.

We do run crime prevention, community building projects in some of the toughest areas in the country. That too has been evaluated by the National Institute of Justice and its results have been mailed to policymakers throughout the country.

We administer Teens, Crime, and the Community, a combination of victimization prevention and youth service activity.

Finally, Mr. Chairman, we have worked in seven of the largest cities in Texas to see what folks can do pulling together to stop crime and build communities, and crime dropped in every one of these cities in Texas; and this report, Mr. Chairman, went to policymakers throughout the country, this report I have here.

Finally, our 126-member Crime Prevention Coalition, such as the PTA, AARP, the chiefs of police, the DAs and others, have spread our crime prevention information and they keep us close to the field. But many police are working with ever-younger kids; they lamented that they needed some help, so we produced these two doc-

uments for them, and these have been distributed to our constituencies throughout the country.

The Hispanic community with ever-increasing frequency is being victimized by crime. We have produced material in Spanish. And finally, we produced Working Together to Stop Violence for kids. This went out at Crime Prevention Month last year, 43,000 copies; roughly 200 million copies of individual pieces were reproduced and disseminated by others.

We give training and technical assistance to communities, to schools, to police groups and others. We request that our funding be maintained by the Department of Justice—the core campaign at \$3 million, the community crime prevention programs from which so much is learned at \$1 million, and Teens, Crime, and the Community at \$1 million.

Mr. Chairman, your investments works. Because the public advertising revenue generates millions of dollars of free public service advertising, it spreads cogent, usable crime prevention information to millions. It augments Federal funding with private dollars, and it allows us to train people to train others. For a modest investment, you have created something truly marvelous.

We have persisted over the last 13 years, and there is much that is a mess out there, but indeed what you have funded is hope. Many countries have begun crime prevention programs modeled after this one. I feel if we didn't exist, we would have to be created.

The Nation has identified crime and its prevention as a major concern; let's not let our efforts flag. And I thank you for the time you have given me today, and this oral testimony was a distillate of what you have in front of you, so I am sorry if it confused you.

Mr. TAYLOR. No, that is all right. Thank you very much. I appreciate your presentation.

That is an honored name, John Calhoun, in these halls. Thank you very much.

[The information follows:]

TESTIMONY OF

JOHN A. CALHOUN

EXECUTIVE DIRECTOR  
NATIONAL CRIME PREVENTION COUNCIL

BEFORE

HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON THE DEPARTMENTS OF COMMERCE, JUSTICE, STATE, THE  
JUDICIARY AND RELATED AGENCIES

TUESDAY, MAY 2, 1995  
ROOM H-309, U.S. CAPITOL

Thank you, Mr. Chairman, for the opportunity to represent the National Crime Prevention Council (NCPC) before this Subcommittee today. I have presented testimony to this Subcommittee each year during the past several years, and I am pleased to report on the tremendous progress that the Council has made in encouraging Americans to take part in the struggle to reduce crime and rebuild communities.

The work Congress has funded through the Council extends from the grass roots to national policy. We work with some of the toughest, most violence-ridden communities in the country. We work with schools, mayors and civic leaders in rural communities and cities as we help them craft comprehensive crime prevention plans; we give technical assistance and training to police, community groups and policy leaders, and we produce award-winning public service advertising.

We've helped find ways in which community service can help with public safety issues. Because we are experienced working with municipal governments, we have been asked by the Justice Department to work with 16 cities on comprehensive crime prevention planning. Because of our work in some of the most troubled, distrusting communities in the country, we are being asked to see if we can prevent crime and build community in such places as the war-torn Robert Taylor Homes in Chicago.

What this committee has created in NCPC, Mr. Chairman, is the national focal point, the national resource center for crime prevention.

We must lock up the most violent and we need more police — but without an equally zealous commitment to prevention, we will have a policy bound to fail. We're spending about \$10 billion in new prison construction and we lock up more people than any country in the world. It's frightening: "A Rand Corporation study has projected that if the three-strikes law is fully implemented, by the year 2002 the Department of Corrections in California will consume 18 percent of the state budget, with only 1 percent left for universities." (*New York Times*, April 12, 1995, p. A21). We will guarantee heat, light, food, health care — in prison; and if it's life, it's a tenured position. Costs are roughly \$26,000 a year. But we only spend \$5,000 for each kid in public schools.

During its thirteen years of existence the Council has spurred tens of millions of Americans to take measures for themselves and their communities to prevent crime.

Basic to our approach is the understanding that crime claims two victims: first, that which is countable-property, a specific victim: second, the community, people isolated, unable to attend meetings--PTA, church, sports clubs -- bonds holding us together as a civic family ripped away by suspicion, fear, crime and violence.

We do know some things:

- ♦ The major correlate relating to prison is dropping out of high school. 82% of prisoners are high school dropouts;
- ♦ Most prisoners come from abusive and/or dysfunctional families;
- ♦ Mistrusting, uncohesive neighborhoods produce trouble;

- ◆ Teens and guns are a lethal combination.

Conversely, we know that:

- ◆ Tight, caring neighborhoods with citizens who look out and care for each other and each other's children have lower crime rates;
- ◆ It takes everyone working together at the local level — police, social services, health, schools, public housing, the faith community, foundations, business, community-based organizations, young people, and others — to successfully address the complicated and devastating problem of violence. We've all seen comprehensive strategies reduce crime and revitalize neighborhoods;
- ◆ A caring, reliable adult who gives constancy, has high expectations, transmit values, and provides support is essential for every child;
- ◆ Youth, when given the opportunity to work and to serve their communities and are acknowledged for positive work, develop more pro-social, less delinquent attitudes and behavior patterns.

If everyone pledges to act--young, old, churches, businesses, schools, law enforcement--crime will be reduced. In order to fully understand how to prevent crime, we need to understand the underlying causes of crime, violence and substance abuse. Some of the causes include: children, given the collapse of families and increasingly anonymous neighborhoods, are alone and isolated. Isolation kills individuals and communities. Youth, treated as consumers not contributors, never develop a positive stake in their communities. Youth must be treated as responsible and accountable, as resources, as potential givers; they must know their talents are valued and needed. Parents, increasingly, raise children alone without the support of a caring network. This is both wrong and impossible--for the parents and the neighborhood. Citizens, gripped with crime-related fear, lose connection with their communities. This fear strains the ability of police, schools, churches and other important community organizations to serve those in need. Lack of employment, housing and medical services and the easy availability of guns can also breed crime and violence. But most poor and beleaguered do not commit crimes, so values and upbringing play a strong part.

As you may recall, Mr. Chairman, the 13 year public service advertising campaign, managed by the Council is conducted through the prestigious Advertising Council, Inc. and funded jointly by the Department of Justice and private sector sponsors. This crime awareness and crime prevention campaign has continued unabated. The current Campaign has tripled the volume of phone calls to our 1-800-WE-PREVENT phone number. Callers to this number receive "how to" information on preventing crime and building neighborhoods. Our program has been continuously evaluated. A three-year evaluation, funded by the Bureau of Justice Assistance, showed impact results which greatly exceeded our expectations.

The evaluation concludes that approximately 50 million Americans have taken some action to prevent crime as a result of this Campaign, and that approximately 100 million Americans feel a higher degree of personal responsibility for preventing crime as a result of the Campaign. It costs an astoundingly

low 2.2 cents to educate each person and 2.9 cents to create behavioral change. The bottom-line, Mr. Chairman, is that the Campaign is a cost-effective public education, action-spurring tool which helps reduce the incidence of crime in America.

The National Crime Prevention Council has helped communities throughout the nation to develop comprehensive approaches to reducing crime, especially violence and drug abuse. Our Community Responses to Drug Abuse (CRDA) program has helped drug-besieged rural and urban communities develop comprehensive prevention strategies.

We also designed and led the pathbreaking work of seven Texas cities which collaboratively developed comprehensive crime prevention plans. The undergirding thesis of this work was that nothing will change unless everyone takes action — mayors, the faith community, schools, the business community, police, and others. Texas City Action Plan to Prevent Crime (T-CAP) has resulted in the publication of a document which shows municipalities how to develop and implement comprehensive crime prevention programs, programs based on concrete partnerships with those entities that make communities work. *In every one of the seven Texas cities, crime dropped.*

We run a Crime Prevention Coalition, an organization of state crime prevention associations and national organizations, ranging from the International Association of Chiefs of Police to the Urban League to the Boys & Girls Clubs to 4-H, all interested in reducing the incidence of crime and fear. The Coalition helps disseminate to states, municipalities, police, community groups, and schools information on effective crime prevention practices. The Coalition helps distribute the Council's learnings to encourage local, comprehensive community approaches to prevention. This year, Coalition members are pledging themselves to specific crime and violence prevention action.

Given that youth are disproportionately victims and victimizers, we work extensively with young people. Through our collaborative work with the National Institute for Citizen Education and the Law (NICEL) we have developed a crime prevention curriculum--Teens, Crime and the Community (TCC)--now in use in over 500 middle schools nationwide. More than half a million teens have participated. The Subcommittee provided increased funding for this curriculum in the current year, (through the Office of Juvenile Justice and Delinquency Prevention), based on evaluation results showing that TCC contributes to reducing youth victimization and delinquency. The curriculum accomplishes this by engaging kids in a combination of a formal, tested curriculum (how to avoid becoming a victim) and action projects: youth are asked to be active partners in designing and running crime and violence prevention programs.

In conjunction with the Fairfax network in Fairfax, Virginia, the Teens, Crime, and the Community Center sponsored an Electronic Field Trip entitled "Solving the Violence Problem." This project reached 10,435 schools in 46 states, as well as in Canada and the Virgin Islands. The network estimates that more than 4 million youth viewed the program. Thirty-one cable television stations picked up the show as well as 11 colleges and universities, and 28 other institutions.

Our work with children is not limited to teens, although they are the most victimized segment of society. We have also focused substantial attention on the need for primary prevention, influencing the values of the very youngest children. We have sent our reproducible material to every elementary school in America.

To this end, the Council develops material in both English and Spanish for elementary school teachers, parents of young children, and police. Through the use of the character McGruff, we have developed pre-school drug prevention activity material for use by Head Start. For slightly older children, the Council has developed and disseminated nationally a conflict management kit for teachers of children in elementary grades (K-5).

The Crime Prevention Month, which consists of high-quality, reproducible materials that can be localized, has become one of NCPC's most popular items. In 1994, more than 43,000 copies of our Crime Prevention Month Kit were disseminated to local practitioners and groups, and key state and national organizations for distribution to their member groups. Based on feedback from kit users, an estimated two hundred million pieces of prevention education material were reproduced by local communities.

We are soon to publish two extraordinary documents, both of which the field has expressed a strong desire for. One is *Local and Community Strategies to Prevent Crime* in response to requests from mayors and city managers about concrete, practical programs in a variety of areas, programs which work. The other is *Crimes Against Women*.

We are working with the Department of Justice to assist with its community policing initiatives. The Council during the past several years has provided technical assistance and training to leaders of rural communities interested in comprehensive approaches to preventing crime. The Bureau of Justice Assistance has also asked the Council to provide Innovative Neighborhood Oriented Policing (INOP) training to four rural communities across the United States. Clearly, the term "Cops Walking the Beat" has a different meaning for urban and rural communities.

The National Crime Prevention Council, the nation's focal point for crime prevention, helps transfer the knowledge gained in communities which are quantitatively reducing crime to other interested communities throughout the nation. We are a public-private partnership, leveraging scarce federal funds with private sector resources. We rely on federal funds, however, to maintain the core programs to which I have referred today.

As this Subcommittee makes difficult choices on how to allocate scarce funds, please remember the role that the Council plays in helping America address the issues of crime, violence, fear and substance abuse. The Council appreciates the tremendous support which this Committee has provided over the past twelve years. You have funded us to be the center for crime prevention in the United States. You have seen the scope of our work -- from work in the trenches through training and technical assistance to public service advertising. You know of the hundreds of thousands of letters we receive annually from citizens young and old for advice and material. I know that a modest federal investment is leveraged enormously through: spurring volunteer action, millions of dollars in free advertising, reproduction and dissemination of our material and those we have trained in turn training others.

We request that this Subcommittee provide the necessary funds to the Department of Justice to maintain funding for the Campaign (\$3 million), the Council's community crime prevention programs, (\$1 million), and the Teens, Crime and the Community curriculum, (\$1 million).

For a modest investment, you have created something truly marvelous. Many nations have begun

crime prevention programs modelled after ours. If we, the National Crime Prevention Council did not exist, we would have to be created. Do not let our efforts flag, for the nation has identified crime and its prevention as its number one social issue. Thank you for the opportunity to appear before you.



TUESDAY, MAY 2, 1995.

**BIG BROTHERS/BIG SISTERS OF AMERICA****WITNESS****THOMAS M. McKENNA, NATIONAL EXECUTIVE DIRECTOR**

Mr. TAYLOR. Big Brothers/Big Sisters, Thomas McKenna.

Mr. McKENNA. Thank you for providing me with the opportunity to testify before you today regarding fiscal year 1996 funding for the Department of Justice. You have my written testimony, and I will just briefly summarize it orally.

I serve as National Executive Director of Big Brothers/Big Sisters of America, the federated movement of 512 Big Brother/Big Sister agencies located in all 50 States. I think we have a couple of them in your district, Mr. Taylor; there are Big Brother/Big Sister agencies in Asheville and a couple of other places.

Our program is 90 years old, and we are in business essentially to provide an opportunity for caring adults to serve as mentors to boys and girls in need of additional adult support and guidance. We would like to say that our service is as elementary as putting a friend in a child's life, and it is essential as putting a future early in a child's life, too—hope in that future.

As you know, our Nation's children face far greater obstacles today than ever before. You heard Mr. Calhoun speak, and certainly we support his efforts—violence, substance abuse, crime—and we at Big Brothers/Big Sisters of America are working to meet that challenge by helping at-risk children to lead productive lives.

The basic population we serve are kids from single-parent homes. We think our program works. According to the Carnegie Council on Adolescent Development, at-risk youth who have successfully overcome problems have been shown to have at least one significant positive role model other than a parent. This is the very premise upon which our service is based and the reason that I appear before you today.

Three years ago, there was some, we think, very important legislation that was passed called JUMP, the Juvenile Mentoring Program. The authorizing legislation was included as part of the 1992 Juvenile Justice Reauthorization Act, and it provided for OJJDP to administer JUMP and select grantees.

Last month, as you may know, the first grants were awarded; they were awarded to 41 sites, and they—while these 41 sites were operated by a variety of organizations, including 10 Big Brother/Big Sister agencies, all of them are required to coordinate their activities with local schools, because that is really the focal point. Success in school, we think, is really a key to success in life.

The program shared three goals: improved academic performance, reduced school dropout rates and prevention of delinquent behavior. And another important component to the program is the provision it makes for law enforcement officers to serve as mentors, kind of bridging a gap in communities between kids and police. Sometimes the attitudes and the negative perceptions in communities need to be dealt with, and we think that this program provides that opportunity.

We think that the start that—the announcement of the grants last month was a good start, but there were more than 500 applicants, programs from around the country that sent in proposals—not just indicated an interest, but went through the proposal process—and we feel it would be important to continue the program, and we are requesting that funding on the order of \$10 million be authorized.

And it is really to support that request that I am here before you today. I think that you are interested in getting more bang for the Federal buck, as we are. We think that with this seed money to get these programs started, local—that the local communities can then pick up a lot of the cost through corporations and local schools once they get going.

Finally, an important component that has been left out of the program until now is one that really focuses on evaluation. We think there needs to be a strong evaluation component to really show that these programs are very effective not only in preventing delinquency, but they are cost-effective to society.

So thank you for the opportunity to appear before you today, and we hope that you will give serious consideration to continuing JUMP.

Mr. TAYLOR. Thank you. Does Big Brothers/Big Sisters get any Federal dollars as far as its organization is concerned?

Mr. MCKENNA. As far as the national organization is concerned, right now we have a small grant from Community Service. Most of our local agencies get almost nothing in direct Federal grants.

Mr. TAYLOR. Thank you very much. I appreciate your presentation.

[The information follows:]

**TESTIMONY OF**  
**THOMAS M. MCKENNA**  
**NATIONAL EXECUTIVE DIRECTOR**  
**BIG BROTHERS/BIG SISTERS OF AMERICA**  
**BEFORE**  
**THE HOUSE COMMITTEE ON APPROPRIATIONS**  
**SUBCOMMITTEE ON COMMERCE,**  
**JUSTICE, STATE AND THE JUDICIARY**

**TUESDAY, MAY 2, 1995**  
**H-309 CAPITOL BUILDING**

Thank you, Chairman Rogers, for providing me with the opportunity to testify before your Subcommittee regarding FY'96 funding for the Department of Justice.

I serve as National Executive Director of Big Brothers/Big Sisters of America, the federated movement of 512 Big Brothers/Big Sisters Agencies located in all fifty states. The Big Brothers/Big Sisters program began in 1904 to provide ONE-TO-ONE services to boys and girls in need of additional adult support and guidance.

Big Brothers/Big Sisters of America exists to build the capacity of local Affiliated Agencies to give children and youth -- typically from single parent homes -- the opportunity to experience healthy relationships with caring adult volunteers, primarily through ONE-TO-ONE services. Such relationships are the foundation for developing the full potential of boys and girls as they grow to become competent and caring men and women.

Mr. Chairman, as you know our nation's children face greater obstacles today than ever before. Violence, substance abuse and teenage pregnancy challenge social service organizations such as ours. Big Brothers/Big Sisters of America, however, is working to meet that challenge by helping at-risk children to lead productive lives.

The "ONE-TO-ONE" program works. According to the Carnegie Council on Adolescent Development, at-risk youth who have successfully overcome problems "have been shown to have a least one significant positive role model" other than a parent. It is this very premise on which the Big Brothers/Big Sisters movement is based and the reason why I appear before you this afternoon.

Big Brothers/Big Sisters played a lead role three years ago in the drafting of legislation which has encouraged the development of mentoring relationships through the establishment of programs linking children in high crime area with law enforcement officers and other responsible adults. This program, which is known as JUMP, the Juvenile Mentoring Program, provides local educational agencies and non-profit groups with the opportunity to compete for grants to implement juvenile mentoring programs. The funds may be used to hire mentoring coordinators and support staff; to recruit, screen and train adult mentors; and to reimburse mentors for service-related expenses. The authorizing legislation for JUMP was included as part of the 1992 Juvenile Justice Reauthorization Act. It provided for the Office of Juvenile Justice and Delinquency Prevention to administer JUMP and select grantees.

Just last month, on April 6th, the Department of Justice awarded grants to 41 sites. It is estimated that more than 6,000 at-risk young people in 25 states will receive ONE-TO-ONE mentoring through this initiative -- keeping them in school and off the streets. JUMP matches an adult older than 21 with a young person who is having difficulty in school and shows signs of dropping out or of getting in trouble. While these 41 JUMP program sites will be operated by a variety of organizations, including ten Big Brothers/Big Sisters agencies, all the sites are required to coordinate their activities with local schools. The

programs also share three goals:

- (1) improved academic performance;
- (2) reduced school drop-out rates;
- (3) prevention of delinquent behavior.

Another exciting component of JUMP is the provision it makes for law enforcement officers to serve as mentors. A widening gap exists between law enforcement officers and children in many high crime areas in our country. Putting kids and cops together will help bridge this gap and work against the negative perception many of these children have for members of the law enforcement community.

April 6th's announcement represents a good start but only 41 out of more than 500 applicants were awarded grants -- leaving tens of thousands of kids unmatched. The problem, Mr. Chairman, is funding. Continued funding for JUMP will provided these other 450 organizations with the opportunity to start JUMP programs. And since mentoring programs work through the efforts of volunteers, the funds necessary to have a far-reaching impact are relatively modest. The FY'96 funding request for JUMP is \$10 million. Assuming an average grant of \$50,000, this funding level would provide for the development or expansion of 200 mentoring programs across the country. It should also be noted that under the existing law, JUMP's authorization is contingent upon the maintenance of funding for the juvenile justice program. For JUMP to be funded, this amount will need to be an addition to the juvenile justice budget.

The mentoring community realizes that this Committee's focus will be on getting more bang for the federal buck. JUMP is the type of innovative and effective program which has the potential to make a great, positive impact on our nation's youth with a small investment. Dollars for mentoring may come in small amounts but they provide real hope for the future of America's youth who are, after all, our most important resource. In so many ways, JUMP is a wise investment.

Finally, authorization for the JUMP program did not provide for OJJDP to expend funds for a strong evaluation of JUMP. As the Chair of the National Mentoring Coalition, a collaboration of a wide range of mentoring programs throughout America, I request that funds be provided to either OJJDP or the National Institutes of Justice (NIJ) to evaluate the degree to which ONE-TO-ONE mentoring programs contribute to prevention of juvenile delinquency, and the cost-effectiveness to society of funding the JUMP program.

Mr. Chairman, I thank you for the opportunity to appear before your Subcommittee this afternoon.



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Executive Director: **Susan J Steinmiller**
- Phillips BB/BS of Price Co**  
Executive Director: **William B Downing**
- Reine BB/BS of Greater Reine**  
Executive Director: **Cynthia Clemens**
- Sheboygan BB/BS of Sheboygan Co**  
Executive Director: **Timothy B Kaker**
- Sterns Point BB/BS of Portage Co**  
Executive Director: **Deborah J Turgeon**
- Wausau BB/BS of the Marathon Co Area**  
Executive Director: **Janet Termet**
- West Bend BB/BS of Washington Co**  
Executive Director: **Richard L Toboys**
- Wisconsin Rapids BB/BS of Central Wisconsin**  
Executive Director: **Richard W Hockstra**
- WYOMING:**
- Casper BB/BS of Central Wyoming**  
Executive Director: **Denise Murphy**
- Cody BB/BS of Park Co**  
Executive Director: **Kim Moser**
- Gillette BB/BS of Northeast Wyoming**  
Program Director: **Bonnie Worthen**
- Laramie BB/BS of Southeast Wyoming**  
Executive Director: **Diana Barthe**
- Rush Springs YWCA of Sweeney Co BB/BS**  
Program  
Program Director: **Dyan K Petre**
- Worland BB/BS of South Big Horn Basin**  
Executive Director: **Mary Mountain**



TUESDAY, MAY 2, 1995.

**U.S. SECTION OF THE PACIFIC SALMON COMMISSION****WITNESS****ROLAND ROUSSEAU, CHAIRMAN, U.S. SECTION BUDGET COMMITTEE**

Mr. TAYLOR. The Pacific Salmon Commission, Roland Rousseau.

Mr. ROUSSEAU. Thank you very much, Mr. Chairman. I am well aware of the challenges this committee has in terms of its funding priorities, and what I would like to do is submit our statement, which I have, and briefly summarize what we think are the critical points of our request before this Committee.

I am a Commissioner from Oregon on the Pacific Salmon Commission. I am also Chairman of the Budget Committee which brings me here today. The Pacific Salmon Commission is the organization that was established by treaty in 1985 between the countries of the United States and Canada in an attempt to more fairly allocate the salmon resources of the north Pacific between Canada and the United States. Each country produces salmon in its own waters, but each country harvests salmon from the other country's production. So one of the principal purposes of the treaty is to assure that allocation is reasonable and each country gets the benefits of its production.

In addition, one of our principal objectives is conservation of the stocks, and I think, Mr. Chairman, that certainly, as you are aware—the salmon crisis in the Northwest right now, fishermen are on the beach again, the ocean fishermen, for the second year in a row. It is a first in the history of the Northwest where the salmon stocks are so low that you can take very few of those animals any longer in the ocean off of Oregon and Washington; and this has had a major impact on treaty fishermen as well as the non-Indian fishermen, the sporting and commercial fishermen.

We are, in part because of this, requesting an increase in the fiscal year 1996 budget, and I appreciate that it is probably not politically astute, given the challenge you folks have and the climate that is here. But at the same time, I think we are attempting to be responsible from a salmon standpoint in asking for an increase of \$2.3 million to the request that was granted in fiscal year 1995. That makes our Commerce request at about \$7.9 million for the Pacific Salmon Commission. I know those aren't large dollars in the overall scheme of things, but they all add up; and we certainly appreciate the work that must be done to determine ultimately what those expenditures should be.

Let me just briefly say how those dollars are spent, if I may. There are basically three benefits. One is conservation of salmon stocks; that probably is number one. The second, as I have mentioned, is allocation of the salmon stocks between the two countries, so we meet the equitable principle of the treaty. And third, and certainly not least important, is an attempt to get ahead of the curve and prevent further salmon stocks being listed under the Endangered Species Act.

We certainly can do the job much cheaper if we are ahead of the curve than we have been able to once those animals get to the point of a threatened status under the ESA. That requires a lot

more effort, certainly a lot more social and economic disruption than does prevention of those stocks, and that is certainly part of our effort, is to get ahead of that curve.

The new initiatives, the \$2.3 million overall—I won't go into detail of those new initiatives; they are outlined in our written statement—but for the most part, they are to increase the, what we call the coded wire tagging program that the Pacific Salmon Commission carries out. Coded wire tags are inserted in the snouts of young fish and then traced in the ocean as they move thousands of miles between California and Alaska. That gives the manager an opportunity to determine where those animals are being caught and which ones are in poor shape.

In conclusion, Mr. Chairman, I would also like to mention that the State Department is part of the Salmon Commission budget, and we are requesting \$1.7 million from the State Department—in the State Department's budget; and that is important to the administration of the bilateral Treaty Commission.

I would like to thank you for this opportunity to present our information today and we would respectfully request your consideration of these matters.

Mr. TAYLOR. Thank you. I appreciate your testimony, Mr. Rousseau. We will certainly do that. I know it is a difficult problem.

Mr. ROUSSEAU. Thank you.

[The information follows:]

**UNITED STATES SECTION  
of the  
PACIFIC SALMON COMMISSION**

**U.S. Commissioners**  
David Benton  
G.I. James  
James H. Pipkin  
Robert A. Turner

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**TESTIMONY  
OF  
ROLAND ROUSSEAU  
CHAIRMAN, U.S. SECTION BUDGET COMMITTEE  
PACIFIC SALMON COMMISSION**

**BEFORE THE  
SUBCOMMITTEE ON COMMERCE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES**

MAY 2, 1995

Mr. Chairman, my name is Roland Rousseau and I am an Alternate Commissioner on the U.S.- Canada Pacific Salmon Commission (PSC). The Commission was established under the Pacific Salmon Treaty (Treaty) between the U.S. and Canada. The Treaty was signed in 1985 for the purposes of conserving salmon stocks and controlling salmon interceptions. I am providing this testimony as Chairman of the U.S. Section Budget Committee. I want to provide you with a copy, for the Committee's use and for the record, of the FY 96 budget recommended by the U.S. Section of the Pacific Salmon Commission for Treaty programs. It details budgets for State, Federal and Tribal agencies involved in the treaty.

The U.S. Section has recommended \$7,944,000 for the Pacific Salmon Treaty Line Item under the Information Collection and Analysis activity of the NMFS for FY 96. Congress appropriated \$5,587,000 for the PSC in FY 95. The increase for new or expanded programs to carry out international PSC obligations and address chinook and coho conservation needs is \$2,357,000. The U.S. Section recommends that \$400,000 again be provided for the bilateral Transboundary River Enhancement Program under the NMFS International Fisheries Commissions Line Item in FY 96. We also recommend \$1,747,000 for Department of State funding for the bilateral PSC staff and offices and for U.S. Section travel and stipends. NMFS FY 96 funding of \$901,540 is recommended for Yukon River Chinook studies.

The states of Alaska, Washington, Oregon and Idaho and the National Marine Fisheries Service (NMFS) are charged with carrying out a major portion of the salmon fishery stock assessment and harvest management actions required under the Treaty. Federal funding for these activities is provided through the NMFS on an annual basis. I need to advise you, however, that funds were not provided in the FY 95 budget to adequately address obligations under the Treaty. The current severe conservation

crisis of the Pacific Northwest coho and chinook salmon stocks, that form major components in the Treaty arrangements, requires that improved information on these stocks be obtained for use by fishery managers.

Mr. Chairman, the signing of the U.S.- Canada Pacific Salmon Treaty in 1985 was an essential step forward for the conservation and enhancement of the truly renewable salmon resource of Southeast Alaska, the Pacific Northwest, and Canada. The Treaty implementation funds support a wide range of salmon stock assessment, fishery monitoring, and technical support activities for all five species of Pacific salmon in the fisheries and rivers from Southeast Alaska to the coast of Oregon. A major goal embodied in the Treaty is the rebuilding of West Coast chinook salmon stocks by 1998. The U.S. and Canadian management entities have developed a coastwide coded wire tagging and tag recovery program for chinook and coho salmon to evaluate the effectiveness of management actions taken under the Treaty. Improved tagging programs are crucial to the protection of Columbia River chinook salmon stocks listed under the Endangered Species Act.

The \$2,357,000 in recommended additional funds over the FY 95 level would be dedicated to new or expanded programs. The majority of the needed programs are directed toward improving the information for the currently depressed Pacific Northwest coho and chinook salmon stocks during the ocean part of their life cycle. These programs are complimentary to the large commitments to the protection and restoration of chinook and coho habitat in Pacific Northwest rivers and streams that are currently being made in other Pacific Northwest initiatives.

The following is a summary of new or expanded programs:

1) Coho Stock Conservation and ESA Evaluations (\$1,150,000)

Additional coded wire tagging of indicator stocks is needed to improve information on the distribution of coho harvest in recreational and commercial fisheries, including development and verification of Pacific Salmon Commission (PSC) modeling estimates of the coho harvest distribution in southern and northern PSC areas.

2) Puget Sound Inseason Commercial Catch Retrieval (\$250,000)

The Washington Department of Fish & Wildlife (WDFW), the Puget Sound Tribes and the bilateral Fraser Panel of the Pacific Salmon Commission (PSC) base their inseason management of commercial fisheries in Puget Sound largely on catch and fishing effort information. It is essential that this information is accurate and provided to fishery managers in a timely manner. This program will have a major

effect on the ability of the bilateral PSC staff to make sound information based recommendations to the bilateral Fraser River Panel for inseason management actions for Canadian and U.S. fisheries on Fraser River stocks.

3) Pacific Salmon Commission Chinook Salmon Stock Rebuilding and ESA Evaluations (\$607,000)

a) Chinook Escapement Goal Documentation: In coastal Oregon rivers, and the Transboundary Rivers of Southeast Alaska and Northern British Columbia, chinook salmon escapement counts are only partial indices of total escapements. These projects will determine reliable total escapement estimates which will allow managers to increase chinook salmon production through the use of optimum escapement goals.

b) Chinook Indicator Stock Tagging: Certain geographical and timing groups of chinook salmon stocks are poorly represented in current Pacific Salmon Commission indicator stock programs. Additional tagging of indicator stocks in Washington, Oregon, Idaho and Alaska is required to correct this deficiency.

4) Northern Boundary Chum Salmon Rebuilding (\$350,000)

Northern Boundary (Southeast Alaska/Northern British Columbia) chum salmon stocks in Portland Canal are being rebuilt under a cooperative program with Canada. Development of an inseason management system and a stock monitoring program are needed to provide harvest access to the rebuilt and enhanced stocks.

Mr. Chairman, in addition to the Pacific Salmon Treaty programs previously discussed, the U.S. and Canada have agreed to joint salmon enhancement projects on the Transboundary Rivers flowing between Canada and Southeast Alaska. Agreements signed in 1989 and 1990 were funded as Congressional add-ons through FY 93. In FY 95, Congress provided \$400,000 for this effort through the National Marine Fisheries Service International Fisheries Commission line item under the Conservation and Management Operations activity. The U.S. Section also recommends that \$400,000 be provided for FY 96.

The U.S. Section of the Pacific Salmon Commission supports the Department of State requested level of \$1,747,000 for Treaty implementation. This funding provides for the United States contribution to the bilateral Pacific Salmon Commission, based in Vancouver, British Columbia, as well as for stipends and travel costs for U.S. Commissioners, panel members and technical committee members while on official duties on behalf of the United States.

Finally Mr. Chairman, the U.S. and Canada have signed an interim Yukon River agreement. Until separate funding can be established, pass through funds to the Alaska Department of Fish & Game need to continue in a separate NMFS Yukon River Chinook Studies line item under the Information Collection and Analysis activity. Congress appropriated \$700,000 in FY 95. The U.S. Section supports a \$121,000 increase for this activity in FY 96 for a total of \$821,000. This funding is utilized by the State of Alaska for technical activities in support of fishery monitoring and bilateral stock assessment programs for Yukon River salmon stocks. The U.S. Section also supports a request for \$80,540 for a new NMFS study to determine if parasite presence in Yukon River chinook and chum salmon can be used to separate stocks.

Mr. Chairman, that concludes my written testimony submitted for consideration by your committee. I want to thank the Committee for the support that it has given us in the past. I am available to answer any questions you or the Committee members may have regarding the U.S. Section of the Pacific Salmon Commission budget.

#### SUMMARY OF DOC PROGRAMS UNDER THE U.S./CANADA PACIFIC SALMON TREATY

##### Pacific Salmon Treaty

<u>FY 95 Approp.</u>	<u>FY 96 PSC Rec.</u>	<u>Admin. Request</u>	<u>Shortfall From Admin. Request</u>
\$5,587,000	\$7,944,000	\$5,587,000	\$2,357,000

#### OTHER SEPARATE DOC LINE ITEM PROGRAMS ASSOCIATED WITH THE PSC

##### Transboundary River Enhancement

<u>FY 95 Approp.</u>	<u>Fy 96 PSC Rec.</u>	<u>Admin. Request</u>	<u>Shortfall From Admin. Request</u>
\$400,000	\$400,000	\$400,000	\$0

##### Yukon Negotiations

<u>FY 95 Approp.</u>	<u>FY 96 PSC Rec.</u>	<u>Admin. Request</u>	<u>Shortfall From Admin. Request</u>
\$700,000	\$901,540	\$700,000	\$201,540

#### SUMMARY OF DOS PROGRAMS UNDER THE U.S./CANADA PACIFIC SALMON TREATY

<u>FY 95 Approp.</u>	<u>FY 96 PSC Rec.</u>	<u>Admin. Request</u>	<u>Shortfall from Admin. Request</u>
\$1,717,000	\$1,747,000	\$1,747,000	\$0

TUESDAY, MAY 2, 1995.

**NATIONAL COUNCIL OF JUVENILE AND FAMILY COURT JUDGES****WITNESS****CARMEN A. FERRANTE, PRESIDENT**

Mr. TAYLOR. The National Council of Juvenile and Family Court Judges, Mr. Ferrante, and I believe Frank Horton.

Judge FERRANTE. Good afternoon, sir.

Mr. Chairman, I am pleased to appear as the President of the National Council in support of adequate funding for fiscal year 1996 for OJJDP. I am Carmen Ferrante, a judge in the State of New Jersey Superior Court, and also President of the National Council of Juvenile and Family Court Judges. I appear today as its President. As you have already recognized, along with me this afternoon are Frank Horton and Tom Madden of the Venable law firm. That law firm has provided legal assistance and counsel for seven years.

If I may, I will just summarize my testimony that has been submitted and request that it be made a part of the record, most respectfully, and continue with my summarization, sir.

The Council was founded in 1937. It serves as the only national organization comprised of judge members on the State juvenile and family courts. It has over 2,500 members. Our educational programs of 1994 reached over 20,000 State and local government professionals—judges, court probation and correction officers, police, sheriffs, officers, prosecutors and the like. These programs were conducted in all 50 States and at regional locations, as well as our facilities in Reno, Nevada.

Some examples of those programs more recently: There was a program in Chattanooga just last week; three programs, involving 200 probation officers, were conducted. And prior to that, we had a program in Phoenix involving 1,300 registrants for a three-day annual National Conference on Juvenile Justice; that was cosponsored with the National District Attorneys Association. And I participated personally in another program we had here in Washington D.C. by way of live satellite to 42 States in 78 locations, conducted mostly for judges and lawyers. The program was on domestic violence and child custody cases. Over 1,000 people enrolled in the satellite program.

Also, sir, our training efforts focus on critical issues facing the juvenile justice system. We have in recent years focused more and more training effort, for example, on violent crime, juvenile violent crimes, since violent crimes have become more pervasive and more violent, and the public has become more aware and concerned, and rightly so, as to violent crime.

I am sure you are familiar with the fact that over a period of time, the Office of Juvenile Justice has predicted that those juveniles, those children that are born this year, when they reach 15 in the year 2010, the rate of juvenile crime will have doubled relative to the rate of adult crime. Also, the United States Advisory Board on Child Abuse and Neglect issued a report just last week that estimates 2,000 children will die as a result of abuse and ne-



glect in the United States. There is also a finding that 50 percent of the fatal child abuse and neglect cases are a result of domestic violence in the home.

The National Council respectfully requests that the Office of Juvenile Justice and Delinquency Prevention be fully funded for fiscal year 1996, as requested by the Attorney General and the organization. The National Council requests that the Appropriations Committee in its report, as in past years, urge OJJDP to continue to support the National Council's Reno, Nevada and Pittsburgh, Pennsylvania programs on training, technical assistance, family preservation, delinquency statistics collection and analysis, and child abuse case processing streamlining, and that it be continued at the current fiscal year 1995 levels.

Mr. Chairman, we recognize the severe fiscal constraints under which the Congress is and will be operating this year and in the foreseeable future. We applaud the hands-on approach currently manifested here in Washington. As judges, we struggle every day to keep abreast of the escalating, often staggering caseloads. We have too much business and not enough resources. I think we understand something of what you are going through here and what you are up against here, and all of us, or most of us, are elected as judges.

We feel that the Federal Government has a role in the supporting of local courts and family courts and juvenile courts in our Nation. And more particularly, the OJJDP program is only significant Federal program that assists the courts in this situation.

In 1995, it is evident that the escalation of violent crime and domestic violence justifies public apprehension and concern in the determination to provide leadership. Therefore, we ask you to continue to support OJJDP so that we can provide those services to the family courts and juvenile courts of the Nation.

Thank you.

Mr. TAYLOR. Well, thank you, Judge. We appreciate your presentation and we know the long history. And we appreciate Mr. Horton and Mr. Madden being with you today. We will be in correspondence if we have questions. We appreciate you making the presentation.

Judge FERRANTE. Thank you.  
[The information follows:]

**TESTIMONY OF  
The Honorable Carmen A. Ferrante  
for the  
National Council of Juvenile and Family Court Judges  
Before the  
Subcommittee on Commerce, State, the Judiciary  
and Related Agencies  
House Appropriations Committee**

**May 2, 1995**

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Mr. Chairman, members of the Subcommittee, the National Council is pleased and honored to have the opportunity to testify before you today in support of an adequate fiscal year 1996 appropriation for the Office of Juvenile Justice and Delinquency Prevention.

I am Carmen Ferrante, Judge of the New Jersey Superior Court, Paterson, New Jersey, and current president of the National Council of Juvenile and Family Court Judges. Here with me this afternoon are Frank Horton and Thomas J. Madden, of the law firm, Venable, here in Washington, D.C. Venable has provided legal assistance to the National Council for several years.

The Council was founded in 1937 and is the oldest national judicial membership organization in the United States and it serves as the only national organization comprised of members of the state juvenile and family courts. Its current

membership is about 2,500 juvenile and family court judges and related court professionals. All states are represented.

The primary goal of the Council is to offer continuing education and technical assistance for the nation's judiciary. In 1969, the National College of Juvenile and Family Law was established as the Council's continuing education division. Both the Council and the College are headquartered in the Midby-Byron Center for Judicial Education on the University of Nevada campus in Reno, Nevada. The research division of the National Council is the National Center for Juvenile Justice located in Pittsburgh, Pennsylvania.

Our overall staff numbers about 60 and the yearly budget is about \$6 million. We receive funds from federal government agencies, state and local governments, private nonprofit foundations, dues, contributions, subscriptions and sales of publications, educational conference fees, consultation fees and honoraria.

Our educational programs in 1994 reached over 20,000 state and local government professionals, court, probation and correctional workers, police and sheriffs' deputies, prosecutors and other lawyers, doctors and medical, mental health and child protection and youth workers, teachers, legislators, CASAs and other court volunteers, among others. These programs are conducted in all fifty states, at regional locations, as well as at our facilities in Reno. Last week three programs for about 200 chief juvenile

probation officers, were conducted simultaneously in Chattanooga. Over 1300 registrants attended the three-day 22nd Annual National Conference on Juvenile Justice in late March in Phoenix sponsored with the National District attorneys Association. On April 13 from here in Washington, D.C. via live satellite to 42 states in 78 locations we conducted, mostly for judges and lawyers, a program on Domestic Violence in Child Custody Cases. The program lasted 3 hours with one hour local follow-up. Over 1000 enrolled in this satellite program and the cost to the Council was less than one quarter of the cost of a conventional on site half-day program for 1000 attendees, not to mention transportation and housing costs savings for the participants.

Another key cost savings factor in all our training programs is that all judges, court professionals, prosecutors, law enforcement officers, and most lawyers, doctors, law professors and other academics who serve as faculty are not paid for teaching or preparation, only reimbursed for their expenses.

### **VIOLENT JUVENILE CRIME**

Our training efforts focus on critical issues facing the juvenile justice system. We have in recent years focused more and more training effort, for example, on violent juvenile crimes because violent juvenile crime is more pervasive, more violent, more seemingly random and is of much more serious concern than it used to be. Last month the Administrator of the Office of Juvenile Justice and Delinquency Prevention

(OJJDP) predicted that, if recent trends continue, when American children born this year reach age 15 in 2010 the rate of juvenile violent crime will double relative to the rate of adult violent crime. The U.S. Advisory Board on Child Abuse and Neglect issued a report on child abuse last week and in that report the Board now estimates that over 2,000 children die as a result of abuse and neglect annually in the United States. Also there is a finding that over 50% of the fatal cases of child abuse and neglect that are studied are in homes where there is domestic violence

Similarly, victimization of children has also seriously increased. In 1992 1.55 million violent crimes were committed against persons age 12-17, a 23.4 percent increase since 1987. And, bear in mind that however shocking juvenile or adult crime is, a large portion of juvenile crime has other juveniles as its victims.

We should not forget also that child maltreatment is another type of victimization. An estimated 2.9 million children were reported abused or neglected in 1993, with 1300 children known to have died as a result of abuse or neglect. And, again, child abusers are often teens themselves, or very young adults.

### **WHY TRAINING?**

You might ask if our training is really necessary and whether it is an appropriate use of federal funds? I will give you a few short answers:

- Most states have limited judicial training capabilities, and, increasingly they contract with the Council for the specialized training required for family and juvenile court judges, prosecutors, probation officers and other court professionals. They say it is cost beneficial. We bring our programs to them.
- We train state and local judges and juvenile justice professionals to deal with state and local problems.
- There is rapid turnover in many courts due to judicial rotation, burnout, judges retiring or quitting early to return to law practice, to join Arbitration and Alternative Dispute Resolution networks, or to pursue other careers.
- Traditionally many “green,” newly appointed or elected judges are assigned to these duties, often with no training.
- Law schools are slow to teach family or juvenile law. Necessary training in subjects such as child psychology and development, retardation, and the dynamics of alcohol and substance abuse addiction is foreign to most lawyers and judges.
- There are rapid changes occurring in state laws and procedures dealing with delinquency, drug abuse, family violence, child support enforcement, possession of firearms by children, and in Court Rules relative to the management and handling of those types of cases.
- There is a need to understand the value of new programs such as boot camps and intensive and home-based probation.

- There is a need to understand the impact of new scientific developments such as DNA testing that can positively determine parentage, and, hopefully, put judges out of that business.
- There are new federal laws, court decisions, mandates and other requirements that affect the work of these courts and must be understood by judges.

For the reasons stated, it is imperative these programs are supported and continued.

### **IMPROVING THE SYSTEM**

The juvenile justice system, including the courts, needs to do a much better job intervening early to divert problem children from committing ever more serious crimes. That means, for example, that truancy and shoplifting need to be taken much more seriously. They need to be reported. Parents need to be (or made to be) involved. Even young children need to be held accountable, if not by their parents, then by the community, including schools and merchants, law enforcement and, if necessary, the courts.

The system, and here especially the courts, needs to be more effective in identifying and dealing decisively with chronic offenders, a small part of the juvenile population (less than 10 percent). Increasingly, serious (and meaningful to the offender) sanctions need to be applied, and the number of "chances" needs to be reduced. Three strikes are more than enough, one if a violent crime is committed or a lethal weapon is

employed. At this point, helping a child towards a more fulfilling and productive future must not give way but be balanced with the protection of the community as a paramount goal for the court.

The National Council directs much of its efforts to help states and local courts make these improvements but much more needs to be done.

### **OJJDP FY '96 APPROPRIATION**

The National Council respectfully requests that the Office of Juvenile Justice and Delinquency Prevention (OJJDP) be fully funded for FY 1996 as requested by the Attorney General and the administration. The National Council requests that the Appropriations Committee in its report, as in past years, urge OJJDP to continue to support the National Council's Reno, Nevada and Pittsburgh, Pennsylvania programs on Training and Technical Assistance, family preservation, delinquency statistics collection and analysis, and child abuse case processing streamlining and that they be continued at the current FY '95 levels. The National Council also supports funding for the State Justice Institute which has provided funding for several important National Council programs over the years.

In as much as OJJDP is up for reauthorization next year, the judges would welcome the opportunity to then share with the Subcommittee and staff, as well as with oversight subcommittees, our ideas on a future federal role in support of local and state



efforts to deal more effectively with serious youth crime and domestic violence, including abuse of children and family members.

Mr. Chairman, members of the Subcommittee, we recognize the severe fiscal constraints under which the Congress is and will be operating this year and for the foreseeable future, and we applaud the hands-on approach currently manifested here in Washington. As judges we struggle every day to keep abreast of escalating, often staggering caseloads -- too much business and not enough resources. I think we understand something of what you are up against, and remember, most of us state judges are elected.

### **RESOURCES**

The types of criminal and family violence cases with which family and juvenile court judges deal must be handled in the communities where these crimes occur. Courts are dependent on local legislative bodies (generally county) for many of the resources we judges need for sentencing and treatment purposes, resources such as:

**Foster Care** - specially training families who care for children removed from their homes for their protection pending adoption or return to their parent(s) or other family members who can provide a safe and nurturing environment .

**Residential and Day Treatment Programs** - a broad variety of specialized treatment and correctional facilities and services for children.

**Secure Detention and Alternatives** - staff or facility secure programs or alternatives such as home detention which provide a safe environment during court proceedings.

**Secure Correctional Facilities** - regional or community-based facilities for the care and rehabilitation of serious or chronic offenders.

**Family preservation services** - highly intensive social services provided in the home for a limited period of time.

**Physical, mental, educational and substance abuse evaluations** - access to experts who can provide timely assessment of a child's and a family's needs.

**Parenting education** - teaching the skills necessary to successfully rear children.

**Medical and/or mental health and substance abuse treatment** - inpatient and outpatient programs to provide timely treatment for the child and family.

**Court Appointed Special Advocates (CASAs)** - trained volunteers appointed by the court to support and advocate for abused and neglected children.

**Volunteers** - people working with the court in a variety of tasks who, in addition to their work, become advocates for children in the community.

**Citizen Advisory Groups** - community members including "court watchers" who monitor court performance, advise the court and report to the community.

**Alternative Dispute Resolution Services** - alternatives to formal adjudication such as mediation, arbitration and settlement conferences which provide non-adversarial processes to resolve conflicts.

Many of these services and functions are best provided by the private or non-profit sectors or by informed citizen volunteers. Private agencies can be more flexible and less bureaucratic than the government, and can augment public funds with private resources. With the growth of privatization, the role of the government, including courts, as a monitor of these services becomes increasingly important. Services should be delivered through locally administered programs. Government

funding should enable local providers to have greater flexibility to match service delivery with local needs.

Resources for the court operation itself must include sufficient numbers of qualified, trained judges, probation and administrative staff, and lawyers including prosecutors, public defenders and guardians ad litem (and adequate space and court security). Every child charged with a delinquent offense has the right to competent counsel, and every child alleged to be the victim of neglect, abuse or dependency should be represented by a guardian ad litem.

### **FEDERAL ROLE**

What role, if any, should the federal government play in support of state and local courts such as ours? So far as violence against women is concerned, those portions of the 1994 Crime Bill covering those issues apparently will remain intact and include court-related support including provisions for training of judges and court staff, informational and technical assistance, demonstration projects, statistical collection and analysis, and applied research, among other programs.

So far as juvenile crime and neglect and abuse of children is concerned, aside from some long past limited support from the then National Institute of Mental Health, the only ongoing federal program until the passage of the original OJJDP

legislation in 1974 is one started in 1927 in the Coolidge administration. It provides for the collection of juvenile crime statistic from courts and their analysis, a program currently conducted by the National Council for the Department of Justice.

1995 sees unprecedented escalation of violent youth crime and of domestic violence, justified public apprehension and concern, and determination to provide leadership here in Washington. More than ever judges throughout the nation believe that maintenance of a separate, youth and family crime-oriented agency in the U.S. Department of Justice is a necessary component of any effective federal anti-crime initiative.

Thank you, Mr. Chairman, for allowing the National Council to testify before the Subcommittee today. We remain available and eager anytime to answer your questions, or to provide information, ideas, or our views.

TUESDAY, MAY 2, 1995.

## NATIONAL COMMISSION ON CORRECTIONAL HEALTH CARE

### WITNESSES

HON. VERNON EHLERS, A REPRESENTATIVE IN CONGRESS FROM THE  
STATE OF MICHIGAN  
KENNETH KUIPERS  
JONATHAN WEISBUCH  
EDWARD HARRISON

Mr. TAYLOR. Next is the National Commission on Correctional Health Care, Dr. Kenneth Kuipers. And, Congressman Ehlers, who is with us today—you have other guests, Congressman, in this group today. Please come and sit. When you bring someone as capable as Vernon along, it overwhelms the Chairman.

Mr. EHLERS. Well, thank you very much, Mr. Chairman. I certainly appreciate the consideration of this group.

Mr. Kuipers will be the only spokesperson. I am sure the others will be happy to answer any questions you might have.

Some years ago I was a county commissioner, one of the finest forms of government in the country, and I left that to go to the State legislature and eventually to Congress. But a person who followed in my footsteps in the county commission was Mr. Ken Kuipers, who has a doctorate in economics and business and added a great deal to the county commission. And he eventually became a chair of the County Board of Commissioners, just as I had been. He has been very active in the National Association of Counties, and by virtue of that he has been named as their member and is chairman-elect of that organization. I am very pleased to introduce him to you and commend him and his colleagues to you in their testimony.

I apologize that I have to leave for a 3:30 meeting. My presence is badly required. But thank you very much for accommodating them, and I appreciate you giving him and the others an opportunity to testify.

Mr. TAYLOR. Well, thank you, Congressman. We appreciate you coming before us.

Mr. KUIPERS. And I thank the Congressman for his time and for introducing us and for being with us in a very tight schedule.

Mr. EHLERS. Thank you.

Mr. KUIPERS. Mr. Chairman and distinguished Members of the subcommittee, thank you for the opportunity to appear before you today. I am Ken Kuipers, Chairman-Elect of the National Commission on Correctional Health Care, a not-for-profit organization based in Chicago, Illinois, which addresses issues relating to health care within our Nation's jails, prisons and juvenile detention centers. Also joining me today are Jonathan Weisbuch to my left, a member of our Board of Directors, and Edward Harrison on my right, President of our organization.

The National Commission is supported by 36 national organizations representing the fields of health, law and corrections, including the American Medical Association, the National Sheriff's Association, the National Council of Juvenile and Family Court Judges,

the American Association of Public Health Physicians—of which Dr. Weisbuch is a representative. He is also the Medical Director for the Los Angeles County Department of Health services, the National District Attorneys Association, and the National Association of Counties—which I am the representative and also an elected commissioner from Kent County, Michigan.

The National Commission offers a wide range of programs and services designed to help correctional health care systems provide efficient health care that meets criteria established by the Supreme Court. We establish standards for health services in correctional facilities; we operate a voluntary accreditation program for institutions that meet those standards; produce and disseminate resource information for health care providers and correctional facility administrators; provide technical assistance; offer a quality review program; conduct educational trainings and conferences; and offer a certification program for correctional health care professionals.

Our accreditation program provides correctional facilities with policies and procedures that enable their health systems to be both constitutionally and medically sound.

Additionally, the program has aided correctional facilities in combating lawsuits alleging improper or inadequate health care. Since the program began in the mid-1970s, there has been no instance in which a correctional facility, while accredited by the National Commission, has suffered an adverse judgment in any class action litigation challenging the quality or availability of health services.

In my testimony today, I do not want to use your valuable time discussing the 1.3 million individuals who are behind bars on any given day; rather, I would like to focus my testimony on the nearly 11 million people who are released from jails and prisons annually and the health risk that they pose to the public.

These 11 million people are generally part of society's highest risk groups from a health standpoint and are most likely to have poor health histories that make them susceptible to disease. For example, according to the latest available data, the incidence of tuberculosis in the correctional setting increased 154 percent in the two-year period from 1990 to 1992. Tuberculosis, and its newer, more deadly mutation, multi-drug resistant tuberculosis, are airborne diseases and highly communicable.

Other diseases and health problems common among this population include sexually transmitted diseases, HIV and AIDS, and severe and persistent psychiatric disorders. And the list goes on. Once people with these conditions are released, if their health conditions have been left untreated, they become a problem for our community health centers, our hospital emergency rooms, our schools, our medicaid system, our public facilities. In other words, they pose a health risk and a cost concern for the rest of America.

With the increase in the jail and prison population, there has also been an increase in the correctional health care needs. Sheriffs and wardens, doctors and nurses and State and local officials face the daunting task of an increasingly complex correctional health care problem. The problem is exacerbated by overcrowded facilities, the aging of the inmate population serving longer sentences, a rise in the percentage of pregnant female offenders and the increasing violence of youthful offenders.

Mr. Chairman, in this vein, the National Commission on Correctional Health Care requests that the Members of this subcommittee provide funding for initiatives to address correctional health concerns. The National Commission is requesting that \$3 million in funding be allocated by the National Institutes of Justice, working in collaboration with the Centers for Disease Control, to support a national study focusing on the health care status of soon-to-be released inmates. Such a study would include a comprehensive assessment of services available in jails, prisons and juvenile facilities, including the identification of problem areas, particularly as they relate to health care linkages which exist between correctional institutions and community health resources.

The National Commission also requests the allocation of \$300,000 in support of a national conference to formulate an action strategy, recommendations for improvement and to encourage the involvement of more health care officials, particularly minorities. Participants in the conference would be representatives of the 36 professional organizations associated with the National Commission, as well as schools of public health, Federal agency officials and other organizations.

In closing, Mr. Chairman, what is important to note is that certain characteristics of the jail and prison population, coupled with the uniqueness of the correctional setting, suggest that inmates face even greater risks of illness and disability than the general community. Many of these inmates who contract infectious diseases will eventually return to society, potentially exposing others and placing additional burdens on our Nation's health care system.

Again, I appreciate having an opportunity to come before you, and I will be happy to answer any questions that you might have.

Mr. TAYLOR. Well, I appreciate your being here today, sir, and Mr. Weisbuch and Mr. Harrison. We will be in communication with questions that Members of the Committee may have before markup, if they want to do that, and be studying your comments.

And thank you very much for your presentation. We appreciate you being here today.

[The information follows:]

Kenneth Kuipers, PhD, Chairman-Elect  
National Commission on Correctional Health Care

Committee on Appropriations  
for the  
Commerce, Justice, State, the Judiciary  
and Related Agencies

May 2, 1995

Mr. Chairman and distinguished Members of the Subcommittee, thank you for the opportunity to appear before you today. I am Ken Kuipers, Chairman-Elect of the National Commission on Correctional Health Care, a not-for-profit organization based in Chicago, Illinois, which addresses issues relating to health care within our nation's jails, prisons, and juvenile detention centers. Also joining me today are Jonathan Weisbuch, a member of our Board of Directors, and Edward Harrison, President of our organization.

The National Commission is supported by thirty-six national organizations representing the fields of health, law, and corrections, including the American Medical Association; the National Sheriff's Association; the National Council of Juvenile and Family Court Judges; the American Association of Public Health Physicians (of which Dr. Weisbuch is a representative — he is also the medical director for the Los Angeles County Department of Health Services); the National District Attorneys Association; and the National Association of Counties (which I represent on the Board — and I am also a county commissioner for Kent County, Michigan). The National Commission offers a wide range of programs and services designed to help correctional health care systems provide efficient health care that meets criteria established by the Supreme Court. We establish standards for health services in correctional facilities; operate a voluntary accreditation program for institutions that meet those standards; produce and disseminate resource information for health care providers and correctional facility administrators; provide technical assistance; offer a quality review program; conduct educational trainings and conferences; and offer a certification program for correctional health care professionals.

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improper or inadequate health care. Since the program began in the mid-1970s, there has been no instance in which a correctional facility, while accredited by the National Commission, has suffered an adverse judgement in any class action litigation challenging the quality or availability of health services.

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These 11 million people are generally part of society's highest health risk groups and are most likely to have poor health histories that make them susceptible to disease. For example, according to the latest available data, the incidence of tuberculosis in the correctional setting increased 154% in the two year period from 1990 to 1992. Tuberculosis, and its newer, more deadly mutation, multi-drug resistant tuberculosis, are airborne diseases, and highly communicable. Other diseases and health problems common among this population include sexually transmitted diseases, HIV and AIDS, and severe and persistent psychiatric disorders. And the list goes on. Once people with these conditions are released, if their health conditions have been left untreated, they become a problem for our community health centers, our hospital emergency rooms, our schools, our Medicaid system, our public facilities . . . in other words, they pose a health risk and cost concern for the rest of America.

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Again, I appreciate having an opportunity to come before you, and I will be happy to entertain any questions you may have.

National Commission on Correctional Health Care  
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# NATIONAL COMMISSION ON CORRECTIONAL HEALTH CARE

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TUESDAY, MAY 2, 1995.

**CITIZENS UNITED FOR REHABILITATION OF ERRANTS****WITNESS****CHARLES SULLIVAN**

Mr. TAYLOR. We have next the Citizens United for the Rehabilitation of Errants, Charles Sullivan.

Mr. SULLIVAN. My name is Charles Sullivan, and I direct a national criminal justice reform organization called CURE, Citizens United for Rehabilitation of Errants. It is a grassroots organization. Its membership is primarily families of prisoners, concerned citizens and informed citizens as well as prisoners.

And so the twofold purpose of CURE is to make sure that prisons are used for those that absolutely have to be in them. And those that have to be, to give them all of the rehabilitative opportunities that they need.

And so we are making three points in regard to those purposes. We are supporting President Clinton's request for full funding for drug treatment in prison. And there were two roll call votes in the last Congress that were overwhelmingly passed where Federal prisoners and State prisoners received funding for their substance abuse problems. And the President has requested full funding for this. So I hope that the committee can follow up.

We know that Governor Wilson in California just completed a study that said for every dollar placed in drug treatment there is a \$7 savings in rehabilitation and also in health care costs. So it is a very, very important issue, and I hope that the Committee will follow President Clinton's lead and also the House's overwhelming decision to back full funding for drug rehabilitation in prison.

The second point—and we would like to just make three points. The second point is full funding for the Family Unit Demonstration Project. This is where mothers would be able to serve their sentences in the community with their small children. And this is basically for the sake of the small children, that we are worried about saving a new—another generation. We know that prisoners—many times, the children of prisoners end up being prisoners themselves. We know that statistically. The President has asked for this 48 percent of the funding. We would like for it to be fully funded.

The last is something that I hope that the Committee—which is probably most unusual—is that we are saying that you can remove \$530 million from the Bureau of Prisons, that the prison building construction that the prison has requested has I think an excess of money that could be taken and used for deficit reduction or used for other concerns, et cetera.

And it is most important, Mr. Chairman, to realize that if this \$530 million was taken away, it would not in any way slow the pace of the present construction program, and that is very, very important. In other words, we feel that there is \$530 million sitting there that could be used for other things and would not in any way slow down the pace of the construction program for the Federal Bureau of Prisons.

So, again, we thank you for your consideration, and we hope that you will take into consideration these three points, Mr. Chairman.

Mr. TAYLOR. Thank you, Mr. Sullivan. I appreciate your presentation. It was succinct. And you are right. There has been a great deal of tension, and there will be in the future. Thank you very much.

[The information follows:]

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CURE ENOUGH: Ex-offenders' needs  
Opportunities: Understanding, training, and help  
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## CITIZENS UNITED FOR REHABILITATION OF ERRANTS

"A National Effort to Reduce Crime Through Criminal Justice Reform"

May 2, 1995

My name is Charles Sullivan and I am executive director of CURE (Citizens United for Rehabilitation of Errants). CURE is a national grassroots organization dedicated to reducing crime through criminal justice reform.

CURE's goals are two-fold. The first is to make certain that prisons are only used for those who absolutely have to be in them. The second is to give rehabilitative opportunities to those who have to be in prison.

I would like to make three points concerning the Department of Justice appropriation. The first two relate to our second goal while the third relates to our first.

## TOTAL SUPPORT FOR CLINTON'S REQUEST FOR FULL FUNDING FOR DRUG TREATMENT IN PRISONS

Attached is an article about a survey conducted by the Wilson Administration in California that shows "for every dollar spent on treatment for drug and alcohol abuse, California taxpayers reap \$7 in savings, mostly due to reductions in crime and health care costs".

We congratulate the House for overwhelmingly passing in two roll call votes drug treatment for state and federal prisoners and the Clinton Administration for requesting full funding for both programs. We respectfully urge that this Subcommittee support the House and Administration by appropriating every dollar requested.

## FULL FUNDING FOR THE FAMILY UNITY DEMONSTRATION PROJECT

Although we are pleased to see that the Federal Bureau of Prisons has requested full funding for the Project, we are extremely disappointed that the Administration only asked for 48% of the authorization for state grants.

Attached is a sheet which emphasizes the importance of prisoners maintaining bonding with their children. With the Family Unity Demonstration Project, we will begin to experiment with a program which sustains the essential relationship between prisoner mothers and their children.

## REMOVING \$530 MILLION FROM THE BOP

On the next page, I detail how we are urging the Committee to take away \$530 million from the Bureau of Prisons' construction program without delaying, in any way, the pace of the building program.

## DEPARTMENT OF JUSTICE - BUREAU OF PRISONS

## Building and Facilities Appropriation

The Justice Department is again requesting appropriations amounting to over \$300 million for new federal prison construction and modernization and repair of existing facilities. Unlike the items in the Crime Bill, no dollar authorizations have ever been enacted defining the limits Congress would place on this multibillion dollar program.

Deficit Reduction

The new appropriation, when combined with unused funds from prior years amounting to \$762 million, would make a total of over \$1 billion available during 1996. Yet, the Bureau of Prisons only plans to use \$455.5 million of this in 1996.

It is recommended that the appropriations committees act on the basis of projected needs for the year with some allowance for the uncertainties inherent in a prison construction program. The \$762 million unobligated balance of prior appropriations already available for 1996 would be used to fund plans totaling \$456 million with say \$100 million held for contingencies, a total of \$556 million.

The impact of this recommendation is to free up \$206 million of already appropriated funds. It would also deny requested new appropriations of \$324 million. This \$530 million could be dedicated to other priorities of the Congress or as deficit reduction. NO DELAY IN PROGRESS OF THE CONSTRUCTION PROGRAM WOULD RESULT. Appropriations would be made as funds are required for already approved and new projects in future years.

Deficit reductions would be \$53 million in 1996, \$212 million in 1997, \$239 million in 1998, and \$26 million in 1999.

Future Appropriations

Dollar authorizations would be made for this multiyear program which (1) identify requirements for each phase of new prison projects, and (2) reflect policy options.

Other federal agencies are required to fund complex constructions programs as needed for each phase such as planning, site selection, site preparation and construction. Currently approved federal prison projects and future ones should be so funded in order to place a higher discipline on federal monies.

Further, why does Congress continue to federalize law enforcement while at the same time giving billions to the states to construct prisons. This seemingly contradictory policy should be examined before any more money is appropriated.

LOS ANGELES TIMES

MONDAY, AUGUST 29, 1994

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## Study Shows Drug Abuse Programs Are Cost-Effective

By SHERYL STOLBERG  
TIMES MEDICAL WRITER

For every dollar spent on treatment for drug and alcohol abuse, California taxpayers reap \$7 in savings, mostly due to reductions in crime and health care costs, a new statewide survey has found.

The cost-benefit analysis, billed as the most comprehensive ever conducted in the United States, also confirmed what smaller studies have shown: Treatment is highly effective, regardless of the type of program or the drug, and success cuts across all racial and socioeconomic lines.

The study, financed by the state but conducted by an independent

*Continued from A1*

research institute, comes at a time of great public skepticism over the benefits of such social programs. There was intense debate over whether President Clinton's health care reform should cover treatment; ultimately, it was included.

"It's very important that there be a continuously developing database to demonstrate to the American public the cost effectiveness of drug abuse treatment," said Alan Leshner, director of the National Institute on Drug Abuse, an arm of the National Institutes of Health. "Most people don't believe treatment works, and they're wrong. That's why a study like this is so important."

The study, which will be released today by the California Department of Alcohol and Drug Programs, estimated that \$1.5 billion in savings resulted from the \$209 million the state spent on treatment between October, 1991 and September, 1992.

Declared Andrew Mecca, director of the department: "This is what I call slam-dunk evidence."

In the year before treatment, the study found, those who later would be enrolled in drug abuse programs cost state taxpayers \$3.1 billion. Of that, \$2.4 billion—or 70%—was attributed to crime, including the cost of police protection, prosecution and incarceration. Victims of crimes committed by drug abusers, meanwhile, incurred \$1.3 billion in medical costs, damaged or stolen property and lost work. Health care for drug abusers totaled \$442 million.

Fifteen months after treatment, the cost of crimes tied to the group in treatment had dropped by \$1 billion, the study said, accounting for the biggest chunk of savings. The study also found a considerable drop in health care expenditures, emergency room admissions, for instance, decreased by one-third after treatment.

The study based these conclusions on subjects' recollections of their behavior—including crimes they committed—before and after they had undergone treatment. But the authors say they took pains to avoid exaggerating savings, noting that previous research had shown such self-reporting to be "as valid as drug testing."

One sobering finding in the study was that treatment was of little help in getting drug abusers on more stable economic footing. Treatment did not lead to employment, although the research did find that the longer participants stayed in treatment, the more likely they were to find a job afterward.

Mecca, Leshner and other experts say they hope to use the \$2-million study to persuade skeptical elected officials that they should continue to invest public money in drug abuse treatment. In this regard, the research may prove more a benefit to states other than California, which has already increased annual spending on treatment by nearly \$120 million since the study was conducted.

Cure  
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The study found that use of crack cocaine, cocaine powder and amphetamines declined by almost

half after treatment, while heroin use declined by more than one-fifth and alcohol use by nearly one-third. The findings about crack abuse surprised the study's authors, who said they did not expect to learn that it could be treated so effectively.

"No one has really determined that previously," said Dean R. Gerstein of the University of Chicago's National Opinion Research Center, which conducted the study.

While the essential conclusion of the report—that treatment works and saves money—came as no surprise to those in the field, experts say the study is especially important because it was so rigorously conducted.

"This is the first time that I've seen the return on the investment so clearly laid out," said M. Douglas Anglin, director of the UCLA Drug Abuse Research Center, which was not involved in conducting the study. "Now, we can really be confident when we pound on our lecterns and say treatment works."

While previous research has looked at only a handful of treatment centers—often focusing on those considered model programs—the California study employed random sampling methods to draw a complete picture of 146,515 people enrolled in an array of programs throughout the state's 58 counties.

And while other studies have tracked people for 60 or 90 days after treatment, the California study interviewed 1,857 subjects 15 months after treatment had concluded. The participants will continue to be followed, Mecca said.

According to Leshner of the National Institute on Drug Abuse, smaller studies have shown a benefit of anywhere from \$4 to \$20 for every dollar invested. Thus, the California study's finding of \$7 in savings for every dollar spent puts it on the conservative end of the research spectrum.

**'Most people don't believe treatment works, and they're wrong. That's why a study like this is so important.'**

ALAN LESHNER  
Director of the National Institute  
on Drug Abuse



## California Program Helps Women Offenders Make Smooth Transition

**F**or many incarcerated women, returning to the community can mean an uncomfortable reunion with an estranged family, an intimidating and seemingly hopeless job search, and a long struggle to regain self-esteem.

The Elizabeth Fry Center, which opened in 1986 and has been run for the past several years by the Volunteers of America, works to eliminate such difficulties for minimum security women offenders in California.

Located in San Francisco, the 11-bed Center offers residents a chance to live in a home environment with their children and participate in a variety of in-house and community programs while finishing their sentences.

Staff and community volunteers offer the women a wide spectrum of services, from counseling in substance abuse and parenting problems to classes on literacy skills and resume writing.

The women's needs stem from their troubled backgrounds and are often very basic, according to Center Director Deborah Haffner.

"For example, we have to teach them alternative techniques to discipline," she says. "There is no spanking allowed here, so we have to show them other ways of handling their children."

The women are sent to the program by the California Department of Corrections. The DOC selects women who have been convicted of non-violent crimes, who have not been deemed unfit mothers and who have remained alcohol- and drug-free for at least six months.

Once at the Elizabeth Fry Center, the women are given random drug tests weekly and are restricted in the amount of time they can spend away from the house. Still, Haffner says, they are encouraged to participate in community programs and activities.

"We try to stay away from doing too many things in-house," she says. "We don't want them to feel labeled. Going to these programs allows them to see that 'Hey, I can blend in just like anyone else in the neighborhood.'"

**Staff and community volunteers offer the women a wide spectrum of services, from counseling in substance abuse to resume writing.**

The importance of such measures is reflected in the women's release data, which indicate that 84 percent stay crime-free after leaving the Center. In addition, their involvement in the community has led to an outpouring of support. Neighbors and local citizens groups have served as volunteers and have offered a variety of donations, helping keep the program cost per offender lower than the price of incarceration.

JUNE 1992 CORRECTIONS TODAY *Linda R. Acorn*

## The Kids Get Pain

**W**hen a mother is sentenced to time behind bars, her children are condemned to serve out her term in the outside world. The barred wire, the armed guards, the mechanized locks and doors, mark the border between their separate worlds.

On the outside, the children are invisible, the chaos in their lives dismissed as an unfortunate side effect of "getting tough on crime." Centerforce, a California non-profit agency, articulates this parallel punishment: "The parent does the crime; the child does the time." In *Why Punish the Children?* the National Council on Crime and Delinquency said "practically nothing" is done for the children of incarcerated mothers.

The rise in female imprisonment, combined with the longer sentences served under mandatory drug sentencing laws, has yielded a population of 125,000 American children under 18 with mothers in prison on any given day. Factoring fathers into the equation, the number of children with incarcerated parents tops 1.5 million. The Center for Children of Incarcerated Parents, in Pasadena, California, estimates that altogether 10 million American children under 18 have had a parent behind bars.

Children of incarcerated mothers suffer disproportionate disruption in their lives. In 1992 about 90 percent of fathers in state prisons reported that their children were living with the children's mothers. Only a quarter of female inmates had similar support from a father. Ten percent of mothers said their children were living in foster homes, children's agencies or institutions. For children of women who are imprisoned more than once, the situation is even worse. Children are shuttled from home to home, relative to relative, institution to institution, returning to their mothers only to be separated again.

Addy, a prisoner at Bedford Hills Correctional Facility in New York, sees her three sons once every eight or nine months. They live only an hour away, but their elderly caregiver finds the trip too difficult to be undertaken with any frequency. Over the course of sporadic visits, Addy has watched her oldest son grow angrier and more distant, resentful of the family responsibilities he has had to assume in his mother's absence. "He's very hurt and very angry with me," she says, her words careful and tightly measured.

Addy's husband died less than a year before she was sent to prison. "I told my son, 'Take care of your brothers.' He said, 'Why should I? They're your kids and I hate you. They're your responsibility, not mine.' I was still hurt when he called and apologized later," Addy remembers. "He said, 'I will be angry with you for a long time until you come home.'"

BEVERLY GAGE

*Beverly Gage, a former Nation intern, is a reporter for the New Haven Advocate.*

February 20, 1995

The Nation.

TUESDAY, MAY 2, 1995.

**NORTH VILLAGE CORPORATION****WITNESSES****BRETT RULE**  
**WALTER A. BRYs**

Mr. TAYLOR. We have the North Village Corporation, Brett Rule.

Mr. RULE. Mr. Chairman, my name is Brett Rule with the North Village Corporation. And a senior partner with our firm, Mr. Walter Brys, will be giving the testimony this afternoon.

Mr. BRYs. Mr. Chairman and Members of the Subcommittee, thank you for affording North Village Corporation the opportunity to share with you some of our observations and insights on the subject before you today.

North Village Corporation is a correctional facility development company, and I am joined, as Mr. Rule has indicated, with him here today. Together, we have been involved in the design and development of approximately 10,400 criminal justice detention beds. With the exception of two midsized boot camp facilities, all of North Village Corporation's major projects have been developed in major urban locations.

Since the 1980s, the public policy debate on the pros and cons of contracting out government services has grown and grown, and that has especially been the case among State, county and municipal governments in the area of jail and prison management. As has been the result in Texas, which has been quite progressive in this regard, we believe that the Federal Government and the Bureau of Prisons could reap similar substantial cost savings if the BOP adopted a more coherent, flexible and all-encompassing approach to utilizing what the private sector can provide with the ultimate goal being to not waste taxpayer dollars.

When privatization is discussed in the context of detention debate, it is the actual management of prisons or jails that first comes to mind given the number of private sector companies that have sprung up that do just that. However, we believe that the Federal Government could save millions if the BOP simply refined and consolidated its procurement procedures or just turnkey facility development alone. This could include land acquisition, design/engineering, construction and furnishings.

Jails, detention centers and prisons are a unique and specialized form of development which should be handled by firms that have proven ability to intelligently design and construct these types of facilities.

North Village does not operate detention facilities. Rather, we only develop and build them on a turnkey basis. Government management and oversight of projects cannot be quarreled with, yet it has been our experience that government micromanagement of projects is a driving factor of inflating the cost of the project to the taxpayer.

For instance, on the last contract North Village Corporation won and completed in Houston, Texas, a 667-bed State jail, the request for proposal totaled only three pages. I would, Mr. Chairman, like to submit a copy of that for the record, if I could.

**Mr. TAYLOR.** Without objection.

**Mr. BRYE.** Thank you.

[The information follows:]

COPY

JUDICIAL DISTRICT COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT  
BID COVER SHEETREP- STATE JAIL FACILITYRETURN NO  
LATER THAN 1:00 P.M. November 22, 1993BIDS RECEIVED LATER THAN THE DATE AND TIME STAMPED ABOVE WILL  
NOT BE CONSIDEREDJudicial District Community Supervision and Corrections Department is  
requesting Request For Proposal - FOR : STATE JAIL FACILITY

FUND: \_\_\_\_\_

ORGANIZATION/PROGRAM: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_

VENDOR NOTE IIPLEASE READ ALL INSTRUCTIONS, REQUIREMENTS AND  
SPECIFICATIONS CAREFULLY !

Fill Out All Forms Completely in Ink or Typewritten:

All proposals must be submitted no later than November 22, 1993, 1:00 P.M.

Company Name: \_\_\_\_\_

TOTAL AMOUNT OF BID: \$ \_\_\_\_\_

Please submit all bids in duplicate to:Judicial District Community Supervision and Corrections Department  
Fiscal Services Section  
49 San Jacinto, Room 624  
Houston, Texas 77002

For additional information, contact: Karen Finlay at (713) 229-2458

The Harris County Community Justice Council requests eligible entities to submit Proposals for Council consideration for the implementation of Mode Two State Jail Facilities. Proposals must be for a turn-key 667 bed (or greater) facility including site, design, construction, equipment and furnishings with a target date for occupancy of October 1, 1994. Proposals will be reviewed by the Council at its scheduled meeting on November 30, 1993. The Council will review the proposals to select the most appropriate and cost effective for inclusion in the Harris County Community Justice Plan and consideration by the Texas Department of Criminal Justice for funding and implementation.

Proposals should be organized as follows:

- I. Cover Page
- II. Description of Facilities to be Constructed
- III. Site Requirements/Utility Infrastructure
- IV. Administration of Program
- V. Implementation Strategies
- VI. Benefits to the Community
- VII. Description of Incentives
- VIII. Letters of Support

I. Cover Page

The cover page must identify the submitting entity, Project Manager (if any), Contractor (if any) and any other parties involved in development of the proposed facility.

II. Description of Facility to be Constructed

The 73rd Legislature created a new class of offenders, state jail felons. This new class of offenders will be sentenced to community supervision for a period of two to five years, and as a condition of supervision, be confined in a state jail facility for up to two years.

A prototype design will be used for the construction of a 667 bed medium security unit. Specifications for the physical plant may be found in the proposed state jail standards currently published in the Texas Register for public review and comment. Copy attached.

The 667 bed prototype is intended to be a single story structure, requiring approximately 49 acres. Entities offering a proposal should indicate limitations of proposed site, in the event they cannot meet acreage requirements or elect to construct a multi-story facility. A description of the alternative plan must be identified at the time of submission.

### III. Site Requirements/Description of Site:

This section should provide a detailed description of the site. Applicants must include the following:

#### Identification of the property

- Acreage
- Location
- Current Ownership
- If property to be donated: Name of donor
- If property to be purchased: Estimated purchase price
- Availability of suitable utilities must be specified

### IV. Administration of Program

If proposal includes operation of the proposed facility, the following must be specified:

- A.) Identification of Program Administrator
- B.) Proposed organizational chart
- C.) Staffing patterns (including salary and benefit costs)
- D.) Proposed compliance with facility/program standards. **MUST INCLUDE LIST OF ANY WAIVERS OF STANDARDS REQUIRED**
- E.) Program description
- F.) Identification of service providers, if applicable, for both security and program components.

### V. Implementation Strategies

This section should provide timelines for step-by-step implementation of the program, including construction schedule (must include target dates). Required public hearings and proposed sites and dates must be included.

### VI. Benefits to the Community

A brief description of the benefits gained through the implementation of the state jail facility in the proposed location and configuration.

### VII. Description of and Incentives Offered:

Community estimates of value of incentives should be detailed, inclusive of land values.

### VII. Letters of Support

Applicants should attach copies of letters of support from local interested parties.

Mr. BRYs. As incredible as that may seem to anyone in the Federal Government or the Bureau of Prisons, by taking this tack of only a three-page RFP, the State's correction officials were able to consider and review a number of proposals that they may never have thought of themselves—new sites, new designs, unique construction techniques, streamlined project schedules, just to mention a few. Granted, what was not included in the RFP was the State Jail Standards for Texas, but they are the basis for all of the proposed designs—a building code for prisons.

Gentlemen, let me give you an idea of the services that companies such as North Village or any other qualified private sector development company could provide for the Bureau of Prisons if they decided to tap that resource:

Site analysis and acquisition. It will identify a suitable site for a new facility and perform the required tests to ensure the site is free of environmental contamination.

Secondly, it will go out and seek the community's support to be sure that public hearings are conducted and that the community can support a prison in their community.

The project design. The architectural team of North Village will provide a comprehensive design for the new facilities tailored to meet all of the users' needs.

Turnkey construction. We will tap local qualified construction companies and suppliers. They are used so that the economic benefits of the development of the facility are retained by the community. Included in turnkey are all of the furnishings required for the facility to operate.

We can also offer private sector financing and ownership options if, in fact, financing is required.

Guaranteed construction schedule. If the time needed to construct the facility exceeds the contracted schedule, North Village is assessed a monetary penalty each day that it runs over schedule.

And then, finally, a guaranteed price. There are no cost overruns at a North Village project. In keeping with the fundamental goal of privatization, North Village will guarantee the turnkey price of each facility before the facility is contracted for.

Clearly, as both a businessman and a taxpayer, it is troubling, Mr. Chairman, that the BOP is currently working on and shall build in Houston a \$50 million, 250,000 square foot, 677-bed urban high-rise facility under its Metropolitan Detention Center program at a time—at the very same time when North Village Corporation is now finishing a 2,000-bed, 240,000 square foot jail in Dallas that will cost only \$38.8 million. The facility in Dallas will house 1,323 more inmates than the planned BOP center.

I might add that the Bureau will scoff at the example as an apples and oranges comparison, which it is not. Their facility will have been in the works for about six to seven years before it comes on line. The total turnkey schedule for the Dallas facility I mentioned that we are doing is 15 months.

In recent months, North Village has also evaluated and prepared a number of items that affect some of the typical differences a private turnkey development has versus BOP experience.

Mr. TAYLOR. I would like to hear the balance of your statement. If we could be in recess about 3 minutes to allow me to vote, I

would like to come back rather than rush you. So we will be in recess for about 3 minutes.

[Recess.]

Mr. TAYLOR. We will come back to order. If you would just continue with your statement.

Mr. BRYs. Thank you, Mr. Chairman. I will continue.

In recent months, North Village Corporation has been evaluating and preparing items that most affect the wide differences in typical total project costs for a North Village response to an advertised Request for Proposal for a turnkey prison or jail versus the BOP experience for similar requirements. The major items affecting the BOP's substantially higher totals were:

One, the BOP facilities were often sized twice that of nationally published and recognized standards for space allocations for inmates. The point being that providing more space than is minimally required for nationally accepted standards and practices is costly and a questionable requirement.

The second point, the BOP's total project schedule was typically represented in terms of years rather than in months, as we would like to cast our project schedules. Also, the schedule was usually not guaranteed up front by anyone, which is atypical to the way we would like to do business and tell you that the schedule that we are signing on the line for is what will be—the performance of the product.

The third item is that the BOP's total project costs were usually subdivided into major cost categories and included a substantial total budget project contingency at the end. This budget was usually not guaranteed up front, and in most cases each major cost category was subject to change and was not guaranteed.

Again, we thank the Subcommittee for allowing us to testify today. And, in closing, North Village Corporation believes that if more Federal projects, even pilot projects in urban locations, were opened up to logical, competitive bidding that the taxpayers could be the beneficiary. It is our belief that the foundation for this argument is well grounded given the Houston example I previously mentioned.

We would be pleased to answer any questions. And if I could, Mr. Chairman, there is another article if I could submit relative to the Houston experience.

Mr. TAYLOR. Without objection, certainly, it will be submitted.

Mr. BRYs. Thank you.

Mr. TAYLOR. Thank you, Mr. Brys.

We appreciate that when the taxpayer is under as much assault as he is and cutting is the word, it is interesting to have your approach here of saving taxpayer money. And I will certainly see if we can recommend to Chairman Rogers and the Committee that they closely look at your statement with the idea of, as we go into this budget and perhaps the next half of the 104th Congress budget, why we can put as much emphasis on privatization as possible in working with our Federal prison Bureau. Thank you very much.

Mr. BRYs. Thank you.

Mr. RULE. Thank you.

[The information follows:]



## **NORTH VILLAGE CORPORATION**

---

**BOTT RULE, PRINCIPAL**  
HOME (713) 668-0218  
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FACSIMILE (713) 668-0218

**WALTER BRYE, PRINCIPAL**  
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MOBILE (713) 290-7676  
FACSIMILE (713) 380-1367

### **STATEMENT OF WALTER A. BRYE** **Principal**

**North Village Corporation**

**Before the**

**Appropriations Subcommittee  
for  
Commerce, Justice, State, the Judiciary  
and Related Agencies  
United States House of Representatives**

**Tuesday, May 2, 1995  
Suite H-309, The Capitol**

**Page 2 of 7.**

**May 2, 1995.**

**Mr. Chairman, Members of the Subcommittee, thank you for affording North Village Corporation the opportunity to share with you some of our observations and insights on the subject before you today. North Village Corporation is a correctional facility development company and I am joined today by my partner, Mr. Rule. Together, we have been involved in the design and development of approximately 10,400 criminal justice detention beds. With the exception of two mid-sized boot camp facilities, all of North Village's major projects have been developed in urban locations.**

**Since the 1980's, the public policy debate on the pros and cons of contracting out government services has grown and grown and that has especially been the case among State, County and Municipal governments in the area of jail and prison management. As has been the result in Texas, which has been quite progressive in this regard, we believe that the Federal government and the Bureau of Prisons could reap similar, substantial cost savings if the BOP adopted a more coherent, flexible and all encompassing approach to utilizing what the private sector can provide.**

**When privatization is discussed in the context of the detention debate, it is the actual management of prisons or jails**

**Page 3 of 7.**

**May 2, 1995.**

**that first comes to mind given the number of private sector companies that have sprung up that do just that. However, we believe that the federal government could save millions if the BOP simply refined and consolidated it's procurement procedures for just turnkey facility development alone; this could include land acquisition, design/engineering, construction and furnishings. Jails, detention centers and prisons are a unique and specialized form of development which should be handled by firms that have the proven ability to intelligently design and construct these types of facilities. North Village does not operate detention facilities, rather we develop and build them on a turn-key basis. Government management and oversight of projects cannot be quarrelled with, yet it has been our experience that government micro-management of projects is a driving factor in inflating the cost of the project to the taxpayer.**

**For instance, on the last contract North Village Corporation won and completed in Houston, a 667-bed State Jail, the RFP (Request For Proposal) totalled only 3 pages. As incredible as that may seem to anyone in the Federal government or at the Bureau of Prisons, by taking this tact the State's corrections officials were able to review and consider creative proposals they may never have thought of themselves...**

**Page 4 of 7.**

**May 2, 1995.**

**new sites, new designs, unique construction techniques, streamlined project schedules, etc.,. Granted, what was not included in that RFP was the State Jail Standards for Texas but they are the basis for all of the proposed designs - a building code for prisons.**

**Gentlemen, let me give you an idea of the services North Village Corporation, or any other qualified private sector development company, could provide for the Bureau of Prisons to tap in future project procurements:**

**o Site Analysis & Acquisition**

**We will identify a suitable site for a new facility and perform the required tests to ensure the site is free from environmental contamination.**

**o Community Support**

**Public hearings will be held to secure local support for the development.**

**o Project Design**

**The architectural team of North Village Corporation will provide a comprehensive design for the new facility tailored to the needs of the user.**

**Page 5 of 7.**

**May 2, 1995.**

o **Turnkey Construction**

Local qualified construction companies and suppliers are used so that the economic benefits of the development are retained by the community. All furnishings required for complete facility operation are provided.

o **Private Sector Financing and Ownership**

North Village Corporation can provide construction financing for the facility under various lease-purchase structures.

o **Guaranteed Construction Schedule**

If the time is needed to construct facility exceeds the contracted schedule, North Village is assessed a monetary penalty for each day of delay.

o **Guaranteed Price**

There are no cost overruns on North Village Projects. In keeping with the fundamental goal of privatization, North Village will guarantee the turnkey price of each facility.

**Page 6 of 7.**

**May 2, 1995.**

Clearly, as both a businessman and taxpayer, it is troubling Mr. Chairman that the BOP shall build in Houston a \$50 million, 250,000 square foot, 677-bed urban high-rise facility, under its' Metropolitan Detention Center program, at a time when North Village Corporation is now finishing a 2000-bed, 240,000 square foot State Jail in the Dallas area that will cost only \$38.8 million (including cost of land acquisition, design, engineering, construction and complete furnishings.) The facility will house 1,323 more inmates than the planned BOP Center. I might add that while the Bureau of Prisons will scoff at the example as an apples to oranges comparison, which it is not, their facility will have been in the works for about 6 to 7 years before it comes on-line. The total turn-key schedule for the 2000-bed Dallas State Jail is 15 months; start to finish.

In recent months, North Village Corporation has been evaluating and comparing items that most affect the wide differences in typical total project costs for a North Village response to an advertised Request For Proposal for a turn-key prison/jail versus BOP experience for similar requirements. The major items affecting the BOP's substantially higher totals were:

- o The BOP facilities were often sized twice that of nationally published and recognized standards.

**Page 7 of 7.**

**May 2, 1995.**

- o The BOP's total project schedule was typically represented in terms of years, rather than months. Also, the schedule was usually not guaranteed up front.**
- o The BOP's total project costs were subdivided into major cost categories and included a substantial total budget project contingency. The project budget was usually not guaranteed up front.**

**Again, we thank the Subcommittee for allowing us to testify today.**

**North Village Corporation believes that if more Federal projects, even pilot projects in urban locations, were opened up to logical competitive bidding that the taxpayer would be the beneficiary. It is our belief that the foundation for this argument is well grounded given the Houston example previously mentioned.**

**We would be pleased to answer any questions you may have.**

4:30 p.m.

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## Weather

Most likely.  
Cloudy, chance of rain.  
High 70, low 50.  
Details, page A-26.

# The Houston Post

Houston owned, Texas printed



50 Cents

WEDNESDAY, March 15, 1995

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★★★ FINAL EDITION

## Site for new federal jail moved away from school

By ROSALIND JACKLER  
POST WASHINGTON BUREAU

WASHINGTON — A proposed high-rise federal jail criticized as too costly and too close to a Catholic school will be built at a more acceptable site in downtown Houston.

The Federal Bureau of Prisons chose the northeast block of San Jacinto and Capitol, five blocks from the Incarnate Word Academy, U.S. Rep. Bill Archer announced Tuesday.

"I am pleased to see that the ... Federal Bureau of Prisons has selected a location which is acceptable to many in the Houston community," Archer said.

The Houston Republican said other locations previously considered "would have posed a serious threat because of their close proximity to the church and school."

Officials at the 121-year-old Catholic girls' school

Please see JAIL, A-19

## JAIL: Facility to be built 5 blocks from school

From A-1

and convent at 609 Crawford were pleased with the site decision, but called it a "compromise."

At Christ Church Cathedral — listed on the national registry of historic places and built in 1839, making it the city's oldest place of worship — the building of a federal prison catty-corner from its site is something the dean of the church said he welcomes.

The prison will increase the security of the neighborhood and may eventually lead to increased development, said Walter Taylor.

Although the location dilemma has been resolved, Archer said he plans to watch the \$50 million price tag.

"It remains a concern that we want to keep tabs on," said Archer aide Don Carmon. "We're glad the location decision is behind us, but that was only one concern."

The formal picking of the site enables the Federal Bureau of Prisons to begin the bidding process to purchase the site — currently a parking lot owned by Texaco — and to construct the 10-story high-security detention center.

The Houston engineering firm of SD/International is the "apparent winner" of the design contract, pending negotiations on the contract cost, said prisons bureau spokesman Bill Ruchbold.

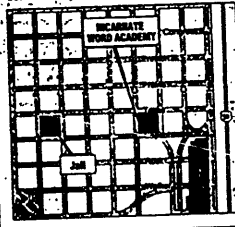
The new detention center, which will house inmates awaiting trial, sentencing or appearances before the federal courts in Houston, is scheduled to open in 1998.

Choosing a location had been the only controversy about the federal detention center until last month, when Carol Vance, then-chairman of the Texas Board of Criminal Justice, wrote Archer with questions about the cost.

Wade Hook, assistant director for the federal prison bureau, since then has said the cost will be \$50 million instead of the original estimate of \$40

### FEDERAL JAIL SITE

Federal officials have decided to build a new jail at Capitol and San Jacinto, Incarnate Word Academy was opposed to another proposed site, but has no objections to the one chosen Tuesday.



The Houston Post

million.

In addition, the 500-cell facility is slated to house 677 inmates, although with double-bunking it may hold 1,015, he said.

Those estimates bring the cost to \$49,000 per bed, still far more than the maximum \$32,000 per-bed Texas spends to build state prisons.

"I'm certainly pleased they've gotten it from something outrageous into the ballpark," Vance, the original critic, said about the revised projections. "But we could do it considerably cheaper in Texas."

Post staff writer Steve Oatis  
Houston contributed to this report.



# Archer takes aim at proposal to build pricey federal prison

## Says cost estimates out of line for facility

BY ROSALIND JACKLER  
POST WASHINGTON BUREAU

WASHINGTON — The cost may be fine for a posh hotel, but a powerful Houston congressman is now challenging the federal prison bureau to justify the price of a new jail planned for his hometown.



**ARCHER:  
Expensive**

The Federal Bureau of Prisons was nearly ready to sign the go-ahead papers to buy land and start the bidding process when U.S. Rep. Bill Archer last week began to question the cost estimates.

After getting some explanation, the chairman of the House Ways and Means Committee zipped off a letter Friday asking for more answers because the jail "will cost at least twice what a similar state facility might cost."

Bolstering his case is Carol Vance, a former longtime Harris County district attorney and now chairman of the Texas Board of Criminal Justice, which oversees state prisons and jails.

Vance believes the cost difference is too great.

U.S. prison officials contend comparing the planned federal detention center with a nearby state jail that opened earlier this month is like comparing apples and oranges.

"Even though it is comparing apples and oranges, the oranges

shouldn't cost that much," Vance said.

"I do not see how you can possibly spend that much per bed," he said. "I don't know what the Ritz-Carlton Hotel ... cost per bed to build, but it's probably close."

Vance struck Archer's budget-conscious nerve by pointing out to his old friend the \$80 million estimated cost for the 500-bed federal jail amounts to \$120,000 per bed.

In contrast, Texas has some 50 prisons under construction ranging from \$18,000 to \$35,000 per bed for even maximum security facilities, he said.

Federal prison officials now say the new jail estimate is "only \$50 million" with 667 beds, although the bureau's final environmental impact statement issued in December said 500 beds.

The revised numbers lower the cost to \$75,000 per bed.

"We could build the Cadillac of all Cadillacs for \$40,000 a bed," Vance said.

Federal prison officials said the new maximum security high-rise will be on par with facilities in New York and Miami that house the World Trade Center terrorists during their trial, and former Panama dictator Manuel Noriega while awaiting his.

In a letter to Archer last week, Vance said the newly opened state jail on Top Street in the northeast corner of downtown Houston has the same number of beds as the planned federal jail at one-sixth the cost.

Vance agreed the federal facility will, justifiably, cost more to build, "but not that much more, is my whole point."

To compare the "apples and oranges," both the Top Street jail and the federal jail will house 667 inmates. Both will meet the same building and fire codes, as well as jail construction stan-

dards. And both have to pay laborers the prevailing wages in Harris County.

Top Street, however, is much smaller for the same number of beds — a four-story building with about 60,000 square feet on roughly a half-block, compared with the federal jail's 250,000-300,000 square feet on a full downtown block.

The state jail also lacks a kitchen and medical unit by piggy-backing those services from the county jail across the street — a way to save money, Vance said.

But he incorporated the costs for those missing services when projecting the price differential to Archer. Even throwing in an extra \$1 million for land and another \$1 million for architectural fees would bring down the original price to \$115,000 per bed instead of \$120,000, Vance said.

While federal prison officials point out the differences of the two facilities to account for the cost, the builders of the Top Street jail look at their other state detention center under construction in downtown Dallas.

That 10-story, medium security building has 240,000 square feet — closer to the federal jail plan — and will hold a whopping 2,000 beds, all for less than \$39 million.

Morgan Reynolds, a Texas A&M University crime economics professor, said a jail usually costs less than \$50,000 a bed. But he cautioned that if a building costs a certain amount in the private sector, you can double it for the federal government.

Charles Thomas, another criminology specialist at the University of Florida in Gainesville, laughed when he heard the original \$60 million price.

"Well, that's federal money for you," he said. "That's somewhere on the wrong side of bizarre."

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# The Houston Post

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THURSDAY, February 23, 1995

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## Price tag on new Houston federal jail shocks ex-DA

By ROSALIND JACKLER  
POST WASHINGTON BUREAU

WASHINGTON — Carol Vance, who made a career of putting crooks behind bars, says the federal government must be planning to use gold-plated ones for its new 500-bed jail in downtown Houston.

The chairman of the Texas Board of Criminal Justice, which oversees state prisons, said the \$60 million estimate for a federal detention center is six times more than the same-sized state jail that opened earlier this month in Houston.

Vance, who served as Harris County district attorney in the

1970s, was shocked at the estimated price tag, so he wrote his congressman, House Ways and Means Committee Chairman Bill Archer of Houston.

In the letter, obtained by The Houston Post, Vance wrote: "If Texas spent even \$10,000,000 to build such a facility, I think I would be hung in effigy by the

Texas House, the Senate, and by my new boss Governor Bush."

Vance said the federal jail amounts to \$120,000 per bed, while Texas has 50 prisons under construction ranging from \$18,000 to \$35,000 per bed for maximum security facilities.

"We watch a dollar like a

Please see JAIL, A-17

## JAIL: Price tag shocks ex-Harris County DA

From A-1

hawk," Vance wrote. "I pay huge amounts — to me at least — to the federal government so they can either go first class, when second class makes more sense, or else just engage in gargantuan waste."

Archer's staff was surprised at the cost comparison when Vance's letter arrived Wednesday.

"It's a clear example of the reality that when the federal government is involved, the costs are much higher," said Archer aide Don Carlson.

Neither Vance nor Archer disputes the need for a federal jail in Houston. As Vance wrote: "It may be the Federal standards are unrealistic and need Congressional action. I don't know. But, I

know you, and you and I think alike on basic issues, including Federal waste."

A spokesman for the Federal Bureau of Prisons said the multi-story jail is estimated to cost between \$50 million and \$60 million, emphasizing the figures are only an estimate.

"The process of bidding hasn't been done. It could be considerably cheaper than that. It does happen," said prisons spokesman Bill Bechtold.

The downtown federal jail, which has been in the works for several years, so far has been controversial only because of its location and not the cost.

Federal officials had been considering a location one block from Incarnate Word Academy, a 121-year-old Catholic girls school at 609 Crawford. After ob-

jections were raised by the school, as well as Archer and Rep. Sheila Jackson Lee, D-Houston, another site seems to be the front-runner.

The bureau's environmental impact statement lists a preferred location cater-cornered to Christ Church Cathedral that is bounded by Texas, Capitol, Caroline and San Jacinto.

An alternate site, if the preferred one is unavailable, would be two blocks from Incarnate Word.

The federal jail will be a short-term detention facility for individuals awaiting trial or sentencing or having other business before the federal courts. The average stay would be 120-180 days.

The new jail would have 225 full-time employees.

TUESDAY, MAY 2, 1995.

**CONSORTIUM OF SOCIAL SCIENCE ASSOCIATIONS****WITNESS****CHARLES WELLFORD**

Mr. TAYLOR. Our next witness is Charles Wellford, the Consortium on Social Science Associations. Mr. Wellford.

Mr. WELLFORD. Thank you, Mr. Chairman.

Mr. TAYLOR. Glad to have you with us.

Mr. WELLFORD. Thank you.

Mr. Chairman, I am Charles Wellford, Professor and Chair of the Department of Criminology at the University of Maryland and President-Elect of the American Society of Criminology.

As you indicated, I am here today testifying on behalf of the Consortium of Social Sciences Association, or COSSA, an advocacy organization for the social and behavioral sciences supported by over 90 academic societies, professional associations, research institutes and universities. For your reference, I have attached a list of COSSA Members to the written testimony which we submitted to the Subcommittee.

The premise of the presentation today is that a strong research and development effort is needed to effectively reduce levels of crime. Therefore, we urge the Subcommittee to support the Administration's fiscal year 1996 budget request for the research and statistics programs of the Office of Justice Programs in the Department of Justice and, if possible, increase each by an additional 15 percent. The specific agencies of which I speak are the National Institute of Justice, the Bureau of Justice Statistics and the Office of Juvenile Justice and Delinquency Prevention.

As you know, the issue of crime dominates our public agenda like never before. Fear and frustration continue to rise, State and local enforcement officials are searching for new strategies and resources to fight crime, and Congress is debating sweeping packages of anti-crime legislation. Sadly lacking in all of this is a well-funded research and development program to aid the efforts to take back America's streets.

Currently, crime and criminal justice research receives only 7 cents of every \$100 of Federal research and development funding. According to a 1993 National Academy of Sciences study, the expenditures on violence research total \$31 per year of potential life lost in contrast to \$441 for heart/lung/blood research, \$697 for AIDS and \$794 for cancer.

The limited funding that has been provided in the past to these agencies has already produced substantial results. For example, in the area of career criminals, research has been extremely significant in unraveling the demographics of crime and their effects on crime rates and crime patterns. Research on sentencing alternatives, those that punish but do not incarcerate, has given policymakers insights into the impacts that such programs would have on the size and composition of prison populations. Studies of boot camps, of gangs, of drugs and crime, of family violence, of sentencing and community policing have all been conducted and conducted well with very positive results by these agencies.

As policymakers at the State and local and Federal levels confront issues of crime and violence, NIJ, in particular, aspires to assist these efforts by supporting research and evaluation. The National Institute of Justice has developed an ambitious, long-range plan to shape its future research agenda around six goals designed to advance our understanding and response to violence and drug-related crime.

These goals have been warmly embraced by a broad range of researchers and, most importantly, practitioners, but NIJ lacks the resources to effectively pursue these goals. NIJ currently is able to fund only approximately one in five quality grant applications, denying policymakers and law enforcement officials knowledge that could be used to enhance public safety. While we can cite these successes, there are vast areas of research that need to be done and require further funding.

The Bureau of Justice Statistics is the statistical arm of the Department of Justice. While it produces over 50 reports a year, there is substantial statistical analyses and data systems that law enforcement agencies around the country have demanded and called for which we document in our written testimony.

Finally, OJJDP, while primarily focusing on formula grants, training and technical assistance, does contain a research component that works closely with NIJ to examine issues such as the detention of juvenile offenders, the juvenile justice system's response to sex offenders and the effects of delays in juvenile treatment and sanctions.

The critical issues targeted by NIJ's visionary long-range plan cannot be adequately addressed with the current appropriation, nor can the mandates of BJS and OJJDP for producing and disseminating crime-related information be realized. In an era of scarce resources, we urge you to meet the funding request of the administration and, if possible, to increase that funding to provide policymakers and criminal justice officials with the information and knowledge they need to address the crime problem.

We would be glad to answer any questions now or in writing later and appreciate the opportunity to appear before you.

Mr. TAYLOR. Thank you, Mr. Wellford. We appreciate you making the presentation, and we will be in touch with you.

Mr. WELLFORD. Thank you.

[The information follows:]

## CONSORTIUM OF SOCIAL SCIENCE ASSOCIATIONS

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Testimony of

Charles Wellford, Ph.D.  
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Department of Criminology and Criminal Justice  
University of Maryland, College Park

President-Elect  
American Society of Criminology

on behalf of the

Consortium of Social Science Associations  
(COSSA)

on the

Fiscal Year 1996 Appropriations

National Institute of Justice  
Bureau of Justice Statistics  
Office of Juvenile Justice and Delinquency Prevention

Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives

Honorable Harold Rogers, Chairman

May 2, 1995

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01-005 511

American Anthropological Association • American Economic Association • American Historical Association • American Political Science Association  
American Psychological Association • American Society of Criminology • American Sociological Association • American Statistical Association  
Association of American Geographers • Association of American Law Schools • Law and Society Association • Linguistic Society of America

Mr. Chairman and Members of the Subcommittee:

My name is Dr. Charles Wellford, Professor and Chair of the Department of Criminology and Criminal Justice at the University of Maryland, College Park and President-Elect of the American Society of Criminology. I am testifying today on behalf of the Consortium of Social Science Associations (COSSA), an advocacy organization for the social and behavioral sciences supported by over 90 academic societies, professional associations, research institutes and universities. For your reference, I have attached a list of COSSA members.

As a strong research and development effort is needed to effectively wage war on crime, I urge the Subcommittee to support the Administration's Fiscal Year 1996 budget request for the research and statistics programs of the Department of Justice's Office of Justice Programs (OJP), and if possible to increase each by an additional 15 percent. The agencies I speak of are the National Institute of Justice (NIJ), the Bureau of Justice Statistics (BJS), and the Office of Juvenile Justice and Delinquency Prevention (OJJDP).

The issue of crime dominates our public agenda like never before. Fear and frustration continue to rise, state and local law enforcement officials are clamoring for new strategies and resources to fight crime, and Congress is debating a sweeping package of anti-crime legislation. Sadly lacking in all of this is a well-funded research and development effort to aid the efforts to take back America's streets. In a recent speech, Indianapolis Mayor Stephen Goldsmith, a Republican and self-described critic of government, lauded NIJ's research and evaluation programs, saying that they help find ways to maximize the return on the investment of tax dollars in the criminal justice system. Given the public outcry for fiscal responsibility, NIJ research is more important than ever, he said. According to Hubert Williams, President of the Police Foundation and former Director of Police in Newark, New Jersey, cities and police departments need help as they move toward community-oriented methods of policing. Williams, who has praised the impact of previous federally supported studies on police strategies, has spoken of the need for research on how communities can most effectively use new police officers.

Crime and criminal justice research receives only seven cents of every \$100 of federal research and development funding. According to the National Academy of Science's 1993 study, *Understanding and Preventing Violence*, "as a research topic, violence receives far less support than certain other threats to life." The report said that expenditures on violence research total \$31 per year of potential life lost, in contrast to \$441 for heart/lung/blood, \$697 for AIDS, and \$794 for cancer. The Academy did not include in this comparison the external social costs of violence such as deterioration of quality of life, loss of legitimate economic activity, and the negative effects of chronic

exposure to violence on child health, education, and social development. The study noted certain research areas that have been given few resources where a small-scale investment could bring rapid and sizable progress: the effects of weapon type on death rates in assaults and robberies; interactions among demographic and situational risk factors for violence events; comparisons of how individuals' potential for violent behavior develop in ethnically and socioeconomically diverse areas; and factors causing sexual violence.

The Office of Justice Programs can trace its roots back to the 1967 report of the President's Commission on Law Enforcement and Administration of Justice. The report recommended, among other things, the creation of a federal research and development program to address the nation's crime problems. It was anticipated that this federal effort would someday achieve a success similar to that of the National Institutes of Health.

Research has made strong contributions to our crime and criminal justice policies. According to a RAND Corporation analysis of NIJ's efforts, "their research has helped shape the way criminal justice policymakers and practitioners think about issues, how they identify problems that need attention, which alternatives they consider for dealing with their problems, and their sense of what can be accomplished."

In the area of career criminals, research has been extremely significant in unraveling the demographics of crime and their effects on crime rates and crime patterns. Research on sentencing alternatives, those that punish but do not incarcerate, has given policymakers insights into the impacts such programs would have on the size and composition of prison populations, in addition to examining the public safety impact of changes in parole and probation policies. Social science research in areas of juvenile justice has examined issues relating to the root causes of juvenile delinquency and has also addressed recidivism, prevention, and intervention. Evaluation studies of controversial programs such as boot camps for youth offenders or alternative interventions with spouse abuse have provided invaluable knowledge. Federally-supported research has examined drugs, gangs, family violence, patterns of victimization, sentencing, and community policing, all in efforts to better inform criminal justice practitioners and policymakers.

#### National Institute of Justice

NIJ has developed an ambitious, long-range plan to shape its future research agenda around six goals designed to advance our understanding and response to violence and drug-related crime:

◆ **Reduce violent crimes and their consequences.** Areas of support include studies of

offenders and offenses, violent situations, firearms violence, responses to violent offenders, and violence against women.

♦ **Reduce drug-and alcohol-related crime.** Areas of support include substance abuse and criminal behavior, substance abusing offenders and the criminal justice system, prevention, treatment and aftercare, drug use forecasting, and drug enforcement.

♦ **Reduce the consequence of crime for individuals, households, organizations, and communities.** Areas of support include assessing victim needs, criminal justice response to victims, victimization patterns, impact of crime on business, and impact of crime on service delivery.

♦ **Develop household, school, business, workplace, and community crime prevention programs.** Areas of support include high-risk youths, prevention partnerships, location-specific prevention programs, crimes and offender behavior, and crimes by and related to illegal aliens.

♦ **Improve the effectiveness of law enforcement, criminal justice, correctional, and service systems' responses to offenses, offending, and victimization.** Areas of support include law enforcement strategies, prosecution, defense, and adjudication, and community and institutional corrections.

♦ **Develop, promote, and use criminal justice research, evaluation, and technology.** Areas of support include forensic sciences, less-than-lethal technology, science and technology, and drug testing.

These goals have been warmly embraced by a broad range of researchers and practitioners, but lack the resources to be effective. NIJ is currently able to only fund approximately one in five quality grant applications, denying policymakers and law enforcement officials knowledge that could be used to ensure public safety. While my testimony focuses largely on the important contributions of crime research, I am troubled by what, for a lack of investment, we do not know in areas such as crime prevention, violence reduction, and the impact of family and school on causes of delinquency. If the six goals were given strong financial and political backing, perhaps they could take on the galvanizing impact that the formulation of the six education goals has had on our nation's commitment to reforming America's schools.

As policymakers at the local, state, and federal levels confront issues of crime and violence, NIJ aspires to assist these efforts by supporting research and evaluation. An NIJ-sponsored project by a colleague of mine at the University of Maryland, Lawrence Sherman, developed new strategies to better enforce existing gun laws in Kansas City and



Indianapolis. Profiled in a November 20, 1994 *New York Times* article, Sherman's work on directed police patrols significantly reduced guns crimes and increased the seizures of illegally carried guns. In this and other cases, NIJ helps broker partnerships between researchers and law enforcement officials. NIJ has developed an award-winning dissemination plan to bring the findings of research to policymakers in a timely and succinct manner.

My own NIJ-sponsored research has addressed the issue of carjacking. We are documenting how police are responding to this type of crime and what types of strategies appear to be working.

Closer to home, Mr. Chairman, a 1994 NIJ grant to researchers at Eastern Kentucky University helped implement a policing strategy in Lexington, Kentucky that seeks to reduce the impact of mental health emergencies upon the community, police, and health and social service agencies. It also aims to enhance the research, problem solving, and evaluation capacities of the police in that city.

NIJ recognizes the importance of maintaining a strong infrastructure within universities and criminal justice agencies as part of an expanded research and development effort. Criminal justice is the fastest growing area of study in the United States. In 1965 there were two or three doctoral programs in criminology or criminal justice; today there are 18 doctoral programs, 157 masters programs, and between 600 and 1,000 college level educational programs, spreading throughout every state of the union. With this in mind, NIJ seeks to undertake a broad range of research and technical assistance programs with universities and law enforcement agencies. These include visiting fellowships at NIJ, post-doctoral opportunities, NIJ-backed partnerships between universities and local police departments, an Historically Black Colleges and Universities Fellowship Program, and a young scholars research opportunity. Mr. Chairman, I urge the subcommittee to link the critical need to fight crime with this burgeoning field of study by strongly supporting NIJ fellowships.

#### Bureau of Justice Statistics

The Bureau of Justice Statistics is the statistical arm of the U.S. Department of Justice. It is authorized by law to collect, analyze, publish, and disseminate statistics on crime, victims of crime, criminal offenders, and operations of justice system agencies and components at all levels of government. The National Crime Victimization Survey (NCVS), BJS' largest single data collection, offers insight into the nature of crime, its consequences, the relationship between victim and offender, and the willingness to report crimes to the police. BJS also maintains a wide array of statistical programs in the areas

of law enforcement, adjudication, and corrections, and supports criminal justice statistics capabilities in thirty-eight states.

As part of the National Criminal History Improvement Program, the grant program developed by the Brady Law, BJS is collecting data in all 50 states on firearms. BJS has developed a statistical program for intentional injuries requiring emergency room care to better measure crimes against youth. Another new initiative at BJS is the creation of a database of leading indicators to help officials anticipate and respond to emerging trends in crime. Each year BJS produces over fifty reports providing important measurements of crime and justice. Still, resources do not allow it to address the many statistical needs of our justice system. Without increased funding for BJS, we will continue to fail to provide the comprehensive data policymakers and practitioners need to meet their many challenges. COSSA urges the Subcommittee to provide adequate resources for BJS to formulate effective crime strategies at the federal, state, and local levels.

#### Office of Juvenile Justice and Delinquency Prevention

The Office of Juvenile Justice and Delinquency Prevention primarily focuses on formula grants and training and technical assistance programs, but also contains a research and analysis component that addresses important issues worthy of the Subcommittee's strong support. OJJDP collaborates with NIJ to examine such issues as the detention of juvenile offenders, the juvenile justice system's response to juvenile sex offenders, and the effects of delays in juvenile treatment and sanctions. OJJDP funds a National Youth Gang Clearinghouse and a National Juvenile Court Data Archive, both of which collect, analyze, and disseminate essential information to both researchers and practitioners. COSSA urges the Subcommittee to endorse the Administration's budget request for OJJDP.

The critical issues targeted by NIJ's visionary long-range plan cannot be adequately addressed with NIJ's current appropriation, nor can the mandates of BJS and OJJDP for producing and disseminating crime-related information be realized under current funding levels. In an era of scarce resources, if we are committed to providing policymakers and law enforcement officials with the tools needed to make our streets safe and our criminal justice system fair and effective, we must devote more resources to a strong research and development program in the Department of Justice.

Thank you for the opportunity to share our views.

# CONSORTIUM OF SOCIAL SCIENCE ASSOCIATIONS

## MEMBERS

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Society for the Scientific Study of Sexuality  
Sociologists for Women in Society  
Southern Sociological Society  
Southwestern Social Science Association  
Speech Communication Association

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University of Washington  
University of Wisconsin, Madison  
University of Wisconsin, Milwaukee  
Yale University

TUESDAY, MAY 2, 1995.

**ALLIANCE FOR INTERNATIONAL EDUCATIONAL AND CULTURAL EXCHANGES****WITNESS****ROGER ANDERSON**

Mr. TAYLOR. Next is the Alliance for International Educational and Cultural Exchanges, Roger Anderson and your associate.

Mr. ANDERSON. Thank you, Mr. Chairman. With me today is Michael McCarry, the Executive Director of the Alliance.

Mr. Chairman, I appreciate the opportunity to testify today before the Subcommittee in support of the education and cultural exchange programs of the United States Information Agency.

I am Roger Anderson, Chairman of the Department of Russian and East European Studies at the University of Kentucky. I also serve on the board of the Council for the International Exchange of Scholars, CIES, which cooperates with USIA in administering the Fulbright Senior Scholar Program, and I am a member of the American Council of Teachers of Russian, ACTR/ACCELS, one of the NGOs most active in forging new ties between the United States and the former Soviet Union through exchange programs.

Today I represent not only these institutions but also the Alliance for International Educational and Cultural Exchange. The Alliance is a broad coalition representing 65 nonprofit organizations which conduct exchange programs. The Alliance's membership is diverse. Its members include academic, citizen and youth exchange organizations. Some of these organizations receive Federal funding. Many do not. All, however, share the conviction that international exchanges serve our broadest national interests, particularly at a time when we must confront an increasingly unstable and economically competitive world.

The partnership between USIA and the nonprofit exchange community is fundamental to the success of our exchange programs. Federal dollars invested in exchanges leverage much larger contributions in cash and kind from the private sector. A 1984 GAO report estimated that every Federal dollar spent on exchange programs attracts the equivalent of \$12 in private contributions.

The case of the University of Kentucky may be instructive. For four years, we have had a student exchange between the University of Kentucky and Russian universities. In 1993, the University decided to form a Kazakh-American studies center, representing ties between the United States, our University and one of the most important central Asian republics of the former Soviet Union, Kazakhstan.

Our motivation stemmed from the University's long-standing ties to Kazakhstan, including access to many of its educational and administrative leaders and our perception that we could make a positive contribution to that Nation's efforts to simultaneously modernize its economy and fashion a governmental structure that for the first time would reflect basic western values. We also believed that our engagement there would enhance our own research and teaching and provide international ties to our campus and provide new opportunities for our students.

Our program already has had a number of positive outcomes. We have trained and continue to train many future Kazakhstani leaders in business and economics. We provide public administration training to the middle and upper echelons of the Republic's bureaucracy. We have supported exchanges of faculty, students and University administrators and strengthened our own curriculum with new courses on this critically important but often neglected part of the world.

Our accomplishments reflect the public/private partnership to which I have already referred. The University has invested significant amounts of its own resources in advancing the objectives of the Kazakh-American Studies Center. We have raised funds from foundations, NGOs and the private sector and Kazakh government.

And, critically, we have received limited but very well-targeted support from USIA for particular pieces of this effort. These range from training and public administration to founding an American studies center in Kazakhstan's capital, Alma-Ata, to further the distribution and the enforcement of American traditional values of free enterprise and political pluralism in Kazakhstan.

As the foregoing indicates, USIA's relatively modest support has extended dramatically the reach and impact of our efforts. That support also has allowed the University of Kentucky to become a serious player in promoting our country's long-term interests in fostering democracies, market economies and productive, peaceful relations with the former Soviet republics.

By keeping American scholars and universities on the international cutting edge, exchanges support our \$6.8 billion educational trade surplus generated by the 450,000 students who reside in the United States. Using Department of Commerce calculations, that surplus translates into 136,000 American jobs spread throughout the country in every kind of academic institution. And these include small liberal arts colleges, community colleges, regional schools and training schools for specific professions.

I would emphasize that these are not restricted to any one locale in the United States or only to a small number of elite American universities.

Mr. Chairman, we in the exchange community are grateful for the opportunity to present our views to the subcommittee. As my testimony suggests, we strongly believe that exchanges serve our paramount national interests. Even in this difficult time, we ask you to be particularly mindful that continued vigorous Federal leadership is necessary, both to maximize the benefits of exchange programs and to continue to leverage the significant private sector contributions generated by Federal funds.

I do appreciate your attention today.

Mr. TAYLOR. Well, thank you. I appreciate your presentation.

I note Chairman Rogers would be sorry that he missed this presentation. If it weren't for his emergency at home he certainly would have been here.

Thank you very much for your presentation.

[The information follows:]

**Statement of**

**DR. ROGER ANDERSON**

**Chairman**

**Department of Russian and East European Studies, University of Kentucky**

**Director**

**Kazakh - American Studies Center, University of Kentucky**

**on behalf of the**

**Alliance for International Educational and Cultural Exchange**

**before the**

**House of Representatives Appropriations Subcommittee  
on Commerce, Justice, State, and the Judiciary, and Related Agencies**

**Tuesday, May 2, 1995**

Mr. Chairman, I appreciate the opportunity to testify today before the subcommittee in support of the educational and cultural exchange programs of the United States Information Agency. I am Roger Anderson, chairman of the Department of Russian and East European Studies at the University of Kentucky. I also serve on the board of the Council for the International Exchange of Scholars (CIES), which cooperates with USIA in administering the Fulbright senior scholar program, and I am a member of the American Council of Teachers of Russian (ACTR/ACCELS), one of the NGOs most active in forging new ties between the United States and the former Soviet Union through exchange programs.

Today I represent not only these institutions, but also the Alliance for International Educational and Cultural Exchange. The Alliance is a broad coalition representing 65 nonprofit organizations which conduct exchange programs. The Alliance's membership is diverse. Its members include academic, citizen, and youth exchange organizations. Some of these organizations receive federal funding. Many do not. All, however, share the conviction that international exchanges serve our broadest national interests, particularly at a time when we must confront an increasingly unstable and economically competitive world.

The Alliance and its membership recognize the need for fiscal restraint in the face of the federal budget deficit. We believe, however, that the limited funding provided for exchange programs by the federal government is extremely cost-effective. The public-private partnership which animates exchange programs -- and which is embodied in the relationships between Alliance members and USIA -- offers a compelling model of effective privatization. We hope, therefore, that the Subcommittee will recommend that USIA's exchange programs be funded at the highest possible level, and that any reductions from FY95 levels be minimized. We also encourage you and your colleagues to provide adequate support for the full range of USIA's public diplomacy activities.

The partnership between USIA and the nonprofit exchange community is fundamental to the success of our exchange programs. Federal dollars invested in exchanges leverage much larger contributions in cash and kind from the private sector. A 1984 GAO report estimated that every federal dollar spent on exchange attracts the equivalent of 12 dollars in private contributions.

Those contributions take various forms, but in many ways the most important and compelling is the participation of literally thousands of volunteers in communities all across the U.S. These volunteers -- in universities, high schools, local governments, and civic organizations of all kinds -- participate in exchanges because exchanges enrich their lives. These programs strengthen our economy by generating trade opportunities, enhance our educational system at all levels, and by allowing such broad citizen participation, democratize our nation's foreign affairs.

A vigorous federal leadership role is critical to maintaining the many positive outcomes of this partnership. Through its program priorities, the federal government sets the policy agenda for the exchange community. By tangibly asserting the importance of certain countries, for example, federal funding serves as both a multiplier and a magnet. In the case of the former Soviet Union, an area of the world that consumes most of my own time, clearly stated official policy, backed with appropriate funding, mobilized enormous private sector resources in support of critical long-term American policy interests. Without that clear assertion of U.S. policy, the market place

alone would not have generated nearly the level of support or the impact that combined public/private efforts have produced.

The case of the University of Kentucky may be instructive. In 1993, the University decided to form a Kazakh-American Studies Center. Our motivation stemmed from the University's long-standing ties to Kazakhstan, including access to many of its educational and administrative leaders, and our perception that we could make a positive contribution to that nation's efforts to simultaneously modernize its economy and fashion a governmental structure that for the first time could reflect Western values. We also believed that our engagement there would enhance our own research and teaching, and provide new opportunities for our students.

Our program already has had a number of positive outcomes. We have trained and continue to train many future Kazakhstani leaders in business and economics. We provide public administration training to the middle and upper echelons of the Republic's bureaucracy. We have supported exchanges of faculty, students, and administrators, and strengthened our own curriculum with new courses on this critically important but often neglected part of the world.

Our accomplishments reflect the public/private partnership to which I have already referred. The University has invested significant amounts of its own resources in advancing the objectives of the Kazakh-American Studies Center. We have raised funds from foundations, NGOs, and the Kazakh government. And, critically, we have received limited but well-targeted support from USIA for particular pieces of this effort. USIA funds have supported student exchanges that would have been beyond the reach of virtually all Kazakhstani and many American students. We also received a competitively awarded USIA university affiliations grant that requires considerable investment of our own resources. The grant will allow us, over a three-year period, to forge a linkage with the Kazakh National Academy of Management to acquaint future Kazakhstani business leaders with the principles of Western market economies within the context of American cultural traditions of public policy formulation and pluralism.

As the foregoing indicates, USIA's relatively modest support has extended dramatically the reach and impact of our efforts. That support also has allowed the University of Kentucky to become a serious player in promoting our country's long-term interests in fostering democracies, market economies, and productive, peaceful relations with the former Soviet republics.

Others in Kentucky have had similar experiences. The city of Louisville, for example, has generated important economic opportunities for small and medium sized businesses through its Sister City relationships, also supported by USIA. Louisville firms are engaged in trade with companies in Argentina, Russia, France, Germany, and Ecuador, all direct results of Sister City connections. We estimate that cultural exchange programs, which significantly improve our quality of life, bring some 2000 visitors annually to Kentucky.

Exchange programs typically support U.S. policy interests in this way. In marking Senator Fulbright's death, Germany's *Frankfurter Rundschau* wrote that the Fulbright program "probably promoted German-American relations more than all political consultations put together." Surely it is not entirely coincidental that the recent prosperity and positive political change in East Asia



and Latin America -- developments of enormous benefit to the United States -- coincide with the coming to power of a generation of political and technocratic leaders deeply influenced by their personal experience in the U.S., often as high school or university students.

Over the years, 144 current and former chiefs of state have visited America as USIA International Visitors. This group includes the current leaders of Italy, Greece, Bulgaria, Australia, Thailand, and South Korea, among others. Former South African President F.W. deKlerk credits his International Visitor experience with providing his initial vision of a racially just society.

In addition to supporting our international political interests, exchange programs offer direct and long-term benefits for the U.S. economy. Nearly all the money spent on exchanges is either spent in the U.S. or spent on American citizens. The private sector organizations which administer the Fulbright program, for example, calculate that on the average, every congressional district in the U.S. receives \$200,000 in revenue annually related to the Fulbright program.

Perhaps more important in the long run, the American scholars, students, and professionals who return home each year from an exchange experience do so much better prepared to engage the world. They return with deeper understanding of foreign cultures, languages, and ways of doing business, and better able to serve their own interests and those of the U.S. as we confront an increasingly competitive global marketplace. The challenges and opportunities presented by GATT, NAFTA, and APEC require that we increase the availability of such opportunities for Americans. To cite but one disquieting comparison: the Japanese have roughly 42,000 students enrolled in American universities; we have fewer than 2,000 students in Japan.

By keeping American scholars and universities on the international cutting edge, exchanges support our \$6.8 billion educational "trade surplus" generated by the 450,000 foreign students in the U.S. Using Department of Commerce calculations, that surplus translates into 136,000 American jobs, spread throughout the country. These students, and the jobs they bring, are not concentrated solely at elite research universities. Foreign students are spread throughout the country in every kind of academic institution: small liberal arts colleges, community colleges, regional schools, and training schools for specific professions.

Mr. Chairman, we in the exchange community are grateful for the opportunity to present our views to the Subcommittee. As my testimony suggests, we believe strongly that exchanges serve our paramount national interests. Even in this difficult time, we ask you to be particularly mindful that continued vigorous federal leadership is necessary, both to maximize the benefits of exchange programs and to continue to leverage the significant private sector contributions generated by federal funds.

For our part, the Alliance and its members renew their commitment to continue its partnership with USIA and other federal agencies to promote our country's long-term interests through exchange programs.

TUESDAY, MAY 2, 1995.

**COALITION FOR JUVENILE JUSTICE****WITNESS****ALLISON FLEMING, NATIONAL CHAIR**

Mr. TAYLOR. We have the Coalition for Juvenile Justice now, Allison Fleming. Glad to have you with us.

Ms. FLEMING. Thank you. It is an honor. Mr. Taylor, thank you for letting us be here. I am Allison Fleming, and I am Chair of the Coalition of Juvenile Justice, a volunteer from Des Moines, Iowa. I am a wife, I am a mother, and I am a volunteer. I tutor high school students in algebra, geometry, trigonometry, and calculus, but today I am here to talk about the Juvenile Justice and Delinquency Prevention Act, which is a block grant which is working.

The coalition is charged under Section 241(f) of the Act to advise Congress and the President with regard to State perspectives on Federal legislation pertaining to juvenile justice and delinquency prevention. That is why I am here. I will begin by giving you a couple of examples of programs funded.

Mr. Taylor, in Graham County, North Carolina, that is a mountainous county and they have few resources for children and families, in the Home Outreach through Preschool Education or HOPE program founded through the Graham County schools at risk, four-year-olds can attend a quality preschool program while the Home Outreach component teaches parenting skills, problem solving techniques, and employment skills.

In the three years this program has been in existence, not one of the at-risk children involved in the program is considered disruptive by the school system and not a single family member, neither parents nor siblings of the families involved in the program, have been involved with the court system. This program was so successful that after two years of Federal seed money, the Graham County School picked up the entire budget.

Another program in St. Louis, Missouri, a juvenile restitution program that began with \$23,000 of juvenile justice block grant funds collected over \$71,000 in restitution for victims in just one year. In my State of Iowa in Davenport, a neighborhood where we had a program funded with this money, juvenile delinquency went down 62 percent in the neighborhood while it went up 17 percent in the rest of the city of Davenport. These are programs that are working.

Where do these come from? Over 20 years ago under a Republican President, with strong bipartisan support Congress, provided an effective vehicle for programs such as the ones I have talked to you about to achieve congressional directives at improving the juvenile justice system while allowing State and local communities determine their community needs for their problems. Congress provides direction and funding, the States through the State advisory groups provide leadership and local solutions.

Our State advisory groups are appointed by our governors and made up of judges, law enforcement, juvenile court personnel, youth volunteers, and school personnel. These are people that know

policies, systems and programming at the State level. They also develop a three-year plan of the juvenile justice needs in their States.

They develop strategies to accomplish directives set forth by Congress and to address the local needs of serious and violent offenders in delinquency prevention. They have built partnerships to impact the youth of today and they award the funds. This is consistent with Congress' emphasis for a reduced role for the Federal Government. They are also very efficient and the money received for fiscal year 1995, 96 percent of it went directly to States and issue-oriented programs or support services. The money gets to the Dav-enport, Iowas.

As a member of over 1,000 strong SAG, we ask that Congress continue to fund the Federal and State partnership addressing public safety and youth violence. As an SAG member and on behalf of all the SAG members, I ask that you fund at the fiscal year 1995 level the Juvenile Justice and Delinquency Prevention Act for fiscal year 1996.

Thank you, and I would be happy to answer questions.

Mr. TAYLOR. Thank you. Most of the questions the committee might have may be submitted in writing to you before markup time. We appreciate your volunteer efforts and appreciate your being here today for this presentation.

[The information follows:]

Presented to the

**Subcommittee on Commerce, Justice, State,  
the Judiciary and Related Agencies**

of the

**COMMITTEE ON APPROPRIATIONS  
U.S. House of Representatives**

on behalf of the

**COALITION FOR JUVENILE JUSTICE**

*the national coalition of State Juvenile Justice Advisory Groups*

**Allison Fleming, CJJ National Chair**

May 2, 1995

Mr. Chairman and distinguished Members of the Subcommittee, I appreciate the opportunity to testify before you today.

I am Allison Fleming and I am the Chair of the Coalition for Juvenile Justice. I am a wife, a mother and a volunteer. I also tutor high school students in algebra, geometry, trigonometry and calculus. Today I am here to speak about a federal block grant that is already working. Specifically, I am addressing the Juvenile Justice and Delinquency Prevention Act (JJDP Act). The Coalition is charged under Section 241(f) of the Act with advising Congress and the President *"...with regard to state perspectives on... Federal legislation pertaining to juvenile justice and delinquency prevention."* Let me begin by giving you several examples of local programs funded through the Act:

In south central Los Angeles, a program was funded that served 149 serious and violent offenders aged 13-17. The target population in this area is approximately 99% African American and Latino.

- ✓ 97 % of the participants returned to and/or remained in school during the program period.
- ✓ not one has been suspended or expelled.
- ✓ 96% remained out of the juvenile justice system.

What made the difference? Individual family and group counseling, community service restitution, parenting education, peer counseling training and mentoring.

Graham County, North Carolina is a mountainous county with few resources for children and families. In the Home Outreach through Preschool Education (HOPE) program in the Graham County schools "at-risk" four year olds attend a quality

preschool program while a home outreach component teaches parenting skills, problem solving techniques and employment skills. In the 3 years the program has been in existence:

- ✓ not one of the "at-risk" children involved in the program is considered disruptive by the school system.
- ✓ not a single family member (neither parents nor siblings) of the families involved with the program has been involved with the court system.

In Harrison County, Monongalia County and Wood County, West Virginia JJDP Act funds are being used to hire program coordinators for Court Appointed Special Advocate (CASA) projects. They train and coordinate volunteer advocates for children involved in court cases because of child abuse, neglect or child sexual abuse. In the City of Clarksburg, West Virginia a juvenile police officer was hired for a juvenile restitution/community service project.

In St. Louis, Missouri a juvenile restitution program initiated with \$23,000 of the JJDP block grant funds collected over \$71,000 in restitution for victims in one year.

In Colorado, the Arvada, Wheat Ridge and Lakewood Police Departments, and the Jefferson County Sheriff's Department are served by a JJDP funded project that provides a resource for law enforcement for the holding and screening of status offenders. Crisis intervention is provided and long-term service needs are met by appropriate referrals. Parent responsibility training is also included. With the family therapy, the program boasts a success rate of uniting more than 70% of the youth with their families.

In Suffolk County, New York a program was developed with JJDP Act block grant funds for juvenile arsonists and hyperaggressive offenders. It included intensive supervision and therapeutic intervention services. During a three year period, 204 youth out of the original 234 participants successfully completed the program. \$89,100 was spent to save over \$5,000,000 by diverting these youth from placement.

Realizing that status offenders (*youth who commit offenses that would not be a crime if committed by an adult, ie., truancy, possession of alcohol, curfew violations, etc.*) should not be placed in locked facilities with more serious or violent offenders, Ohio has used much of its JJDP Act funds for alternatives for these juveniles. This helps to ensure that secure beds are available for the more violent offenders.

Tucson, Arizona had a similar problem with status offenders. Here the community identified the need and developed a solution: the Center for Juvenile Alternatives at Our Town Family Center. JJDP Act funding was received and law enforcement has made 48 referrals in the first month of operation. The City of Tucson is proud, not only of its new service but also of its ability to work together to solve the problem.

In a Davenport, Iowa neighborhood, juvenile delinquency went down 62% while it increased 17% in the rest of the city. This tremendous drop was the result of a JJDP Act program that included neighborhood empowerment, parenting classes, truancy programs, tutoring, mentoring and community policing.

Where do all these successful programs come from? Since its adoption over twenty years ago under a Republican president with strong bipartisan support, the

Juvenile Justice and Delinquency Prevention Act has provided an effective vehicle to achieve Congressional directives aimed at improving the juvenile justice system. Congress provides direction and funding to the states. The states, through their State Advisory Groups (SAGs), provide leadership and local solutions to local problems. State Advisory Group members are professionals (judges, law enforcement, school personnel, etc.) and volunteers in the juvenile justice field appointed by their governor. SAG members know policy, systems & programming at the state level. The SAGs represent rural and urban, theoretician and practitioner, youth and adult, professional and volunteer.

The SAGs develop a 3-year plan for the juvenile justice needs of their state. This comprehensive plan allows individual states to develop strategies to accomplish Congressional requirements while also addressing such local needs as serious and violent offenders and delinquency prevention. The SAGs build those partnerships necessary to impact the problems of today's young people. They then award the federal funds to locally developed programs that address local needs in the area of youth crime and delinquency. This is consistent with Congress' emphasis on a reduced role for the federal government in developing programs to meet the needs of communities.

An effective federal-state-local partnership exists. The current structure of the SAGs, through the Juvenile Justice and Delinquency Prevention Act, allows federal leadership without federal coercion. The Act incorporates the principles necessary for effective federal support for community-based services: local control, flexibility, coordination and accountability. It empowers states and local governments to find solutions to youth crime and delinquency in their area.



Through planning and implementation, the SAGs provide maximum efficiency and effectiveness in the effort to prevent and control youth crime and improve the administration of juvenile justice. In the JJDP Act's FY95 budget of nearly \$162 million, 96% went directly to the states or to issue-oriented programs and support services. The federal monies get to the "Davenport, Iowa's" of the nation. These monies stimulate addition state, local and charitable support for these programs. Federal dollars are a relatively small but very important factor. The Juvenile Justice and Delinquency Prevention Act is a block grant that is already working.

The over 1000 strong State Advisory Group volunteers across the nation ask that Congress continue the federal-state-local partnership of the JJDP Act for addressing issues of public safety and youth violence. As a SAG member, and on behalf of all of them, I ask that Congress fund the Juvenile Justice and Delinquency Prevention Act at the FY95 level for FY96.

TUESDAY, MAY 2, 1995.

**TRADE ADJUSTMENT ASSISTANCE****WITNESS****DIANNE REED, PRESIDENT, MID-ATLANTIC EMPLOYER'S ASSOCIATION, VALLEY FORGE, PENNSYLVANIA**

Mr. TAYLOR. Trade Adjustment Assistance, Dianne E. Reed.

Ms. REED. Thank you very much, Mr. Taylor. I am Dianne Reed and I am the President of the Mid-Atlantic Employers Association which is an association of manufacturers in a four-State area that includes 1,200 member companies and represents about 250,000 employees.

I am also the sponsor of the Mid-Atlantic Trade Adjustment Assistance Center which implements the Trade Adjustment Act in Pennsylvania, Maryland, Delaware, Virginia, West Virginia, and the District of Columbia. I also represent the 12 national TAACs, the Trade Adjustment Assistance Centers, which are the regional institutions to implement the Act throughout the Nation.

I bring today on behalf of the group as a designated representative their gratitude and thanks to the committee for its steadfast support of this program, which is a benchmark of successful public-private partnerships to help create jobs and to improve economies. The way that you have done this is by assisting companies that have been affected adversely by the yet unresolved results of trade imbalances.

The demand for this kind of service is insatiable. One of the reasons is that private funding mechanisms are not working. Other government programs cannot cover all the bases on this, unlike TAAC which does, and TAAC has on its own is an unsurpassed track record of achievement. Since fiscal year 1990, 500 companies have been assisted by this program. Before they came into the program, their sales on the average were down about 12 percent or \$700 million of economic activity. Their employees were down about 16 percent. And since entering the program, not only have they stabilized, but 62,000 jobs have been added to their base.

Mostly companies in the program are small and mid-sized like the Mid-Atlantic Employer's Association members. An additional reason why this program has been successful is congressional appreciation of the importance of this program to companies in their communities. One reason is the outstanding return on investment.

For every \$975 of Federal money that is put into this program, \$7,200 comes back in the form of State and local taxation. This is a seven to one return on investment before you add in such savings as unemployment, dislocated worker, and welfare, which are burdens that local communities as well as State and Federal government have to otherwise pick up.

One example of why this program has been successful is a stone-ware manufacturer in Kentucky which, on its own, was beset by problems with sources for materials. It was blind-sided by its foreign competition: One, by being undercut on price; two, by design that you couldn't match; and then the ultimate coup de grace was that the foreign competition did not have to subscribe to the lead regulations that the U.S.-produced product was subject to.

They called on Trade Adjustment Assistance which helped them soup to nuts and 100 skilled jobs were saved. Another example is Eagle Glass in Clarksburg, West Virginia where it was the largest employer in a community of 20,000 people. The whole community would have fallen into a distressed situation without Trade Adjustment Assistance. It is efficient and effective.

This money goes directly to companies without a lot of intergovernmental bureaucratic infrastructure being created. This modest investment provides a helping hand not a handout, because companies have to put up part of the cost of this program. The alternatives are far more costly and marginally effective by comparison. One hundred eighty companies are waiting to get into this program now with a backlog of \$10 million at this moment. They are very anxious.

I think a sign of what NAFTA and GATT have done is that the companies that are trying to get into the program are 60 percent bigger than the companies that we were seeing five years ago which I think shows that the impact is penetrating more into the economic and employment base than previously.

The intent of Congress was to continue this program. It is authorized through 1998 and we respectfully request funding at \$13.7 million, which is the present level, although we have a lot of pressure to accommodate at least twice that much in the program.

This concludes my testimony. I would be happy to answer any questions.

Mr. TAYLOR. Thank you. I appreciate your presentation. At a time when we are at a record high trade deficit, certainly what you are saying here today is important. We appreciate your presentation. Questions will be submitted from the committee if they have them at a later time.

Thank you very much.

[The information follows:]

**TESTIMONY OF**  
**DIANNE E. REED, Ph.D**  
**TO THE**  
**UNITED STATES HOUSE OF REPRESENTATIVES**  
**COMMITTEE ON APPROPRIATIONS**  
**SUBCOMMITTEE ON COMMERCE, JUSTICE,**  
**STATE, THE JUDICIARY AND**  
**RELATED AGENCIES**

**MAY 2, 1995**

Good afternoon, Mr. Chairman. My name is Dianne Reed. I am the President of the Mid-Atlantic Employer's Association (MEA) located in Valley Forge, Pennsylvania. MEA is a full service regional association that represents over 1,200 manufacturing and service firms located in four states employing over 284,000 people.

You may recall from my previous testimony before this Subcommittee that MEA is the sponsoring agency for the Mid-Atlantic Trade Adjustment Assistance Center (MATAAC). The MATAAC is required to implement the Trade Adjustment Assistance program for

**manufacturing firms on behalf of the United States Department of Commerce in the five state region of Delaware, Maryland, Pennsylvania, Virginia, West Virginia and the District of Columbia.**

**I am providing this testimony as a designated representative of the twelve organizations that sponsor Trade Adjustment Assistance centers around the nation. On behalf of the TAA sponsors, I extend gratitude and thanks to you and the members of this committee who have so steadfastly supported TAA in the past.**

**I am pleased to be able to report to you today that your support of the TAA program continues to be a benchmark for measuring the success of public/private relationships that foster economic improvement, create jobs, and assist companies impacted by yet unresolved trade imbalances. Thanks to the decision of Congress to fund the TAA program in the Fiscal Year 1995 budget, the program has experienced continuity. We also continue to experience the insatiable demand of the small to medium-sized manufacturers in this country who increasingly look to TAA for assistance when other private funding sources and government programs simply do not**

address their needs.

Since FY '90, TAA has assisted 488 manufacturers nationwide. The results of using federal funds and company funds in combination to provide technical and management assistance to these firms have been tremendous. These companies had experienced employment losses of over sixteen percent (16%) because of the impact of foreign competition. Losses in sales were over \$713 million or about twelve percent (12%).

With TAA, those same firms have retained and created over 62,000 jobs and increased company sales by millions of dollars. The companies have remained in operation in their communities, they have hired and employed more people, and they have significantly increased direct and indirect contributions into their local economies. In fact, conservative FY '94 estimates suggest that the federal dollars you have appropriated to TAA have translated into an investment of only \$978 per job, while the resulting annual federal and state tax revenues from each of those jobs is over \$7,200. This means that for each federal dollar invested in TAA, the federal and

state revenue return is 742% on investment. By funding TAA, Congress has created more federal and state revenue by generating corporate and personal taxes, while saving money through the reduction of need for federal unemployment compensation, job retraining, and the like. TAA has contributed to reducing the deficit, not increasing it.

In real terms, your funding decisions have assisted countless workers, their families, and their communities. TAA has assisted areas like Kentucky where a stoneware manufacturer was faced with having to cease operations because its sole source of raw materials was closing down and other sources were incompatible to its manufacturing process. Foreign competition was placing the firm at an unfair competitive disadvantage in both price and design. Federal regulations on lead content in stoneware are applicable to American manufacturers, but not to products produced overseas. These issues and others would have left its 100 skilled employees and craftspeople without employment, had TAA not been available. In West Virginia, long established businesses like Eagle Convex Glass Company have

been literally brought out of bankruptcy with existing jobs maintained and new jobs created. This success has assured that an entire community's economy will survive. The closure of this rural community's sole employer due to foreign competition based on unequal trade practices and imbalances would have been devastating were it not for the assistance provided by TAA. Additionally, these jobs are manufacturing jobs, rather than service or retail jobs, thus providing a greater multiplier effect on the economy in these communities.

TAA provides a remarkable return on your investment, and this underscores the federal government's recognition that if we assist companies to survive and compete with some modest investment, we will save and create jobs. We also avoid the more costly approaches of providing unemployment compensation, dislocated worker retraining and benefits, and other types of welfare programming that can be debilitating to the individual workers and the community as a whole. In a confusing and complicated world, your decision to pursue such a policy to save a company before jobs are lost, rather than spending millions to repair the damage once jobs have been eliminated, makes



**reasonable, practical and simple sense. In short, this program works wonders!**

**Finally, there continue to be clear signs that TAA is necessary in our manufacturing sector now more than ever. First, a serious backlog in providing implementation assistance exists because of funding constraints. Over 180 firms that are certified to receive TAA still await funding to implement the changes necessary to compete in a global economy. With this backlog of close to \$10 million, we are concerned that some firms may not have the opportunity to compete successfully in the international marketplace.**

**Secondly, increasingly larger firms are seeking TAA. The average employment of firms in the program in FY '95 is over 60% higher than for those firms that were in the program in FY '91. The complexity of these larger firms requires higher levels of assistance which creates greater funding demands.**

**Of course, demand for TAA has increased significantly, thus requiring stricter criterion for firm eligibility. Companies are learning**

more about TAA's remarkable success, and are seeking our limited resources in larger numbers. As a result, available TAA resources are being conservatively, but effectively, allocated. Because TAA assists import impacted industries, and given the implications of the devaluation of the peso, increased Mexican imports and the recent implementation of NAFTA and GATT, manufacturers are realizing the value of TAA. TAA is the only program for firms that mitigates the injury being caused to individual manufacturers. To abandon TAA now would only help to precipitate the prophecies of disaster originally predicted by the anti-NAFTA doomsayers.

In closing, the intent of Congress was clear when you reauthorized TAA through September, 1998. This recognition of the impact and success of TAA is premised on further adequate funding. That is why we respectfully request your appropriation of \$13.7 million as a base for continuing TAA. Any less of a commitment will seriously jeopardize the ability of TAA to provide meaningful assistance that saves jobs and re-establishes competitive American manufacturers in the international marketplace.

TUESDAY, MAY 2, 1995.

**NORTHWEST INTERTRIBAL COURT SYSTEM****WITNESS****ELBRIDGE COOCHISE, ADMINISTRATOR/CHIEF JUDGE**

Mr. TAYLOR. Next we have the Northwest Intertribal Court System, Mr. Elbridge Coochise.

Mr. COOCHISE. Thank you, Mr. Chairman. You have my written statement. Basically we are here requesting an additional \$724,754 of which \$36,400 is a one-time purchase of computers for our consortia of 12 tribes who operate tribal courts in the western part of the United States.

We are a circuit system providing judicial services to our member tribes and currently we operate all 12 systems on \$437,000 annually, which doesn't make up—isn't enough to do the service justice. Therefore, we request \$680,000 which breaks down to five or six areas being, first, Associate Judge and Public Defenders, as well as bookkeeping and informal dispute resolution and appellate court functions as well as training for these individuals, and a court clerk in each tribe.

Now we have part-time clerks operating courts at the tribal level, most either a quarter time or they are staff of other units within the tribal structure. Nationally, we are requesting that \$5 million be added by this committee to the Indian Tribal Justice Act. The BIA, under Department of Interior, requested \$5 million and the authorization of Public Law 103-176 was \$58.4 million. So if we can get at least a \$10 million start-up to implement the Act, we move down the road to tribal courts.

One of the things that we are asking: to the Department of Justice under the Tribal Justice Office, \$500,000 to do a comparative analysis of a study of tribal, county, State tribal courts responsibilities and financial resources that are available. Currently in our own system, we are averaging about 26.25 days, judge days per month, and there is only 20 days in a month, so we are short in providing judicial services.

If you look at Attachment 1 to our testimony, it gives you an outline of where our courts are located and Attachment 2 gives you a breakdown of the last 12, 14 years of actual funding for the 254 courts in Indian country. We are up to now \$14 million for all those courts, so we know there are not enough funds to operate all courts.

The next attachment is authorization language under Public Law 103-176. Then the bulk of the testimony is the report that we produce for the appropriations hearings and that is a survey of current tribal courts with 41 of the tribes responding and showing a need that current funding, even with tribal funding we are still short about 64 percent in funding needs.

That is in essence my statement. Our request is for \$724,000 for the enter tribal court system, an additional \$5 million for tribal courts throughout the Nation be added to the Bureau's request.

Mr. TAYLOR. This is for the court system administered intertribal—

Mr. COOCHISE. In western Washington State.

Mr. TAYLOR. Regulations over acts that have passed the tribal councils?

Mr. COOCHISE. Yes.

Mr. TAYLOR. Thank you, Mr. Coochise. We appreciate your presentation. If there are questions, they will be submitted to you in writing. We appreciate your presentation today.

Mr. COOCHISE. Thank you very much.

Mr. TAYLOR. There being no further public witnesses today, this meeting is adjourned.

[The information follows:]



## NORTHWEST INTERTRIBAL COURT SYSTEM

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ELBRIDGE COOCHISE  
Administrator & Chief Judge

**Testimony of Elbridge Coochise,  
Administrator/Chief Judge  
Northwest Intertribal Court System  
Before the  
House Commerce, Justice, State & Judiciary  
Subcommittee Hearing  
on the  
Fiscal Year 1996 Appropriations for Department of Justice**

**May 2, 1995**

The Northwest Intertribal Court System (NICS), a Tribal Court Service Consortium of eleven member Tribes, provides on-reservation judicial and prosecutorial services to the member Tribes and one non-member Tribe. This "circuit" court system provides each Tribe on-reservation Tribal court functions for a limited cost/time share each month. The court, including judges, prosecutors and court staff travel to the Tribes for on-site administration of justice. We request an additional \$724,754 in FY96 for increased staff, salary increases, operations, training, and computer equipment to begin implementation of Tribal Judicial Systems under P.L. 103-176, "The Indian Tribal Justice Act".

In order to improve the efficiency, effectiveness and appropriate mediation of justice for our member Tribes, NICS makes the following request for FY96 appropriations:

1. Increase and earmark \$680,354 for twenty-three new positions, to provide Cost-of-Living Allowances (COLA) to existing staff, for operational expenses and training costs, added to Public Safety and Justice, and for Tribal Court Base Budgets. These salary positions plus 29.463% fringe benefits include:
  - a. A third Associate Judge, two Public Defenders and a Bookkeeper/Secretary and salary increases for COLA (\$190,372);
  - b. Informal Dispute Resolution Capabilities with a Coordinator, two Tribal Coordinators, and a Secretary (\$128,958);
  - c. Appellate Court Service functions with a Law Clerk, Appeals Clerk and Secretary (\$84,510);
  - d. Operations Expense to support additional personnel travel and supplies and augment existing budget limitations (\$28,160);
  - e. Training for professional staff of judges, prosecutors, and defenders (\$30,000); Clerical staff (\$20,000); and twelve Court Clerks at each participating Tribal government site (\$25,716) including computers and telecommunications usage; and,
  - f. Provide for twelve Court Clerks, one at each participating Tribe government site (\$224,640).

2. Increase and earmark of \$36,400 for one-time cost for thirteen Computers/Printers to establish a Computer Network Between the Member Tribes (twelve Computers) and NICS (one Computer): Approximately \$2,800 per unit

### **NATIONAL RECOMMENDATIONS**

PL 103-176, "The Indian Tribal Justice Act" is now law and authorizes \$58.4 million for Tribal Judicial systems. Clearly, this law emphasizes Congressional intent for increased funding support for Tribal court operations. The BIA FY96 Budget request for \$5 million, does not include the authorized amounts, in fact it recommends the elimination of funding in the amount of \$1,463,000 for Special Tribal Courts. We request that the Appropriations Committee supports the Authorization Committees legislative provisions. Our recommendations are based on a past decade historical pattern of minimal support or consideration for Tribal court needs. We request that this Committee appropriate a minimum of \$5 million to add to the amount requested by the BIA, thereby new appropriations of \$10 million for Tribal Courts.

### **3. Nationwide, we urge:**

- \* Increase Tribal Courts by \$58.4 million to improve Tribal Court Operations Added to Tribal Priority Allocations, Public Safety and Justice, Tribal Courts Budget base;
- \* Provide \$500,000 in the Department of Justice, Office of Tribal Justice to support a comparative analysis study of Tribal-County-State funding and responsibilities for law enforcement, courts, social services with emphasis on child welfare and juvenile delinquency with a report due to Congress by March 1, 1996;
- \* Increase Contract Support Funds by \$25 million to address documented need and Direct DOJ to begin process to identify actual need in future budgets; and,
- \* Direct DOJ to accurately assess and support Tribal COLA and begin to provide for inflation adjustments in program budgets according to the Consumer Price Index.

### **Justification for NICS FY96 Appropriations Request**

A Tribal government's capability to deliver fair and impartial justice to its membership is certainly as important as law enforcement to protect individual freedoms and public welfare. As the U.S. Commission on Civil Rights reported in June 1991, Tribal courts basically lack sufficient financial resources to provide good judicial services. It is not the capability and will, but the means to deliver court services, that's the problem. The NICS offers this "circuit system" to provide basic court services, but proposes that with additional support we can represent a cost-efficient model for other Tribes and rural communities. Our justification for each appropriation component is as follows:

### **1. Addition of Twenty-three Staff Positions, Operations and Training**

#### **a. A Third Associate Judge, two Public Defenders, and a Bookkeeper/Secretary, and Salary COLA: \$190,372**

Member Tribes hold Tribal Court two to seven days per month or an average of 3.5 court days per month or approximately 26.25 court days per judge. Given twenty work days available per month, two judges simply can't provide the needed services. A third associate judge would provide the requested service and be available for unexpected court demands, sickness and vacations.

In order to ensure due process for their members, the Tribes have requested that public defenders be available for their individual members even if only in criminal cases where jail is a possibility as part of the sentence. Tribes are concerned that their Tribal Courts offer fair forums and services for their people. Public defenders are needed by the member Tribes in order to have a balanced justice system within their jurisdiction. Due to the circuit type of court system NICS operates, the

extensive travel expenses, multiple Tribal members, multiple personnel/bookkeeping requirements are voluminous requiring staff bookkeeping and secretarial services after hours and weekends to ensure the work is getting done. Therefore, the bookkeeper/secretary position is warranted. The current staff have not received any salary increases, even COLAs since 1992, nor inflation costs adjustments. Current Consumer Price Index (CPI) must be addressed if we are to retain quality staff and maintain services.

**b. Positions for Informal Dispute Resolution (\$126,956)**

The 4 positions are: a coordinator, 2 tribal coordinators and a secretary, plus fringe benefits. Some member tribes in the past have utilized an informal dispute resolution process to handle disputes under our Community Boards project, which had been funded by private foundations. This process follows the traditional process of handling disputes by the Tribes. It is a better process in many areas where jurisdiction, multiple litigants, and other factors would only hamper settling of the dispute in the adversarial process used by the courts. It gives parties more participation in the decision-making process to resolve issues.

**c. Appellate Court Services: (\$84,510)**

We propose to support three positions including a law clerk, appeals clerk, and secretary plus fringe benefits to address court realities created by the BIA financial distribution process. Tribal court clerks generally are part-time, cases sometimes become complex, and Appellate Court funding by the BIA, which is not distributed evenly, creates extensive confusion. The Appellate Court function needs to be stabilized for the establishment of an orderly review process for member Tribes' Courts of Appeal. Courts of Appeal, as anyone outside Indian Country knows, is a standard, a norm in the judicial process. For Indian Country, we're grateful for the Appeals Court luxury.

**d. Operations: (\$28,160)**

An additional amount is needed to support additional staff operational costs, accomplish services to the member Tribes such as travel, rental of GSA vehicle, supplies, and address the chronic shortage in operations costs.

**e. Training: (\$75,716)**

- Professional staff of judges, prosecutors, public defenders, to keep abreast of changes in law, upgrading of knowledge skills, and mandatory CLE training (\$30,000);
- Twelve Tribal Court clerks serving at each Tribal reservation to upgrade their skills in inter-Tribal telecommunications, computer skills, and improvement of services as court clerks (\$25,716); and,
- NICS clerical staff training in computer telecommunications and clerical skills (\$20,000).

**f. Twelve Court Clerk Positions: (\$224,640)**

- For Court Clerks at each member's Tribe location, full time positions.

**2. Equipment: \$36,400 for Thirteen Computers/Printers and Related Telecommunications Equipment**

- Twelve computers for court clerks at each Tribal court to telecommunicate with our administrative operations in Edmonds, Washington to reduce paperwork transfer/handling expense, automate Tribal court record-keeping to reduce costs, and assist individual courts tabulate and report statistics. We're trying to move into the modern world and reduce costs.
- One computer is needed at the Edmonds offices for the judges, prosecutors and office staff. Most of our reporting and record-keeping is now done manually, which is cost-inefficient. Improvement through computers will assist in the overall record-keeping process, improve statistical information analysis, and in the long term, reduce travel and site visits now required.

3. NICS Appropriations Requests and Recommendations: National Level

The Tribal courts, as a third component of Tribal Governments, is the provider of justice needs of the Tribes in their exercise of the powers of Self-Government and the protector of their rights under the Indian Civil Rights Act (ICRA) of 1968, can only be guaranteed by providing adequate resources to carry out those obligations and rights. As an integral part of the exercise of sovereignty and providing justice, the Tribal courts, as are the State, County and Municipal Courts, are the balancing entity charged with assuring that justice is carried out for the Tribe and its people.

Whereas Law Enforcement is charged with the maintenance of Law and Order as the arm of the Executive Branch, the Tribal courts are charged with the judicial functions of interpreting law and providing a fair forum where our people are allowed to assert their views and/or rights which assist Tribal governments in a balanced system of justice.

We reiterate that justice systems cannot effectively operate for Tribal governments without adequate support resources. Comparable Federal, State, County and Municipality Court functions are supported directly by their respective tax base. Tribal governments must rely on Federal support through the BIA to maintain justice for their people. Tribal Courts, of course, must compete with all other BIA priorities in the budget process. Hopefully, through the new Tribal Court authorization legislation, Tribal Courts will be supported adequately. I am sure when future comparisons are made as to resources made available to Tribal Courts versus other judicial systems, it will be quite clear that we are providing judicial services with very limited support.

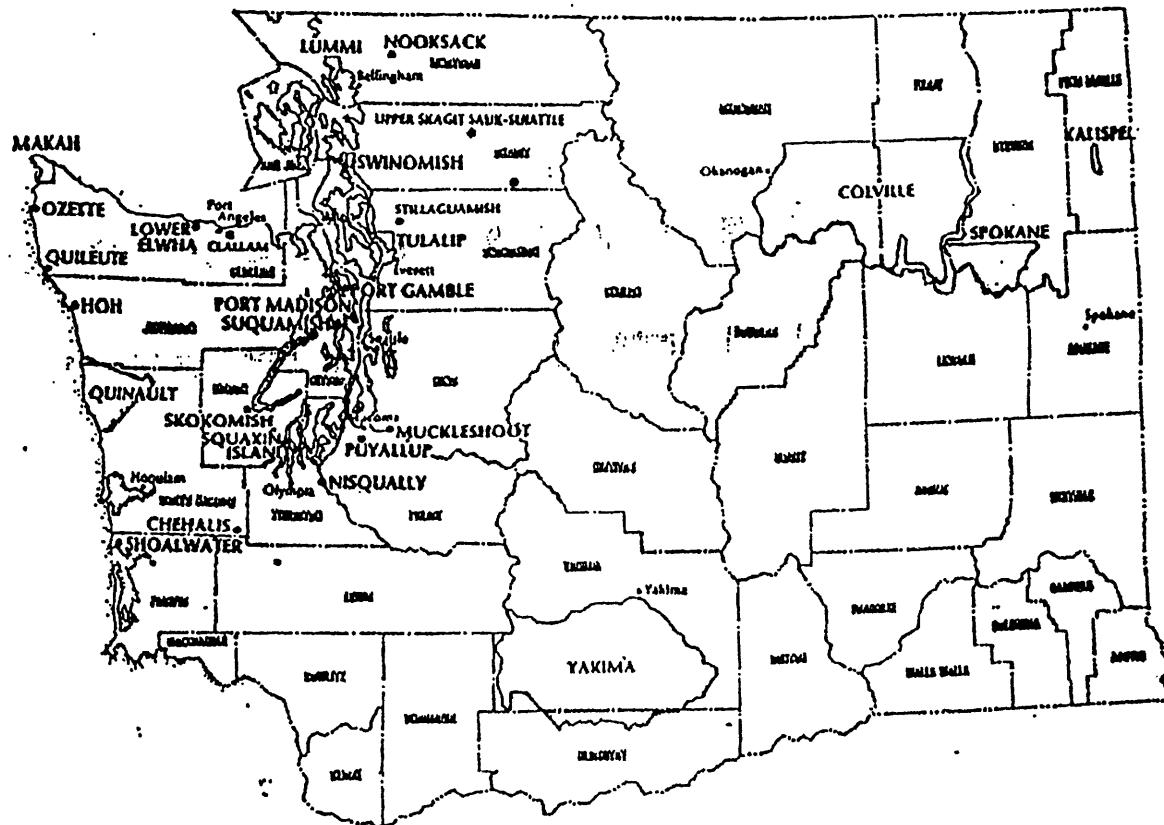
Now that the 103rd Congress has passed the Indian Tribal Justice Act (December 3, 1993), PL 103-176 which authorizes \$58.4 million, we urge this Committee to provide adequate support for Tribal Courts in the FY96 appropriations. The 1991 Report of the U.S. Commission on Civil Rights documents that inadequate financial support is the fundamental problem facing Tribal judicial systems. Our request for \$724,754 will begin the process to enhance our capabilities to provide the quality of judicial services Tribal governments deserve.

I appreciate your consideration of my requests.

- Attachments: (1) Geographical Map of Tribal Location for NICS  
(2) BIA Budget Justification Estimates - Tribal Courts  
(3) P.L. 103-176 Authorization  
(4) National American Indian Court Judges Association (NAICJA)  
Tribal Justice Survey and Summary



1944 1945



**BIA BUDGET JUSTIFICATION ESTIMATES**  
**TRIBAL COURTS**

	<u>SPECIAL TRIBAL</u>	<u>JUDICIAL SERVICE</u>	<u>TRIBAL COURTS</u>
<b>FY96</b>	<b>0</b>		<b>14,274,000</b>
<b>FY95</b>	<b>1,466,000 (restored)</b>		<b>14,150,000</b> <b>(+ \$729,000 from</b> <b>FY94 enacted)</b>
<b>FY94</b>	<b>1,866,000</b>		<b>13,738,000</b> <b>(+ \$788,000 from</b> <b>FY93 enacted)</b>
<b>FY93</b>	<b>1,983,000</b>		<b>13,061,000</b> <b>(-\$99,000 from</b> <b>FY92 enacted)</b>
<b>FY92</b>	<b>2,008,000</b>		<b>10,961,000</b> <b>(-\$954,000 from</b> <b>FY91 enacted)</b>
<b>FY91</b>	<b>1,568,000</b>	<b>660,000</b>	<b>10,643,000</b> <b>(+ \$49,000 from</b> <b>FY90 enacted)</b>
<b>FY90</b>	<b>2,065,000</b>	<b>560,000</b>	<b>9,542,000</b> <b>(-\$102,000 from</b> <b>FY89 enacted)</b>
<b>FY89</b>	<b>2,065,000</b>	<b>139,000</b>	<b>9,650,000</b> <b>(-\$135,000 from</b> <b>FY88 enacted)</b>
<b>FY88</b>	<b>2,391,000 (enacted)</b>	<b>359,000 (enacted)</b>	<b>9,256,000 (enacted)</b>
<b>FY87</b>	<b>1,391,000</b>		<b>9,119,000</b>
<b>FY86</b>	<b>1,029,000</b>		<b>10,598,000</b> <b>(+ \$2,312,000</b> <b>incl. CSF redist.)</b>
<b>FY85</b>	<b>1,029,000</b>		<b>8,286,000 (enacted)</b>

(E) traditional tribal judicial practices, traditional justice systems, and traditional methods of dispute resolution.

## TITLE II—AUTHORIZATIONS OF APPROPRIATIONS

### SEC. 201. TRIBAL JUSTICE SYSTEMS.

25 USC 3621.

(a) OFFICE.—There is authorized to be appropriated to carry out the provisions of sections 101 and 102 of this Act, \$7,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000. None of the funds provided under this subsection may be used for the administrative expenses of the Office.

(b) BASE SUPPORT FUNDING FOR TRIBAL JUSTICE SYSTEMS.—There is authorized to be appropriated to carry out the provisions of section 103 of this Act, \$50,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000.

(c) ADMINISTRATIVE EXPENSES FOR OFFICE.—There is authorized to be appropriated, for the administrative expenses of the Office, \$500,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000.

(d) ADMINISTRATIVE EXPENSES FOR TRIBAL JUDICIAL CONFERENCES.—There is authorized to be appropriated, for the administrative expenses of tribal judicial conferences, \$500,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000.

(e) SURVEY.—For carrying out the survey under section 102, there is authorized to be appropriated, in addition to the amount authorized under subsection (a) of this section, \$400,000.

(f) INDIAN PRIORITY SYSTEM.—Funds appropriated pursuant to the authorizations provided by this section and available for a tribal justice system shall not be subject to the Indian priority system. Nothing in this Act shall preclude a tribal government from supplementing any funds received under this Act with funds received from any other source including the Bureau or any other Federal agency.

(g) ALLOCATION OF FUNDS.—In allocating funds appropriated pursuant to the authorization contained in subsection (a) among the Bureau, Office, tribal governments and Courts of Indian Offenses, the Secretary shall take such actions as may be necessary to ensure that such allocation is carried out in a manner that is fair and equitable to all tribal governments and is proportionate to base support funding under section 103 received by the Bureau, Office, tribal governments, and Courts of Indian Offenses.

(h) NO OFFSET.—No Federal agency shall offset funds made available pursuant to this Act for tribal justice systems against other funds otherwise available for use in connection with tribal justice systems.

## TITLE III—DISCLAIMERS

### SEC. 301. TRIBAL AUTHORITY.

25 USC 3631.

Nothing in this Act shall be construed to—

(1) encroach upon or diminish in any way the inherent sovereign authority of each tribal government to determine the role of the tribal justice system within the tribal government or to enact and enforce tribal laws;

**NAICJA TRIBAL JUSTICE SURVEY  
SUMMARY  
MAY 2, 1995**

**Surveys**

Number of surveys sent to tribal courts	231
Number of surveys received	41 = 18%

**Sample Represented**

<b>NUMBER OF TRIBES REPRESENTED</b>	<b>41</b>
Number of States represented	20
Western States 9, Midwestern States 7, Eastern States 4	
Tribal Courts Represented 37, Traditional courts represented 3, CFR courts represented 1	
<b>Court Size represented</b>	
Small - population 2000 or less	19
Medium - population 2,001 to 13,000	18
Large - population 13,000 and above	4

**Funding (See Chart)**

	Current	Need	Increase Needed
BIA Funding	\$ 5,006,044		
Tribal Funding	\$ 9,631,935		
Tribal Court Funding	\$14,637,979	\$23,952,882	63.6%

**Judges' Salaries**

Weighted average salary for full-time judges \$31,858. Salary range for full-time judges \$18,000 to \$65,000

**Caseload Distribution**

Number of civil cases	\$7,367 (17.1%)
Number of criminal cases	35,717 (82.9%)

**Tribal Justice Systems**

Court of Record	90.0%
Appellate Court/Other Appeal Process	86.8%

**Facilities**

The surveys show the tribes have the following facilities. Most of the facilities are Tribal facilities and do not meet ADA requirements. (See chart)

Law Library	30.0%
Court Facility	83.8%
Separate Court Room	78.9%
Jury Room	76.9%
Adequate Court House	15.8%
Detention Facility	42.1%
Separate Juvenile Facilities	42.5%
Gender Separated Facilities	45.9%

**Traditional or Alternative Programs**

Only 7% of the Tribes have traditional or alternative programs for dispute resolution. Several Tribes requested funds for alternative dispute resolution.

**Training and Technical Assistance**

Most Tribes provide some type of training and technical assistance to their court staff. About 95% of the respondents said they do not have adequate training and technical assistance.

# **National American Indian Court Judges Association**

## **Tribal Justice Survey**

**March 1995**

**Survey Prepared by:  
National American Indian Court Judges Association**

**Analyses and Presentation by:  
Native American Technologies, Incorporated**

**Technical Assistance and Partial Funding by:  
Arrow, Incorporated**

## INTRODUCTION

### Background:

There are 231 American Indian Tribal courts in the United States. These court systems vary in size, structure, jurisdiction, and methods of operation. The National American Indian Court Judges Association (NAICJA) is a professional association that represents the interests of this diverse group.

In December 1993, Congress passed The Indian Tribal Justice Act (P.L. 103-176), which required the Secretary of the Interior to contract with a non-Federal entity to conduct a survey of these court systems. Despite the pressing need for the type of information this survey would provide, it has not yet been conducted.

In the absence of Government action, NAICJA decided to conduct a pilot survey to gather basic information to present at appropriation hearings before Congress in 1995. This report presents the results of that survey.

### The Survey:

The survey instrument was developed under the auspices of Judge Elbridge Coochise, President of NAICJA. ARROW, Inc., a non-profit Indian organization in Washington, DC assisted NAICJA with the East coast and California portion of the survey and provided partial funding for survey distribution and analysis. The survey was sent to all 231 Tribal courts on February 17, 1995. The Tribes were asked to complete and return the survey by March 1, 1995 (two weeks). Despite this tight deadline, over 40 Tribes completed and returned the surveys.

Native American Technologies, Inc. (NATEC) coordinated the return of the surveys, key-entered the survey results, analyzed the data, and summarized the results with charts and graphs. Judge Coochise presented these results to Congress on March 13, 1995.

Although the sample was relatively modest (18%), it represents a solid cross-section of Tribal courts throughout the country. Therefore, we are confident that the results present a meaningful picture of Tribal court profiles. It is hoped that the larger survey required under P.L. 103-176 can be done soon.

**NAICJA TRIBAL JUSTICE SURVEY  
SUMMARY  
March 1, 1995**

**Surveys**

Number of surveys sent to tribal courts 231  
 Number of surveys received 41 = 18%  
 An additional 11 received from tribes without courts.  
 Data tabulated separately.

**Sample Represented**

NUMBER OF TRIBES REPRESENTED	41
Number of states represented	20
Western states	9
Midwestern states	7
Eastern states	4
Tribal courts represented	37
Traditional courts represented	3
CFR courts represented	1
Court size represented	
Small - population 2000 or less	19
Medium - population 2,001 to 13,000	18
Large - population 13,000 and above	4

**Funding (See chart)**

	Current	Need	Increase
BIA Funding	\$5,006,044		
Tribal Funding	<u>\$9,631,935</u>		
Tribal Court Funding	\$14,637,979	\$23,952,882	63.6%

**Judges' Salaries**

Weighted average salary for full-time judges	\$31,858
Salary range for full-time judges	\$18,000 to \$65,000

**Caseload Distribution**

Out of 28 different crimes the following ten have the most cases going before tribal courts. (See chart)

Traffic	41.9%
DUI	8.4%
Assault & Battery	7.9%
Libel	6.1%
Family Relations	5.0%
Juvenile Delinquency	4.0%
Domestic Abuse	2.9%

***Caseload Distribution (Continued)***

NAICJA Survey -- March 1, 1990

Contempt	2.8%
Child Welfare	2.5%
Collection	2.4%
Number of civil cases	7,367 (17.1%)
Number of criminal cases	35,717 (82.9%)

***Tribal Justice Systems***

Court of Record	90.0%
Appellate Court/Other Appeal Process	86.8%

***Facilities***

The surveys show the tribes have the following facilities. Most of the facilities are tribal facilities and do not meet ADA requirements. (See chart)

\*Although most courts have a computer available to them, they do not have software and the technical expertise to use the computer for accounting, case management, or reporting needs. (See chart)

Law Library	30.0%
*Computers	54.5%
Tribal Facilities	78.4%
Contract Facilities	30.8%
Administration Offices	86.8%
Police Station	81.6%
Court Facility	83.8%
Separate Court Room	78.9%
Jury Room	76.9%
Adequate Court House	15.8%
Detention Facility	42.1%
Separate Juvenile Facilities	42.5%
Gender Separated Facilities	45.9%
Facilities Meeting ADA Requirements	22.9%

***Traditional or Alternative Programs***

Only 7% of the tribes have traditional or alternative programs for dispute resolution. Several tribes requested funds for alternative dispute resolution.

***Training and Technical Assistance***

Most tribes provide some type of training and technical assistance to their court staff. About 95% of the respondents said they do not have adequate training and technical assistance.



**NAICJA**  
**Tribal Justice Survey**

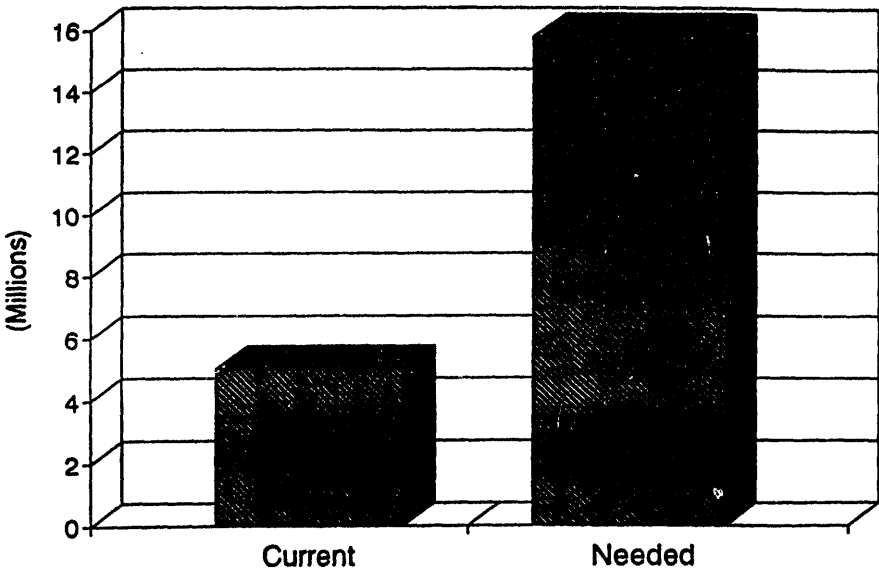
**Respondents By State**

STATE	RESPONDENTS
Arizona	4
California	1
Colorado	1
Idaho	1
Kansas	1
Maine	2
Michigan	2
Minnesota	1
Montana	2
Nebraska	1
Nevada	5
New Mexico	4
New York	2
North Carolina	1
North Dakota	1
Oklahoma	3
South Dakota	1
Washington	5
Wisconsin	2
Wyoming	1

: **NAICJA**  
**Tribal Justice Survey**  
**Budget Requirement—Current and Needed**

<b>Budget Item</b>	<b>Current</b>	<b>Needed</b>	<b>% Increase</b>
Law Library	\$5,069,897	\$6,377,500	25.8%
Judicial Department	6,552,544	9,455,564	44.3%
Public Defender	703,609	1,804,867	156.5%
Prosecutor	1,179,179	2,267,451	92.3%
Juvenile Court	245,600	720,000	193.2%
Adult Court	620,950	1,382,500	122.6%
Probation Office	232,500	1,285,000	452.7%
Alternative Dispute Resolution	33,700	660,000	1858.5%
Subtotal	\$14,637,979	\$23,952,882	63.6%
Police Department	12,656,607	16,891,194	33.5%
Detention	303,850	2,503,400	723.9%
Total	\$27,598,436	\$43,347,476	57.1%
BIA Funding	\$5,006,044	\$15,787,453	215.4%

NAICJA TRIBAL JUSTICE SURVEY  
BIA Funding



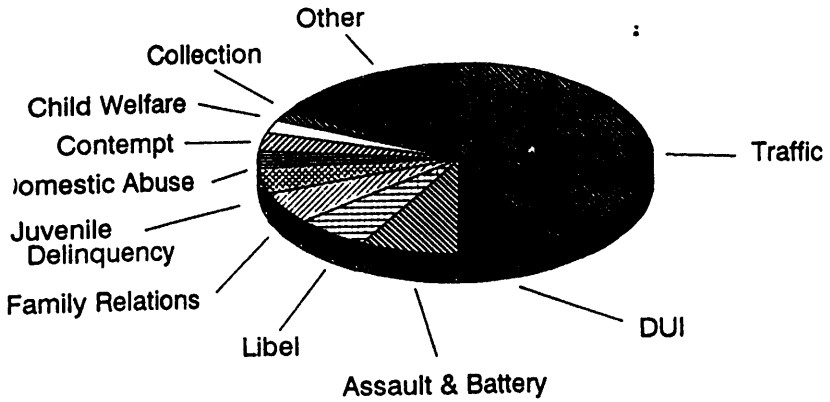
**NAICJA**  
**Tribal Justice Survey**  
**Number of Cases By Type**

<b>Type Case</b>	<b>Number</b>	<b>Percentage</b>
Child Welfare	1,906	2.2%
Arson	8	0.0%
Assault and Battery	6,953	7.9%
Burglary	792	0.9%
Contempt	2,652	3.0%
Forgery	208	0.2%
Fraud	861	1.0%
Homicide	8	0.0%
Juvenile Delinquency	3,676	4.2%
Status Offenders	1,708	1.9%
Extradition	212	0.2%
Child Support	1,296	1.5%
Larceny	319	0.4%
Libel	5,385	6.1%
Manslaughter	2	0.0%
Mayhem	14	0.0%
Slander	30	0.0%
Trespass	803	0.9%
Property Law	1,764	2.0%
Family Relations	4,824	5.5%
Liability Insurance	35	0.0%
Domestic Abuse	2,744	3.1%
Administrative Law	49	0.1%
Collection	1,573	1.8%
Fish and Game	1,147	1.3%
DUI	7,354	8.4%
Other	4,809	5.5%
Traffic	36,836	41.9%
<b>Total</b>	<b>87,968</b>	<b>100.0%</b>

Figures displayed on following pie chart graph.

## NAICJA TRIBAL JUSTICE SURVEY

## Caseload Distribution



**NAICJA TRIBAL JUSTICE SURVEY RESPONDENTS**  
**MARCH 1, 1995**

<i>Navajo Nation</i> <i>Window Rock, AZ 86515</i>	<i>Ely Shoshone Tribe</i> <i>Ely, NV 89301</i>	<i>Sault Ste. Marie Tribe of Chipp</i> <i>Sault Ste. Marie, MI 49783</i>
<i>Shoalwater Bay Tribe</i> <i>Tokeland, WA 98590</i>	<i>Mille Lacs Band of Chipp. Ind.</i> <i>Onamia, MN 56359</i>	<i>Swinomish Indian Tribal Comm.</i> <i>La Conner, WA 98257</i>
<i>Sisseton Wahpeton Sioux Tribe</i> <i>Agency Village, SD 57262</i>	<i>Seneca Nation</i> <i>Salamanca/Irving, NY</i>	<i>Oneida Indian Nation</i> <i>Oneida, NY 13421</i>
<i>Isleta Pueblo</i> <i>Isleta, NM 87022</i>	<i>Fallon Paiute-Shoshone Tribes</i> <i>Fallon, NV 89406</i>	<i>Hoopa Valley Tribe</i> <i>Hoopa, CA 95546</i>
<i>Jemez (Walatowa)</i> <i>Jemez Pueblo, NM 87024</i>	<i>Southern UTE</i> <i>Ignacio, CO 81137</i>	<i>Las Vegas Paiute</i> <i>Las Vegas, NV 89106</i>
<i>Eastern Shoshone &amp; Arapahoe</i> <i>Fort Washakie, WY 82514</i>	<i>Muscogee Creek Nation</i> <i>Okmulgee, OK 74447</i>	<i>Nez Perce</i> <i>Lapwai, ID 83540</i>
<i>Menominee</i> <i>Keshena, WI 54135</i>	<i>Grand Traverse Band of Ottawa</i> <i>Suttons Bay, MI 49682</i>	<i>Taos Pueblo Tribe</i> <i>Taos, NM 87571</i>
<i>Kickapoo Tribe in Kansas</i> <i>Horton, KA 66439</i>	<i>Port Gamble S'Klallam Tribe</i> <i>Kingston, WA 98346</i>	<i>Red Cliff Band of Lake Sup. Chi</i> <i>Bayfield, WI 54814</i>
<i>Pueblo of Acoma</i> <i>Acoma, NM 87054</i>	<i>Assiniboine and Sioux</i> <i>Poplar, MT 59255</i>	<i>Passamaquoddy Tribe</i> <i>Princeton, ME 04668</i>
<i>Chickasaw Nation</i> <i>Ada, OK 74820</i>	<i>Spokane Tribe of Indians</i> <i>Wellpinit, WA 99040</i>	<i>Pyramid Lake Paiute Tribe</i> <i>Nixon, NV 89424</i>
<i>Reno Sparks Indian Colony</i> <i>Wellpinit, NV 89502</i>	<i>Pima-Maricopa Tribes</i> <i>Scottsdale, AZ 85256</i>	<i>Standing Rock Sioux Tribe</i> <i>Ft. Yates, ND 58538</i>
<i>Confederated Salish &amp; Kootenai</i> <i>Pablo, MT 59821</i>	<i>Eastern Band of Cherokee Ind.</i> <i>Cherokee, NC 28719</i>	<i>Cheyenne Arapaho Tribes</i> <i>Concho, OK 73022</i>
<i>Hopi</i> <i>Kykotsmavi, AZ 86039</i>	<i>Penobscot Nation</i> <i>Old Town, ME 04468</i>	<i>Omaha Tribe of Nebraska</i> <i>Macy, NB 68038</i>
<i>Kaibab Band of Paiute Indians</i> <i>Fredonia, AZ 86022</i>	<i>Yakama Indian Nation</i> <i>Toppenish, WA 98948</i>	

THURSDAY, MAY 11, 1995.

**AMERICAN ASSOCIATION OF RETIRED PERSONS**

**WITNESS**

**LENA ARCHULETA, VICE CHAIR, BOARD OF DIRECTORS, AMERICAN ASSOCIATION OF RETIRED PERSONS**

Mr. TAYLOR. The committee will come to order. We are taking testimony from public witnesses now. We are running on a tight schedule and we would like for you to stay within the five minutes. The lights in front of you will be used with the green light coming on at the beginning, the yellow light when you have one minute left and the red light when you are completed, and we appreciate each of you coming. We will begin with our first witness representing the AARP. We are glad to have you with us this morning.

Ms. ARCHULETA. I am Lena Archuleta, Vice Chair of the Board of Directors of the American Association of Retired Persons. We appreciate this opportunity to testify concerning the fiscal year 1996 payment to the Legal Services Corporation. These services are crucial because the high cost of private legal assistance continues to be a major problem for all age groups, including older Americans.

A strong legal services program assures that other State and Federal programs enacted to help poor people are lawfully implemented. We support the Administration's recommended \$440 million payment next year for the corporation. This recommendation is identical to the agency's independent submission to Congress.

The association fully recognizes that providing this funding level may not be possible, given the serious budget deficit. At a minimum, we recommend maintaining the corporation's payment next year at its current appropriation. Programs funded by the corporation are a lifeline for many poor and disabled older Americans who may be threatened with legal emergencies such as eviction or domestic violence.

Older persons often confront substantial legal issues beyond those of the general population due to their unique health, income and social problems. These problems include nursing home abuse as well as obstacles in obtaining public benefits to which they are entitled, such as social security and medicare.

I would like to share from our own files an example of the kinds of legal problems faced by low-income older Americans every day. Mr. M, a permanent resident of the United States, lost his social security retirement benefits because the Administration mistook him for another individual who had been deported. Mr. M had lawfully lived in the United States for 37 years, and became legally entitled to a modest pension, which he began receiving at the age of 62. It is his only source of income.

The agency subsequently terminated these benefits based on a report that someone with a similar name had been deported. Mr. M advised that he was not the deportee, and provided sufficient documentation to sport his claim. For example, he had a different immigration number. He was born in a different place than the individual in question, and had reported earnings in the United States both before and after the alleged date of the deportation. In spite of this, the Social Security Administration denied his appeal.

Mr. M's benefits were subsequently restored thanks to the intervention of legal aid services in his community.

The Administration's budget request is intended to number one, increase services to the elderly and, two, to improve the tools of serving individuals. AARP strongly supports both of these proposed efforts, which we realize are contingent upon positive action on the budget request by Congress.

The first proposal would help address the legal needs of the institutionalized, which continue to be seriously underrepresented in legal services programs. A limited pilot project would be initiated, focused on the delivery of legal assistance to nursing home residents. These persons, along with the home-bound, often have critical legal needs and should not be left out of the system. They also have legal questions relating to physical abuse or concerns about overcharging for services and substandard care.

The second proposal would improve the tools for serving individuals through use of legal hotlines. Callers would talk directly to experienced specially trained attorneys who try to resolve their problems or answer their questions by phone. Legal hotlines have been funded by AARP and the Administration on Aging.

Thank you again for this opportunity to comment on funding next year for the Legal Services Corporation.

[The information follows:]





**STATEMENT**

**OF THE**

**AMERICAN ASSOCIATION OF RETIRED PERSONS**

**ON**

**FY 1996 APPROPRIATIONS FOR THE**

**LEGAL SERVICES CORPORATION**

**BEFORE THE**

**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE AND  
JUDICIARY**

**OF THE**

**COMMITTEE ON APPROPRIATIONS**

**U.S. HOUSE OF REPRESENTATIVES**

**May 11, 1995**

Good afternoon, Mr. Chairman and members of the Subcommittee. I am Lena Archuleta, Vice Chair of the Board of Directors of the American Association of Retired Persons (AARP). We appreciate this opportunity to testify concerning the FY 1996 payment to the Legal Services Corporation (LSC). These services are crucial because the high cost of private legal assistance continues to be a major problem for all age groups, including older Americans. A strong legal services program assures that other state and federal programs enacted to help poor people are lawfully implemented.

AARP supports the Administration's recommended \$440 million payment next year for LSC. This recommendation is identical to the agency's independent submission to Congress. We recognize that providing this funding level may not be possible, given the serious budget deficit. At a minimum, we recommend maintaining the Corporation's payment next year at its current appropriation.

LSC is a lifeline for many poor and disabled older Americans who may be threatened with legal emergencies such as eviction or domestic violence. Older persons often confront substantial legal issues beyond those of the general population due to their unique health, income and social problems. These problems include nursing home abuse as well as obstacles in obtaining public benefits to which they are entitled, such as Social Security and Medicare. The following examples are representative of the kinds of legal problems experienced by low-income older Americans every day.

**Mr. M, a permanent resident of the United States, lost his Social Security retirement benefits because the Social Security Administration (SSA) mistook him for another individual who had been deported. Mr. M had lawfully lived in the United States for thirty-seven years, and became legally entitled to a modest pension which he began receiving at the age of 62. It is his only source of income. SSA subsequently terminated these benefits, based on information that someone with a similar name had been deported. Mr. M advised SSA that he was not the deportee and provided sufficient documentation to support his claim. For example, he had a different immigration number, was born in a different place than the individual in question, and had reported earnings in the United States both before and after the alleged date of deportation. In spite of this, the agency denied his appeal. Mr. M's benefits were subsequently restored, thanks to the intervention of legal aid services in his community.**

**Mrs. R, who is indigent, was sued for non-payment of a \$38,000 hospital bill which had been denied by Medicaid after it was discovered that her eligibility occurred after the period of hospitalization. Her local legal services agency obtained a pro bono attorney who successfully negotiated a dismissal of the lawsuit.**

In 1987, a survey conducted for AARP indicated that an estimated 5.9 million households with a person aged 60 or older were seeking legal assistance each year. A study completed last year for the American Bar Association reveals that in 1992, 40% of low income households reported legal needs.

The Administration's budget request is intended to increase services to the elderly and to improve the tools for serving individuals. AARP strongly supports both of these proposed efforts which, we realize, are contingent upon positive action on the budget request by Congress.

The first proposal mentioned above would help address the legal needs of the institutionalized which continue to be seriously under-represented in legal services programs. The Administration would undertake a limited pilot

project focused on the delivery of legal assistance to nursing home residents. These persons, along with the homebound, often have critical legal needs and should not be left out of the system. They also have legal questions relating to physical abuse or concerns about overcharging for services and substandard care.

The second proposal would improve the tools for serving individuals through use of such cost effective delivery systems as legal hotlines. This computer-based innovation is tailor-made for programs whose local needs assessments call for greater amounts of advice and brief service. Legal hotlines have been funded by AARP and the Administration on Aging.

Thank you again for this opportunity to comment on funding next year for the Legal Services Corporation.

THURSDAY, MAY 11, 1995.

**AMERICAN BAR ASSOCIATION****WITNESS****LAURIE D. ZELON, CHAIRMAN, COMMITTEE ON LEGAL AID AND INDIGENT DEFENDANTS, AMERICAN BAR ASSOCIATION**

Mr. TAYLOR. Thank you very much.

Next we have Laurie Zelon.

Ms. ZELON. Good morning, Congressman Taylor. Thank you for the opportunity to be here today to present the views of the American Bar Association on this issue. My name is Laurie Zelon and I am a practicing lawyer in Los Angeles, California. I serve as Chair of the American Bar Association's standing Committee on Legal Aid and Indigent Defendants, and I am here today on behalf of the association and all 370,000 of its members.

This is an issue of paramount importance to our association, and that is the continued funding of the Legal Services Corporation. We would urge this subcommittee to support an appropriation of not less than \$440 million for fiscal year 1996.

The Legal Services Corporation is the Federal Government's contribution to a national public-private partnership which is aimed at achieving one of the cornerstones of our democracy, and that is the enumerated purpose in the preamble of the Constitution, "to establish justice."

To ensure that justice is at least possible and accessible to all persons, all Americans must have access to legal representation. Unfortunately, for over 40 million Americans who are at or below the mandated poverty level, the only way to ensure that access is through a local legal services program. And I do stress local, because this is a model program. It is a local community-based service.

The appropriation that Congress gives the Legal Services Corporation is primarily not spent in Washington. Indeed, only about 3 percent is used for administration here in Washington. The rest goes out to field programs which are separate, local nonprofit corporations organized by and run by local entities in the community with local legal providers on the boards and they provide the direct services.

The cases are not big cases in the annals of American jurisprudence, but they are of enormous importance to the people who are involved in them. Often the legal representation often helps to avoid catastrophes which overwhelm their lives and prevent them from being productive members of society.

In some other cases, what we are talking about is simply a basic level of fairness to those who are too often neglected or forgotten. For example, 25 percent of all children under 6 live below the poverty line. These are truly innocent members of our society and the local legal services programs are often the only means to protect their rights and defend their interests. I think we must ask ourselves whether we can really contend that we are a fair society if we do not protect their rights.

I think most of us would agree that everyone is entitled to justice, whether rich or poor. But it is true that some believe that that

is an issue that ought to be met by units of State and local government, the private bar, or charitable foundations, but not the Federal Government. And I would like to just make a few points as to why the Federal involvement is critical.

Justice and fairness are bedrock principles in the United States, and the Federal Government should ensure that justice should not depend on the vagaries of geography. In addition, the Federal Government is far from shouldering the entire responsibility by itself. Right now, as we sit here over 130,000 lawyers in this country are participants in formal pro bono programs, which are affiliated with your local legal services programs, and they give enormous amounts of free services to the poor every year.

The Federal contribution is, in fact, only about 60 percent of the national funding. The rest comes from United Way, bar associations, foundations and others.

I am a local bar president. I will assume my presidency next month, and I am very familiar with what goes on at the local level. And I can assure you that the cooperation between our local legal services programs and our private bar, as is true elsewhere in the country, reflects a solid and stable public-private partnership that would be undermined in the absence of adequate Federal funding.

The Supreme Court of the United States has the inscription, "equal justice under law" over its front doors and it is the Legal Services Corporation which today gives meaning and reality to that principle for all of us, not just those who are eligible for its services. And on that basis, I would ask your support for our funding request for the corporation. Thank you very much.

Mr. TAYLOR. Thank you. May I ask a question, because there is enormous pressure, and this is an idea, it is no secret to you, that is targeted, its chance of getting \$440 million is relatively slim, being completely frank, although I don't make that decision by myself, certainly.

You have 130,000 attorneys. That is about what, 13 percent of the practicing bar, roughly, that is involved?

Ms. ZELON. That is correct.

Mr. TAYLOR. And we have 323 legal services programs. I am not sure of the exact number of attorneys. We can get those, but it probably is not more than a few thousand involved.

What would it take, would you estimate, for the private bar on a pro bono basis to increase its involvement to replace that or substantially replace that \$440 million figure and still give us the service for the poor?

Ms. ZELON. Well, I think the problem is that the private bar can never fully replace it, and let me tell you why. The private lawyers who are involved in pro bono programs rely very heavily on the resource of the full-time experts who are the Legal Service Corporation lawyers. Many of us in private practice who take pro bono cases on a regular basis are experts in other fields of law, but not in the issues which often effects the legal services client. And we depend, for training, for resource, for backup on that experienced cadre of legal services lawyers. It would be very, very difficult, if not impossible, to replace that expertise.

In addition, as it stands now, we are meeting less than 20 percent of the need out there, and the private bar can certainly in-

crease its contribution and the private bar has been steadily increasing its contribution year to year. I anticipate that to continue.

Mr. TAYLOR. And it can be done monetarily, that is what I was thinking about. Certainly you have to have a clearinghouse. I envision that the local bars might put forward the money to help replace some of the permanent personnel who are the police, so to speak, the traffic controllers, in other words, for the legal services activity.

Ms. ZELON. Well, I can speak to you as a local bar leader, and we are not immune to budget problems as well. The contributions of private lawyers are very substantial and have been. There is an enormous amount of money that is given now by the private bar, mostly by individuals or through organized giving campaigns.

But there is an issue not just of the ability to give, but of the steadiness of it, because when you talk about maintaining the expertise, you have to be able to assure funding year to year so that these people can support their families and can continue to stay in this area of practice, and that is always a problem with reliance on private donations that you can never tell if there is a recession in the economy or if a particular community falls on hard times, that funding cannot be assured in the same way.

Mr. TAYLOR. Well, thank you very much. I appreciate your presentation.

Ms. ZELON. Thank you, Congressman.

[The information follows:]





**Statement of**  
**LAURIE D. ZELON**  
**on behalf of the**  
**AMERICAN BAR ASSOCIATION**  
**before the**  
**SUBCOMMITTEE ON COMMERCE, JUSTICE,**  
**STATE AND THE JUDICIARY**  
**of the**  
**COMMITTEE ON APPROPRIATIONS**  
**of the**  
**U. S. HOUSE OF REPRESENTATIVES**  
**on the subject of**  
**FY'96 Appropriations for the**  
**LEGAL SERVICES CORPORATION**  
**May 11, 1995**

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Mr. Chairman and Members of the Subcommittee:

I am Laurie D. Zelon, a practicing lawyer from Los Angeles, CA and the Chair of the American Bar Association's Standing Committee On Legal Aid And Indigent Defendants. On behalf of the Association and its 370,000 members, I submit this statement regarding a subject of paramount importance to our Association: the Legal Services Corporation. We urge this Subcommittee to support an appropriation of not less than \$440 million for FY'96.

The Legal Services Corporation is the federal government's contribution to a national public-private partnership aimed at fulfilling the first enumerated purpose of our government in the preamble of the United States Constitution: "to establish justice." The principle of a "just" society is one of the cornerstones of American democracy. To ensure that justice is at least possible and accessible to all persons, it is imperative that all Americans, regardless of means, have access to legal representation. And for over forty million Americans at or below the federally mandated poverty level, the only access to such representation is through a local legal services program.

I stress "local" legal services, because this program is a model of local, community-based service. The federal appropriation to the Legal Services Corporation is not spent by a government bureaucracy in Washington; indeed, only 3% of the appropriation (currently \$400 million) is used for home-office administrative costs.

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The remaining 97% is all sent out to separate, local non-profit corporations around the country which provide direct services to clients.

The cases tend to be small ones in terms of American jurisprudence, but they are of enormous significance to the client's lives. Often, the legal representation they receive helps them to avoid catastrophes which would overwhelm their lives and prevent their playing a productive role in society. In other cases, these programs simply provide a basic measure of fairness to those in our society who are too often forgotten or neglected. 25% of all children under the age of six live below the poverty line. For these "truly innocent" children, local legal services programs are often the only means to protect their rights and defend their best interests. Can we really claim to be a fair society if we do not protect their rights?

Most Americans agree with the fact that everyone is entitled to justice -- the poor and the rich alike. But some argue that the need ought to be met by units of state and local government, the private bar, charitable foundations -- anyone but the federal government.

There are many answers to this argument. First, justice and fairness are bedrock principles of this Nation; the federal government should ensure that the availability of justice

shouldn't depend on the vagaries of geography. Second, the federal government is not shouldering the responsibility by itself -- far from it:

- o Over 130,000 lawyers in this country are participants in formal pro bono programs affiliated with local legal services programs, giving enormous amounts of free legal services to the poor each and every year. No other profession in this country, to our knowledge, comes anywhere close to contributing such a volume of free services.
- o The federal financial contribution is about 60% of the funding nationally for legal services programs. The remaining 40% comes from United Way campaigns, bar associations, foundations, law firms and Interest on Lawyer Trust Account ("IOLTA") programs.

The federal contribution thus serves to leverage an enormous amount of other resources -- human and financial -- to help meet the legal needs of the poor. Without the core federal support -- which funds the client intake and referral systems, helps train lawyers in private practice to handle pro bono cases in areas of law outside their usual expertise, and stimulates the contribution of other funding -- these non-LSC resources would

both be less abundant and less effectively utilized and, in many instances, would not exist.

Can these private resources be increased? Of course. Can they replace the federal dollars? No. Even with the combination of all the resources described above, survey after survey in state after state has demonstrated that no more than 20% of the legal needs of the poor are being met.

I am also a local bar leader familiar with the operations at the local level. As President-Elect of the Los Angeles County Bar Association, I can assure you that the cooperation between our local legal services programs and our private bar, as is true elsewhere, reflects a solid, stable "public/private" partnership which would be undermined by the absence of federal funding.

We are fully aware of the commendable efforts of this Congress to reduce the federal deficit. We urge that you not do so at the expense of justice for the poor. This program has already borne the brunt of budget-cutting efforts in a highly disproportionate manner. In FY'81 the Corporation was funded at \$321 million. Following a recent rescission of \$15 million in the program's FY'95 appropriation, the program is now funded at a \$400 million level. Adjusted for inflation, the federal contribution to this public-private partnership is now 40% less than it was in FY'81. We endorse the Corporation's request for \$440 million for FY'96

as a modest step toward restoring the federal contribution to former levels. We believe a far higher level of federal support could be effectively utilized.

The Supreme Court of the United States has the inscription "Equal Justice Under Law" over its front doors. The Legal Services Corporation gives meaning and reality to that principle -- not only for the tens of millions of persons eligible for its services but for all of us. We urge your support for the Corporation's funding request.

THURSDAY, MAY 11, 1995.

**NAVAJO NATION WASHINGTON OFFICE****WITNESS****FREDDIE HOWARD, CHAIRPERSON, COMMITTEE ON PUBLIC SAFETY,  
NAVAJO NATION COUNCIL**

Mr. TAYLOR. We now have Mr. Freddie Howard, the Navajo Nation Washington office.

Mr. HOWARD. Mr. Chairman and Members of the Subcommittee, I am the Navajo Nation counsel delegate, Freddie Howard, Chairman of the Public Safety Committee for the Navajo Nation Council from northern Arizona. I appreciate this opportunity to testify on behalf of the Navajo Nation and President Albert Hale.

Why is it that despite the friendship of the Subcommittee and others in Congress on both sides of the aisle that these circumstances persist year after year, generation after generation? Though there are several contributing explanations, among them the growing problems of double taxation by the States, there is, I believe, one consistent answer across Indian country, and that is massive wide infrastructural deficiencies. However, we will highlight four specific areas: economic development, number one; number two, crime prevention; legal services, and our government-to-government relationship with Congress and the Federal Government.

Number one, the economic development. The Navajo Nation would like to investigate how the Small Business Administration could increase loans of flexibility to private enterprises on the reservation. We also are looking to fund new and ongoing projects as the Antelope Point Infrastructure, which offers potential for long-lasting, fundamental improvements to economically depressed areas. Antelope Point would consist of a resort, marina and lake in northern Arizona.

Our plans focus on the local economic infrastructure. This resort would provide to that area and to the future growth and economic stability and tribal economy. Above all, our economic development goals are to generate tribal revenue through reinvestment in tribal economy, thus creating jobs for our people.

Number two, crime. Currently the Navajo Nation is overburdened by increased crimes and overcrowding in our jail facilities that are extremely unsanitary and unsafe. The status and the condition of most detention centers in Indian country is abysmal. Many resemble what you would expect to see in a Third World country.

As you know, the BIA's budget for jail construction and detention facility fundings is pitifully low and the Bureau is probably building one or two detention facilities per year for the 500 Native-American tribes in the United States. On the Navajo Nation, two of our six jails were recently closed pursuant to a 1992 tribal court order consent decree requiring the remedy of these problems.

In that regard, we are seeking amendments to pending crime legislation that would include Indian tribes to participate in block grant programs for prison construction. We seek your support and assistance in this matter.

Number three, Legal Services Corporation. The Navajo Nation strongly opposes pending proposals to rescind fiscal year 1995 funding for and the ultimate phaseout of the Legal Services Corporation, LSC. Through LSC, DNA People's Legal Services has helped meet the needs of low-income Navajos for over 30 years. DNA is the largest Native-American legal services provider, serving both Navajos, nonNavajos in New Mexico, Arizona and Utah.

Furthermore, there are virtually no private attorneys or Navajo Court advocates available on the reservation, and without DNA, many people will have no legal representation at all. Nationally, one attorney serves 300 clients; whereas DNA on the Navajo Nation is able to supply only one attorney for every 7,000 clients. We, therefore, Mr. Chairman, request support for the continued viability of LSC and the DNA legal services to ensure access to legal justice.

Number four, I would like to emphasize that the Navajo Nation operates on a government-to-government basis as one sovereign nation to another, and through our treaty of 1868 with the Federal Government. And we would like to request that our concerns be addressed.

In conclusion, for all the reasons highlighted, we sincerely request that the Federal Government invest now and there will be dividends in the future in terms of jobs and self-sustaining economies on Indian reservations.

Mr. TAYLOR. Thank you. I appreciate the presentation. Any other remarks you would like to submit would be acceptable.

Mr. HOWARD. Yes. We will.

Mr. TAYLOR. Fine. Thank you very much.

[The information follows:]



**TESTIMONY OF THE NAVAJO NATION**  
 Before The  
**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES**  
**COMMITTEE ON APPROPRIATIONS**  
**U.S. HOUSE OF REPRESENTATIVES**

FISCAL YEAR 1996

May 11, 1995

**INTRODUCTION**

Mr. Chairman and Members of the Subcommittee, on behalf of the Navajo Nation and President Albert Hale, I am Freddie Howard, Chairperson of the Committee on Public Safety of the Navajo Nation Council. I greatly appreciate this opportunity to present our views and recommendations regarding Fiscal Year (FY) 1996 appropriations for the Departments of the Commerce, Justice, State, Judiciary and Related Agencies. This testimony highlights several of the Navajo Nation's priorities for FY 1996 appropriations and is fully supported by the Navajo Nation Council's Intergovernmental Relations Committee.

At the outset, I want to congratulate the new Chairman, Mr. Rogers. I also want to thank the former Chairman, Mr. Mollohan as well as the other Subcommittee Members for their attention to Navajo Nation's needs in the past years. We look forward to continuing our working relationship with the Subcommittee.

Toward that end, the Navajo Nation takes very seriously the efforts here in Washington to "reinvent" the responsiveness of the Federal government to the needs of all Americans, including American Indians. Indeed, the Navajo Nation is working to reinvent the our government through "local empowerment." Based on traditional Navajo teachings, local empowerment would return to the 110 local chapters, or units of local Navajo government, the authority to identify the problems, solutions, and priorities of their own communities. Successful implementation of this initiative requires creativity and adequate resources, and our funding requests, therefore, reflect the local empowerment priorities of the Navajo Nation.

**THE NAVAJO NATION**

anning Arizona, New Mexico and Utah, the Navajo Nation encompasses 17.5 million acres -- one-third of all Indian lands in the lower 48 states -- Connecticut, Delaware, Maryland, Massachusetts, Rhode Island. Unlike those states, however, the Navajo Nation is home to the poorest of America's rural poor and while the average unemployment rate in America today is 5%, the unemployment rate in the Navajo Nation averages 38% to 57%, depending on the season. Over 56% of the Navajo people live in poverty. Per capita income averages \$4,106, less than 1/3 of that in the surrounding states. Only a very few Navajos enjoy certain "luxuries" that are taken for granted elsewhere in the United States -- 77% of Navajo homes lack plumbing, 72% lack kitchen facilities, and 76% lack telephone service. Though the Navajo Nation is slightly larger than West Virginia, our 2,000 miles of paved roads compare to barely 11% of West Virginia's 18,000 miles. Until recently, we had just three banking facilities within our entire 28,500 square mile area.

Ironically, Mr. Chairman, the Navajo Nation is perceived as one of the more prosperous Indian tribes. Tragically, these types of living conditions are mirrored at hundreds of other Indian reservations throughout the United States, with the nationwide Indian reservation unemployment rate averaging 56%. As President Hale recently explained in a statement to the House Ways and Means Committee:

[T]he economic deprivation characteristic of Indian reservations and their inhabitants is unique within United States borders, and should be viewed -- with considerable alarm and discomfort -- as an embarrassment to all Americans.

If you are born an Indian, and you desire to remain on your reservation to live with your family and contribute to your community, you have less than a 50% chance of finding employment. This is a shameful, counterproductive set of circumstances that must be recognized immediately, addressed expeditiously, and resolved before the turn of the 20th century for the people who have inhabited this land for centuries past.

Accordingly, Mr. Chairman, I necessarily focus my testimony on several of the Navajo Nation's specific requests for FY '96 funding for critically-needed projects. But in a larger sense, I respectfully urge the full Appropriations Committee to "reinvent" its own approach to Indian country as an alternative to chipping away year-after-year, generation-after-generation in a piecemeal approach that has yet to achieve the desired results. Instead, why not address Indian country's economic deprivation by marshalling available federal resources in a dramatic, comprehensive, government-wide effort that can at last rectify the massive infrastructure deficiencies that prevent us from competing on a level

playing field against even the most economically-distressed non-Indian communities.

In other words, why not creatively reinvent this Committee's approach by redirecting government-wide, federal resources and programs from those beneficiaries that have long since realized the purposes that those federal programs were designed to achieve, so that those scarce resources can be aggressively targeted and invested in areas, like the Navajo Nation, where they are really needed. Resolving our infrastructure shortfalls, through such redirection of federal resources, is perhaps the key component necessary to enhance tribal leaders' efforts to develop self-sustaining reservation economies consistent with self-determination and self-governance.

#### **REQUESTS FOR FY 1996 BUDGET INCLUSIONS**

The Navajo Nation requests funding for the following high priority programs. There are additional projects and programs which we would like to discuss with the Subcommittee; however, today we are merely presenting highlights of our overall requests. We are working hard on new approaches ourselves, one example is a Small Business Administration (SBA) office located within the Navajo Nation. The establishment of a SBA would stimulate economic growth through development of physical and commercial infrastructures. Another example would be treating Indian Tribes as states to receive Block Grants as stated in the Title II Section 201 of the Violent Crime Control and Law Enforcement Act of 1994.

#### **DEPARTMENT OF COMMERCE:**

##### **Antelope Point Infrastructure**

The Navajo Nation requests \$4,000,000 to begin development of the Antelope Point Resort and Marina on Lake Powell. The total project cost is approximately \$35-45 million and the majority of investments will come from private investors. The full project will consist of a hotel, marina, campground, recreational vehicle park, cultural center, convenient store and will employ approximately 300 Navajo people. A Memorandum of Understanding between the Navajo Nation, National Park Service, and BIA is currently being finalized and will include a strategy for the joint development of this project.

##### **Monument Valley Infrastructure**

On behalf of Navajo Economic Development Committee (NEDC), the Navajo Nation requests \$1,000,000 to develop and construct a regional water and delivery system for future economic development projects including a vendor village and information center, hotel resort and rest area for traveling public in Monument Valley, Arizona. We received \$80,000 (in FY '93) to fund preliminary planning and architectural/engineering services. Furthermore, Monument Valley is one of the Nation's most popular tourist attractions, and formal research and financial analyses conclude that this community is large enough and has a large enough tourist attraction to support this facility.

##### **Karigan Infrastructure**

The Navajo Nation, on behalf of Navajo Economic Development Committee (NEDC), requests \$4,000,000 to provide basic utilities and infrastructure for 110,000 acres on land in St. Michaels, Arizona, known as Karigan property. There is an overwhelming demand for this development because it would allow for the construction of 200-300 single family homes, office facilities and commercial buildings; this grant is fundamental to this project because it would allow for water and sewer, electricity, gas, streets, and access roads to be developed.

##### **Dilkon Shopping Center**

On behalf of the community of Dilkon, and the Navajo Economic Development Committee (NEDC), the Navajo Nation requests \$1,800,000 to construct the Dilkon Shopping Center. The construction of this shopping center would be 18,000 square feet for retail service, and includes \$80,000 for preliminary site development/clearance, \$100,000 for architecture/engineering services, and \$1,602,000 for construction. Benefits to the community would include the creation of 100 temporary construction jobs and 60 permanent retail jobs. This development will also create positive impact on private sector development on the reservation by providing opportunities for Navajo entrepreneurs in starting or expanding their businesses, providing much needed employment, and providing basic goods and services to the community. The goal is part of a strategy to develop and strengthen the economic self-sufficiency of reservation communities.

##### **Church Rock Industrial Site**

The Navajo Nation requests \$2,000,000 for development and renovation of the Church Rock Industrial Site. Church Rock Industrial Site is in need of improvements, renovation, and preparation of facilities to accommodate new businesses for relocation to the Site. It will need new facilities as well as repair to the existing ones which are seriously dilapidated. The upgrade and renovation will help the tribe in establishing a self-sustaining economy. This project goal provides diverse job opportunities in the private sector. For this reason, we feel that the Church Rock Industrial Site is a very important project, and has potential to promote private sector business in Navajo land.

#### National Oceanic and Atmospheric Administration (NOAA)

The Navajo Nation, along with six states, participates in NOAA's Federal/State Atmospheric Modification Program. We are disappointed the Department of Commerce did not request any monies for this program in FY '96. Therefore, we request that the Subcommittee include funding for this program in the amount of \$3,100,000 for FY '96. Additionally, the Navajo Nation specifically requests funding in the amount of \$100,000 to allow us to fully participate in this program. As the Subcommittee may be aware, in FY '95, the Navajo Nation participated in this program to research the feasibility precipitation enhancement in the Navajo Nation's Chuska Mountains. We are the first American Indian tribe to participate in such a project.

#### DEPARTMENT OF JUSTICE:

##### Radiation Exposure Compensation Act

The Navajo Nation supports the Department of Justice's (DOJ) FY '96 recommendation of \$16,300,000 for the payment of claims under and \$2,655,000 for administrative cost for the Radiation Exposure Compensation Trust Fund (hereinafter "Trust Fund") established under the Radiation Exposure Compensation Act (RECA), Public Law (P.L.) 101-426. The Navajo Nation urges that the Subcommittee maintains these amounts.

To date, compensation for approximately 1,200 cases have been awarded, and of that amount 250 cases were awarded to Navajo recipients. The Navajo Nation is coordinating with the Indian Health Service (IHS) for medical screening and examination of living uranium miners through a contract with Miners Colfax Medical Center of Raton, New Mexico. Between November 1992 and February 1993, over 650 Navajo men were screened through the IHS' miner screening project. Final results are pending. Although approximately 20% of the entire uranium mining population are Navajos, it is unclear how many of these will be eligible for compensation. This will substantially increase the number of Navajo claims filed with DOJ. We will continue to work with IHS and other medical facilities to ensure that these uranium miners receive adequate medical attention.

##### Block Grants

The Navajo Nation supports Title I of the Violent Crime Control and Law Enforcement Act of 1994. Like state and local governments, the Navajo Nation is overburdened by increasing crime. As a result, facilities are small and overcrowded, and police resources cannot meet the needs of the community. Therefore, it is viable that alternatives to the Crime Bill be proposed and funding be made available directly to tribes for the construction and operations of new adult detention facilities.

##### Community Policing: "Cops on the Beat"

The Navajo Nation supports DOJ's FY '96 recommendation of \$1,882,000,000 for grants to hire 20,000 more police officers and community policing programs across the country. In FY '95, the Navajo Nation received \$150,000 in matching funds from "Cops on the Beat-AHEAD" to assist in hiring two (2) police officers. There is an enormous need for improved law enforcement in Indian Country, however, minimal funding exists to hire law enforcement personnel other than through P.L. 93-638 (as amended). "Cops on the Beat" will continue to assist Indian tribal governments to address the high reports of criminal activity in Indian country. Socio-economic conditions, such as high poverty, unemployment, and alcohol and substance abuse directly contribute to family violence and related criminal activity, and in higher crime and suicide rates on Indian land involving American Indians. Additionally, there is such a shortage of law enforcement officers that crime prevention is secondary to responding to everyday calls for service. According to the Navajo Department of Law Enforcement, there are .93 tribal police officers per 1,000 persons as compared to 2.5 police officers per 1,000 persons at the National level. Over a thirteen year period only one additional officer has been added to the Navajo Nation police force.

##### Violence Against Women

The Navajo Nation supports DOJ's FY '96 recommendation of \$130,000,000 for grants to combat violent crimes against women. This funding will assist Indian tribal governments to develop and strengthen effective law enforcement and prosecution strategies in addressing crimes against women (including crimes such as sexual assault and domestic violence).

##### Ounce of Prevention Crime Program

The Navajo Nation supports DOJ's FY '96 recommendation of \$14,700,000 for crime prevention of the "Ounce of Prevention Crime Grant Program." This program makes grants available to Indian tribal governments for: summer and after-school education and recreation programs; mentoring and tutoring programs; programs assisting and promoting employability and job placement; and, prevention and treatment programs to reduce substance abuse, child abuse, and adolescent pregnancy.

#### **Local Crime Prevention Block Grant Program**

The Navajo Nation supports DOJ's FY '98 recommendation of \$75,940,000 to carry out programs including education, training, research, prevention, and rehabilitation programs to prevent juvenile violence; programs that prevent crimes against the elderly; programs that prevent children from becoming gang involved; and, programs that provide for dwelling units for law enforcement to provide greater security for residents of high crime areas.

#### **Community Schools Youth Services and Supervision Grant Program**

The Navajo Nation supports DOJ's FY '98 recommendation of \$103,500,000 which would provide children services and activities that include: supervised summer and after-school sports programs; extracurricular and academic programs; and, funds for minor renovation of existing facilities and sporting and recreational equipment necessary for the program. Indian tribes are eligible applicants for this program.

#### **Assistance for Delinquent and At-Risk Youth**

The Navajo Nation supports DOJ's FY '98 recommendation of \$5,400,000 to provide residential services to youth, aged 11 to 19, who have or are at risk of dropping out of school or coming in contact with the juvenile justice system. Indian tribes are eligible to apply directly to the Attorney General, but must meet academic instruction approved by Indian tribal governments which meets their standards and curricular requirements.

#### **Community Based Justice Grants for Prosecutors**

The Navajo Nation supports DOJ's FY '98 recommendation of \$7,000,000 to provide prosecutors the support to create or expand community based justice programs. Indian tribal prosecutors are eligible to apply directly to the Attorney General for grants.

#### **Prevention, Diagnosis, and Treatment of Tuberculosis in Correctional Institutes**

The Navajo Nation supports DOJ's FY '98 recommendation of \$700,000 to provide Indian tribes assistance in establishing and operating programs for tribal correctional institutes for the prevention, diagnosis, treatment, and follow-up care of tuberculosis among their inmates. In 1992, a Consent Decree was issued by the Navajo District Court which required the Navajo Nation to upgrade jail facilities and provide safe and more sanitary living conditions for inmates and prisoners.

#### **Rural Domestic Violence and Child Abuse Enforcement**

The Navajo Nation supports DOJ's FY '96 recommendation of \$7,000,000 to provide Indian tribal governments grants to implement cooperative efforts and projects between law enforcement officers, prosecutors, victim advocacy groups, etc., to investigate and prosecute incidents of domestic violence and child abuse, and to work with the community to develop education and prevention strategies directed toward such issues.

#### **Drug Courts**

The Navajo Nation supports DOJ's FY '96 recommendation of \$150,000,000 to provide programs that involve continuing judicial supervision over offenders with substance abuse problems who are not violent offenders and for the integrated administration of other sanctions and services such as mandatory testing. Indian tribal chief judges are eligible to apply directly to the Attorney General.

#### **Legal Services Corporation**

##### **A. Rescissions**

The Navajo Nation is very concerned and strongly opposes the funding rescission of the Legal Services Corporation in (1) the Defense Supplemental Appropriations Act (signed by President Clinton) that rescinds \$15,000,000 and (2) the current proposal-H.R. 1158, a bill for making emergency supplemental appropriations for disaster aid and rescission for FY '95, to rescind \$5,800,000. This reduction in funding would disproportionately impact rural areas like Indian reservations. Through Legal Services Corporation (LSC), DNA-People's Legal Services (DNA), has helped meet the legal needs of low-income Navajos for over 30 years by providing the only legal counsel available throughout most of the Navajo Nation. There are virtually no other private attorneys or Navajo Court advocates available on the reservation. Additionally, the majority of Navajos, including many who are employed full-time, are unable to afford necessary legal services to meet legal challenges. Without DNA, many Navajos will have no legal representation available to ensure that for example, Navajo veterans have full access to benefits available to them. DNA is the largest Native American legal services provider, serving both Navajos and non-Navajos in New Mexico, Arizona, and Utah. For FY '95, LSC received \$415,000,000, of which \$10,000,000 is earmarked for local, Native American programs such as DNA. For FY '95, DNA received \$3,000,000, a 4.7% increase from FY '94. Despite the budget increase and a 20% Navajo Nation population increase, DNA has one third fewer attorneys and tribal court advocates than it had since the 1980's. Nationally, one attorney serves 300 clients; whereas DNA can supply only one attorney for every 7,000 clients. The Navajo Nation requests support for the continued viability of LSC and DNA to ensure access to justice.

**B. Proposed Phase Out of LSC Funding**

The Navajo Nation strongly opposes a Congressional proposal to implement the five-year phase-out financing plan of LSC. The phase-out plan, developed by the House Budget Committee, in the proposal entitled "Illustrative Republican Spending Cuts," explains the plan will not eliminate free legal aid for the poor because, "State and local governments, bar associations and other organizations already provide substantial legal aid to the poor." LSC funding, however, provides approximately 85% of the total funding source for DNA. The phase-out plan will disproportionately affect DNA and its ability to provide the only legal assistance to individual Navajos and non-Navajos throughout a portion of the southwest.

**CONCLUSION**

The Navajo Nation thanks the Chairman and Members of the Subcommittee for their leadership and support of Indian programs. Detailed justification sheets on these and additional projects will be provided to the Subcommittee staff shortly.

THURSDAY, MAY 11, 1995.

**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES****WITNESS****PHILIP W. GLOVER, REGIONAL VICE PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, COUNCIL OF PRISONS LOCALS**

Mr. TAYLOR. Our next witness is Philip Glover from the American Federation of Government Employees.

Mr. GLOVER. Good morning. I am the Northeast Regional Vice President of AFGE. I am pleased to appear before you today on behalf of the 22,000 Bureau of Prisons employees represented by our council. We would like to present our views to the subcommittee on the proposed fiscal year 1996 Federal Bureau of Prisons budget request.

Let me begin by expressing my appreciation for the opportunity to speak today, and I would like to explain to the Committee that although I am a representative of the union, I am also a correctional officer who works in a Federal prison daily.

The fiscal year 1996 budget request totals \$2,977,645,000. This request includes 32,412 positions and 31,290 workyear FTEs. Although this seems like a large amount of positions, in reality the Federal Prison System is short staffed. At institutions throughout the country, correctional officer's posts are being vacated. We, as a union, are told consistently that there is no money for more positions, yet when the Director of the Federal Bureau of Prisons testified recently in a similar subcommittee hearing, she stated that she had requested enough money to operate the Federal Bureau of Prisons safely and securely. The statistics indicate that assaults on staff members within the prison system is on the rise.

We believe that Federal prison workers deserve an increase in staffing levels for a constant increase of new inmates into our systems. Currently, it has been proposed that the Federal Bureau of Prisons take over the operation of Lorton Prison in the District of Columbia. This would increase the inmate population by approximately 7,000. However, there has been no proposal for an increase in staff to handle the influx of these inmates.

Once again, Bureau employees are asked to handle difficult, violent and disruptive inmates without the benefit of an increased staff. Our prisons are currently at 26 percent overcapacity, with 97,430 inmates in the system. These inmates have changed from predominantly nonviolent white color criminals to drug dealers, rapists, mafia/gang members and murderers.

The current trend towards the Reinvention of Government has the Federal Bureau of Prisons reducing staff across the board by 8 percent by 1998. The Bureau's Financial Management and Human Resource Departments are being cut 25 percent by 1998 as well.

What has not been pointed out to the Vice President and Congress is that these personnel work inside the fences and walls of prison facilities. They respond daily to emergency situations such as body alarms, fire alarms, assaults, fights and murders. By not exempting the Federal Bureau of Prisons from these reductions, it is believed that staff safety will be jeopardized.

It is ironic that in a time of increased pressure on Congress to reduce crime in our streets that we would allow a decrease in prison staffing levels. The 104th Congress recently passed a series of changes to crime legislation, including restricted minimum mandatory sentences, no frills legislation, three strikes you're in, and removed judicial caps on inmate capacity. Again, Federal prison employees are not receiving increases, they are receiving decreases in staffing levels.

While the Director of the Bureau of Prisons provided a variety of information both in writing and orally regarding BOP's effort to Reinvent Government, a specific concern to the Council of Prison Locals is the proposal contained within the BOP's 1996 budget to privatize or contract out various Federal prisons. The purpose of reinvention is to reduce the cost and size of the Federal Government, not create a shadow government.

It was made clear at the subcommittee hearing by Director Hawk that no cost studies had been performed by the BOP on the subject of contracting prisons. The Federal Bureau of Prisons has just completed approximately 60 years of service to the taxpayers of the United States. During those years, the training, regulations, policies and staffing guidelines for operating prisons has evolved.

In closing, I respectfully request that consideration be given on the issues of increasing Federal Bureau of Prisons staffing and any decision on contracting out these new facilities be placed on hold until appropriate studies and analyses can be performed.

The public and the Federal Bureau of Prisons employees deserve a full investigation into the motives, costs and procedures involved in contracting out these institutions. It does not make fiscal sense to jump into this program without proper studies and analyses. We as a union ask the committee to investigate, study and analyze the data provided and make an informed decision on whether to go forward.

I would like to thank you for the opportunity to speak and I would like to place information into the record.

Mr. TAYLOR. Certainly. Thank you very much for your presentation, Mr. Glover, and you may submit additional information.

Mr. GLOVER. Thank you.

[The information follows:]



**American Federation of  
Government Employees, AFL-CIO**

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(202) 737-8700**

STATEMENT BY

PHILIP W. GLOVER

COUNCIL OF PRISONS LOCALS 33

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

BEFORE

THE SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE

AND THE JUDICIARY AND RELATED AGENCIES

HOUSE COMMITTEE ON APPROPRIATIONS

REGARDING

FY 1996 APPROPRIATIONS FOR

THE BUREAU OF PRISONS

AND

THE BORDER PATROL

MAY 11, 1995

**CONGRESSIONAL  
TESTIMONY**



Mr. Chairman and members of the Subcommittee, my name is Philip W. Glover. I am Regional Vice President for the American Federation of Government Employees Council of Prisons Locals. The AFGE Council of Prisons Locals represents all of the bargaining unit employees employed by the Federal Bureau of Prisons. In addition, I serve as a Correctional Officer for the Federal Bureau of Prisons.

## **BUREAU OF PRISONS**

### **REINVENTION**

While the Director of the Bureau of Prisons (BOP), Kathleen M. Hawk, has provided a variety of information, both in writing and orally regarding the BOP's efforts to reinvent government, of specific concern to the Council of Prison Locals (CPL) is the proposal contained within the BOP's 1996 budget for the privatizing or contracting out of various Federal Prisons.

The purpose of reinvention is to reduce the cost and size of the Federal Government, yet Director Hawk made clear at a Senate Appropriations hearing that no cost studies had been performed by the BOP on the subject of contracting prisons. Additionally, Director Hawk indicated that there was no data available to indicate whether or not contracting prisons would be cost effective. AFGE believes that there is a wealth of information available, both in the Federal sector and within various States, to either prove or disprove the economic feasibility of contracting prisons.

**FEDERAL SECTOR CONTRACT PRISON DATA**

Although Director Hawk briefly spoke about the contract prison in Eloy, AZ, that institution has been in operation for approximately one year. During that period, there have been two (2) significant disturbances which resulted in property damage and injury to staff and inmates.

While the Eloy facility has not been forthcoming publicly regarding the level of damage to the facility, nature and severity of the injuries to staff and inmates, lawsuits brought about due to the disturbances and general conditions and operation of the facility, it is reasonable to believe that, given the history of similar situations in BOP facilities, the cost of all of these actions was substantial.

As Senator Dale Bumpers (D-AR) so appropriately put it, when Director Hawk indicated that there was no data to indicate an overall cost savings, the proposed contracting of Federal Prisons was akin to using these identified facilities, specifically the institution in Forrest City, AR, as "guinea pigs".

Therefore, as sufficient data should exist to prove whether there will be a significant cost savings by contracting prisons, why was the information not made available to the Congress?

**STATE CONTRACT PRISON DATA**

Several states, including California, Washington, New Mexico and Arizona have had contract prison facilities for some time.

If a cost comparison study had been conducted, where contract services and state provided services were matched, "apple for apple", a clearer picture of the cost effectiveness of contract prisons should be available.

This information should be readily available to the BOP for analysis since the BOP is a major player in the National Institute of Corrections (NIC), whose paramount role, to quote Director Hawk, is to, "decrease the overdependancy of State and local governments on Federal resources, guide the effective application of existing Federal dollars and assist in maximizing the use of State and local resources.

It would be reasonable to believe that a part of the role of the NIC while assisting in maximizing the use of State and local resources would include evaluating the option of contracting prisons. AFGE urges the subcommittee to obtain and evaluate this information to determine whether contracting prisons is cost effective.

**ACTUAL "CONTRACT" PROVISIONS**

While the BOP asks that several facilities currently under construction be privatized,

the BOP has yet to determine the nature and types of services that a contract prison would provide to the inmates under their care and keeping.

Approximately six (6) weeks ago, the BOP organized a work group to study the issues surrounding the contracting of Federal prisons. As of this writing, it is unknown when that work group will meet. Further, as of this writing, we are unaware if any contract has been drafted which articulates all of the services that a contract prison would be required to provide.

#### **CONTRACT PRISON SAFETY**

The Federal Prison System has just completed approximately sixty (60) years of service to the taxpayers of the United States. During those years, the training, regulations, policies and staffing guidelines for operating prisons has evolved. The requirements in place today are due to experiences learned from the past, some of which left Bureau staff severely injured or dead. The Council of Prison Locals would like to bring some of these concerns to the Subcommittee's attention.

Currently, Federal Bureau of Prison employees are required to attend three weeks of training at the Federal Law Enforcement Training Center in Glynnco, GA. Included in this training are firearms, unarmed self-defense techniques, proper procedures for the use of force, application and use of restraints, oral and written communication techniques, and other important information. Will contract prison workers be held to the same

standard? If so, who will pay for this requirement?

Prison employees are investigated by Office of Personnel Management. This inquiry goes back fifteen (15) years. Employees are then subjected to five (5) year updates. This is to prevent employees from being manipulated by inmates. Will contract prison workers be held to the same standard? If so, who will pay for this requirement? Also, what agency will perform the investigations?

Federal Prisons are staffed according to American Correctional Association standards. This, in the past, has been very important to the Bureau. Where will contract prisons compare under these ACA standards? Or will these standards be conveniently scrapped to facilitate contracting prisons?

Further, the Federal Bureau of Prisons is required to provide a variety of mandated services from Drug Treatment and Counseling to Recreational and Educational opportunities. If contract prisons are not required to provide these, and other, services, how can a contracted facility be fairly compared to a BOP facility in terms of cost effectiveness? If various BOP facilities, such as those which have been identified for contracting out, were not required to provide these services, then the employees of the BOP could also show a significant cost savings in the overall operation of an institution.

As you may be aware, inmates, by and large, are one of the most litigious groups

of individuals that you will find. Inmates have sued the BOP and the Director for issues that range from loss of legal materials to being permitted to practice Satanism. Although many of these suits are frivolous, all suits filed by inmates must be properly addressed.

The BOP has a staff of attorneys to address inmate lawsuits, attorneys who are paid by tax dollars. When litigation occurs in a contract facility, who will be responsible for responding to the suits and who will be liable for any judgment rendered against the contract facility? If the BOP is still required to address lawsuits filed by inmates in contract facilities, where is the cost savings?

#### **ELOY PRISON VS. PROPOSED CONTRACT PRISONS IN THE BOP**

The contract facility in Eloy, AZ was constructed using private sector funds. As we understand it, Concept Inc. of Louisville, KY owns the Eloy facility "part and parcel". This ownership is a significant motivating factor for Concept Inc. to insure that their operation is not only properly run, but profitable. Should Concept Inc. violate their contract or in some other way fail to perform, it is possible that Concept Inc. could be left with an empty facility, devoid of any contract or profit.

However, the BOP proposes turning over facilities that have been constructed with tax dollars to a private contractor. These contractors do not have any true investment in the facility. They simply staff and operate an existing or soon to be constructed institution.

If one of these contractors has an unprofitable year, has too many serious incidents that decrease their net profits, or encounters some other problem that affects their ability to earn a profit, then the contractor may opt to file bankruptcy or take some other legal action that divests them of any responsibility for the operation of their contract facility. Should this or some other action occur, who would operate the contract facility?

As there are a myriad of laws and regulations associated with contracting services, it could be a significant amount of time before the BOP could find another contractor to assume responsibility for institutional operations. Would the BOP staff the facility from existing assets from other institutions leaving those institutions understaffed and potentially unsafe?

Would the National Guard, state police or other law enforcement entity be called upon to staff a facility? What would this cost be and would doing so really save tax dollars?

#### **LOCAL COMMUNITIES MAY BE ADVERSELY IMPACTED BY A DECISION TO PRIVATIZE**

Several of the communities that were initially told that a Federal prison would be erected in their communities have invested a substantial amount of money to facilitate the construction and operation of these facilities. Who will compensate these communities for their financial losses incurred by a contract prison being placed in their areas?

As an incentive to locate a Federal prison in communities, the BOP often indicates that there will be as much as twenty-five percent of the institutional staff hired from within the local community. These are described as "good paying, Federal jobs". Will a contractor pay the same, or comparable, wages and benefits to their employees?

As the BOP expands, the stigma of going back on its word regarding the location and activation of federal prisons may impact the BOP's ability to locate suitable areas for new construction. This could stall or eliminate new construction, which would lead to a greater level of overcrowding in existing facilities. Why should these communities which firmly believed the BOP's rhetoric be harmed? How can the BOP be made to live up to its promises?

#### **IS CONTRACTING FEDERAL PRISONS GOOD POLICY OR GOOD POLITICS?**

As it is apparent that Director Hawk and the BOP are attempting to follow the mandates set forth in the reinvention process, we have to question if this privatizing is truly good policy or simply good politics.

As representatives of the CPL, we have had an opportunity to work closely with Director Hawk and find it hard to believe that she, with her background and experience, would view privatizing as a viable economic and efficient alternative to Bureau operated facilities. While we cannot support Director Hawk's position, we can, however,



understand why she has taken this position at this time.

Without further data to prove the feasibility of privatizing, this foray into contract facilities could prove to be not only financially irresponsible, but dangerous to the staff, inmates and communities where contract prisons are located.

#### **BOP ASSUMPTION OF LORTON PRISON FACILITIES**

As is evident in Director Hawk's written and oral testimony, the BOP is approximately 26% overcrowded. While the BOP is constructing new facilities to reduce the current overcrowding and absorb projected increases in inmate population, this expansion of BOP facilities cannot safely absorb the inmate population of the Lorton Prison Facilities.

Although there may be a great need to address the Lorton situation, we feel that to contemplate absorbing these inmates into the Federal system would not effectively address the current issues and would most likely jeopardize the secure and efficient operation of BOP facilities. An increase to the already burgeoning inmate population would result in an escalated threat levels to staff and inmates, as well as an increase in litigation by these inmates.

The BOP, some years back, housed a large number of D.C. inmates and it was not only an administrative nightmare, but had an adverse effect on institutional operations,

overall. As the inmates housed in Lorton fall under a different sentencing structure, BOP staff in a variety of disciplines would be required to perform their normal duties of counseling, sentence computation, inmate employment and education referral, drug abuse programs and other duties, as well as having to perform these same duties under special circumstances particular to the Lorton inmates. These additional duties would have to be performed by an ever shrinking pool of staff as the BOP implements their proposed 25% reduction in administrative areas.

As the BOP's staff reduction goes into full swing, staff will have to absorb additional duties and responsibilities due to the reduction. To further require these employees to assume the additional duties associated with Lorton inmates would be an unfair burden to these employees.

Additionally, as the 1996 budget does not provide for such a substantial increase in inmate population which would result from assuming responsibility for Lorton's inmate population, how will the BOP be able, financially, to adequately staff the affected institutions, pay for increased costs for medical and dental care, offset the additional expenses for feeding, clothing, housing, educating and supervising these additional inmates? The CPL stands firmly with Director Hawk on this issue. The BOP cannot safely and responsibly assume the supervision and imprisonment of the Lorton inmates.

## BORDER PATROL

The language of last year's Conference Report concerning traffic checkpoints in Southern California should be repealed, as it has been widely misinterpreted by the Administration as a desire on the part of Congress to abolish such operations.<sup>1</sup> All available evidence indicates that the traffic checkpoints in Southern California remain necessary to the effective operations of the Border Patrol. It is impossible, within reasonable budgetary constraints, to stop the flow of illegal immigration and contraband at the immediate border. Operation Gatekeeper has not deterred any smuggling activity; it has merely shifted it to areas where the Border Patrol does not have the resources to apprehend violators. Without the second line of defense provided by traffic checkpoints, smugglers will be home free as soon as they cross the border.

Notwithstanding the fact that the Federal Law Enforcement Pay Reform Act of 1990 (P.L. 101-105) authorized agencies to pay a foreign language differential of up to five percent of basic pay to any law enforcement officer who possesses and makes substantial use of one or more foreign languages in the performance of official duties, the Immigration and Naturalization Service continues to refuse to pay its employees for such skills. The I&NS should therefore be compelled to include such payments in its budget.

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<sup>1</sup> Said language stated: The conferees also understand that the INS is in the process of reviewing the need to continue traffic checkpoint operations in Southern California (San Clemente/Temecula) due to the enhanced front line activities in San Diego. The conferees agree that infrastructure improvements to these checkpoints should be considered only if results of these reviews indicate a level of effectiveness that enhances front line activities in these areas, and the Committees on Appropriations have been notified pursuant to normal reprogramming procedures. Should the INS determine that these checkpoints are no longer cost-effective, the conferees expect that associated Border Patrol agents be transferred immediately to the border. *Report 103-708*, page 36.

Foreign language award payments should be directed to be included with regular salary payments on a bi-weekly basis in order to ensure that the money is not diverted to other programs.

The Border Patrol should be granted the flexibility to defer hiring a portion of the new agents authorized by Congress in order to ensure that all agents hired receive proper training and equipment.

The I&NS continues to ignore the recommendation of the National Performance Review to reduce by half the percentage of its employees who are supervisors, and intends to expend significant amounts of money promoting large numbers of additional supervisors. This wasteful plan will considerably decrease the number of personnel available to actually enforce our nation's immigration laws.

The proposed budget does not provide sufficient funding for adequate equipment for the Border Patrol agents already in place, much less for the anticipated additional personnel.

Language needs to be included specifically earmarking funds for the Border Patrol program. Otherwise, the Immigration and Naturalization Service will once again take funding away from the Border Patrol for other programs, frustrating the intent of Congress.<sup>2</sup>

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<sup>2</sup> Previous language has stated: and of which \$xxx,xxx,xxx shall be available to the Border Patrol program unless a notification required by section 606 of this Act is submitted to the Committees on Appropriations of the House of Representatives and the Senate.

The 813 police-type vehicles (of which 177 are for replacement only) requested for the forthcoming fiscal year for the entire I&NS are inadequate even for the number of employees currently in place. The Border Patrol workforce alone is scheduled to increase by 1,350 positions in the next fiscal year. Of course, the Border Patrol receives only a portion of the new vehicles, which makes the request even more unrealistic. The situation is exacerbated by the fact that previous neglect of the vehicle fleet has allowed it to deteriorate into an unacceptable state of disrepair. Many vehicles exceed replacement mileage levels, and spend more time awaiting repairs than in service. It is senseless to expend large amounts of money to continually repair these worn-out vehicles. Purchasing sufficient new vehicles to properly outfit the Border Patrol would eliminate many of these unnecessary repair costs. All of the Border Patrol's excess mileage vehicles should be replaced during the forthcoming fiscal year.

In closing, we would like to thank the Chairman and members of the Subcommittee for giving us an opportunity to put forth our concerns.

THURSDAY, MAY 11, 1995.

# **NATIONAL ASSOCIATION OF CRIMINAL DEFENSE ATTORNEYS**

## **WITNESS**

**RICHARD KAMMEN, COCHAIRMAN, INDIGENT DEFENSE COMMITTEE, INDIANAPOLIS, INDIANA**

Mr. TAYLOR. We have the National Association of Criminal Defense Attorneys, I believe Richard Kammen.

Mr. KAMMEN. Mr. Chairman, my name is Richard Kammen, and I am the Cochairman of the Indigent Defense Committee of the National Association of Criminal Defense Lawyers. On behalf of that organization, I would like to urge not only full funding, but excess funding of the defense services appropriations items within the judiciary budget. We would urge funding at the level of \$400 million, which I recognize in these budgetary—times of budgetary constraint is a truly extraordinary request. Let me explain the reasons for this request.

The criminal—if we could view the criminal justice system as a tent with three poles, the prosecution, the judiciary and the defense, all of which are necessary, we must understand that for the past several years, there has been systematic underfunding on the defense side. And for years, the defense services item in the budget has been underfunded.

Essentially, Mr. Chairman, what is occurring is that one of the poles is being whittled away to the point where the tent is threatened with collapse.

As recently as this week in the National Law Journal, an article appeared, "Defense of Indigents: Crisis Spurs Lawsuits," which refers to the problems confronting State public defender systems.

Mr. Chairman, the State systems and the crisis in the State systems is a precursor of what is going to occur within the Federal system if the funding is not equalized. Let me dramatize or explain the problems of one portion of the problem, but we have addressed the balance in the written testimony.

CJA panel lawyers, appointed on an individual basis, handle between 30 and 50 percent of the cases nationally, and in some districts, 100 percent of the cases. These are lawyers who are being paid and compensated at rates that were inadequate in 1984, \$40 an hour and \$60 an hour, and that are grossly inadequate in 1995. They do not cover anything approaching the lawyer's overhead.

Additionally, the law has become exceedingly more complex, so the days, for example, when a lawyer whose client was convicted either by trial or plea could go to court and argue a sentencing, for example, in just a few minutes are no longer with us. The Federal sentencing guidelines alone create enormous complexity which requires real genuine expertise within the system. There is a budgetary cost of this, because when there is not expertise, the cases may be badly handled at the trial level, causing reversal on appeal or in subsequent proceedings, adding to the cost.

Additionally, as experienced lawyers are driven out of the system, and they are being driven out of the system because they simply cannot afford to lose money on every hour of every case. There

is a systematic burden. Essentially, the system is in some districts very much threatened.

Let me give you an example of one other area of disparity or demonstrate the disparity that this is causing. In a case referenced in our materials, the Bey case, lawyers were literally losing—they were conscripted. They were forced into this, a nine-month trial by the court, they were literally on the verge of bankruptcy, losing their homes, losing their practices, losing their businesses.

At the same time, Mr. Chairman, an informant for the case, an admitted longtime career criminal who had committed a number of almost unbelievable crimes, was paid \$250,000 of taxpayer funds. The system is completely out of balance.

I know that you have many demands for funds, and in many respects people appearing before you must seem like grasping birds wanting to be fed. And it is true. However, this is mandated by the Constitution of the United States of America, and it really needs full and, in fact, excess funding, Mr. Chairman.

Mr. TAYLOR. You make a compelling case, sir. I will take a look myself, and I appreciate your presentation.

Mr. KAMMEN. Thank you very much.

[The information follows:]



**NATIONAL ASSOCIATION OF  
CRIMINAL DEFENSE LAWYERS**

**WRITTEN STATEMENT ON THE  
DEFENDER SERVICES APPROPRIATION  
FOR FISCAL YEAR 1996**

**Presented to the House of Representatives  
Committee on Appropriations  
Subcommittee on the Departments of Commerce,  
Justice, and State, the Judiciary, and Related Agencies**

**Harold Rogers, Chairman**

**By Richard Kammen, Indianapolis, Indiana  
on behalf of the National Association of Criminal Defense Lawyers**

**May 11, 1995**

**NACDL • 1627 K Street NW, Suite 1200 • Washington, DC 20006 • Tel: 202-872-8688 • Fax: 202-331-8269**



The National Association of Criminal Defense Lawyers (NACDL),<sup>1</sup> thanks the Subcommittee for this opportunity to offer testimony and the following written statement concerning the Defender Services Appropriation for fiscal year 1996.

#### ■ Introduction

The Defender Services Appropriation funds the Federal government's Sixth Amendment obligation to provide counsel to represent defendants unable to hire their own attorney.<sup>2</sup> In addition to attorneys, the appropriation enables the government to fulfill its Fifth Amendment duty to provide such defendants with the "basic tools,"<sup>3</sup> and the "raw materials"<sup>4</sup> necessary to contest the prosecution's case within our country's adversary system of justice. These services are mandated by the United States Constitution; they are not "discretionary."

Two years ago, the Judicial Conference of the United States reported to Congress the results of its extensive review of the Criminal Justice Act (CJA):

There is no question that the single most important problem to confront the CJA program in recent years is that sufficient funding has not been appropriated to meet the increasing costs of providing the Constitutionally mandated services that the program was created to provide.<sup>5</sup>

Years of insufficient funding has resulted in a flawed federal criminal justice system, with:

- Inadequate funding for existing federal defender organizations and death penalty resource programs;
- Unreasonable compensation for CJA "panel" attorneys;
- Failure to open federal defender organizations in each district; and
- Inadequate training for panel attorneys.<sup>6</sup>

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<sup>1</sup> The NACDL is a specialized bar association established in 1958. Our 8,700 direct members and 70 state and local affiliates include more than 28,000 private criminal defense attorneys, public defenders, and law professors. The Mission of the NACDL is to ensure justice and due process for persons accused of crime, to foster the integrity, independence, and expertise of the criminal defense profession, and to promote the fair administration of criminal justice.

<sup>2</sup> *Gideon v. Wainwright*, 372 U.S. 335 (1963); *Johnson v. Zerbst*, 304 U.S. 458 (1938).

<sup>3</sup> *Britt v. North Carolina*, 404 U.S. 226, 227 (1971).

<sup>4</sup> *Ake v. Oklahoma*, 470 U.S. 68, 77 (1985).

<sup>5</sup> *Report on the Federal Defender Program* 11 (March 1993). The *Report* is the result of an extensive study of the effectiveness of the Criminal Justice Act, as required by Section 318 of the Judicial Improvements Act of 1990. The *Report* is reprinted at 53 CrL (BNA) 2003 (April 14, 1993).

<sup>6</sup> *Id.*, at 12.

NACDL strongly agrees with these findings of the Judicial Conference Report. Without adequate — and long overdue — Defender Services funding, the constitutional mandates of Due Process and Effective Assistance of Counsel cannot be fulfilled.<sup>7</sup> This is at least inefficient: when constitutional violations occur, charges will be dismissed; convictions will be reversed. Moreover, without adequate funding, the judicial branch will be unable to perform the functions necessary to the separation of powers paradigm on which our constitutional form of government is based. The chronic underfunding of the Judiciary in recent years, relative to its increased workload, has led the Judicial Conference Committee on Long Range Planning to note:

Separation of powers principles require that no branch of government deprive another of either the powers or resources it needs to perform its core functions. Discharge of the judicial function as an independent branch requires resources sufficient for the judiciary to perform all its constitutional and statutory mandates. Unlike several state judiciaries, which have asserted an inherent right to compel funding beyond regular appropriations for judicial functions, federal courts depend on the Congress to provide them with sufficient resources. Chronic failure to provide adequate resources puts federal judges in the unfortunate position of supplicants, constantly begging the Congress for funds.<sup>8</sup>

Judicial administrators have stretched inadequate appropriations as far as they can.<sup>9</sup> Judges as jurists, however, may not be so accommodating to infringements on the separation

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<sup>7</sup> For example, the most recent state case declaring indigent defense appropriations constitutionally inadequate is *Kennedy v. Carlson*, No. MC9200680, District Court for the County of Hennepin, Minnesota, Michigan (April 24, 1994), where Judge John C. Lindstrom invalidated the state public defender appropriation for failure to meet federal constitutional mandates: "In our adversarial system of justice, fairness and equality must be measured against the public resources available to each side, i.e. prosecution and defense. There is no legislative funding cap on prosecutorial resources. The integrity of the adversarial system is thereby seriously jeopardized." Opinion at 12.

<sup>8</sup> *Proposed Long Range Plan for the Federal Courts* 86 (March 1995).

<sup>9</sup> Last August, for example, the theme of the annual conference of the Ninth Circuit Court of Appeals was "Budgeting Justice: Financing the Federal Courts." The Judicial Conference Budget Committee Chair (and Chief Judge of the Eighth Circuit) Richard S. Arnold reported on the 1995 Judiciary appropriation: "It will run the train at a current service level, but will not take into account any workload increase" brought on by the 1994 Crime Bill. District of Oregon Chief Judge James A. Redden responded that Congress "loads up our dockets and makes our cases more complex. We have been getting Congress off the hook, but sometimes I think a train wreck is necessary." *Slind-Flor, 9th Circuit Meeting: Money, Murder and Magistrates*, National Law Journal A7 (Aug. 29, 1994).

of powers paradigm.<sup>10</sup> If underfunding continues, the "supplicant" role may wear thin; a constitutional crisis could develop. The *Proposed Long Range Plan for the Federal Courts* offers this contingency in its chapter on "Confronting the Alternative Future":

If caseload volume renders the courts of appeals and district courts unable to deliver timely, well-reasoned decisions and speedy trials with procedural fairness, the Judicial Conference should consider seeking more extensive reductions in federal court jurisdiction to fulfill the mission of the federal courts [including:] Consistent with standards developed by the Judicial Conference, authorize district courts to decline jurisdiction in . . . criminal cases where state courts have concurrent jurisdiction and the federal interest is minimal.<sup>11</sup>

Within constitutional limits,<sup>12</sup> Congress is, of course, empowered to declare, wage and escalate War on Crime — and to fully fund the Executive component of those efforts.<sup>13</sup> In order to do so within the supreme law of the Constitution, however, the Judicial Branch, including the Defender Services Budget, must also be fully funded.

#### ■ Public Defenders

NACDL agrees with the Judicial Conference that each judicial district should have an adequately funded federal defender organization (Federal Defender or non-profit Community Defender).<sup>14</sup> Federal Defender offices provide consistently high quality representation because they specialize in federal criminal law, receive regular training through the Administrative Office and the Federal Judicial Center, and maintain ongoing professional relationships with the court and the other agencies involved in the criminal justice system. In many districts, defenders also provide training, legal advice, and administrative support to

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<sup>10</sup> See, e.g., *Plaut v. Spendthrift Farm, Inc.*, — U.S. — (April 18, 1995) (asserting the judicial function to negate legislative intrusion).

<sup>11</sup> *Proposed Long Range Plan*, at 126.

<sup>12</sup> See, e.g., *United States v. Lopez*, —U.S.— (April 26, 1995) (reviewing, and enforcing, doctrine of limited federal power).

<sup>13</sup> Last year, for example, the Senate Committee on Appropriations recommended budgets for the FBI, DEA, U.S. Attorneys and U.S. Marshals totaling \$170,799,000 more than requested — as an "investment in federal law enforcement." Senate Report No. 103-309, 103d Cong., 2d Sess. 6-7 (July 14, 1994). The excess was trimmed in Conference to only \$154,354,000 more than requested. House Report No. 103-708, 103d Cong., 2d Sess. 31-34 (Aug. 16, 1994). And on March 15, 1995, the Attorney General told the Senate Appropriations subcommittee, "We are escalating our fight against crime," and requested a 20 percent budget increase. Reuters Newswire.

<sup>14</sup> *Report on the Federal Defender Program*, at 20-21.

CJA panel attorneys.

Congress should appropriate funds sufficient to open defender offices in the districts now without such offices; to enable existing offices to keep up with the caseloads added by accelerating law enforcement and prosecution budgets; and to accommodate the increase in complexity driven by recent and expected substantive criminal legislation.

#### ■ Post-Conviction Defender Organizations

Post-Conviction Defender Organizations (PCDOs) (formerly "Death Penalty Resource Centers") are community defender organizations serving 20 of the 38 death penalty states (50 federal judicial districts). Established as a cost-effective means of providing counsel, PCDOs specialize in state and federal death penalty representation — the law's most complex, burdensome and emotionally taxing specialty.

In addition to direct representation in some cases, PCDOs perform a number of functions which help to ensure that fair and complete capital habeas corpus petitions are promptly filed and competently processed by trained counsel. These organizations assist the courts by recruiting, for court appointment, attorneys willing and able to provide representation in these complicated and demanding cases, thus relieving the courts of the need to perform this difficult and often time-consuming task. In many states, PCDO assistance has enabled private attorneys to provide representation *pro bono* — without charge to the government. And where *pro bono* attorneys are not able to satisfy the need for counsel services, PCDO staff attorneys provide cost-effective representation in these most critical cases. Finally, where a PCDO does not have funds to hire enough staff to represent all of a state's death row population, and compensated counsel is required, the PCDO provides support services that reduce the cost of private attorney services.

In short, by providing competent, well-trained counsel, PCDOs reduce delay and, ultimately, the cost of processing capital cases in accordance with the constitutional requirements and procedures established by the Supreme Court. As the Judicial Conference Report puts it:

The Death Penalty Resource Centers have provided invaluable services in an appropriate and cost effective manner. They have facilitated the appointment of competent attorneys in capital cases and have brought a higher quality of representation to these cases. They have, moreover, streamlined the capital litigation process by expediting cases and avoiding costly repetitive legal proceedings. The resource centers demonstrate how the current flexible structure of the CJA program has allowed for the development of innovative uses of limited resources that facilitate the attorneys working within the program in delivering the kind of representation

required to ensure the continued vitality of the Sixth Amendment in even the most complex and demanding cases.<sup>15</sup>

Funding for PCDOs comes from the Defender Services Appropriation and from non-CJA (state or private) resources sufficient to support the PCDO's work related to state court proceedings. The federal component of this funding needs to be greatly increased to fill the capital caseload needs, consistent with legislative demands for more Federal capital prosecutions and for faster processing of capital habeas cases.

#### ■ CJA Panel Attorney Compensation

Anticipating inadequate Defender Services appropriations, the Judicial Conference, in 1988, decided that CJA panel attorney rate increases would be given its the lowest spending priority, in an attempt to stretch insufficient funds to cover a full fiscal year.<sup>16</sup> No rate increases have been implemented since then. In 1992, implementing CJA panel attorney rate increases was further discouraged by the Appropriations Committees:

While the conferees are not attempting to second guess the judgment of the members of the Judicial Conference concerning the need for increases in panel attorney rates, the constraints facing the conferees precluded the inclusion of such an increase in the conference agreement.<sup>17</sup>

Following that advice, budget requests for fiscal years 1994,<sup>18</sup> 1995,<sup>19</sup> and now for 1996, omit

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<sup>15</sup> *Report on the Federal Defender Program*, at 26.

<sup>16</sup> *Reports of the Proceedings of the Judicial Conference* : 5 (1988) ("In recognition of the possibility that the 'Defender Services' appropriation might be insufficient to fund fully the anticipated level of CJA activities, the Conference established . . . priorities for that appropriations account").

<sup>17</sup> House Report No. 102-709, 102nd Cong., 2d Sess., at 75 (Sept. 28, 1992).

<sup>18</sup> "In response to Congressional concerns over the limited funding available to meet CJA requirements and in order to assist Congress in its efforts to reduce governmental spending overall, the Judiciary is *not* intending in fiscal years 1993 or 1994 to implement the \$75 per hour rate in the 72 districts for which that rate has been approved but not yet implemented and, therefore, is not seeking any fiscal year 1994 funds for this purpose." Hearings, House Appropriations Subcommittee for FY 1993, Part 4, The Judiciary, 498-99 (emphasis in original).

<sup>19</sup> The Judiciary "is *not* seeking fiscal year 1995 funds to implement the \$75 rate in the 72 districts for which that rate has been approved but not yet implemented." Hearings, House Appropriations Subcommittee for FY 1995, Part 4, The Judiciary, 384 (emphasis in original). However, the *Proposed Long Range Plan for the Federal Courts*, at 94, recommends: "At a minimum, adequate funding should be requested so that the Judicial Conference can adjust compensation rates up to the maximum amount authorized by law."

the funds necessary to implement rate increases provided by the CJA,<sup>20</sup> and established by the Judicial Conference,<sup>21</sup> but never implemented. As a result, CJA panel attorneys in most judicial districts are still paid at 1984 rates: \$40 per hour for out-of-court work; \$60 per hour

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<sup>20</sup> 18 U.S.C. § 3006A(d)(1), amended in 1988, provides for increasing the 1984 \$60/\$40 rates when the "Judicial Conference determines that a higher rate of not in excess of \$75 per hour is justified for a circuit or for particular districts within a circuit. . . . The Judicial Conference shall develop guidelines for determining the maximum hourly rates for each circuit in accordance with the preceding sentence, with variations by district, where appropriate, taking into account such factors as the minimum range of the prevailing hourly rates for qualified attorneys in the district in which the representation is provided and the recommendations of the judicial councils of the circuits."

<sup>21</sup> Following the CJA procedures, the Judicial Conference has established "alternative rates" of up to \$75 per hour in 89 of the 94 federal districts "subject to the availability of funds, and subject to whatever priorities the Conference might establish for the use of available resources."

- \$75 rate established in the following districts and court locations: Alaska, California (Central, Eastern (Sacramento and Fresno), Northern & Southern), Detroit, Michigan, New Jersey, Las Cruces, New Mexico, New York (Eastern and Southern), and Seattle, Washington; \$70 rates in Hawaii; and \$60 rates in Oregon and Las Vegas and Reno, Nevada. *Proceedings of the Judicial Conference (JCUS)* 16, 46, 75, 111 (1988).

- Extension of \$75 rate to entire districts where previously limited to specific court locations, and to all districts in the Seventh Circuit (Wisconsin, Illinois & Indiana). *JCUS* 79, 108 (1990).

- \$75 per hour approved for Alabama (Southern), Arizona, Connecticut, Florida, Georgia (Northern), Guam, Idaho, Kentucky, Louisiana, Maryland, Massachusetts, Michigan (Western), Mississippi, Missouri, Nevada, North Carolina (Western), Ohio, Oregon, Pennsylvania (Middle & Western), South Carolina, Tennessee, Texas, Virginia (Western), and West Virginia. *JCUS* 18, 47, 56-57, 73 (1991).

- \$75 rates approved for Alabama (Northern & Middle), Arkansas (Eastern), Colorado, Delaware, Georgia (Middle & Southern), Iowa, Kansas, Minnesota, Montana, New Hampshire, New York (Western), North Carolina (Eastern & Middle), North Dakota, Northern Mariana Islands, Oklahoma, Pennsylvania (Eastern), Puerto Rico, Utah, Vermont, Virgin Islands, Washington (Eastern), Wyoming, and Hawaii. *JCUS* 21-22, 39 (1992).

- \$75 rate approved for South Dakota. *JCUS* \_\_ (1995).

The rates established after 1988 (for 73 districts) have not been implemented.

for work in-court; averaging \$45 per hour<sup>22</sup> (\$30 in 1984 dollars).<sup>23</sup>

The cost of practicing law, in the meantime, has increased tremendously. The most recent \$75 rate, approved in January, 1995, applies (if and when funded) to the District of South Dakota, a low-cost area, where surveys conducted by the Defender Services Division show that the average overhead cost of a law office is \$38 per hour, and the average private sector prevailing rates for criminal cases are \$94 per hour in-court, \$93 per hour out-of-court. In moderate-cost locations, the costs, and the prevailing sector rates, are notably higher. The cost of law office overhead in Vermont, for example, was \$47 per hour in 1993.<sup>24</sup> A recent survey by the Tennessee Bar Association shows the average cost of office overhead of \$46.81 per billable hour, and the average private sector prevailing rate for criminal cases of \$115.84.<sup>25</sup> However, prevailing private sector rates and overhead costs in expensive metropolitan areas where the \$75 CJA rates have been annually postponed for lack of federal appropriations (Miami, Dallas, Chicago, Philadelphia, Pittsburgh, St. Louis, Atlanta, Cleveland, Minneapolis, etc.) are much higher — effectively turning panel attorney service into a direct subsidy of the government's constitutional obligation to provide assistance of counsel to the indigent accused of crime.<sup>26</sup> The Judicial Conference has long recognized this problem:

The \$40 and \$60 hourly rates paid to CJA panel attorneys are seriously deficient. In many locations, they do not even cover the basic office overhead costs of law offices. Thus, many lawyers accept assignments of cases from the federal courts at a financial sacrifice to their livelihood.<sup>27</sup>

Of course, the problem is most acute in districts without a federal defender

<sup>22</sup> *Report on the Federal Defender Program*, at 4 ("The average compensation is about \$45 per hour, since one in-court hour is reported for every three out-of-court hours").

<sup>23</sup> The general cost of living, as measured by the Bureau of Labor Statistics, shows that a dollar's worth of goods and services in 1984 costs about \$1.50 in 1995. Accordingly, most panel attorneys are paid barely over \$30 per hour (compared to \$45) in 1984 dollars — a \$15 per hour rate cut that has crept into the system over the years.

<sup>24</sup> *State of Vermont v. Bacon*, —A.2d—, WL 74700, \*24 (Vt. 1995) (Dooley, J., Dissenting)

<sup>25</sup> *State of Tennessee v. Mathews*, Criminal Court of Montgomery County, No. 33791, (March 18, 1995), at 1 (order setting a court-appointed hourly rate, in a capital case, at \$100 per hour)

<sup>26</sup> The Judicial Conference's *CJA Guidelines*, ¶ 2.28 A., excludes office overhead from those expenses reimbursed to panel attorneys: "The statutory fee is intended to include compensation for these general office expenses." Cf. *State of Louisiana v. Green*, 631 So.2d 11, 13 (La. App. 1993) (setting an overhead rate of \$30 per hour plus fees of \$45 per hour, once annual *pro bono* donation exceeds 100 hours).

<sup>27</sup> *Report on the Federal Defender Program*, at 30.

organization, where panel attorneys are often conscripted to fulfill the government's constitutional obligations, losing their livelihood, and risking bankruptcy in the process.<sup>28</sup>

Several state courts have held that such a taking of private property for public use, without just compensation, violates the "takings clause" of the Fifth Amendment, or state constitutional counterparts.<sup>29</sup> It is well settled that an attorney's professional skills are property. Under the Federal Constitution, "the right to practice law has been held to be a property right within the meaning of the due process and equal protection provisions of the fourteenth amendment."<sup>30</sup> "From this it follows that an attorney from whom services are demanded and by whom they are given has a property right in his fee for those services which . . . should be based on their just and reasonable value."<sup>31</sup>

The crux of the CJA panel attorney payment problem is this: The CJA, unlike the 1931 Davis-Bacon Act, does not require panel attorney payments reflecting, or even reasonably approximating, the prevailing private market wage. In fact, the \$75 maximum rate is less than fifty percent of the value set by the private market in many locations. Continued payments at less than half of that statutory rate — and below the out-of-pocket cost of keeping an office open — continually violates the basic constitutional property rights of those panel attorneys who, after all, have the same rights and responsibilities of any other small business owner.<sup>32</sup>

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<sup>28</sup> See, e.g., *Bey v. United States*, No. 93-8442, cert. denied, —U.S.— (June 23, 1994) (question presented: does conscription of panel attorneys to serve at a financial sacrifice violate the Constitution?).

<sup>29</sup> See *Pruett v. State*, 574 So.2d 1342, 1357 (Miss. 1990); *Jewell v. Maynard*, 383 S.E.2d 536, 543 (W.Va. 1989); *DeLisio v. Alaska Superior Court*, 740 P.2d 437, 441 (Ala. 1987); *Stephan v. Smith*, 747 P.2d 816, 842 (Kan. 1987); *State ex rel. Partain v. Oakley*, 227 S.E.2d 314 (W.Va. 1976).

<sup>30</sup> *Weiner v. Fulton County*, 148 S.E.2d 143, 145 (Ga.App.) (citing *Schwartz v. Board of Bar Examiners*, 353 U.S. 232 (1957)), cert. denied, 385 U.S. 958 (1966). See also *Konigsberg v. State Bar of California*, 353 U.S. 252 (1957).

<sup>31</sup> *Bias v. State*, 568 P.2d 1269, 1270 (Okla. 1977). See also *Bedford v. Salt Lake County*, 447 P.2d 193, 195 (Ut. 1968); *Warner v. Commonwealth*, 400 S.W.2d 209, 211 (Ky. 1966), cert. denied, 385 U.S. 858 (1966); *State ex rel. Partain v. Oakley*, 227 S.E.2d 314 (W.Va. 1976); *Abodeely v. County of Worcester*, 227 N.E.2d 486 (Mass. 1967); *Knox County Council v. State*, 29 N.E.2d 405, 408 (Ind. 1940).

<sup>32</sup> In *FTC v. Superior Court Trial Lawyers Assn.*, 493 U.S. 411 (1990), for example, the Supreme Court held (unanimously) that panel attorneys are small businesses covered by the Anti-Trust laws. The House Republican's "Contract With America" calls for compensation under the Fifth Amendment when government regulations take 10 percent of property value. Where CJA payments reflect less than the cost of doing business, and less than a fourth of the private market rate, such a private property protection philosophy should apply.



### ■ Training for Panel Attorneys

As the costs of living generally — and practicing law in particular — have risen, and as federal criminal law has become more complex, time-consuming and specialized, the pool of qualified CJA panel attorneys has decreased because the rates in most areas have been frozen for over a decade. Some of the resulting problems are explained by the Judicial Conference Report:

Federal criminal law, including its sentencing aspects, has become exceedingly complex. It is no longer feasible for a state criminal defense lawyer to appear occasionally in a federal court and be expected to perform competently. Lack of knowledge of federal law and procedure can create very serious adverse consequences for criminal defendants.

In order to be an effective advocate in a federal criminal case today, it is essential that an attorney be knowledgeable in the federal sentencing guidelines. Unfortunately, however, information elicited by the Review Committee indicates that it is not uncommon for attorneys with little or no criminal experience to be appointed in federal cases, and a lack of training for panel attorneys was a common complaint cited in hearings before and correspondence to the review committee.<sup>33</sup>

Given the well-recognized, increasingly serious difficulty in recruiting qualified panel attorneys, the Judicial Conference proposed "only minimal qualification standards."<sup>34</sup> Even though quality control is essential, in districts stuck — since 1984 — at the \$40/\$60 rate, the Conference was forced to recognize that "specific requirements might render it difficult or impossible to find a sufficient number of attorneys to serve on the panel."<sup>35</sup> However, the *Proposed Long Range Plan for the Federal Courts* recommends against further delay in qualification standards: "The CJA does not establish qualification standards for attorneys serving on CJA panels. The practice of federal criminal law has become highly specialized. Defendants face increasingly lengthy prison terms. It is time for panel attorneys to be held to certain minimum qualifications."<sup>36</sup>

The solution to the chronic, systemic problem of a lack of qualified attorneys for indigents is to pay rates sufficient to attract qualified attorneys and, at the same time, to

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<sup>33</sup> *Report on the Federal Defender Program*, at 28. The *Report of the Committee to Review the Criminal Justice Act* is reprinted at 52 CrL (BNA) 2265 (March 10, 1993).

<sup>34</sup> *Report on the Federal Defender Program*, at 28.

<sup>35</sup> *Id.*, at 27.

<sup>36</sup> *Proposed Long Range Plan*, at 111.

promulgate the qualification and experience standards that are well recognized to be necessary. The Judicial Conference's alternative — government-run and subsidized training programs<sup>37</sup> — is at best a short-term, out-dated and far from comprehensive plan. The true solution is to permit the market system to work: panel attorneys paid at a fair rate (even though far less than the market rate) can purchase from the private market the training necessary to competently fulfill the government's constitutional mandates. The Judicial Conference should set high standards; Congress should appropriate funding sufficient to enable panel attorneys to purchase the training necessary to obtain (and maintain) the skills necessary to the job. The whole criminal justice system will work efficiently then, to the benefit, including tax savings, of us all — and it will be a justice system worthy of its name.

### Conclusion — the Future of the CJA

The Criminal Justice Act requires a "substantial proportion" of appointments to the private bar.<sup>38</sup> "Substantial" shall usually be defined as approximately 25 percent of the appointments under the CJA annually throughout the district.<sup>39</sup> The American Bar Association also recommends "substantial participation by the private bar,"<sup>40</sup> in order to provide a broad-based constituency for improvement of the criminal justice system:

All lawyers, whether criminal practitioners or not, share in the responsibility of ensuring that the most visible legal institution in the Nation, the criminal justice system, is of the highest attainable quality. Increasingly, however, indigent defense in many cities is almost the exclusive responsibility of public defenders and a very small private bar. The remainder of the trial bar is not fulfilling its obligation to participate through the representation of indigent defendants, and as a result, the shunning of criminal defense practice deprives the criminal justice system of a powerful voice for criminal justice reform, because the influential lawyers are unfamiliar with the working of the criminal justice system.<sup>41</sup>

The private bar's participation in the federal criminal justice system is also necessary

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<sup>37</sup> *Study of the Federal Defender Program*, at 28.

<sup>38</sup> 18 U.S.C. § 3006A(a)(3).

<sup>39</sup> Administrative Office of the United States Courts, "Model Criminal Justice Act Plan," § VI.C (1991).

<sup>40</sup> ABA STANDARDS FOR CRIMINAL JUSTICE, PROVIDING DEFENSE SERVICES (ABA Standard) 5-1.2 (3d ed. 1992).

<sup>41</sup> ABA Standard 5-2.2 (Commentary).

to counter the inherent trend, in any closed bureaucracy,<sup>42</sup> of ignoring or rejecting alternative, even critical, points of view; in other words, to provide for a healthy and efficient system of checks and balances.<sup>43</sup>

The combination contemplated by the CJA — approximately 25 percent private panel attorneys; 75 percent public defenders — is readily attainable. Defender offices can and should be opened in all federal districts, and should receive most (approximately 75 percent) of the appointments. The remaining cases should be assigned to panel attorneys who are willing (not conscripted), who are qualified (meeting high standards) and who are reasonably compensated (in order to maintain qualifications, pay necessary office overhead, and avoid destitution).

But still, the only way to obtain these goals — and to fulfill the government's constitutional mandate — is to fully fund the Criminal Justice Act. Because past appropriations have been grossly inadequate, and because the budget now proposed does not even purport to redress the dire need, NACDL urges this Committee to recommend — and the Congress to enact — an adequate Defender Services Appropriation of \$400,000,000. This appropriation cannot be viewed in a vacuum. Aside from the constitutionally inherent values of a truly fair and efficient criminal justice system, compared to the institutional, economic inefficiencies inhering in inadequate funding for the procedurally imperative criminal defense attorney, the full and fair funding for such lawyers is a pittance to pay, and a societal bargain.

On behalf of the National Association of criminal Defense Lawyers, I want to thank the subcommittee again for affording us this opportunity to be heard on this very important subject, and for considering our concerns and requests for congressional action.

Richard Kammen  
NACDL

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<sup>42</sup> The Judicial branch, in its administrative role, is exempt from most laws covering open meetings, public records, or freedom of information.

<sup>43</sup> The institutional benefit of private bar participation is illustrated by *In re Snyder*, 472 U.S. 634 (1985), where the unanimous Supreme Court held that a private CJA panel attorney was not contemptuous for criticizing the administration of the CJA. "Officers of the court may appropriately express criticism on such matters." Government employees, however, may not be so protected. See *Waters v. Churchill*, 114 S.Ct. 1878 (1994) (public employees can be summarily fired for criticism that could disrupt efficiency).

- Richard Kammen  
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Richard Kammen is a practicing criminal defense lawyer with his office in Indianapolis, Indiana. He is a member of the law firm of McClure, McClure & Kammen. He graduated from Ripon College cum laude in 1968 and New York University School of Law in 1971. Admitted to the Bar in 1971, he began his practice after service in the United States Army.

During his professional career, Mr. Kammen has served as a public defender in the Marion County Courts on two occasions, in the early 1970's and in 1978-79.

He has also maintained an active criminal defense practice in both the state and federal courts, acting as both retained and appointed counsel

Mr. Kammen has defended death penalty cases in both State and Federal courts. Significantly he has been appointed by United States District Judges to represent capitally charged defendants in Alaska, United States v. Raymond Chesly (Government's request for death penalty dismissed as improper) and Michigan United States v. Reginald Brown (Government's request for death penalty and underlying Murder charges dismissed because the defendant is innocent).

A frequent speaker and lecturer on criminal defense issues, Mr. Kammen has spoken to lawyer groups in many states and federal circuits. He has been a member of the faculty of the National Criminal Defense College since 1982.

Mr. Kammen is the recipient of the Pro Bono Award given by the Indiana Bar Association in 1986.

Mr. Kammen served from 1989 to 1994 as a member of the Panel Advisory Committee appointed by the Office of Defense Services of the Administrative Office of the United States Courts and has served since May of 1992 as the head of the Criminal Justice Act Funding Crisis Task Force of the National Association of Criminal Defense Lawyers. He is also a co-chair of the Indigent Defense Committee of the National Association of Criminal Defense Lawyers.

THURSDAY, MAY 11, 1995.

**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES****WITNESS****STACEY ROSE-BLASS, PRESIDENT, AFGE LOCAL 1812**

**Mr. TAYLOR.** The American Federation of Government Employees Local 1812, Stacey Rose-Blass.

**Ms. ROSE-BLASS.** Good morning. I want to, first of all, just thank you for the opportunity to testify today. As you said, I am the President of the American Federation of Government Employees, Local 1812 at USIA.

On behalf of the rank and file civil service employees of the USIA, we have grave concerns over the proposed consolidation of foreign affairs agencies, specifically within the 150 accounts. We do believe that the entire U.S. Federal Government can and should function more efficiently, and we are glad that the debate has begun. But I am here to tell you that without a doubt, USIA's programs, products and services are not only the most effective, but the most cost-efficient foreign policy tools of the U.S. Government.

Our programs have created a special sense of trust and credibility among the peoples of our ever-shrinking global society. As many have commented, the American taxpayer gets more bang for the buck out of the employees of the U.S. Information Agency than any other Federal agency. I am proud to say that USIA is on the cutting edge of real streamlining in government and in the forefront of the information revolution.

The text and audio of our Voice of America programs are on the Internet. Worldnet Television is on cable and international television all over the world. Our agency employees are the informational revolutionaries extolled by Speaker Gingrich and Vice President Gore.

I recently discovered that under President Thomas Jefferson, the entire State Department at one time consisted of one Secretary of State and seven clerks. In the present State Department, these original seven employees have mushroomed into hundreds of departments and thousands of under secretaries, deputy under secretaries and deputy under secretaries deputies. The thought of consolidation into this choking bureaucracy leaves many in our agency quite mystified.

Political pundit George Will said it better than I can when he said: "Ideas matter." That is what USIA programs are all about: Ideas. The communication of those ideas. Communication and information are the keys to a democratic and stable society. If USIA's programs, products and services are moved under the official Department of State, they will become official government-to-government functions and will lose the people-to-people diplomacy that our agency does so well for this country.

Having said that, we agree with the Congress that USIA and the foreign affairs community should be retooling in the present for the future, not downsizing because of the past. The events in Chechnya, the turmoil in Iran, the Balkan explosions all demonstrate that instead of a Cold War we have entered the era of a cold peace as announced by President Yeltsin at the end of last

year. The battle for freedom and democracy is not yet won, and without the U.S. Information Agency doing what it does best, that battle for men's and women's mind on this troubled planet will never be won.

In terms of international broadcasting, we urge you to consider legislation that would require funds to be earmarked for specific language programming, as they were in the Asia Enhancement Fund. Cost savings could be obtained by eliminating the plans for a Radio Free Asia since the Voice of America is already broadcasting in those languages and doing a superb job.

As you probably know, domestic American media are used to criticizing anything and everything about America. As far as American private media are concerned, we do not believe that they portray the image of America the way U.S. taxpayers would want our story to be told to the world. U.S. international broadcasting puts America in context, whether describing something terrible or positive.

America desperately needs shortwave Voice of America broadcasts for the masses of desperate people around the world who hunger and thirst to be free. It is a beacon of light and hope for democracy. America desperately needs a television service that connects foreign audience with American policymakers and unsung American heroes.

The Worldnet Television and Film Service can and should become media central for the entire U.S. Federal Government. With a bit more resources and a more forward thinking and well-organized management, Worldnet could produce any television or film product for any agency of the Federal Government for any audience, something that the States could never do alone.

USIA is still experiencing the nightmare of international radio consolidation while trying to comply with the International Broadcasting Act of 1994. Unfortunately, the recommendations of the frontline employees were ignored in creating the consolidation plan. The union, together with mid-level managers made cost reduction proposals to upper management, which would have prevented the costly and demoralizing RIF of January 20th. We offer proposals that would have saved money in a humane and sensible way.

Unfortunately, upper management opted for casting out our frontline workers: Foreign language broadcasters, relay station technicians in Bethany, Ohio and Greenville, North Carolina, and secretary clerk-typists, many of whom are women and minorities.

Management refused to cut its Senior Executive Service employees, even ignoring the Office of Management and Budget's demand for a 10 percent decrease in SES positions by December of 1994. Management refused to cut its four bloated offices of personnel and administration. Our Office of Engineering lost over 55 million American taxpayer dollars when our transmitter in Sri Lanka was incapacitated. We have proliferating computer visions, all with our own management structure, and until last summer our computer systems couldn't even talk to each other. At least now they can. The taxpayer just cannot afford another consolidation which retains high-level managers and destroys the mission of agencies.

There is vital cost savings that could be done without consolidating USIA into the State Department. In terms of international ex-

change programs, they pay for themselves by bringing \$7 billion into the U.S. economy annually. Even long-term employees of USIA were surprised to find that even national exchange programs proliferate many Federal agencies. USIA can and should be the coordinator for all such international exchanges.

Our agency has the know-how and the personnel to administer these programs. In this time of shrinking resources, the Congress should take a hard look at consolidation of international exchange programs under USIA, rather than bringing them under the mammoth bureaucracy of State Department. This sentiment against—

Mr. TAYLOR. I am sorry, I have to call time. We have to move along. But if you will submit the rest in writing for the record and thank you very much.

Ms. ROSE-BLASS. Do you have any questions or anything that you may have heard about the radios?

Mr. TAYLOR. I do not, but I would like to look at what you submit in writing and we may put questions to you. Thank you very much. [The information follows:]

House Appropriations Subcommittee on Commerce, State and Judiciary  
 Thurs, May 11, 1995  
 Testimony of Stacey Rose-Blass, President, AFGE Local 1812

Mr. Chairman and members of the committee, I thank you for the opportunity to testify today. I request that my testimony and the supporting documents be made part of the record and I will be available to answer any questions that you may pose. I am the President of the American Federation of Government Employees, Local 1812 at the U.S. Information Agency.

On behalf of the rank and file civil service employees of the USIA, we have grave concerns over the proposed consolidation of Foreign Affairs agencies, specifically the 150 accounts. Yes, the entire U.S. Federal Government can and should function more efficiently, and we are glad the debate has begun. Yet, I am here to tell you that without a doubt, USIA's programs, products and services are not only the most effective, but the most cost-efficient foreign policy tools of the United States Government.

Our programs have created a special sense of trust and credibility among the peoples of our ever-shrinking global society. As many have commented, the American taxpayer gets more bang for the buck out of the employees of the U.S. Information Agency than any other Federal agency. I am proud to say that USIA is on the cutting edge of real streamlining in government, and in the forefront of the information revolution. The text and audio of our VOA programs are on INTERNET. WORLDNET is on cable and national television all over the world. Our Agency employees are the informational revolutionaries extolled by Speaker Gingrich and Vice President Gore.

I recently discovered that under President Thomas Jefferson, the entire State Department at one time consisted of one Secretary of State and seven clerks! In the present State Department, these original seven employees have mushroomed into hundreds of departments and thousands of under-secretaries, deputy under-secretaries and deputy-under-secretaries' deputies. The thought of consolidation into this choking bureaucracy leaves many in our Agency totally mystified. Political pundit George Will said it better than I can when he said: "Ideas matter". That is what USIA programs are all about. Ideas. Communication of those ideas. And communication and information are the keys to a democratic and stable society. If USIA's programs, products and services are moved under the official Department of State, they will become official government to government functions, and will lose the people to people diplomacy that our Agency does so well for this country.



Having said that, we agree with the Congress that USIA and the foreign affairs community should be re-tooling in the present for the future, and not downsizing because of the past. The events in Chechnya, the turmoil in Iran, the Balkan explosions, demonstrate that instead of a Cold War, we have entered the era of a "cold peace", as announced by President Yeltsin at the end of last year. The battle for freedom and democracy is not yet won and without the U.S. Information Agency doing what it does best, that battle for men's and women's minds in this troubled planet will never be won. In terms of international broadcasting, we urge you to consider legislation that would require that funds be earmarked for specific language programming as they were in the ASIA ENHANCEMENT fund. Cost savings could be attained by eliminating plans for a RADIO FREE ASIA since the Voice of America is already broadcasting in those languages and doing a superb job. Domestic media are used to criticizing anything and everything about America. As far as American private media is concerned, we do not believe that they portray the image of America the way U.S. taxpayers would want our story to be told to the world. Even the INTERNET is far into the future since it requires a computer, good telephone lines and electricity. U.S. international broadcasting puts America in context, whether describing something terrible or positive.

America desperately needs shortwave Voice of America broadcasts for the masses of desperate people around the world who hunger and thirst to be free. It is a beacon of light for hope and democracy. America desperately needs a television service that connects foreign audiences with American policy makers and unsung American heroes. The WORLDNET television and film service can and should become "media central" for the entire US Government. With a bit more resources, and a more forward thinking and well organized management, WORLDNET could produce any television or film product for any agency of the federal government, for any audience.

USIA is still experiencing the nightmare of international radio consolidation while trying to comply with the International Broadcasting Act of 1994. Unfortunately the recommendations of the front line employees were ignored in creating the consolidation plan. The Union, together with mid level managers, made cost reduction proposals to upper management which would have prevented the costly and demoralizing RIF of January 20, 1995. We offered proposals that would have saved money in a humane and sensible way. Unfortunately, upper management opted for casting out our front-line workers: foreign language broadcasters, relay station technicians and clerk-typists, many of whom are women and minorities. Management refused to cut its Senior Executive Service employees even ignoring the Office of Management and Budget's demand for a ten percent decrease in SES positions by December 1994. Management refused to cut its four bloated Offices of Personnel and Offices of Administration. Our Office of Engineering lost over fifty-five million American taxpayer dollars when our transmitter in Sri Lanka was incapacitated. We have proliferating Computer Divisions, all with their own management structure and until last summer, our different computer systems couldn't even

communicate with each other! The U.S. taxpayer just cannot afford another consolidation which retains high-level managers and destroys the mission of Agencies.

Vital cost savings could be done without consolidating USIA into the State Department. For example: Exchange programs. Even long-time employees of USIA were surprised to find that exchange programs proliferate in many Federal agencies. USIA can and should be the coordinator for all such international exchanges. Our agency has the know-how and the personnel to administer these programs. In this time of shrinking resources, the Congress should take a hard look at consolidation of exchange programs under USIA rather than bringing them under the mammoth bureaucracy of the State Department. This sentiment against consolidation is supported by the public statement of bipartisan groups of prominent Americans, including the Heritage Foundation's backgrounder of April 17 and the petition released by Freedom House on April 19, 1995.

America's noble experiment in democracy, two hundred plus years young, is one of history's greatest and noblest stories. If USIA curtails its role in explaining the magic and mystery of America to the world, we will gradually lose our position as leaders in the world we inhabit. We will become less of a positive force for good and possibly squander the heritage of our Founding Fathers. I thank you for your time.

THURSDAY, MAY 11, 1995.

**9 TO 5 ASSOCIATION OF WORKING WOMEN****WITNESS****VALENCIA CAMPBELL, BOARD MEMBER, 9 TO 5 ASSOCIATION OF WORKING WOMEN**

Mr. TAYLOR. The 9 to 5 Association of Working Women, Valencia Campbell.

Ms. CAMPBELL. Good morning, Congressman. My name is Valencia Campbell, and I am pleased to appear before you as a board member of 9 to 5, the National Association of Working Women. Our organization supports the 15 percent funding increase for the Equal Employment Opportunity Commission requested by President Clinton. I want to thank you for giving me this opportunity to speak in support of this request.

9 to 5, the National Association of Working Women, was founded in 1973. It has chapters in the District of Columbia and 25 States across the country. 9 to 5 has a national toll-free job survival hotline which allows us to hear from thousands of women across the country.

Often, these women believe that they are experiencing employment discrimination based on race, color, religion, sex, or age. Over the years, 9 to 5 has sent many hotline callers to the EEOC to file complaints when they believed that they have been victimized by job discrimination or harassment.

Last year, we asked our members to share their experiences with us regarding their attempts to seek relief from the EEOC. Our report provides a qualitative snapshot of a theme voiced over and over by those contracting the EEOC. Namely, the investigations took too long to resolve their complaints. Indeed, the General Accounting Office found that in 1993, it took an average of 295 days, or more than nine months to process charges at the EEOC.

Clearly, delays such as this are not only frustrating and emotionally draining for the complainant, but can negatively impact one's case through lost witnesses and memory deterioration. Moreover, for the victims, this lack of timeliness is equivalent to the well-known adage, justice delayed is justice denied.

EEOC's stated mission is to ensure equality of opportunity by vigorously enforcing Federal laws prohibiting employment discrimination. In order to fulfill this broad mission, it is imperative that the EEOC have adequate staff and the resources to obtain state-of-the-art computer equipment and software for tracking complaints.

No one should be turned away because there are not enough investigators to meet the increased number of complaints filed, particularly since the passage of the 1991 Civil Rights Act, which allowed for the first time compensatory and punitive damages to the victims of illegal employment discrimination.

Congress can never say that this country has a commitment to enforcement of these Federal laws if the primary agency empowered to do so lacks basic resources and staffing to get the job done. Our members gave us individual details of the additional pain and hurt which resulted from their contact with the EEOC. One of the

main reasons four of my colleagues and I sought private help and filed suit under other laws was to avoid the delays that were involved in EEOC processing.

Mr. Chairman, the decision to seek outside help in resolving our complaints came after dealing with the employer's internal procedures for almost two years to no avail. It was not a decision that was made lightly or frivolously. It is my dream that very few of the women who follow me will have to spend thousands of dollars to achieve their rights in the workplace.

I have never in all of my life felt such agony and degradation as I have in seeking to obtain equal treatment in the work place. Even after starting legal proceedings against our employer, they continued to engage in retaliatory actions against me and my former work colleagues who complained about their behavior. Our work was sabotaged, we received sinister threats and the list goes on and on. It was a nightmare.

We watched employees with only high school diplomas receive one promotion after another. Some even up through management with supervisory authority over those of us who had worked hard to obtain bachelor's, masters and even Ph.D. degrees. This insidious type of behavior sends the wrong message to our youth entering the workplace today.

Our employer continued their discriminatory treatment and harassment toward us with impunity. Their behavior brought back memories of times long past in this country when black Americans were at the mercy of their master with no legal protection to remedy the horrendous treatment that they received. One need only review the writings of Mary Church Terrell in the early 1900s or the documentary history of black women compiled by Gerda Lerner to underscore how problems are compounded in the work place when not only one's race is targeted for discriminatory treatment, but one's gender as well.

Mr. Chairman, I am painting this picture for you today because I want to dramatize the dire need for a strong Federal agency to protect workers adversely affected by employment discrimination and retaliatory actions of all kind. Today, increased funding of the EEOC can go a long way in tackling EEOC's problems of understaffing and delayed processing of worker complaint. I pray that you will take a stand in support of working women everywhere to work in an environment that is free of employment discrimination. Thank you.

Mr. TAYLOR. Thank you.

[The information follows:]

## STATEMENT OF VALENCIA CAMPBELL

## TO THE HOUSE

SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE AND JUDICIARY COMMITTEE  
ON ECONOMIC AND EDUCATIONAL OPPORTUNITIES

Representative Rogers, Other Distinguished members of the Subcommittee. My name is Valencia Campbell, and I am pleased to appear before you as a Board member of 9to5, the National Association of Working Women. Our organization supports the 15% funding increase for the Equal Employment Opportunity Commission (EEOC) requested by President Clinton. I want to thank you for giving me this opportunity to speak in support of this request.

9to5, the National Association of Working Women, was founded in 1973. It has chapters in the District of Columbia and 25 states across the country.

9to5 has a national toll free Job Survival hotline which allows us to hear from thousands of women across the country. Often, these women believe that they are experiencing employment discrimination based on race, color, religion, sex, or age. Over the years, 9to5 has sent many hotline callers to the EEOC to file complaints when they believed that they have been victimized by job discrimination or harassment.

Last year, we asked our members to share their experiences with us regarding their attempts to seek relief from the EEOC. Our report provides a qualitative snapshot of a theme voiced over and over by those contacting the EEOC--namely the investigations took too long to resolve their complaints. Indeed, the General Accounting Office found that in 1993, it took an average of 294 days (or more than nine months) to process charges at the EEOC. Clearly, delays such as this are not only frustrating and emotionally draining for the complainant but can negatively impact one's case through loss witnesses and memory deterioration. Moreover, for the victims, this lack of timeliness is equivalent to the well known adage--justice delayed is justice denied.

EEOC's stated mission is to "ensure equality of opportunity by vigorously enforcing federal laws prohibiting employment discrimination . . ." In order to fulfill this broad mission it is imperative that the EEOC have adequate staff and have the resources to obtain state of the art computer equipment and software for tracking complaints. No one should be turned away because there are not enough investigators to meet the increased number of complaints filed--particularly since the passage of the 1991 Civil Rights Act which allowed, for the first time,

compensatory and punitive damages to the victims of illegal employment discrimination. Congress can never say that this country has a commitment to enforcement of these federal laws if the primary agency empowered to do so lacks basic resources and staffing to get the job done.

Our members gave us vivid details of the additional pain and hurt which resulted from their contact with the EEOC. One of the main reasons four of my colleagues and I sought private help and filed suit under other laws was to avoid the delays that were involved in EEOC processing.

Mr. Chairman, the decision to seek outside help in resolving our complaints came after dealing with the employer's internal procedures for almost two years--to no avail. It was NOT a decision that was made lightly or frivolously. It is my dream that very few of the women who follow me will have to spend thousand of dollars to achieve their rights in the workplace.

I have never, in all my life, felt such agony and degradation as I have in seeking to obtain equal treatment in the workplace. Even after starting legal proceedings against my employer, they continued to engage in retaliatory actions against me and my former work colleagues who complained about their behavior. Our work was sabotaged, we received sinister threats, and the list goes on and on. It was a nightmare. We watched employees with only high school diploma's receive one promotion after another--some even up to management with supervisory authority over those of us who had worked hard to obtain bachelor's, master's and even Ph.D. degrees. This insidious type of behavior sends the wrong message to our youth entering the workplace today!

Our employer continued their discriminatory treatment and harassment toward us with impunity. Their behavior brought back memories of times long past in this country when Black Americans were at the mercy of their master with no legal protection to remedy the horrendous treatment that they received. One need only review the writings of Mary Church Terrell in the early 1900's or the documentary history of black women compiled by Gerda Lerner to underscore how problems are compounded in the workplace when not only one's race is targeted for discriminatory treatment but one's gender as well.

Mr. Chairman, I am painting this picture for you today because I want to dramatize the dire need for a strong Federal agency to protect workers adversely affected by employment discrimination and retaliatory actions of all kinds.

The EEOC needs to have its credibility restored as the first outside stop to which an employee turns for relief rather than one which constitutes a vehicle for providing a right-to-sue letter. Large, powerful employers with access to unlimited legal resources need to know that the EEOC is more than capable of seeking full and effective relief for each and every victim of

employment discrimination as its printed brochures claim. These employers need to know that they will be accountable for willful and malicious discrimination toward its workers and that the penalty for such behavior will be high!

Thousands of people around the country no doubt have similar stories to tell as evidenced by the increased number of complaints filed with the EEOC between 1990 and 1994 which ranged from 62,000 to a high of 91,000. Today, increased funding of the EEOC can go a long way in tackling EEOC's problems of understaffing and delayed processing of worker's complaints. I pray that you will take a stand in support of working women everywhere to work in an environment that is free of employment discrimination. Thank you.

**Selected References:**

Jones, Beverly. Quest for Equality: The Life and Writings of Mary Church Terrell. New York: Carlson, 1990.

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THURSDAY, MAY 11, 1995.

**AMERICAN FOREIGN SERVICE ASSOCIATION****WITNESSES****F.A. "TEX" HARRIS, PRESIDENT, AMERICAN FOREIGN SERVICE ASSOCIATION****TODD STEWART, VICE PRESIDENT FOR STATE DEPARTMENT**

Mr. TAYLOR. Next is the American Foreign Service Association with Mr. Tex Harris.

Mr. HARRIS. Good morning, sir. I am very pleased to be here. With me is Todd Stewart, who is our Vice President for the Department of State. I would request, sir, that the statement that we prepared be put in the record and I would like to just highlight and discuss a few of the points with you.

This last week was an important one. The Secretary of Defense and the Chairman of the Joint Chiefs of Staff traveled over from the Pentagon to meet with the Speaker of the House. On the top of their agenda was to urge the Speaker not to devastate the 150 diplomatic account, because as they argued, I think, forcefully, that if the monies are taken from the diplomatic account, but yet the needs are required for American leadership in the world, they will be forced, the President will be forced to take those funds from the national security account, the O50 account, and they made that point and have repeated that point throughout the bill.

We believe, sir, that a triad, something which I understand you have had some legislation focused on, a triad. We are looking at the basis of America's national security resting on three legs. Clearly, the military, national intelligence, and diplomacy have to be strongly supported in terms of ensuring that our ability to both lead, to protect America's national security and advance our interests in the world are done.

If we have military and intelligence assets, but we lack diplomatic assets, we will be forced, as we have seen recently in the case of France, to utilize intelligence opportunities and assets in a way which is not appropriate. It is important that our diplomatic assets and our abilities be as strong as those of our military and our intelligence resources.

The second point we wish to emphasize, sir, is that American diplomacy today is no longer the exclusive providence of the three traditional foreign affairs agencies, State, AID and USIA. In Rome, for example, today there are 54 U.S. Government agencies with resident representatives. Today there are more security agency folks overseas than there are AID officials overseas around the world.

The Senate Foreign Relations Committee has recently mandated a report by the Inspectors General of the foreign affairs agencies and also the Defense Department and the Central Intelligence Agency, asking those Inspectors General to identify the priority objectives that the United States diplomacy has in each nation in the world among the top 10 goals in the world, and then to identify the resources, both people and dollars, which are being applied to the accomplishment of those priority goals.



Their results are startling. What they find is that we are not putting our money and our people where our priorities are. All too often through our major pulls in the world, what is being funded today are yesterday's priorities.

The last point and perhaps the most important one, sir, is that America's leadership and advancement depends on the skills and the effectiveness of its diplomats serving overseas. The Foreign Service has always strived to send the best-trained people to the worst places in the world and to take good care of them. We are no longer able to do either of those.

Today we are cut back each year, we have resources for computers, for training and whatever, there is always a crisis and these are always the first resources which are taken away.

Language designated posts throughout the world, we are sending now about 50 percent language qualified people into those positions. If the Defense Department received those kinds of readiness scores, there would be a cry in this body and major action to remedy the situation.

We are also looking at very minimal support in terms of improving working conditions. We have folks overseas who are unable to utilize the international telephone system because of funding shortages in the embassy to report business opportunities to American businesses back home.

We, sir, depend very much on the work of this committee and we appreciate how difficult the challenges are and the demands that are placed on this committee. But we very strongly believe that America diplomacy is critical for the future of this Nation, both in terms of our national security and also for our future prosperity.

We have not, we have not received in the past the funds necessary to do the job, and to meet the contingency problems that have come up, and we very much would urge you, sir, to assist in ensuring that diplomacy as a strong part of the national security triad.

Mr. TAYLOR. Thank you, Mr. Harris. I appreciate it.

Mr. HARRIS. Good. Nice to be with you, sir.

[The information follows:]

**Statement of F. A. "Tex" Harris  
President of the American Foreign Service Association (AFSA)  
accompanied by Todd Stewart, Vice President for State Department,  
before the House Appropriations Subcommittee for Commerce, Justice and State**

**May 11, 1995**

Mr. Chairman and members of the Committee, we thank you for this opportunity. I am the elected President of the American Foreign Service Association, which is both the professional association and the bargaining representative of 23,000 active and retired Foreign Service officers and specialists. My perspectives today are those of AFSA's membership, who represent this nation on the front lines around the world.

**Three key points:**

1. With the end of the Cold War, diplomacy is more critical than ever to America's national security and future prosperity. Sustaining America's leadership role in a disorderly and dangerous world and her ability to compete in the global arena depends to an unprecedented degree on the skill and the dedication of its diplomats. Economic and political diplomacy is an indispensable component of the national security triad, which includes the military and the intelligence services. There has never been a worse time to be weakening our diplomatic capability. All three elements of the national security triad need to be strong and effective. Diplomacy unbacked by convincing military and intelligence options can be feckless and ineffective, but forceful diplomacy minimizes the need to employ covert operations or military force. Our diplomatic capabilities should enable us to represent American interests and collect critical information for the United States on a least-cost, least-risk basis. Employing intelligence assets, for example, as a substitute for a withered economic reporting capacity can lead, as we have recently seen in France, to great embarrassment. It is this committee's responsibility to protect America's eyes, ears, and voice around the world. I implore you to ensure that the resources of the foreign affairs agencies are not recklessly compromised in the appropriations process.

2. American diplomacy today is no longer the exclusive province of the three traditional foreign affairs agencies -- State, AID, USIA. In Rome, for example, 54 U. S. government agencies have resident representatives. In many places around the world, the Department of State is no more than a quarter of the American presence. What is distressing is that our diplomatic resources are so poorly allocated relative to our diplomatic priorities. The Senate Foreign Relations Committee, at AFSA's urging, recently mandated a report by the inspectors general of the major international affairs agencies, including DOD and CIA, which clearly reveals this misalignment of resources. We believe that the total amount now being expended on diplomatic efforts in the major capitals is probably adequate, but it is being spent against outmoded priorities, relics of the Cold War. Today the world is far different and the resource allocations that were appropriate for yesterday, may not -- and AFSA believes are not -- appropriate for today. The mix has to be reconsidered and the misapplication of resources to priorities need to

be rectified. As an example, elimination of duplicative and redundant activities, particularly in the secure telecommunications area and international broadcasting, would save tens of millions of dollars yearly. Clearly there are also savings to be achieved through the consolidation of foreign affairs agencies' operations in the field, but this is relatively small change and is underway.

3. My third point is the most important: American leadership and the advancement of American interests in the world depend on the skills and effectiveness of its people serving abroad. The Foreign Service has always aimed to send our best-trained people to the worst places and to take good care of them. Sadly, we are no longer doing either. When funds for training and computer modernization have to be plundered each year in order to pay for the crisis of the day, the result is that the State Department too often now sends officers overseas without the necessary language or functional training. Only about half the positions requiring foreign language proficiency are filled by appropriately trained officers. If these were military units, their low readiness scores would provoke a congressional protest and major reallocation of funding. Well-trained Foreign Service professionals are more important than ever before, but because of underfunding, they are not properly equipped for their all-important responsibilities.

Nor are Foreign Service professionals receiving the minimal support they need in the field to keep their working conditions tolerable and their families healthy and minimally comfortable. Because of budgetary pressures, the Department of State is proposing to no longer pay for the hospitalization costs of Foreign Service personnel medically evacuated from remote, unhealthful posts around the world. In some places in Latin America, we cannot even provide potable water for embassy staff. In some Embassies, state officers doing commercial work cannot even afford to use international telephone service to inform American businesses of opportunities in their country of assignment.

Foreign Service professionals need your help, Mr. Chairman, and that of this committee in ensuring that we have a strong operating budget for an appropriate overseas platform and that we have the tools, training, and the backup support to do the key jobs which this nation counts on us to accomplish on the front lines of freedom. Please do not let us -- and the American people -- down.

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THURSDAY, MAY 11, 1995.

**CITY OF NEW ORLEANS****WITNESS****KRISTINA FORD, EXECUTIVE DIRECTOR, CITY PLANNING COMMISSION, NEW ORLEANS**

Mr. TAYLOR. We are honored today to have the Chairman of the Appropriations Committee, who will be chairing for the next two witnesses, and I would like to ask if Kristina Ford of the City of New Orleans would come forward, and I will yield the chair to Chairman Livingston.

Ms. FORD. Thank you, Mr. Taylor. Thank you for letting me get out of order, too.

Mr. TAYLOR. We will be in recess just a moment until the Chairman can be with us.

[Recess.]

Chairman LIVINGSTON. The meeting will come to order, and we have with us Ms. Ford, Executive Director of City Planning Commission of New Orleans. We are glad to have you with us. Good to see you again.

Ms. FORD. Thank you, Mr. Livingston.

Mr. LIVINGSTON. I understand you are here to testify on the Multipurpose Land Information System.

Ms. FORD. Yes, sir, I am.

Mr. LIVINGSTON. Glad to have you here. I guess you had to get a boat to get to the airport.

Ms. FORD. It seemed like it.

Mr. LIVINGSTON. How bad is it?

Ms. FORD. When I left yesterday it was easy to get around to the interstate. The pumps are working. It is going to be fine. People are living pretty miserably at the moment, but it will be fine.

Mr. LIVINGSTON. About 30,000 homes, I heard an estimate from the mayor in Orleans alone.

Ms. FORD. Yes, and of course, it is worse in Jefferson Parish.

Mr. LIVINGSTON. And I think worse again even in Saint Tammany.

Ms. FORD. Yes, sir.

Mr. LIVINGSTON. All right. Well, thank you. Welcome. You have a statement. You are welcome to either submit it for the record or summarize it as you wish.

Ms. FORD. I would like to read it and also submit it for the record. Thank you for allowing me this opportunity.

My purpose for being here today is to make a case for reinstating the rest of the funding for the eight-year Orleans Parish Multipurpose Land Information System. I acknowledge that Orleans Parish MPLIS project had an uncertain start caused partially by a failure of the former city administration to grasp its possibilities. NOAA was very patient with this failure for a long time until January of 1994 when they suspended funding for years five through eight until we could prove our ability to move the project forward credibly.

The total suspended funding amount was \$1.78 million dollars. Happily our administration changed during the year's suspension

and management responsibility was returned to the City Planning Commission with a specific charge from the mayor to get this project going.

Indeed, when the Survey Assessment Team came to New Orleans late in February of 1995, they agreed that we had gotten the project on track and that we should be eligible for all remaining funding.

What were the goals of the Orleans Parish MPLIS? To demonstrate the value of MPLIS systems. Such a system, variously known as a Cadastre, or a Geographic Information System, can be a revolutionary means of providing effective government services while reducing duplication of land records. Indeed, billions of dollars can be saved by the advanced technology contained in MPLIS systems.

A second goal is to coordinate the efforts of the private sector, the Corps of Engineers, NOAA, and the U.S. Geological Survey. This, too, reduces waste and duplication of effort beyond the confines of City Hall.

A final goal is building a market for the private sector for this technology, a market that some people estimate could total the \$90 billion by the year 2000. We are building a market for government, too, for information organized in terms of location. This can be sold to entities that are doing market analyses or impact analyses. Put another way, MPLIS provides a product, rather than a service, of calculable value to our constituents.

These goals of the eight-year Orleans Parish MPLIS project were worthy and they remain unchanged. For that reason, I believe the money originally allocated to the Parish for years five through eight should be reinstated to make this system operational.

Let me be specific about the money I am hoping to be reinstated. First, the money was suspended specifically for year five totals \$525,600, and was held back while we proved our seriousness and ability to fulfill the MPLIS requirements. NGS has recommended that these funds be reinstated.

Second, year eight of the grant which totals \$320,000 I have just applied for this money and have some hopes of getting a favorable review. And finally, year six and seven, which together total \$882,000.

My purpose today is to argue principally for years six and seven, but indeed for all of it, for almost \$1.8 million.

Let me make my point the most simply that I can. The original goals of the grant were worthy and remain so now. In addition, Orleans Parish has vigorously demonstrated its ability to get the work underway in a convincing manner. We have attracted the interests and by that I mean committed interests in terms of budget and personnel from city departments as well as external agencies such as the port of New Orleans and the Sewage and Water Board.

In short, with the full amount available to us we can get a system up and underway in a manner that will fully demonstrate its powers of the MPLIS. You are no doubt wondering what will happen if we do not get years five through eight of this funding. I don't have to tell you, Mr. Livingston, how poor my parish is. We simply do not have the funds or the access to funds that will replace the Federal portion of the MPLIS project.

While we are making process steadily, we have yet to complete a workable parish-wide data base for the MPLIS. Without the Federal assistance originally promised, we will not be able to complete the original goals of the MPLIS, and that means, if I may speak frankly, that we will have wasted the original allocation and what we will have is a very expensive drafting department. We will lose the real power of the MPLIS, which is its ability to make government efficient and effective in ways unimaginable before we had this technology.

I am asking that the full amount originally allocated to Orleans Parish be reinstated. With the aggressive management that I have instituted with the backing of Mayor Morial, we can have an exemplary urban MPLIS. I think that I can spend the Federal amount for the years of this grant in two-and-a-half years so that by December of 1997 we will be fully operational. Therefore, I respectfully request that the full \$1.8 million be reinstated. Thank you.

[The information follows:]

House Appropriations Committee: Commerce/Justice Subcommittee

**STATEMENT OF KRISTINA FORD, EXECUTIVE DIRECTOR  
CITY PLANNING COMMISSION, NEW ORLEANS**

**Speaking with regard to the Orleans Parish Multi-Purpose Land Information System**

**May 11, 1995**

Mr. Chairman, members of the Subcommittee, thank you for allowing me this opportunity to speak to you on behalf of Mayor Marc Morial and the City of New Orleans. My purpose for being here is to make a case for reinstating funds that were appropriated for the eight-year Orleans Parish Multi-Purpose Land Information System.

I acknowledge that the Orleans Parish MPLIS project had an uncertain start, caused partially by a failure by the former City administration to grasp its possibilities. NOAA was patient with this failure for a time, but in January 1994 suspended funding for Years 5-8 until we could prove our ability to move the project forward in a creditable manner. The total suspended funding amounted to \$1,786,000.

Happily, our City's administration changed during the year of suspension, and management responsibility was returned to the City Planning Commission with a specific charge: get the project going! And indeed, when the National Survey Assessment Team came to New Orleans late in February 1995 to appraise our progress, they declared renewed confidence that the project was "on track" and capable of reaching its goals.

**What were the goals of the Orleans Parish MPLIS?**

1. To demonstrate the value of MPLIS systems. Such a system -- variously known as a Cadastre, or a Geographic Information System -- can be a revolutionary means of providing effective government services while reducing duplication of land records. Indeed, billions of dollars can be saved by the advanced technology contained in MPLIS systems.
2. A second goal is to coordinate the efforts of the private sector, the Corps of Engineers, NOAA, and the U.S. Geological Survey. This, too, reduces waste and duplication of effort beyond the confines of City Hall.
3. And a final goal is building a market for the private sector for this technology -- with a value that could total \$90 billion by the year 2000. And we're building a market for government, too, for information organized in terms of location. This can be sold to entities conducting market analyses. Put another way, MPLIS provides a product -- rather than a service -- of calculable value to our constituents.

These goals of the 8-year MPLIS project were worthy -- and they remain unchanged. For that reason, I believe the money originally allocated to the Parish for years 5-8 should be reinstated to make the system operational.

I'll be specific about the money I'm hoping will be reinstated:

1. The money suspended for Year 5 totals \$525,600, and was held back while we proved our seriousness and ability to fulfill the MPLIS requirements.



NGS has recommended that these funds be reinstated.

2. Year 8 of the grant: I have just applied for the \$320,000 that was originally allocated to Orleans Parish, and have hopes this will be granted in the near future.
3. Years 6 and 7 of the grant total \$882,200. My purpose here today, principally, is to argue that this entire amount (in addition to the amounts included in items 1 and 2 above) should be again made available to Orleans Parish.

Let me make my point most simply. The original goals of the grant were worthy and remain so now. In addition, Orleans Parish has vigorously demonstrated its ability to get the work underway in a convincing manner. We have attracted the interest -- committed interest, I should say, in terms of budget and manpower -- of several City departments as well as external agencies such as the Port of New Orleans and the Sewerage and Water Board. In short, with the full amount available to us we can get a system up and underway in a manner that will be exemplary of the powers of a MPLIS.

You are no doubt wondering what will happen if we do not get the money reinstated for years 5-8. I probably don't have to tell you how poor my Parish is: we simply do not have the funds, nor the access to funds that could replace the federal portion of the MPLIS project. And while we are making progress steadily, we have yet to complete a Parish-wide data base for the MPLIS. Without the federal assistance originally promised, we will not be able to complete this effort. And that means, speaking frankly, that the money spent so far has been wasted. The equipment we've purchased and the software we've become familiar with will simply be used as

a very expensive drafting department. We will lose the real power of the MPLIS: its ability to make government efficient and effective in ways unimaginable before the advent of this technology.

The City is dedicated to this project; our dedication is evident in our progress; and we want the chance to make the system operational. Please note: our intention is to make the MPLIS operational, not to complete it. I make this distinction because it describes our conception of this pilot project becoming the basis of all land-record systems in the City of New Orleans. That is, there is no finish. There is, rather, an end to our requesting federal support. Mayor Morial's intention is that MPLIS will become integral to government.

I'm asking that the original full amount allocated to Orleans Parish be reinstated. With the aggressive management that I've instituted with the backing of Mayor Morial, we can have an exemplary urban MPLIS. You might ask -- how long will it take? I can say confidently that the federal amount for Years 5-8 can be spent (and matched, as required by the terms of the grant) in 2 1/2 years: that is, by December 31, 1997, our system will be fully operational.

I respectfully ask that the original allocation -- each dollar of the 1.78 million -- be reinstated for the Orleans Parish MPLIS. Thank you for listening to my request. I'll happily answer any questions you have.

THURSDAY, MAY 11, 1995.

**JEFFERSON PARISH****WITNESSES**

**HERBERT MILLER, EXECUTIVE ASSISTANT, JEFFERSON PARISH  
CHARLES GIBSON, DIRECTOR, GEOGRAPHIC INFORMATION SYSTEMS  
DEPARTMENT**

Mr. LIVINGSTON. Thank you very much, Ms. Ford. If you will just keep your seat, I would like to bring up Mr. Herbert Miller from Jefferson Parish, who I think has a similar statement and similar position. Welcome, Mr. Miller. How are the floods in your area?

Mr. MILLER. Well, we are doing a little better. I think we have the canals down and water out of the holes, but we had just as significant problems as Orleans Parish had and I am sure Saint Tammany is also experiencing from their rainfall of yesterday. We had in some areas over 19 inches of rain over a 6-hour period. Very difficult to handle that, sir.

Mr. LIVINGSTON. Just incredible. Who do you have with you?

Mr. MILLER. Mr. Charles Gibson, who is Director of our Geographic Information Systems Department which is running our multipurpose cadastre. Mr. Gibson is going to help me with some charts.

Mr. LIVINGSTON. Mr. Gibson, we are glad to have you here, too. Mr. Miller, if you will proceed and then I will ask questions of all of you when you have completed.

Mr. MILLER. I want to thank you, Mr. Chairman, for giving us this opportunity to speak before you today. My name is Herbert Miller and I am the Executive Assistant to Jefferson Parish President, Michael Yenni.

As you probably know, a parish in Louisiana, as you particularly know, is equivalent to a county in any other State. Jefferson Parish is located next to the City of New Orleans and has a population of about 450,000. Also, as you know, most of our parish is in your district.

Since 1987, Congress has annually awarded a matching grant on a purported 60/40 basis to Jefferson Parish and two other Louisiana parishes to develop multipurpose cadastres. It is an intelligent, computer-based information system in which data is layered on a digital map and can be used in a multitude of applications to allow government to better serve their constituents.

The three parishes that are developing these programs satisfy national interest as demonstration projects to develop and try new technologies for the implementation of multipurpose cadastres nationwide. By taking advantage of the latest technology, we have demonstrated the ability to obtain substantial cost savings in map preparation when compared to the use of traditional techniques. Beyond these national benefits, locally our system has been used successfully used in law enforcement activities, including the capture of two serial rapists, and in obtaining flood insurance reduction rates for our citizens, which I think is a very—we are very grateful for right now.

We are also using our program to provide supporting documentation to the Corps of Engineers in getting us some assistance for

funding for drainage improvements in our area which will minimize the impacts of such floods as we have experienced this week. Had all of the money appropriated by Congress for the Jefferson Parish project been awarded to us, we would have completed the project by now. Unfortunately, the National Geodetic Survey, which is the Department of Commerce division serving as the grantor agency, has chosen to keep a large portion of these funds for themselves.

As you can see from the attached chart, the funds NGS has retained for their use represent 23.64 percent of the total funds. They are also holding an additional 12.3 percent of these funds for potential award to the parishes, awards that have yet to be made.

Thus, the NGS has either kept or not yet allocated more than \$4.9 million of the total \$13.7 million appropriation. Of this amount, NGS will have retained more than \$3.2 million for their use. We submit to you that this \$3.2 million that NGS is keeping for themselves to manage these grants is far beyond the funds necessary for this task. In fact, NGS has kept for itself more of the funds Congress appropriated than some of the participating parishes have received in grants. We do not believe that this was ever the intent of this committee.

NGS, by their own admission, reprogrammed \$302,000 of grant funds for their own use without congressional approval, and still retains an additional \$360,000 of nonawarded funds from fiscal year 1994 grants. They have made no disclosure to date of how they spent the nearly \$350,000 in grant management fees related to these as yet nonfunded New Orleans grants of the documentation explaining how these funds have either been used or are being held by NGS is provided in the letter attached dated January 28th, 1994, and in the report sent to this committee by NGS in April 1995, both of which are attached to my copies of this testimony.

These issues raise several questions which we feel NGS should address. First, why does NGS require over \$3.2 million to manage grants totaling about \$10.5 million? This means that NGS has retained over 23 percent of the funds to administer the grants.

Secondly, was the NGS expenditure of \$302,000 of 1993 grant funds in accordance with the intent of Congress or should these funds have been awarded as grants to the local participants?

NGS suspended the 1992 Orleans Parish grant and did not award the grants to Orleans in 1993 and 1994. How did they spend the approximately \$350,000 that they retained for administering those grants. With such a high administrative overhead, why did NGS require the parishes to match not just the amount of the grant, but the NGS overhead amount as well.

It is not our intent to deny the other parishes the funding they need to complete their projects. We do, however, ask that a determination be made as to whether or not the funds retained by NGS were used in actually administering the grants and not reprogrammed for other NGS functions which they are to perform with funds from their base appropriation. We ask that you request a full accounting from NGS for their expenses and instruct NGS to award to the grantees any funds that were not used for specifically managing these grants.

Should NGS proceed with their proposed award of only \$300,000 to Jefferson Parish, we will still need an additional \$700,000 in fiscal year 1996 grants to complete our project. We feel, however, that the funds necessary for us to complete our grant may be available now, and ask that the Congress instruct NGS to award from previous appropriations a full \$1 million to Jefferson Parish this year so that we may complete our project.

If this is not feasible, then we respectfully request that this committee fund the Jefferson Parish project at \$700,000 for fiscal year 1996 so that we may finish our base mapping projects. Thank you for giving us this opportunity to address you. We are prepared to answer any questions you may have.

[The information follows:]

TESTIMONY BEFORE THE HOUSE COMMITTEE ON APPROPRIATIONS,  
SUBCOMMITTEE ON COMMERCE,  
ON JEFFERSON PARISH MULTIPURPOSE CADASTRE:  
MAY 11, 1995

I want to thank the Chairman and members of the subcommittee for giving us this opportunity to speak before you today. My name is Herbert Miller and I am the Executive Assistant to Jefferson Parish President Michael Yenni. I have with me Mr. Charles Gibson, who is director of our Geographic Information Systems Department. As you probably know, a Parish in Louisiana is equivalent to a county in any other state. Jefferson Parish is next to the City of New Orleans and has a population of about 450,000. Most of Jefferson Parish is in Chairman Livingston's district.

Since 1987 Congress has annually awarded a matching grant on a purported 60:40 basis to Jefferson Parish and two other Louisiana Parishes to develop multipurpose cadastres. A multipurpose cadastre is an intelligent computer-based information system in which data is layered on a digital map that can be used in a multitude of applications to allow governments to better serve their constituents.

The three Parishes that are developing these programs satisfy a national interest as demonstration projects to develop and try new technologies for the implementation of multipurpose cadastre systems nationwide. By taking advantage of the latest technology we have demonstrated the ability to obtain substantial cost savings in map preparation when compared to the use of traditional techniques. Beyond these national benefits, locally our system has been successfully used in law enforcement activities including the capture of two serial rapist and in helping to obtain reductions in flood insurance rates for our citizens.

Had all of the money appropriated by Congress for the Jefferson Parish project been awarded to us, we would have completed the project. Unfortunately, the National Geodetic Survey which is the Department of Commerce division serving as the grantor agency, has chosen to keep a large portion of these funds for themselves.

As you can see from the attached graph and chart, the funds NGS has retained for their use represent 23.64 percent of the total funds. NGS is holding an additional 12.3 percent of the funds for potential award to the Parishes. Thus, the NGS has kept or not allocated more than \$4.9 million of the \$13.7 total. Of this amount, NGS will have retained more than \$3.2 million for their use. We

submit to you that this \$3.2 million that NGS is keeping for themselves to 'manage' these grants is far beyond the funds required for that task. In fact, NGS has kept for itself more of the funds Congress appropriated than some participating parishes received in grants. We do not believe this was ever the intent of this committee.

NGS, by their own admission, reprogrammed \$302,200 of grant funds for their own use without Congressional approval and still retains an additional \$360,200 of non-awarded funds from the FY94 grants. They have made no disclosure to date of how they spent the nearly \$350,000 in grant management fees related to the as yet non-funded New Orleans grants. Documentation explaining how these funds have either been used or are being held by NGS is provided in the letter dated January 28, 1994 and in the report sent to this committee by NGS in April 1994, both of which have been attached to your copies of this testimony.

These issues raise several questions which we feel NGS should address. They are:

- Why has NGS required over \$3.2 million to manage grants totaling about \$10,500,000. This means that NGS has retained over 23 percent of the grant funds to administer the grants.
- Was the NGS expenditure of \$302,000 of 1993 grant funds in accordance with the intent of Congress or should these funds have been awarded as grants to the local participants?
- NGS, by their own admission, suspended the 1992 Orleans Parish grant and did not award the grants to Orleans Parish in 1993 and 1994. How did they spend the approximately \$350,000 that they retained for administering those grants?
- With such a high administrative overhead, why did NGS require the Parishes to match not just the amount of the grant award but the NGS overhead as well?

It is not our intent to deny to the other Parishes the funding they need to complete their projects. We do ask that a determination be made as to whether or not the funds retained by NGS were used in actually administering the grants and not reprogrammed for other NGS functions which they are to perform with funds from their base appropriation. We ask that you request a full accounting from NGS for their expenses and instruct NGS to award to the grantees any funds that were not used for specifically managing these grants.

Should NGS proceed with their proposed award of \$300,000 to Jefferson Parish, we will still need an additional \$700,000 in FY96 grants to complete our project. We feel, however, that the funds necessary for us to complete our grant may be available now and ask that Congress instruct NGS to award from previous appropriations a full \$1,000,000 to Jefferson Parish this year so that we can complete our project.

If this is not feasible, then we respectfully request that this committee fund the Jefferson Parish project at \$700,000 for FY96 to permit us to complete this project.

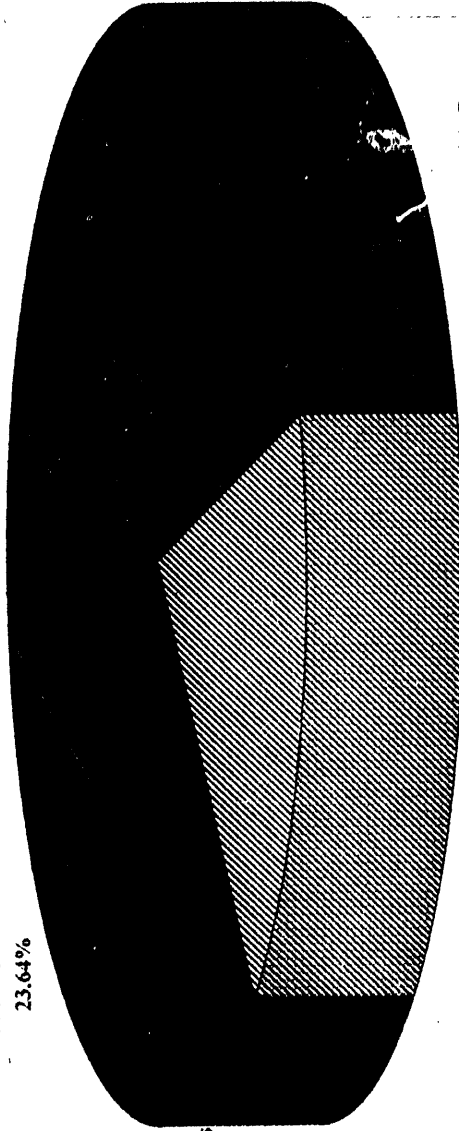
Thank you for giving us this opportunity to address you. We are prepared to answer any questions you may have.



**Percentage of M.P.C. Grant Monies  
Allocated to Various Entities  
Total Funding of \$13,717,600  
1987-1995**

NGS Funds Kept for  
Grant Administration  
and NGS Use  
23.64%

Jefferson Parish Grants  
29.59%



Orleans Parish Grants  
16.10%

Calcasieu Parish Grants  
18.37%

NGS Held Funds  
Proposed  
for Allocation  
to Grantees  
12.29%

**Note: Total Retained and/or Not Yet Awarded by NGS is \$4,929,017 or 35.93 Percent of All Funds**

M. P. C. Grant Funding Allocation  
1987 - 1995

Year	Funding	Jefferson Parish Grants	Orleans Parish Grants	Calcasieu Parish Grants	NGS Funds Proposed for Allocation to Grantees	NGS Funds for Kept for Grant Administration and NGS Use	Total NGS Funds Currently Retained
1987	\$699,600	\$300,400	\$0	\$187,689	\$0	\$211,511	\$211,511
1988	\$1,836,000	\$563,025	\$528,000	\$328,000	\$0	\$416,975	\$416,975
1989	\$1,836,000	\$560,400	\$560,400	\$348,000	\$0	\$367,200	\$367,200
1990	\$1,836,000	\$560,400	\$560,400	\$348,000	\$0	\$367,200	\$367,200
1991	\$1,836,000	\$560,400	\$560,400	\$348,000	\$0	\$367,200	\$367,200
1992	\$1,800,000	\$512,631	\$0	\$325,438	\$525,600	\$436,331	\$961,931
1993	\$1,674,000	\$502,200	\$0	\$334,800	\$0	\$837,000	\$837,000
1994	\$1,200,000	\$500,000	\$0	\$300,000	\$360,000	\$40,000	\$400,000
1995	\$1,000,000	\$0	\$0	\$0	\$800,000	\$200,000	\$1,000,000
Totals	\$13,717,600	\$4,059,456	\$2,209,200	\$2,519,927	\$1,685,600	\$3,243,417	\$4,929,017
Percentage of Total Funds		29.59%	16.10%	18.37%	12.29%	23.64%	35.93%

TO: <u>Dept. of Streets</u>	CC: <u>NGS</u>
FROM: <u>SA-565-6948</u>	DATE: <u>1/28/94</u>

NATIONAL OCEANIC & Atmospheric Administration  
NATIONAL OCEANIC & Atmospheric Administration  
Coast and Geodetic Survey  
Rockville, Maryland 20852

January 28, 1994

Mr. Frank M. Stuart, Sr.  
Director, Department of Streets  
City of New Orleans  
1300 Perdido Street, Room 6W02  
New Orleans, Louisiana 70112

Dear Mr. Stuart:

As you know, the City is well behind in its Multipurpose Land Information System (MPLIS) pilot project accomplishments for FY 89, 90, and 91 under Grant NA88AA-H-GS-068. The completion date for tasks under that grant number has been extended to February 28, 1994, and the National Geodetic Survey (NGS) conducted a full-scale review in this month to determine if the project should continue beyond that date or be terminated. In addition, the FY 92 grant award (NA170G0019) was suspended by the NOAA Grants Officer until work under NA88AA-H-GS068 is completed.

In FY 93, the NOAA Grants Officer denied the City's request for funding (\$502,200). We carried these funds over to FY 94 for use by NGS. These funds will be used for coastal subsidence monitoring surveys in Louisiana and other MPLIS projects.

We believe that if the City submits an FY 94 application, it, too, will be denied by the NOAA Grants Officer. We are planning for NGS to use the FY 94 funds in the same manner as above.

If you have questions, please contact me at 301-713-3228.

Sincerely,

*Gilbert J. Mitchell*

Gilbert J. Mitchell  
Chief, Planning and Requirements Staff  
National Geodetic Survey

cc: A. Robbins  
J. Webb

## LAND INFORMATION SYSTEM GRANT PROJECTS

Base Funding	\$1,000,000	Interested Members
Change	-1,000,000	
FY 1996 Request	-0-	

## COMMISSION:

Please provide a history of grants to the three State of Louisiana parishes involved in Land Information System (LIS) multipurpose cadastral work.

## Calcasieu Parish:

- Project started in FY 1987; expected completion FY 1995.
- Parish has been awarded \$2,519,927 in Federal assistance in FY 1987 - FY 1994.
- In FY 1994, \$300,000 was awarded to Calcasieu Parish. This included \$60,000 from Orleans Parish's FY 1993 carry-over award funds not awarded because of non-compliance problems.
- \$200,000 has been allocated for Calcasieu for FY 1995. The grant has yet to be processed. That will bring the total to \$2,719,927 in Federal assistance for Calcasieu.
- The National Geodetic Survey (NGS) will have retained \$483,773 by end of FY 1995 of the grant allocation for Calcasieu Parish.

## Jefferson Parish:

- Project started FY 1987; expected completion FY 1995.
- Parish has been awarded \$4,059,456 in Federal assistance, FY 1987 - FY 1994.
- In FY 1994, \$500,000 was awarded to Jefferson Parish. This included \$140,000 from Orleans Parish's FY 1993 carry-over award funds not awarded because of non-compliance problems.
- \$300,000 has been allocated for Jefferson Parish for FY 1995. The grant has yet to be processed. That will bring the total to \$4,359,456 in Federal assistance to Jefferson.
- NGS will have retained \$1,171,694 by end of FY 1995 of the grant allocation for Jefferson Parish.

**Orleans Parish:**

- Project started FY 1988; expected completion FY 1993.
- Parish has been awarded \$2,724,800 in Federal assistance FY 1988 - FY 1992. The FY 1992 grant award of \$325,438 was suspended by the NOAA Grants Officer until work under the previous grants was completed.
- In FY 1993, the NOAA Grants Officer denied the request for funding (\$502,200) because of non-compliance. \$140,000 of this funding was awarded to Jefferson Parish; \$40,000 awarded to Calcasieu Parish; and the remainder \$302,200 retained by NGS for coastal subsidence monitoring surveys in Louisiana.
- \$360,000 in FY 1994 funds are available if the Parish is able to comply with the terms of the award.
- \$300,000 has been allocated for Orleans Parish for FY 1995 if the Parish is able to comply with the terms of the award.
- NGS has retained \$724,200 through FY 1992 of the grant allocation for Orleans Parish. In FY 1993, NGS retained \$302,200 as previously explained. NGS plans to retain \$90,000 and \$75,00 respectively for the years FY 1994 and FY 1995.

**NOTE:** Parishes have been determined to be in non-compliance because of their inability to raise local matching funds.

Mr. LIVINGSTON. Well, I want to thank you all for your presentation. Mr. Gibson, do you have anything to add?

Mr. GIBSON. No, sir.

Mr. LIVINGSTON. Okay. I just want to make sure that I fully understand what you are telling us. Basically, this program has been recognized by Congress year after year after year, to be a vital and necessary step toward the future; is that correct?

Ms. FORD. That is correct.

Mr. LIVINGSTON. And we have funded through NOAA or other agencies, we have provided funds to those agencies to provide specific grants to specific localities, yours included, to undertake the demographic mapping or cadastre projects, correct?

Ms. FORD. Correct.

Mr. MILLER. That is correct.

Mr. LIVINGSTON. And they have proceeded to allot these grants to your respective municipalities and political subdivisions, and then they have taken 23 percent or some large overhead every time they allot the grants for their own "management services"?

Mr. MILLER. Yes, sir.

Mr. LIVINGSTON. I may be mistaken, but I suspect that Congress appropriates a great deal of money for administration for those respective agencies. Are you aware of that?

Ms. FORD. Sure.

Mr. LIVINGSTON. You would suspect the same, I suppose. So 23 percent in this instance, a 23 percent overhead in management fee would be in addition to whatever monies we would appropriate to the respective agencies to run themselves, by my calculations.

Now, 23 percent override would constitute usury in the private market, and by my calculations, and I just happen to have the distinguished gentleman from North Carolina, who by former professional reputation was a banker. Now, 23 percent, if your bank had exacted 23 percent on a loan to one of your customers, what would the good State of North Carolina do to you and your bank?

Mr. TAYLOR. It is even worse than that. It is not their money they are loaning. They are just getting a management fee on time. Ordinarily a fee for oversight would be a half a percent, no more than 2 maximum in the worst case scenario. So this is something more like you might have being enforced with the fellows, you know, the funny mustaches and so forth.

I can't—I don't understand what they do. I mean it is not—they do it over and over again, so it is not like new expertise and so forth. This is not original. That sounds like an enormous amount of money to take out for management.

Mr. LIVINGSTON. Have they given you any explanation as to what they used this money for?

Mr. MILLER. No, sir. They do, of course, review our grants and approve our payment requests when they come in. They have conducted one or two audits on our funds so far. They do come down to New Orleans three to four times a year for meetings, not just with ourselves, but the whole Regional Planning Commission.

Mr. LIVINGSTON. What time of year do they come down?

Mr. MILLER. Well, Mr. Chairman, usually they manage to make it for Mardi Gras and for Jazz Fest, and generally one or two other times during the year as well.

Mr. LIVINGSTON. I am beginning to think that this is a matter for the Office of the Inspector General at the Commerce Department. That is a gross misuse of public funds on the face of it. I cannot say with certainty that it is, but it certainly seems to be. Ms. Ford, do you have anything to add? Do you understand what the money might be going for?

Ms. FORD. No, sir, but I have never asked. I have kept my nose to the grindstone trying to get my project up and going, frankly speaking, which is why I made the presentation the way I did today. Ideally the money that they have suspended for Orleans Parish, I hope that they put in some escrow account, and so when I can make a good case to you that it could be released, I don't know what they have done with the money. I care only about the project.

Mr. TAYLOR. At minimum, Mr. Chairman, it looks as if it is a way to get money without congressional oversight funding, because they get their administrative funds, which is used by this committee and these funds come in without our review.

Mr. LIVINGSTON. Well, we have an investigative capability in this committee and I intend to utilize that to its fullest extent, and then if necessary call upon an investigation from the Office of Inspector General, and if necessary beyond that I may even go to the Justice Department.

In fact, I don't know if we have representatives of these agencies, but I would expect them to make a full report on this issue and have it to us within the next three weeks, and tell us exactly, penny for penny over the last—how long has this been going on?

Mr. MILLER. Since 1987 for Jefferson and I believe 1988 for New Orleans.

Mr. LIVINGSTON. Penny for penny for all of those years exactly what happened to this money and why, and we will know that, and you will be reimbursed and if you are not reimbursed directly from an appropriation from Congress, you will be reimbursed out of the salary and expenses for these agencies.

Mr. MILLER. Thank you very much, Mr. Chairman, Mr. Taylor.

Ms. FORD. Thank you very much.

THURSDAY, MAY 11, 1995.

**NATIONAL COURT-APPOINTED SPECIAL ADVOCATE****WITNESSES**

**HON. MIKE WARD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY**  
**SALLY ERNY, EXECUTIVE DIRECTOR, CASA PROJECT, JEFFERSON COUNTY, KENTUCKY**

Mr. TAYLOR [presiding]. The committee will come back to order and we would like to ask Sally Erny if she would come forward, and I am pleased to have with us today Congressman Ward, who will make the introduction for his constituent.

Mr. WARD. Thank you very much, Mr. Chairman. I appreciate this opportunity to introduce a friend of mine from my hometown, Louisville, Kentucky, Ms. Sally Wilson Erny. Sally is the Executive Director of the court-appointed special advocate project in Jefferson County, which is Louisville and will be representing the National Court-Appointed Special Advocate Association today.

The CASA Program, as it is better known, is one in which volunteers serve as court advocates for children who have been abused, neglected, or abandoned, children who truly need a friend at that time. She has been Executive Director since 1985 and under her leadership, the CASA Program in Jefferson County has flourished and many families throughout the Commonwealth of Kentucky have been the beneficiaries of this enormously successful program.

Mr. Chairman, in her testimony today, Sally will ask that Federal support for CASA continue as it is. I would appreciate your thoughtful consideration of her request. Again, thank you for your time, and I am very pleased to introduce Sally Wilson Erny.

Mr. TAYLOR. Thank you, Congressman. Ms. Erny.

Ms. ERNY. Good morning. Thank you very much for having me here with you today. I appreciate the opportunity to be here, first of all, to express our support for continued funding for the Office of Juvenile Justice and Delinquency Prevention, and also for the programs authorized under the Victims of Child Abuse Act.

More specifically, though, as Congressman Ward mentioned, I am here today to ask for level funding for CASA programs. CASA was reauthorized last year under the Violence Against Women Act at \$6 million. That same amount for the current fiscal year that we are in. The amounts divided into \$1 million for technical assistance and training to the National CASA Association for them to provide to local programs, and \$5 million for the expansion of State and community CASA programs.

As Congressman Ward mentioned, CASAs are citizen volunteers who help the courts, help children and communities that have been abused and neglected. Our system is tremendously overwhelmed, overburdened and the CASA is an independent voice for the child exclusively focusing on what is best for the child.

CASAs are also known in some jurisdictions, your own, I believe, as Guardians ad Litem and they handle just one or two cases at a time so they can be very focused on that individual child and give it the personal attention it demands. The CASA volunteer reviews records, researches information, talks to everyone involved in a



case before they come back to the court and make a recommendation about what is in the best interests of that child, so the court can make the best decision for that child.

In a case in my own community of Kentucky, I think this is a great illustration of how CASA is helpful. There were two preschool-aged children who were left by their mother with a babysitter and the mother never returned. Of course, the State took custody, took the children in the foster care and when the CASA was assigned a full seven months later, the mother had never been located. Her whereabouts were still unknown and the children remained in foster care.

It took just two weeks for the CASA to locate the mother, have the mother meet with the social worker and today things are really moving along for that family. The mother is paying child support, attending counseling and working toward a reunification with her children. And I truly believe this would never have happened were it not for the CASAs involved.

There are 43 trained CASAs across the country, large and small communities alike. They are an essential safeguard in the child protection system and they work toward permanent solutions for the child, either return to a family that is now stabilized and safe, or free for adoption with a new family.

National CASAs vision and I think the vision and intent of the Victims of Child Abuse Act is to increase the number of volunteers so that there is a volunteer for every child who needs an advocate. And one advantage, clearly, of our program is that they are volunteers. So the money that the Federal Government has invested in CASA hits the ground very quickly. It is a big impact because of the volunteer commitment.

The results of the Federal investment in CASA in the four years since the passage of the Victims of Child Abuse Act have been wonderful. The number of children with CASA representation has grown from an estimated 91,000 in 1991 to an estimated 140,000 children this year. Three new programs start each month and the number of children served is increasing by 10 to 12 percent annually. So we are delighted with this outcome, certainly with your support.

With the funding for the grants program that Congress has appropriated in fiscal year 1993 and 1994, State and local CASA programs have been able to expand their services tremendously. Twenty-eight thousand more children are being represented than just two years ago, and 7,000 additional volunteers are involved. Next month we will get another 80 programs off the ground through the expansion project.

The charts with this testimony indicate how rapidly CASA has grown, but there is still a large gap of children without representation. About 70 percent of the children now coming into the juvenile justice system still do not benefit from CASA, because the numbers are increasing, even though we are increasing, there are still about 325,000 children who are out of our reach, and who can't be reached through this funding.

To anchor the growth of CASA with quality, we certainly need to continue with not less than \$1 million to continue the Training

and Technical Assistance Cooperative Agreement between National CASA and OJJDP.

The training and technical assistance has provided binational CASA to increase the quality of programs, to make the programs better managed, have better trained volunteers so we have more effective advocacy for children. In 1994, National CASA sponsored 24 training events, they were attended by 3,000 programs, staff and volunteers. There are more than 4,000 requests to National CASA every year. National CASA provides about 100 on-site visits. There are also hundreds of people who call to find out if there is a program in their area or they want to start a program.

I really believe that the safekeeping of our Nation's children is a fundamental responsibility that has to be shared by individuals, families, communities and the government alike. CASA pledges to this Congress and to this country a force of 40,000 volunteers, citizens to protect abused and neglected children from future harm. And we respectfully request that you continue the support of this subcommittee to expand volunteer representation for these many children whose safety is at risk.

Mr. TAYLOR. Thank you. We appreciate your presentation. Your statement will be submitted for the record. Any other information you would like to add?

Ms. ERNY. There are some charts attached and we will be set.

Mr. TAYLOR. Fine. We will be happy to communicate with you if there is other information you need.

Mr. WARD. I just want to say for the record I am impressed, she was exactly five minutes.

[The information follows:]



**The National Court Appointed Special Advocate Association**  
 2722 Eastlake Ave. E., Suite 220 • Seattle, Washington 98102 • 206-328-8588 • FAX 206-323-8137

**TESTIMONY BEFORE THE U.S. HOUSE APPROPRIATIONS  
 SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE AND THE  
 JUDICIARY**

**MAY 11, 1995**

**Presented by Sally Erny, Executive Director, CASA Project of Jefferson County, Kentucky; Board, Kentucky CASA Association; National CASA Association Education and Public Awareness Committee**

**Mr. Chairman, Members of the Appropriations Subcommittee:**

Good morning. I'm Sally Erny, representing the National CASA Association of more than 630 local and state CASA programs. I am also the Executive Director of the CASA Project in Jefferson County, Kentucky, and a Board member of the Kentucky CASA Association. I appreciate the opportunity you have given me to express our support for continued funding for the Office of Juvenile Justice and Delinquency Prevention (OJJDP), as well as all the programs authorized under the Victims of Child Abuse Act (P.L. 101-647, Title II).

More specifically, I am here to speak in support of level funding for the CASA Program. The program was reauthorized last year under the Violence Against Women Act at \$6 million for FY 1996, the same amount appropriated in the current fiscal year. The amount is divided as \$1 million for the provision of training and technical assistance by the

National CASA Association, and \$5 million for expansion of state and community CASA programs.

CASAs are citizen volunteers who help the courts in their communities deal with an overwhelmingly difficult and expensive increase in child abuse cases. The volunteer is an independent voice for the child, focusing exclusively on *what is best for the child*. CASAs, known as volunteer Guardians ad Litem in some jurisdictions, handle just 1 or 2 cases at a time, so that they can give each child's case the sustained *personal* attention it demands. The volunteer reviews records, researches information and talks to everyone involved in a child's case, before making a recommendation to the court about a particular child's future. The CASA remains on the case until it is resolved, as the child's tenacious advocate for a home safe from harm.

It is sometimes easiest to illustrate the CASA volunteer's unique contribution by citing an actual case. Last year in my own community in Kentucky, two preschool-aged children were left with a baby-sitter by their mother, who never returned. The state, of course, took custody and provided for the abandoned toddlers in foster care. When the CASA volunteer was assigned to the case, the children had been in placement for a full seven months, and still nobody knew the mother's whereabouts. It took just two weeks for the volunteer to locate the mother, and arrange

for her to meet with a social worker. Today the mother is paying child support, attending counseling and working to achieve reunification with her children. If it weren't for the efforts of the CASA volunteer, I believe the children would have remained in foster care for years to come.

There are nearly 40,000 trained CASA volunteers in large and small communities across the country today. They are an essential safeguard in the child protection system to assure that the interests of an abused child are never overshadowed by an overburdened bureaucracy. Most importantly, CASA volunteers work towards permanent solutions to a child's situation - either a return to a family that is stabilized and safe, or freed for adoption.

National CASA's vision, and the intent of the Victims of Child Abuse Act, is to increase the number of volunteers so that they are available for every abused child in need of an advocate.

One advantage of CASA - because it is a program of citizen volunteers - is that funds invested deliver a very quick and impressive return in terms of children served. I am pleased to account to the members of this Subcommittee the results of the federal investment in CASA.

In less than four years since passage of the Victims of Child Abuse Act, the number of children with CASA representation has climbed from

91,000 in 1991 to an estimated 140,000 children this year. Three new CASA programs are established each month, and the number of children served is increasing 10 - 12% each year.

With the funding for the grants program that Congress has appropriated for fiscal 1993 and 1994, 100 state and local CASA programs have been able to expand their services. 28,000 more children are being represented than just two years ago, by 7,000 additional volunteers. Next month, we anticipate 80 more expansion projects will be underway with the \$5 million appropriated for the current fiscal year.

There are charts included with my written testimony so that Subcommittee members can see how rapidly CASA has grown. Yet as successful as CASA has been, there is still a large gap of children without representation. That's because of the ever increasing numbers of abused, neglected or abandoned children coming in to the system each year. We estimate 70% of abused children in the juvenile justice system are still without CASA representation - approximately 325,000 children. These are the children CASA will reach out to through continued funding.

To anchor the *growth* of the CASA program with *quality*, we are asking this Subcommittee to recommend not less than \$1 million to continue the Training and Technical Assistance Cooperative Agreement between

National CASA and the Office of Juvenile Justice and Delinquency Prevention.

One of the strengths of the CASA network is that *the core notion -*

*individuals speaking up for a child - works in different court systems, under distinct state laws, and in diverse communities.* National

CASA recognizes the importance of this flexibility in the standards and management practices it has established for programs and volunteers.

Training and technical assistance by National CASA is provided to expand and promote quality representation of children through well-managed CASA programs and well-trained volunteers. In 1994, the Association sponsored 24 training events attended by 3,000 CASA program staff, volunteers and other professionals in the child protection field. The Association responded to more than 4,000 requests from programs for technical assistance, which included more than 100 on-site visits. The Association also receives thousands of inquiries each year from the general public, seeking to locate or establish a CASA program in their community.

This Congress will soon approve legislation to revolutionize the welfare system in America. Though the details of the reform package are still being refined, states will undoubtedly be challenged to re-design even

their child protection system. Because of the experimentations that will occur in each state, the role of the CASA volunteer becomes *ever more critical*. CASA is the one consistent individual looking out for the child, acting to make sure the system remains focused on each child's needs, and that court decisions are based on a thorough understanding of each child's circumstances.

The safekeeping of our nation's children is a fundamental responsibility shared by all of us - families, communities and government alike. CASA pledges to this Congress and to this country a volunteer force of 40,000 citizens to protect abused children from further harm. We respectfully request the continuing support of this Subcommittee to expand volunteer representation to more children whose safety is at risk.





## The CASA Index

Number of CASA Volunteers in 1994: 37,000

Number of Children Served by CASA's in 1994: 128,000

Number of Hours Worked by CASA's in 1994: 3,256,000

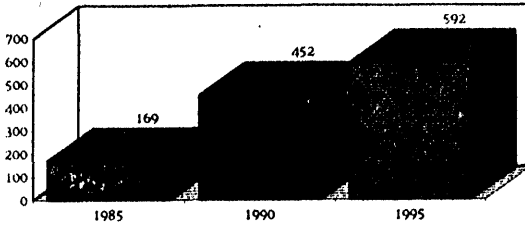
Value of the Labor Donated by CASA's in 1994: \$162,800,000

Sources: National Evaluation of Guardian ad Litem Representation and 1994 National CASA Association Program Survey Report. Estimate of value of CASA labor assumes an hourly rate of pay of \$50 (the average hourly fee for attorneys doing juvenile court work).

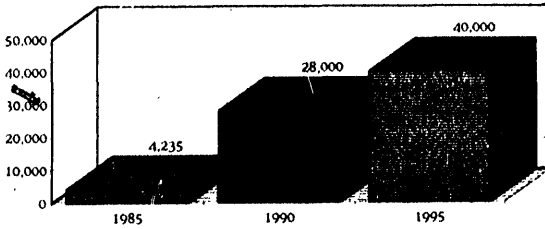


## CASA's Rapid Rise

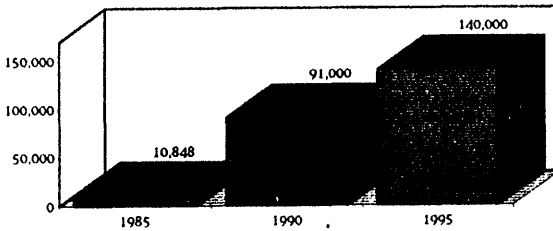
**Number of CASA Programs**



**Number of CASA Volunteers**



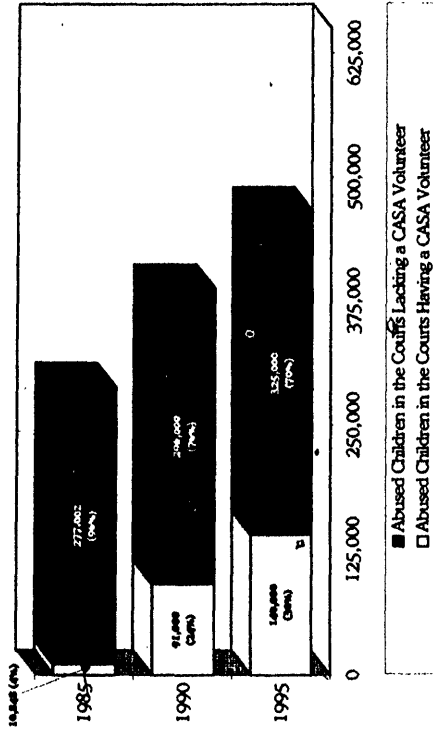
**Number of Children with a CASA Volunteer**



Sources: 1985, 1990 and 1995 National CASA Association Program Survey Reports



## CASA's Presence Grows, But So Does The Need



Sources: American Humane Association (estimates of number of abuse cases reaching the courts);  
 National CASA Association (extent of CASA representation).

THURSDAY, MAY 11, 1995.

**INDEPENDENT WOMEN'S FORUM****WITNESS****ANITA K. BLAIR, EXECUTIVE VICE PRESIDENT AND GENERAL COUNSEL**

Mr. TAYLOR. We are going to ask now the Independent Women's Forum, Anita Blair, to come forward.

Ms. Blair, if you will excuse us, we are going to take just a few minutes recess to allow me to vote, and I will be back in just a moment.

[Recess.]

Mr. TAYLOR. The Committee will come back to order.

Ms. Blair, proceed.

Ms. BLAIR. Good afternoon, Mr. Chairman. I am Anita Blair. I am testifying today on behalf of the Independent Women's Forum, of which I am Executive Vice President and General Counsel.

The IWF is a nonprofit, nonpartisan group of women who believe in individual responsibility, limited government and economic freedom. We appreciate the opportunity to speak to this Subcommittee today on the subject of appropriations under Title IV of the 1994 crime bill, the Violence Against Women Act.

The Violence Against Women Act authorized appropriations over the next six years of \$1,620 million. The Violence Against Women Act should not be funded. Instead of enacting effective measures for preventing and punishing violent crime, it creates an expensive and unnecessary expansion of Federal bureaucracy. At the same time, the Act discourages local and private efforts to provide effective assistance to victims. Funding a bureaucracy is not the same as fighting crime. Filling out reports does not help families find safe homes.

Many of the statistics presented by interest groups in favor of passing this 1994 legislation have since been shown to be false and misleading. Domestic violence is not an airborne contagion about to strike any family at any time. It involves a limited and identifiable number of individuals in society.

The best use of taxpayer dollars to respond to this problem would be to isolate and incarcerate the offenders. Longer mandatory sentences and abolition of parole could effectively address this problem, yet the Act ignores proven methods of fighting crime in favor of expensive new management programs.

The Violence Against Women Act mandates 24 new or expanded federally administered programs designed to nationalize and federalize domestic violent crime, ignoring the fact that domestic violence is almost exclusively a local problem.

For example, the Act authorizes \$3 million for a National Domestic Abuse Hotline to refer victims to sources of assistance in their own local areas, a service they could obtain quicker and cheaper by dialing information or 911.

The Act imposes vast new burdens on our Federal court system at a time when we need our Federal courts to prosecute crimes that are truly interstate in nature, such as drug trafficking. The Act authorizes millions of unnecessary dollars for training domestic vio-

lence counselors and judicial personnel. To declare domestic violence a Federal crime and then mandate expenditures to allow Federal courts to handle such cases is an exercise in circular reasoning and an unjustified use of scarce tax dollars. Indeed, there is good reason to believe that victims will be better served if domestic violence crimes continue to be prosecuted in State courts, where the personnel are already more experienced with these types of cases and dockets often move much quicker.

Finally, the provisions of the Violence Against Women Act involve enormous hidden, undefined and unknowable costs. Substantial portions of the \$1.6 billion authorized under the Act are earmarked as grants for distribution to nonprofit, nongovernmental agencies, under virtually no restrictions. The Act's bias in favor of giving money to private agencies is remarkable. As an example, consider that State and local grantees are actually required to consult with nongovernmental agencies as a condition of qualifying themselves for certain grants.

Despite the millions of dollars expected to flow to these private agencies, the Act contains practically no mention of requirements for Federal compliance supervision, certification, accounting and audit or any program outcome assessment. Past experience tells us that Federal oversight in these cases has the effect of converting private agencies into publicly funded extensions of government, crowding out charitable initiatives by burdening volunteer efforts, and of inhibiting innovation and experimentation in favor of formulaic compliance with rules. As written, the Act is an invitation to abuse, with an added future obligation of spending more money to correct the abuses when they are discovered.

There is another question that arises out of the funding provisions of this Act, which invariably escalate from year to year. That question is: Can government and private agencies possibly be working effectively if the problems they are supposed to solve get substantially worse or at least more expensive to solve every year?

The Independent Women's Forum respectfully recommends zero funding for the Violence Against Women Act. We also recommend that committee Members advise their colleagues that this legislation should be repealed and replaced by legislation that will effectively address the rising incidence of violent crime in this Nation.

Mr. TAYLOR. I appreciate your statement. It is refreshing to have someone point that out to us sometimes. So much of what we do is more to appease special interest groups or to posture ourselves rather than address problems. I appreciate your coming in and being forthright in your statement.

Ms. BLAIR. Thank you, sir.

May I add that we have prepared an analysis of the expenditures under the Violence Against Women Act and provided it to staff.

Mr. TAYLOR. I would love to have copies, and I will be speaking with Chairman Rogers about it, also. Thank you very much.

Ms. BLAIR. Thank you.

Mr. TAYLOR. Appreciate your presentation.

[The information follows:]

**I N D E P E N D E N T**  
**W O M E N ' S**  
**F O R U M**

**BEFORE THE  
 HOUSE APPROPRIATIONS COMMITTEE  
 SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE  
 AND JUDICIARY AND RELATED AGENCIES**

**MAY 11, 1995**

**TESTIMONY OF ANITA K. BLAIR  
 ON BEHALF OF THE  
 INDEPENDENT WOMEN'S FORUM**

My name is Anita Blair, and I am testifying today on behalf of the Independent Women's Forum, of which I am Executive Vice President and General Counsel. The IWF is a nonprofit, nonpartisan group of women who believe in individual responsibility, limited government and economic freedom. We appreciate the opportunity to speak to this Subcommittee today on the subject of appropriations under Title IV, the Violence Against Women Act, of the 1994 Crime Bill.

The Violence Against Women Act should not be funded. Instead of enacting effective measures for preventing and punishing violent crime, it creates an expensive and unnecessary expansion of federal bureaucracy. At the same time this Act discourages local and private efforts to provide effective assistance to victims. Funding a bureaucracy is not the same as fighting crime. Filling out reports does not help families find safe homes.

Many of the statistics presented by interest groups in favor of passing this 1994 legislation have since been shown to be false and misleading. Domestic violence is not an airborne contagion about to strike any family at any time. It involves a limited and identifiable number of individuals in society. According to Prof. Richard Gelles of the Family Violence Research Program at the University of Rhode Island, the incidence of domestic violence involves patterns of repetitive battery against about 3% of the nation's women by their husbands or male partners; similar behavior patterns involve battery by women and mutual

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battery. The best use of taxpayer dollars to respond to this problem would be to isolate and incarcerate the offenders. Longer mandatory sentences and abolition of parole could effectively address this problem, yet the Act ignores proven methods of fighting crime in favor of expensive new management programs.

The Violence Against Women Act mandates 24 new or expanded federally-administered programs designed to nationalize and federalize domestic violent crime, ignoring the fact that domestic violence is almost exclusively a local problem. For example: The Act authorizes \$3 Million for a "National Domestic Abuse Hotline" to refer victims to sources of assistance in their own local areas -- a service they could obtain quicker and cheaper by dialing information or 911.

The Act imposes vast new burdens on the federal court system, at a time when we need our federal courts to prosecute crimes that are truly interstate in nature, such as drug trafficking. The Act authorizes millions of unnecessary dollars for training "Federal Domestic Violence Counselors" and judicial personnel. To declare domestic violence a federal crime, and then mandate expenditures to allow federal courts to handle such cases, is an exercise in circular reasoning -- and an unjustified use of scarce tax dollars. Indeed, there is good reason to believe that victims will be better served if domestic violence crimes continue to be prosecuted in state courts, where the personnel are already more experienced with these types of cases and dockets often move much quicker.

Finally, the provisions of the Violence Against Women Act involve enormous hidden, undefined and unknowable costs. Substantial portions of the \$1.6 Billion authorized under the Act are earmarked as grants for distribution to nonprofit, nongovernmental agencies, under virtually no restrictions. The Act's bias in favor of giving money to private agencies is remarkable. As an example, consider that state and local government grantees are actually required to consult with nongovernmental agencies as a condition of qualifying themselves for certain grants.

Despite the millions of dollars expected to flow to these private agencies, the Act contains practically no mention of requirements for federal compliance supervision, certification, accounting and audit, or any program outcome assessment. Past experience tells us that federal oversight in these cases has the effects of converting private agencies into publicly funded extensions of government, of crowding out charitable initiatives by burdening volunteer efforts, and of inhibiting innovation and experimentation in favor of formulaic compliance with rules. As written, the Act is an invitation to abuse, with an added

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future obligation of spending more money to correct the abuses when they are discovered.

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The Independent Women's Forum respectfully recommends zero funding for the Violence Against Women Act. We also recommend that Committee members advise their colleagues that this legislation should be repealed and replaced by legislation that will effectively address the rising incidence of violent crime in this nation.



# I N D E P E N D E N T W O M E N ' S F O R U M

## Analysis of Violence Against Women Act Authorizations

*prepared by Independent Women's Forum*

*14 May 1995*

<b>Item 1<sup>1</sup></b>	<b>Federal Domestic Violence Counselors (Department of Justice) ("DOJ")</b>	<b>\$1,500,000</b>
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Domestic violence is best addressed locally, by local state courts. The jurisdiction of federal courts should not be expanded to cover so-called "domestic violence" crimes (such as assault), which occur on a local basis and traditionally have been governed exclusively by state laws. Federal courts already have broad jurisdiction over crimes that are truly interstate in nature; such as drug trafficking. Expanding their jurisdiction to include offenses that are fundamentally local in nature imposes an unnecessary burden on federal courts.

There is no reason to believe that federal courts will provide quicker or higher quality justice than state courts in this area of law. Indeed, there is reason to believe that victims will be better served if domestic violence crimes are prosecuted in state courts, where the personnel are more experienced with these types of cases and dockets are often less crowded than in federal courts.

<b>Item 2</b>	<b>Grants to States, Indian Territories (DOJ)</b>	<b>\$800,000,000</b>
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Tax-funded programs of this scope and nature are unnecessary and likely to be wasteful or counterproductive. There is no reason to believe that state and local law enforcement personnel and prosecutors are ignorant or indifferent about issues surrounding sexual assault and domestic violence. If anything, local police and prosecutors are closer to the people they serve and thus more likely to appreciate the individual, human side of these problems.

Similarly, local officials know best about the types and causes of crimes that occur in their localities. Decisions about how to allocate funds for fighting crime should be made at the local level, where most crime happens.

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<sup>1</sup> Refer to Item/Page numbers on spreadsheet chart attached.

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There is no basis for the claim that, unless the federal government funds these projects, people will refuse to give direct charitable assistance to victims of domestic violence and sexual assault crimes. The American public strongly opposes domestic violence and sexual assault. Many Americans already contribute their volunteer time and money to help victims of these crimes. Bar associations and similar groups conduct *pro bono* programs of various kinds, including assistance to crime victims. Given the public's concern about these crimes, it is simply false to claim that the federal government is the sole or primary source of compassion and help for victims.

A substantial portion of the grants is earmarked for "victim services" defined as

a nonprofit, nongovernmental organization that assists domestic violence or sexual assault victims, including rape crisis centers, battered women's shelters, and other sexual assault or domestic violence programs, including nonprofit, nongovernmental organizations assisting domestic violence or sexual assault victims through the legal process.

Under this law there are very few restrictions on the use of federal funds by nongovernmental organizations. Quite the opposite, in fact: State and local government grantees are required to consult with victim services programs as a condition of qualifying for grants under this part.

We hear every day about nonprofit organizations that use government funding essentially as a means of support while they solicit more government funding. Indeed, considering the escalating annual authorizations (under the 1994 Crime Bill and other social legislation), one feels compelled to ask: Can these organizations possibly be doing a good job if the problem gets substantially worse--or at least more expensive to fix--every year?

Any government funding to nonprofit organizations should be subject to a strict accounting of the use of the funds. Nonprofit organizations that obtain government funding should be subject to objective performance requirements when that is feasible. At the very least, nongovernmental publicly funded organizations should be required to demonstrate, on a continuing basis, that they are using their public funding efficiently and productively for the purposes for which the grant was made. Government funds granted for charitable purposes should not be used to subsidize excessive administrative and overhead expenses. Likewise, organizations that receive public funds should not be allowed to lobby for government projects for which they (or their affiliates) may solicit additional public funds.

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<b>Item 6</b>	<b>Rape Prevention Education (Department of Health and Human Services) ("HHS")</b>	<b>\$205,000,000</b>
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The funding authorized under section 40151 of the Act may be used by nonprofit nongovernmental entities for rape prevention and education programs.<sup>2</sup> The comments above concerning public funding of nongovernmental entities apply here as well.

It is difficult to comprehend the need for education "to increase awareness of the facts about" sexual assault. Evidently, those who enacted this legislation believe that huge sums of money must be spent to educate people about a few simple facts: Rape and assault are crimes, well defined in both the common law and the criminal statutes and punishable by severe penalties.

We hear no demands for programs to "increase awareness of the facts about" murder, theft, robbery or other violent crimes. It is curious that some believe "the facts" about rape and assault are so (expensively) difficult to convey.

<b>Item 7</b>	<b>Sex Offender Management (DOJ)</b>	<b>\$2,000,000</b>
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Training programs for probation and parole officers may do little to prevent relapse by released sex offenders. More demonstrably effective solutions to this problem include longer mandatory sentences and abolition of parole. The costs of incarceration should be compared, not to the costs of "managing" released sex offenders, but to the incalculable psychological and physical costs suffered by their past and future victims and by the victims' families and communities.

<b>Item 8</b>	<b>Runaway Education and Outreach (HHS)</b>	<b>\$30,000,000</b>
<b>Item 19</b>	<b>Rural Domestic Violence and Child Abuse Enforcement (DOJ)</b>	<b>\$30,000,000</b>

See comments above (Item 2) concerning grants of public funds to nonprofit nongovernmental agencies.

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<sup>2</sup> Elsewhere (section 40251) the Act authorizes \$400,000 specifically for youth education.

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Note that the authorizations for FY 1998 (\$15,000,000) are almost double those for FY 1997 (\$8,000,000). The projected increases in spending raise questions about the effectiveness of the programs as planned.

Item 9	Court-Appointed Child Advocates	\$38,000,000
Item 10	Judicial Personnel Training	\$8,050,000
Item 11	Televised Testimony (DOJ)	\$4,250,000

See comments above (Item 1) concerning the unwise extension of federal jurisdiction over locally occurring crimes traditionally prosecuted by the states.

See comments above (Item 2) concerning grants of public funds to nonprofit nongovernmental agencies.

Item 12	National Domestic Violence Hotline (HHS)	\$3,000,000
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See comments above (Item 2) concerning grants of public funds to nonprofit nongovernmental agencies.

Note that callers to the national toll-free number will be referred to services and resources in their local communities. Callers could obtain the same information by dialing "411" for local information or "911" for local emergency assistance. There is no reason why the federal government needs to fund a national domestic violence hotline. If well-managed and useful, this would be exactly the sort of program that would attract considerable private support.

Item 13	Domestic Violence Arrest Policies (DOJ)	\$120,000,000
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State, local and Indian tribal governments may apply for grants to implement mandatory arrest programs and conduct various educational programs in connection with domestic violence, provided that they can certify that their laws comply with the standards established in this Act. Among other things, grantees must supply written endorsements from nonprofit, private sexual assault and domestic violence programs.

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See comments above (Item 2) concerning grants of public funds to nonprofit nongovernmental agencies.

The federal government should not dictate state and local criminal law enforcement policies beyond what is mandated by the U.S. Constitution. Each locality is different and has different needs. Imposing a uniform "one size fits all" national standard will stifle innovations and improvements. We will never learn better ways to handle crimes of domestic violence unless people are permitted -- and encouraged -- to try different methods. These provisions of the Act create a disincentive for states and localities to try to serve their citizens better.

Item 14	Battered Women's Shelters	\$325,000,000
Item 16	Community Domestic Violence Initiatives (HHS)	\$10,000,000

See comments above (Item 2) concerning grants of public funds to nonprofit nongovernmental agencies.

If well-managed and effective, these types of programs would attract considerable private support.

Item 17	Research Agenda (National Academy of Sciences) (DOJ)	\$200,000
Item 18	Centers for Disease Control Injury Study (HHS)	\$100,000
Item 23	Campus Sexual Assault Study (DOJ)	\$200,000

Funding for research on crime, if appropriated, should focus primarily on effective ways to reduce the incidence of violent crime generally, not simply "violence against women."

It is inherently incredible that persons, aged 17 and up, who have been admitted to college, either cannot tell what an "assault" is or are unable to report assaults to authorities. There is no credible purpose for a "National Baseline Study on Campus Sexual Assault" except to generate data to bolster "politically correct" codes of speech and behavior on campuses.

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Studies and programs aimed at "reinventing" the traditional concepts of rape and sexual assault do women no favor. Women and society would be far better served by vigorous enforcement against those who violate traditional norms of behavior.

Item 20	State Court Education and Training	\$600,000
Item 21	Federal Court Gender Bias Studies	\$600,000
Item 22	Federal Court Gender Bias Clearinghouse (DOJ)	\$100,000

In March 1995 the Judicial Council of the D.C. Circuit reviewed "draft final" reports of two committees charged with studying gender bias and racial/ethnic bias in the courts. At the end of a five-year undertaking, the Judicial Council refused to adopt the reports. Instead, the Chief Judge issued a pointed statement that the "Reports, their underlying premises, and the assertions, data, and conclusions they contain, remain the work-product of the Committees alone."

The gender bias studies in the D.C. Circuit failed to uncover any evidence of any conduct that could reasonably be termed "gender bias" in the courts. The experience of the D.C. Circuit gender bias study confirms that there is no reasonable likelihood that "gender bias studies" will produce useful information. Instead, there is every likelihood that these studies, if funded, will have seriously adverse consequences for our judicial system. These studies distract courts and court personnel from their vitally important judicial duties and, by urging special treatment for one group over others, impair public confidence in the fairness of our justice system.

Item 24	Stalker Crime Information Database (DOJ)	\$6,000,000
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In domestic relations cases it has become commonplace for either party in a divorce or custody dispute to seek a protective order against the other, not because a real threat of harm exists, but strictly to gain a tactical advantage in the dispute. The Act currently authorizes collection of information about protective orders of this sort, despite general acknowledgment that protective orders are overused. Before allowing the database to be expanded in this expensive and ineffective manner, the overbroad coverage of the Act should be corrected.

**Attachments:**

Spreadsheet: Violence Against Women Act Authorizations  
 Excerpts from authorization provisions of the Act

## Violence Against Women Act Authorizations

Page	PROGRAMS	1995	1996	1997	1998	1999	2000	PROGRAM TOTALS
1	Fed Domestic Violence Counselors		\$ 500,000	\$ 500,000	\$ 500,000			\$ 1,500,000
2	Grants to states, Indian territories	\$ 26,000,000	\$ 130,000,000	\$ 145,000,000	\$ 160,000,000	\$ 165,000,000	\$ 174,000,000	\$ 800,000,000
3	Public Transportation	\$ 10,000,000						\$ 10,000,000
4	Nat'l Parks capital improvements	\$ 10,000,000						\$ 10,000,000
5	State urban parks/rec areas	\$ 15,000,000						\$ 15,000,000
6	Rape Prevention Ed.		\$ 35,000,000	\$ 35,000,000	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 205,000,000
7	Sex Offender Mgt		\$ 1,000,000	\$ 1,000,000				\$ 2,000,000
8	Runaway Educ/Outreach		\$ 7,000,000	\$ 8,000,000	\$ 15,000,000			\$ 30,000,000
9	Cl-appointed child advocates		\$ 6,000,000	\$ 6,000,000	\$ 7,000,000	\$ 9,000,000	\$ 10,000,000	\$ 38,000,000
10	Judicial personnel training		\$ 750,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,300,000	\$ 8,050,000
11	Televised testimony		\$ 250,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 4,250,000
12	National Domestic Abuse Hotline	\$ 1,000,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 3,000,000
13	DV Arrest Policies		\$ 28,000,000	\$ 33,000,000	\$ 59,000,000			\$ 120,000,000
14	Battered Women's Shelters		\$ 50,000,000	\$ 60,000,000	\$ 70,000,000	\$ 72,500,000	\$ 72,500,000	\$ 325,000,000
15	DV Youth Educ		\$ 400,000					\$ 400,000
16	Community DV Initiatives		\$ 4,000,000	\$ 6,000,000				\$ 10,000,000
17	Research Agenda		\$ 200,000					\$ 200,000
18	CDC Injury study		\$ 100,000					\$ 100,000
19	Rural DV/child abuse		\$ 7,000,000	\$ 8,000,000	\$ 15,000,000			\$ 30,000,000
20	State Ct Educ & Trng		\$ 600,000					\$ 600,000
21	Fed Ct Gender Bias		\$ 500,000	\$ 100,000				\$ 600,000
22	Fed Ct Clearinghouse		\$ 200,000	\$ 100,000				\$ 300,000
23	Campus Sexual Assault Study		\$ 200,000					\$ 200,000
24	Stalker Crime Info Database		\$ 1,500,000	\$ 1,750,000	\$ 2,750,000			\$ 6,000,000
	YEARLY TOTALS	\$ 62,000,000	\$ 273,400,000	\$ 306,850,000	\$ 377,650,000	\$ 294,900,000	\$ 305,200,000	\$ 1,520,000,000

**TITLE IV-VIOLENCE AGAINST WOMEN**

**SEC. 40001. SHORT TITLE.**

This title may be cited as the "Violence Against Women Act of 1994".

**Subtitle A-Safe Streets for Women**

**SEC. 40101. SHORT TITLE.**

This subtitle may be cited as the "Safe Streets for Women Act of 1994".

**CHAPTER 1-FEDERAL PENALTIES FOR SEX CRIMES**

**SEC. 40114. AUTHORIZATION FOR FEDERAL VICTIM'S COUNSELORS.**

There are authorized to be appropriated for the United States Attorneys for the purpose of appointing Victim/Witness Counselors for the prosecution of sex crimes and domestic violence crimes where applicable (such as the District of Columbia)-

- (1) \$500,000 for fiscal year 1996;
- (2) \$500,000 for fiscal year 1997; and
- (3) \$500,000 for fiscal year 1998.



**CHAPTER 2-LAW ENFORCEMENT AND PROSECUTION GRANTS TO REDUCE  
VIOLENT CRIMES AGAINST WOMEN**

**SEC. 40121. GRANTS TO COMBAT VIOLENT CRIMES AGAINST WOMEN.**

(a) **IN GENERAL.**-Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.), as amended by section 32101(a), is amended-

- (1) by redesignating part T as part U;
- (2) by redesignating section 2001 as section 2101; and
- (3) by inserting after part S the following new part:

**"PART T-GRANTS TO COMBAT VIOLENT CRIMES AGAINST WOMEN**

(c) **AUTHORIZATION OF APPROPRIATIONS.**-Section 1001(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793), as amended by section 32101(d), is amended-

- (1) in paragraph (3) by striking "and S" and inserting "S, and T"; and
- (2) by adding at the end the following new paragraph:

"(18) There are authorized to be appropriated to carry out part T-

"(A) \$26,000,000 for fiscal year 1995;

"(B) \$130,000,000 for fiscal year 1996;

"(C) \$145,000,000 for fiscal year 1997;

"(D) \$160,000,000 for fiscal year 1998;

"(E) \$165,000,000 for fiscal year 1999; and

"(F) \$174,000,000 for fiscal year 2000.".

**CHAPTER 3-SAFETY FOR WOMEN IN PUBLIC TRANSIT AND PUBLIC  
PARKS****SEC. 40131. GRANTS FOR CAPITAL IMPROVEMENTS TO PREVENT CRIME IN  
PUBLIC TRANSPORTATION.**

(a) **GENERAL PURPOSE.**-There is authorized to be appropriated not to exceed \$10,000,000, for the Secretary of Transportation (referred to in this section as the "Secretary") to make capital grants for the prevention of crime and to increase security in existing and future public transportation systems. None of the provisions of this Act may be construed to prohibit the financing of projects under this section where law enforcement responsibilities are vested in a local public body other than the grant applicant.

...

**SEC. 40132. GRANTS FOR CAPITAL IMPROVEMENTS TO PREVENT CRIME IN NATIONAL PARKS.**

Public Law 91-383 (16 U.S.C. 1a-1 et seq.) is amended by adding at the end the following new section:

**"SEC. 13. NATIONAL PARK SYSTEM CRIME PREVENTION ASSISTANCE.**

**"(a) AVAILABILITY OF FUNDS.**-There are authorized to be appropriated out of the Violent Crime Reduction Trust Fund, not to exceed \$10,000,000 for the Secretary of the Interior to take all necessary actions to seek to reduce the incidence of violent crime in the National Park System.

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**SEC. 40133. GRANTS FOR CAPITAL IMPROVEMENTS TO PREVENT CRIME IN PUBLIC PARKS.**

Section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-8) is amended by adding at the end the following new subsection:

**"(h) CAPITAL IMPROVEMENT AND OTHER PROJECTS TO REDUCE CRIME-**

**"(1) AVAILABILITY OF FUNDS.-**In addition to assistance for planning projects, and in addition to the projects identified in subsection (e), and from amounts appropriated out of the Violent Crime Reduction Trust Fund, the Secretary may provide financial assistance to the States, not to exceed \$15,000,000, for projects or combinations thereof for the purpose of making capital improvements and other measures to increase safety in urban parks and recreation areas, including funds to-

**"(A)** increase lighting within or adjacent to public parks and recreation areas;

**"(B)** provide emergency phone lines to contact law enforcement or security personnel in areas within or adjacent to public parks and recreation areas;

**"(C)** increase security personnel within or adjacent to public parks and recreation areas; and

**"(D)** fund any other project intended to increase the security and safety of public parks and recreation areas.

## CHAPTER 5-ASSISTANCE TO VICTIMS OF SEXUAL ASSAULT

### SEC. 40151. EDUCATION AND PREVENTION GRANTS TO REDUCE SEXUAL ASSAULTS AGAINST WOMEN.

Part A of title XIX of the Public Health and Human Services Act (42 U.S.C. 300w et seq.) is amended by adding at the end the following new section:

#### "SEC. 1910A. USE OF ALLOTMENTS FOR RAPE PREVENTION EDUCATION.

"(a) PERMITTED USE.-Notwithstanding section 1904(a)(1), amounts transferred by the State for use under this part may be used for rape prevention and education programs conducted by rape crisis centers or similar nongovernmental nonprofit entities for-

"(1) educational seminars;

"(2) the operation of hotlines;

"(3) training programs for professionals;

"(4) the preparation of informational materials; and

"(5) other efforts to increase awareness of the facts about, or to help prevent, sexual assault, including efforts to increase awareness in underserved racial, ethnic, and language minority communities.

"(c) AUTHORIZATION OF APPROPRIATIONS.-There are authorized to be appropriated to carry out this section-

"(1) \$35,000,000 for fiscal year 1996;

"(2) \$35,000,000 for fiscal year 1997;

"(3) \$45,000,000 for fiscal year 1998;

"(4) \$45,000,000 for fiscal year 1999; and

"(5) \$45,000,000 for fiscal year 2000.

**SEC. 40152. TRAINING PROGRAMS.**

(a) **IN GENERAL.**-The Attorney General, after consultation with victim advocates and individuals who have expertise in treating sex offenders, shall establish criteria and develop training programs to assist probation and parole officers and other personnel who work with released sex offenders in the areas of-

- (1) case management;
- (2) supervision; and
- (3) relapse prevention.

(b) **TRAINING PROGRAMS.**-The Attorney General shall ensure, to the extent practicable, that training programs developed under subsection (a) are available in geographically diverse locations throughout the country.

(c) **AUTHORIZATION OF APPROPRIATIONS.**-There are authorized to be appropriated to carry out this section-

- (1) \$1,000,000 for fiscal year 1996; and
- (2) \$1,000,000 for fiscal year 1997.

## SEC. 40155

## EDUCATION AND PREVENTION GRANTS TO REDUCE SEXUAL ABUSE OF RUNAWAY, HOMELESS, AND STREET YOUTH.

Part A of the Runaway and Homeless Youth Act (42 U.S.C. 5711 et seq.) is amended-

(1) by redesignating sections 316 and 317 as sections 317 and 318, respectively; and

(2) by inserting after section 315 the following new section:

**"GRANTS FOR PREVENTION OF SEXUAL ABUSE AND EXPLOITATION**

**"SEC. 316. (a) IN GENERAL.**-The Secretary shall make grants under this section to private, nonprofit agencies for street-based outreach and education, including treatment, counseling, provision of information, and referral for runaway, homeless, and street youth who have been subjected to or are at risk of being subjected to sexual abuse.

**"(c) AUTHORIZATION OF APPROPRIATIONS.**-There are authorized to be appropriated to carry out this section-

**"(1) \$7,000,000** for fiscal year 1996;

**"(2) \$8,000,000** for fiscal year 1997; and

**"(3) \$15,000,000** for fiscal year 1998.

**SEC. 40156. VICTIMS OF CHILD ABUSE PROGRAMS.**

**(a) COURT-APPOINTED SPECIAL ADVOCATE PROGRAM.-**

**(1) REAUTHORIZATION.**-Section 218(a) of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13014(a)) is amended to read as follows:

**"(a) AUTHORIZATION.**-There are authorized to be appropriated to carry out this subtitle-

**"(1)** \$6,000,000 for fiscal year 1996;

**"(2)** \$6,000,000 for fiscal year 1997;

**"(3)** \$7,000,000 for fiscal year 1998;

**"(4)** \$9,000,000 for fiscal year 1999; and

**"(5)** \$10,000,000 for fiscal year 2000."



**SEC. 40156. VICTIMS OF CHILD ABUSE PROGRAMS. (continued)****(b) CHILD ABUSE TRAINING PROGRAMS FOR JUDICIAL PERSONNEL AND PRACTITIONERS.-**

**(1) REAUTHORIZATION.**-Section 224(a) of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13024(a)) is amended to read as follows:

**"(a) AUTHORIZATION.**-There are authorized to be appropriated to carry out this subtitle-

**"(1)** \$750,000 for fiscal year 1996;

**"(2)** \$1,000,000 for fiscal year 1997;

**"(3)** \$2,000,000 for fiscal year 1998;

**"(4)** \$2,000,000 for fiscal year 1999; and

**"(5)** \$2,300,000 for fiscal year 2000."

(c) GRANTS FOR TELEVISED TESTIMONY.-Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended-

(1) by amending section 1001(a)(7) (42 U.S.C. 3793(a)(7)) to read as follows:

...

"(7) There are authorized to be appropriated to carry out part N-

"(A) \$250,000 for fiscal year 1996;

"(B) \$1,000,000 for fiscal year 1997;

"(C) \$1,000,000 for fiscal year 1998;

"(D) \$1,000,000 for fiscal year 1999; and

"(E) \$1,000,000 for fiscal year 2000.";

**Subtitle B-Safe Homes for Women**

**SEC. 40201. SHORT TITLE.**

This title may be cited as the "Safe Homes for Women Act of 1994".

**CHAPTER 1-NATIONAL DOMESTIC VIOLENCE HOTLINE**

**SEC. 40211. GRANT FOR A NATIONAL DOMESTIC VIOLENCE HOTLINE.**

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) is amended by adding at the end the following new section:

...

**"(f) AUTHORIZATION OF APPROPRIATIONS.-**

**"(1) IN GENERAL.-**There are authorized to be appropriated to carry out this section-

**"(A)** \$1,000,000 for fiscal year 1995;

**"(B)** \$400,000 for fiscal year 1996;

**"(C)** \$400,000 for fiscal year 1997;

**"(D)** \$400,000 for fiscal year 1998;

**"(E)** \$400,000 for fiscal year 1999; and

**"(F)** \$400,000 for fiscal year 2000.

**"(2) AVAILABILITY.-**Funds authorized to be appropriated under paragraph (1) shall remain available until expended."

## CHAPTER 3-ARREST POLICIES IN DOMESTIC VIOLENCE CASES

## SEC. 40231. ENCOURAGING ARREST POLICIES.

(a) IN GENERAL.-Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.), as amended by section 40121(a), is amended-

- (1) by redesignating part U as part V;
- (2) by redesignating section 2101 as section 2201; and
- (3) by inserting after part T the following new part:

## "PART U-GRANTS TO ENCOURAGE ARREST POLICIES

(c) AUTHORIZATION OF APPROPRIATIONS.-Section 1001(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793), as amended by section 40121(c), is amended-

- (1) in paragraph (3) by striking "and T" and inserting "T, and U"; and
- (2) by adding at the end the following new paragraph:

"(19) There are authorized to be appropriated to carry out part U-

"(A) \$28,000,000 for fiscal year 1996;

"(B) \$33,000,000 for fiscal year 1997; and

"(C) \$59,000,000 for fiscal year 1998.

## CHAPTER 4-SHELTER GRANTS

## SEC. 40241. GRANTS FOR BATTERED WOMEN'S SHELTERS.

Section 310(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10409(a)) is amended to read as follows:

"(a) IN GENERAL.-There are authorized to be appropriated to carry out this title-

"(1) \$50,000,000 for fiscal year 1996;

"(2) \$60,000,000 for fiscal year 1997;

"(3) \$70,000,000 for fiscal year 1998;

"(4) \$72,500,000 for fiscal year 1999; and

"(5) \$72,500,000 for fiscal year 2000.".

## CHAPTER 5-YOUTH EDUCATION

## SEC. 40251. YOUTH EDUCATION AND DOMESTIC VIOLENCE.

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.), as amended by section 40211, is amended by adding at the end the following new section:

## SEC. 317. YOUTH EDUCATION AND DOMESTIC VIOLENCE.

"(a) GENERAL PURPOSE.-For purposes of this section, the Secretary may, in consultation with the Secretary of Education, select, implement and evaluate 4 model programs for education of young people about domestic violence and violence among intimate partners.

"(b) NATURE OF PROGRAM.-The Secretary shall select, implement and evaluate separate model programs for 4 different audiences: primary schools, middle schools, secondary schools, and institutions of higher education. The model programs shall be selected, implemented, and evaluated in consultation with educational experts, legal and psychological experts on battering, and victim advocate organizations such as battered women's shelters, State coalitions and resource centers.

"(c) REVIEW AND DISSEMINATION.-Not later than 2 years after the date of enactment of this section, the Secretary shall transmit the design and evaluation of the model programs, along with a plan and cost estimate for nationwide distribution, to the relevant committees of Congress for review.

"(d) AUTHORIZATION OF APPROPRIATIONS.-There are authorized to be appropriated to carry out this section

\$400,000 for fiscal year 1996.

**CHAPTER 6-COMMUNITY PROGRAMS ON DOMESTIC VIOLENCE****SEC. 40261. ESTABLISHMENT OF COMMUNITY PROGRAMS ON DOMESTIC VIOLENCE.**

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.), as amended by section 40251, is amended by adding at the end the following new section:

...

"(h) **AUTHORIZATION OF APPROPRIATIONS.**-There are authorized to be appropriated to carry out this section-

"(1) \$4,000,000 for fiscal year 1996; and

"(2) \$6,000,000 for fiscal year 1997.

## CHAPTER 9-DATA AND RESEARCH

## SEC. 40291. RESEARCH AGENDA.

(a) REQUEST FOR CONTRACT.-The Attorney General shall request the National Academy of Sciences, through its National Research Council, to enter into a contract to develop a research agenda to increase the understanding and control of violence against women, including rape and domestic violence. In furtherance of the contract, the National Academy shall convene a panel of nationally recognized experts on violence against women, in the fields of law, medicine, criminal justice, and direct services to victims and experts on domestic violence in diverse, ethnic, social, and language minority communities and the social sciences. In setting the agenda, the Academy shall focus primarily on preventive, educative, social, and legal strategies, including addressing the needs of underserved populations.

(d) AUTHORIZATION OF APPROPRIATIONS.-There are authorized to be appropriated to carry out this section-

\$200,000 for fiscal year 1996.



**SEC. 40293. NUMBER AND COST OF INJURIES.**

(a) **STUDY.**—The Secretary of Health and Human Services, acting through the Centers for Disease Control Injury Control Division, shall conduct a study to obtain a national projection of the incidence of injuries resulting from domestic violence, the cost of injuries to health care facilities, and recommend health care strategies for reducing the incidence and cost of such injuries.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section—

\$100,000 for fiscal year 1996.

CHAPTER 10-RURAL DOMESTIC VIOLENCE AND CHILD ABUSE  
ENFORCEMENT

SEC. 40295. RURAL DOMESTIC VIOLENCE AND CHILD ABUSE ENFORCEMENT  
ASSISTANCE.

(a) GRANTS.-The Attorney General may make grants to States, Indian tribal governments, and local governments of rural States, and to other public or private entities of rural States-

...  
(c) AUTHORIZATION OF APPROPRIATIONS.-

(1) IN GENERAL.-There are authorized to be appropriated to carry out this section-

(A) \$7,000,000 for fiscal year 1996;

(B) \$8,000,000 for fiscal year 1997; and

(C) \$15,000,000 for fiscal year 1998.

Subtitle D-Equal Justice for Women in the Courts Act

SEC. 40401. SHORT TITLE.

This subtitle may be cited as the "Equal Justice for Women in the Courts Act of 1994".

CHAPTER 1-EDUCATION AND TRAINING FOR JUDGES AND COURT PERSONNEL IN STATE COURTS

SEC. 40411. GRANTS AUTHORIZED.

The State Justice Institute may award grants for the purpose of developing, testing, presenting, and disseminating model programs to be used by States (as defined in section 202 of the State Justice Institute Act of 1984 (42 U.S.C. 10701)) in training judges and court personnel in the laws of the States and by Indian tribes in training tribal judges and court personnel in the laws of the tribes on rape, sexual assault, domestic violence, and other crimes of violence motivated by the victim's gender.

SEC. 40414. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.-There are authorized to be appropriated to carry out this chapter-

\$600,000 for fiscal year 1996.

## CHAPTER 2-EDUCATION AND TRAINING FOR JUDGES AND COURT PERSONNEL IN FEDERAL COURTS

### SEC. 40421. AUTHORIZATIONS OF CIRCUIT STUDIES, EDUCATION AND TRAINING GRANTS.

(a) **STUDIES.**-In order to gain a better understanding of the nature and the extent of gender bias in the Federal courts, the circuit judicial councils are encouraged to conduct studies of the instances, if any, of gender bias in their respective circuits and to implement recommended reforms.

(c) **CLEARINGHOUSE.**-The Administrative Office of the United States Courts shall act as a clearinghouse to disseminate any reports and materials issued by the gender bias task forces under subsection (a) and to respond to requests for such reports and materials. The gender bias task forces shall provide the Administrative Office of the Courts of the United States with their reports and related material.

(d) **MODEL PROGRAMS.**-The Federal Judicial Center, in carrying out section 620(b)(3) of title 28, United States Code, may-

(1) include in the educational programs it presents and prepares, including the training programs for newly appointed judges, information on issues related to gender bias in the courts including such areas as are listed in subsection (a) along with such other topics as the Federal Judicial Center deems appropriate;

### SEC. 40422. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated-

(1) to the Salaries and Expenses Account of the Courts of Appeals, District Courts, and other Judicial Services to carry out section 40421(a)-

\$500,000 for fiscal year 1996;

(2) to the Federal Judicial Center to carry out section 40421(d)-

\$100,000 for fiscal year 1996; and

(3) to the Administrative Office of the United States Courts to carry out section 40421(c).

\$100,000 for fiscal year 1996.

**SEC. 40506. NATIONAL BASELINE STUDY ON CAMPUS SEXUAL ASSAULT.**

(a) **STUDY.**-The Attorney General, in consultation with the Secretary of Education, shall provide for a national baseline study to examine the scope of the problem of campus sexual assaults and the effectiveness of institutional and legal policies in addressing such crimes and protecting victims. The Attorney General may utilize the Bureau of Justice Statistics, the National Institute of Justice, and the Office for Victims of Crime in carrying out this section.

(e) **AUTHORIZATION OF APPROPRIATIONS.**-There are authorized to be appropriated to carry out the study required by this section

-\$200,000 for fiscal year 1996.

**Subtitle F-National Stalker and Domestic Violence Reduction****SEC. 40601. AUTHORIZING ACCESS TO FEDERAL CRIMINAL INFORMATION DATABASES.****SEC. 40602. GRANT PROGRAM.**

(a) **IN GENERAL.**-The Attorney General is authorized to provide grants to States and units of local government to improve processes for entering data regarding stalking and domestic violence into local, State, and national crime information databases.

(b) **ELIGIBILITY.**-To be eligible to receive a grant under subsection (a), a State or unit of local government shall certify that it has or intends to establish a program that enters into the National Crime Information Center records of-

(1) warrants for the arrest of persons violating protection orders intended to protect victims from stalking or domestic violence;

(2) arrests or convictions of persons violating protection or domestic violence; and

(3) protection orders for the protection of persons from stalking or domestic violence.

**SEC. 40603. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to carry out this subtitle-

(1) \$1,500,000 for fiscal year 1996;

(2) \$1,750,000 for fiscal year 1997; and

(3) \$2,750,000 for fiscal year 1998.

THURSDAY, MAY 11, 1995.

**PAPAGO LEGAL SERVICES INCORPORATED****WITNESS****JOHN HARRIS, DIRECTOR**

Mr. TAYLOR. We have the Papago Legal Services Incorporated, John Harris.

Mr. Harris, did I pronounce that properly?

Mr. JOHN HARRIS. Yes, sir. Although nowadays it calls itself Papago Alto, which is a lot harder.

Thank you, Mr. Chairman. My name is John Harris. Since 1983, I have been the Director of Papago Legal Services, a small legal aid office on a reservation in the southwest of Tucson.

I want to make three points to the Committee today:

First, legal aid programs, by and large, are not the devil they are cracked up to be.

Second, whatever the fate of the current Legal Services Corporation, some kind of federally funded, national approach to meeting the legal needs of America's poorest citizens will continue to be necessary so unrepresented poor people don't clog up the courts with pro se complaints and defenses which they are ill-equipped to follow through on and which, in most cases, could have been resolved by a phone call or a letter from a lawyer if they could find one.

And, finally, the current system of a single Federal block grant to a single entity—the Legal Services Corporation—which then distributes the funds, with whatever restrictions Congress puts on them, to over 300 locally controlled programs nationwide, is really the best way to do it, warts and all.

Let me go through each of these points and then get on to a discussion of one or two of the warts.

First, we are not the devil. In my program, most of what we do is family related: trying to keep people employed and off welfare; getting support for the women and kids when the dad has left and does have income; getting kids out of dangerous and abusive homes and into safe ones; helping families with the legalities of taking care of elderly parents in nursing homes, writing wills for their parents, and, in time, probating their estates; keeping people in their homes.

Everybody has to pay for their homes, even poor people. But sometimes people just get in over their head.

One of our clients was a middle-aged lady on a waiting list for a heart-lung transplant. She fell behind on her rent and was scheduled for eviction until her adult children came to us. We negotiated a settlement with the landlord where the lady was allowed to stay in her house. The unpaid arrearages were made up through contributions, by the kids. And then we sat the kids down and said, here is your schedule. You have to follow through. We can't do miracles here.

Historically, however, this isn't how legal aid has been seen. Some of the reasons for this discrepancy between what we really do and what our reputation is are addressed in my article, Legal Aid Lawyers Contributed to Their Problems, which is included in my testimony package today.



We are seen as pursuing a radical national agenda, but the reality is legal aid programs are full of middle-aged, middle-class people working on a whole bunch of things that are of real concern only to the individuals involved. Most of our work is very local, and very ordinary.

In my program, we don't take cases where somebody walks in and says, I want to sue because of the principle of the thing. We don't have the resources to do that, and we don't believe that is our mission. We feel it is our duty to stretch our funding dollars, Federal, State and private, as far as possible by doing as much as we can for as many people as we can, not by rushing to Federal court on some glamorous or fulfilling case.

We are comfortable with this approach because we don't believe that society owes its poorer citizens any more legal help than a small businessman or a working person of moderate means can get going to a private lawyer. In our program, in most cases, that is exactly what they get.

One question that is raised by this is, well, if most of what Legal Services does is local, then why does it need to be funded nationally by the Federal Government?

There are two answers to this. First, the ability of individual States to address these matters varies widely. States where the need is greatest may actually be the least able to pay. Even large States, with all of their resources, are already facing a crushing social services burden and may not have the resources to address this.

Another, more fundamental, reason is that some of these local matters keep recurring all over the country. Used cars fall apart in Ohio just as they do in Arizona. Fathers skip out on families in Colorado just like they do in New York.

Where a national delivery structure exists, the attorneys can take advantage of the expertise that anyone anywhere in the country has already gained and not sit around trying to reinvent the wheel with Federal dollars.

That brings me to my third point. A system is already in place with locally controlled programs; specialized support centers; experienced staff; a number of specific restrictions governing use of funds already in place through acts of Congress and regulations promulgated by the LSC Board; and a comprehensive monitoring system to see that these restrictions, and all applicable laws and regulations and rules of ethics and good sense, are followed.

We already close 85 percent or more of our cases without going through litigation. Ironically, litigation involving poor people is likely to go up if our programs are defunded, as people clog the courts with cases they are ill-equipped to maintain, on matters that a lawyer can resolve quickly.

Finally, we are cheap. Out of every thousand dollars budgeted by the Federal Government, only 27 cents goes to maintain this entire system. Less than a penny goes to administer the system nationwide, and less than that to Indian legal services nationwide.

Eliminating legal services, whether over five years or two years or immediately, won't make a dent in the debt, but it will have some measurable consequences. Thank you.

Mr. TAYLOR. Thank you, sir. Appreciate your presentation.

[The information follows:]

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 area code (520))

TESTIMONY OF JOHN HARRIS BEFORE THE HOUSE APPROPRIATIONS COMMITTEE,  
 SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED  
 AGENCIES, HON. HAROLD ROGERS, CHAIRMAN  
 MAY 11, 1995

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TESTIMONY OF JOHN HARRIS BEFORE THE HOUSE APPROPRIATIONS COMMITTEE,  
SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED  
AGENCIES, HON. HAROLD ROGERS, CHAIRMAN.  
MAY 11, 1995

Chairman Rogers, Honorable Subcommittee Members, my name is John Harris. Since 1983 I have been the director of Papago Legal Services, a small legal aid office on the Tohono O'odham Reservation southwest of Tucson. I'd like to say a particular hello to Congressman Kolbe, who is well known to people from every walk of life in southern and southeastern Arizona.

I want to try and make three points to you gentlemen today. First, legal aid programs, by and large, are not the devil they've been cracked up to be.

Second, whatever the fate of the current Legal Services Corporation, some kind of federally funded, national approach to meeting the legal needs of America's poorest citizens will continue to be necessary so that unrepresented poor people don't clog up the courts with pro se complaints and defenses which they are ill-equipped to follow through on, and which, in most cases, could have been resolved by a letter or phone call from a lawyer.

And finally, the current system of a single federal block grant to a single entity (the Legal Services Corporation) which then distributes the funds, with whatever restrictions Congress

puts on them, to over three hundred locally controlled programs nationwide, is really the best way to do it, warts and all.

Let me go through each of these points, and then get on to a discussion of one or two of the warts.

First, we are not the devil. In my program most of what we do is family-related:

- trying to keep people employed and off welfare,
- getting support for women and kids when the dad has left and has a decent job,
- getting kids out of dangerous and abusive homes and into safe ones,
- helping families with the legalities of taking care of elderly parents in nursing homes, writing wills for their parents, and in time, probating their estates,
- keeping people in their homes.

Everybody has to pay for their homes, even poor people. But sometimes people just get in over their head. One of our clients was a middle-aged lady on the waiting list for a heart-lung transplant. She fell behind on her rent and was scheduled for ~~eviction until her adult children came to us.~~ We negotiated a settlement with the landlord where the lady would stay in the house

and the unpaid rent balance would be reduced by regular contributions from her children. Then we sat the children down and made sure they followed through on it.

Historically however, this isn't how legal aid has been seen. Some of the reasons for this discrepancy between what we really do and what our reputation is - especially with Congress - are addressed in my article "Legal Aid Lawyers Contributed to Their Problems", included in the package with my testimony today.

We're seen as pursuing a radical, national agenda, but the reality is that legal aid programs are full of middle-aged, middle class people working on a whole bunch of things that are of real concern only to the individuals involved. Most of our work is very local, and very ordinary.

In my program, we don't take cases where somebody walks in and says "it's the principle of the thing": we don't have the resources to do that, and we don't believe that's our mission. We feel it's our duty to stretch our funding dollars, federal, state and private, as far as possible by doing as much as we can for as many people as we can, not by rushing to federal court on some glamorous or fulfilling case.

We are comfortable with this approach because we don't believe that society owes its poorest citizens any more legal help than

a small businessman or a working person of moderate means can get going to a private lawyer. In our program, in most cases, that's exactly what they get.

Gentlemen, I can hear your questions now: "Well Mr. Harris, if so much of what legal services does is local, then why does it need to be funded nationally, by the federal government?"

There are two answers to this. First, the ability of individual states to address these matters varies widely. States where the need is greatest may actually be the least able to pay. West Virginia, for example, may have a struggling economy and a low tax base, and at the same time may have a significant population of poor people with black lung claims.

Even our largest states, California and New York, with all their resources, have a crushing social services burden already without taking on the added responsibility of legal services, however much those services are needed.

Second, some of these local matters keep recurring in substantially identical form all across the country. Used cars fall apart in Ohio just as they do in Arizona. Fathers skip out on families in Colorado just as they do in New York.

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Where a national delivery structure exists, attorneys can take advantage of the expertise already gained in a particular legal area by other practitioners across the country, who are part of a functioning network. Crucial to the success of this network are specialized support centers that local attorneys can turn to for help on matters like landlord-tenant law, or used car law, or housing law, or Indian law. Legal aid programs with no federal funding, if they were able to exist at all, would be far less efficient than currently if they did not have national and state support centers to rely on.

And that brings me to my third point: this system is already in place, with:

- locally-controlled programs,
- specialized support centers,
- staff experienced in the law and in the conditions of their particular communities,
- a number of specific restrictions governing use of funds already in place through Acts of Congress and regulations promulgated by the LSC Board, and
- a comprehensive monitoring system to see that those restrictions, and all applicable laws and regulations, and rules of ethics and good sense, are followed.



We already close 85% or more of our cases without going through litigation. Ironically, litigation involving poor people is likely to go up if our programs are defunded, as unrepresented poor people clog the courts with pro se claims and defenses that they are ill-equipped to maintain, on cases most of which could have been resolved by an attorney with a phone call or a letter or a brief pleading in court.

Finally, we're cheap: out of every thousand dollars budgeted by the federal government, only twenty-seven cents goes to maintain this entire system. Less than a penny goes to administer the program nationwide, and less than that to Indian legal services nationwide.

Eliminating legal services, whether over five years or two years or immediately, won't make a dent in the federal debt. But it will have some measurable consequences, including:

- a host of genuine injustices as some of the most helpless poor people - including elderly, disabled and children - just have nowhere to turn, and

- a breakdown in the efficient operation of federal, state and tribal courts as other poor people are driven to litigate their own cases, or try, but can't.

Ultimately, and in fact fairly quickly, these consequences will create a burden on our society far greater than the savings gained by defunding a four hundred million dollar program.

Gentlemen, time marches on and I did promise you a frank discussion of some things that legal services, and my program in particular, have done, which you might not approve of. So I want to refer you to the two last attachments in my testimony package: newspaper articles covering our only lawsuit against the federal government in my seventeen years with the program.

If I may speak for one minute on the issue of legal services programs using federal money to sue the federal government: aren't we really on the same side here? Haven't most of you gentlemen, and your fellow congressmen and women, come to Washington with a deep and well-grounded belief that the federal government is out of control, that federal agencies are proliferating endless regulations, and bureaucrats to enforce them, against Americans from every walk of life, including small businessmen and middle class wage earners? And don't you feel that it is your job in Congress to stand up to this bureaucracy and rein it in?

Well, on the basis of my seventeen years' experience representing poor people on an Indian reservation, I agree with you!

Somehow people have developed the misunderstanding that this same federal government, which routinely oppresses everyone from drug companies to small businessmen, is a tried and true pal to the poor.

I'm middle class and I wouldn't want to change places with any of my clients. I don't think any of you gentlemen would want to either. Its a lot of work being poor, trying to make ends meet and provide for your family, trying to raise your kids to have some hope that their life can be better, because this is the United States of America.

I guarantee you gentlemen that the same federal government which is running amok against other segments of our society which are better equipped to defend themselves, also walks all over poor people from time to time. For one small but ugly example of that, let's look at the one case where my program did sue the federal government.

A fifteen-year old girl from a remote reservation village fell under the spell of a smooth-talking nineteen-year old, and got pregnant. Both kids attended Tohono O'odham High School, a new school established on-reservation by the federal government to

replace the old regional Indian high schools and give O'odham kids the chance to go to school near their homes, and have the family and community support so important to educational success.

The Bureau of Indian Affairs itself said it best, in their own mission statement:

...The mission of the Bureau of Indian Affairs, Office of Indian Education Programs, is to provide quality education opportunities from early childhood through life in accordance with the Tribes' needs for cultural and economic well-being in keeping with the wide diversity of Indian Tribes...as distinct cultural and governmental entities. The Bureau shall manifest concern of the whole person, taking into account the spiritual, mental, physical and cultural aspects of the person within family and Tribal...contexts.  
25 C.F.R. Sec. 32.3 (1986).

Isn't that a lovely statement? And our girl, Elisa, did well in this place - she was, by all accounts, the best student the school ever had: straight A student, class representative to the student council, active in the drug prevention program.

When the school became a member of the National Honor Society, and a committee of teachers met to select the school's first inductees, Elisa was devastated to learn that she had been rejected - not because she was pregnant (two other pregnant girls were selected), but because some of the teachers, federal employees all, didn't approve of her boyfriend and decided to punish her for that. One teacher even said she shouldn't be admitted because she was disruptive in his class - she raised her hand and asked questions, unlike the other Indian kids.

We only found out about this because Elisa's mom had come to our office for help in enforcing a child support order, more of a typical case for us. When her lawyer asked in passing how her daughter was doing, she started crying and told us the story.

We accepted the case, sent two lawyers out to the village and the school, got statements and affidavits, all of which supported the facts we'd been given by the mother. Then we tried, without success, to settle the matter, first with the school principal, then with the head of the Sells Agency, then with members of the school board, and finally with officials from the National Office of Indian Education Programs (yes, the folks who wrote the mission statement). Everyone except the school principal seemed to agree that this was unfortunate, but nobody seemed to think that it was their responsibility to do anything about it. "Go ahead and sue us" was the message we got. So, one day before the ceremony was

~~scheduled to be held, we went to federal court and got an~~  
injunction prohibiting the school from holding any induction ceremony without including Elisa.

During the hearing on the injunction, a United States attorney argued passionately that any delay in the ceremony would be harmful to the other eight kids who had been selected. Then, after getting the federal judge's order, the school turned around and cancelled the ceremony for all the kids, permanently.

Their excuse was that they needed to appeal the judge's order, but then after the school year was over, and all the students had been denied that community recognition, that "cultural well-being" which the Bureau's own mission statement speaks so eloquently of, the school turned around and dropped the appeal.

Nice people. Great use of our tax dollars. To crush the spirit of a fine young person and then deny recognition to the other eight kids rather than give our girl what she had earned.

What did our office do wrong here? Only not find a way to win. What did the federal government do wrong here? Everything.

The point of all this, gentlemen, is that if occasionally a local legal services program is actually able to stand up to the federal government in court on behalf of a poor person who has

absolutely no other recourse, isn't that program following the same agenda as Congress? Federal governmental wrongdoing occurs at every level of the government's interaction with its citizens, and you gentlemen in Congress have pledged yourselves to put a stop to this wrongdoing. If it's appropriate for Congress to use federal funds in this effort, why can't we in federally-funded legal services help you? You gentlemen have the pulse of your constituents. Nobody works harder in getting constituent input than Congressman Kolbe. But when it comes to poor people, and what government does to them, we are the experts.

Perhaps you think it would be more appropriate if, rather than sue the federal government in a particularly egregious case, we brought the facts to the attention of our clients' congressional representatives. We would love to, but under 45 C.F.R. Part 1612, there are stringent limits on lobbying which legal services programs can do on behalf of clients. Another problem is that, even where lobbying is allowed, a particular case may require immediate action.

So, speaking from my own experience in one program for seventeen years, lawsuits against the federal government are not undertaken lightly, or frivolously, or in any circumstances where other avenues of relief are available. And in the cases that

~~we do bring, I'd like to think that we are helping Congress do its~~  
work.

Gentlemen, thank you for your attention today. We in legal services have made a serious mistake by not coming to you sooner, a lot sooner. I hope we are not too late. Defunding national legal services would be a mistake. Thank you.



## Commentary

# Legal Aid Lawyers Contributed to Their Problems

John Harris  
Special to Maricopa Lawyer

I recently hired a new attorney, a bright, engaging single mom in her early forties who turned her back on a better paying job in Tucson to make the 140-mile daily commute to the Tohono O'odham Reservation. She's been busy; in her first week she helped a woman whose small adobe home was about to be bulldozed out of existence by the local housing authority, a 12-year old boy faced with permanent expulsion from the local school system for attempting to defend himself from the repeated attacks of a gang member, and an elderly woman from a remote village whose food stamps were cut because she couldn't read English.

My program, Papago Legal Services at Salt, Ariz., serves a reservation the size of Connecticut, still quite isolated; until recently you couldn't get to Tucson when the washes ran. But the work we do is remarkably typical of what goes on in 300 federally funded legal aid offices across America: an endless grind of prosecuting women and children and getting them the resources they need to live, helping elderly people, keeping families in their homes, keeping people working and off welfare, and on and on. We don't mind doing the work. Competent legal assistance for poor people is what breathes life into a democracy and makes it human, decent and fair.

Unfortunately for poor people, and for democracy, nearly all of these programs will probably be shut down after this year, victims of federal budget cuts.

It is legitimate to ask whether America can afford a nationwide network of lawyers serving America's poorest citizens. The answer is yes, we can: the whole program cost \$400 million last year, out of a total budget of about a billion and a half. For every thousand dollars in federal money spent, less than twenty-seven cents goes to legal services for the poor. Funding legal aid won't bust the budget, and killing it off won't save the budget.

Congress has more on its mind than the budget, however, and conservative opposition to legal services is based not on what we cost, but rather on what we do, or at least what they think we do. Beginning in the early Reagan years, legal services got demonized in Congress, painted as a paupered cadre which stuck it to government and business, outraged Middle America and left its own clients bewildered and no better off... and used tax dollars to do it all. Major agonizing concerns, settling over court decisions requiring them to provide safe working conditions for migrant workers, peddled this line with particular zeal.

It makes sense. If you defend the powerless, you make powerful enemies, and those enemies can be expected to use their power. What doesn't make sense is how for all these years we in legal aid could have failed so utterly to correct the record of our performance and distance ourselves from the wackiest extremes of the far left. We keep families together, we keep people employed, and we end up somewhere out there with Robert Mapplethorpe and Ice T!

How could we have let this happen? Back when our funding was secure, why didn't we reach out to our opposition and let them know we weren't the enemy? And how can we now expect new congressmen and congresswomen to sup-

port us when we haven't even been able to reach Jim Kolbe? (Kolbe, R-Ariz., represents Arizona's Fifth Congressional District and recently introduced "The Caution Sense-Watch Reform Act of 1995," which, if passed, will eliminate all direct federal funding for legal services after this year.)

It's possible that my tiny program will survive without federal money. The Tohono O'odham Nation, whose people we serve, has begun reaping the fruits of a well-organized gaming operation and, for the first time ever, actually has the resources to help us if they choose. We are cautiously hopeful, especially since the Tohono O'odham Legislative Council, unlike Congress, actually knows what we do.

A handful of other Indian legal services programs nationwide may also survive, with the help of the tribes whose people they serve. But only a handful. Many tribes, including the huge Navajo Nation, don't have a gaming operation, and can't possibly get one going before the end of the year. And of course none of the non-Indian legal aid programs, which serve the overwhelming majority of America's poor, have any realistic alternate source of funding. These programs, including Maricopa County's own Community Legal Services, will either disappear outright or be reduced to hollow shells gasping along with IO/LTA funding and charitable contributions, unable to do much more than make referrals to the private bar.

In the middle of this disaster, one thing in particular makes me within a few months of the death of legal services — say, by mid-1996 — the very congressional leaders responsible for its destruction will figure out that some kind of federally funded national system of legal services to the

—continued on Page 8

# Legal Aid Lawyers

*(continued from Page 6)*

poor is needed, for democracy in this country to work. By then it will be too late: the programs, and the core, committed staff who stuck by them, will be gone.

Too bad there's no way to get them to see it now. As a community, legal services blew it. After surviving a previous threat to our existence, we forgot about politics and went back to work for our people. We didn't take the time to let the rest of America know what we

were doing. Now those same poor people will be the ones to pay for our failure.

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— *John Harris is the director of Papago Legal Services, a federally funded program serving the Tohono O'odham Reservation, which stretches from Casa Grande to the Mexican border.*

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# The Arizona Daily Star

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## Legal victory turns hollow for pregnant teen

By Mark Bryant  
The Arizona Daily Star

Dreams, hopes and aspirations dance in the future of 16-year-old Elisa Cazares.

She lives with her mother, two brothers and sister in a house her father built in Pisinimo, a small village on the Tohono O'odham Indian Reservation where the sound of the wind is broken occasionally by a car passing by.

Dirt roads crisscross the village of about 300. Tall scrub and the vast desert sky makes the scattered houses appear humble. The lack of street signs means visitors must ask passers-by to point out who lives where.

Cazares and her brother Jose attend Tohono O'odham High School, one of only two high schools on a sprawling reservation slightly smaller than Connecticut. Students come from more than 40 miles away to attend a 3-year-old school that has yet to be accredited.

The school just received a charter for the

National Honor Society last fall. The society recognizes "students who reflect outstanding accomplishments in the areas of academics, character, leadership and service." But the school's committee did not choose Cazares, a sophomore, apparently for reasons relating to her pregnancy.

Her grades, leadership and service to the school never were called into question.

She took the case to court. And won — sort of.

U.S. District Judge Alfredo Marquez issued a permanent injunction April 26, meaning that the induction ceremony could not be held without her. She and her mother shed tears of relief after the decision.

The school's administrators decided May 11 to appeal the decision. A pending appeal eliminates any chance for an induction ceremony before the end of the school year.

"I'm disappointed a whole lot," Cazares said. "I guess it wasn't meant to happen."

"It's getting to the point I don't even want to go" to school, she said.

The case is being sent to Washington, D.C., where officials in the Justice Department and the Office of the Solicitor, Department of the Interior, which oversees the Bureau of Indian Affairs, will weigh the merits of an appeal.

Yet while the wheels of bureaucracy grind slowly, school will end. Seniors graduate Friday. But the three seniors among the eight chosen for the National Honor Society will not be recognized.

"The seniors that could have made it this year won't ever make it," said Katherine Griffith, a teacher at the school.

Jose Cazares, 17, Elisa's brother, was one of the seniors chosen and is valedictorian of his class. There's been no backlash against his sister by other students, he said.

"They don't really care," he said. "Because

See HONORS, Page 4A

## Honors

Continued from Page One

"They're vax out here. I really don't mean anything. Students don't really know what the award is about," said Elisa Cazares. "I don't really know what it's about."

Tegana Nawn, who has taught at the school since it opened, said she thinks the majority probably don't realize the importance of it.

Nawn said she is quitting the school because of the kind of thing. The Bureau of Indian Affairs doesn't care, she said.

James Zarzar, superintendent of the Chicago Agency for the BIA, said

"I'm surprised they bothered to. Griffith also was surprised and disappointed by the drawn-out debate. This incident left a very bitter taste in my mouth," she said.

"If this school was truly student-oriented, they would have dropped it right here and had the ceremony," Griffith said.

As for the students, Griffith said

"It is hard to see students' faces. I don't know if that is life goes on."

The school principal, Louis Barrios, would not allow a reporter to visit the school and talk with students and administrators.

Jerald Frank, the assistant U.S. attorney who argued for the defendants, did not return several calls.

One observer labeled administrators "wanton cruelty." Tobono O'odham for iron jackrabbit, a creature that moves rapidly and decisively — and will not bend.

The induction ceremony originally was set for March 9. But a U.S. District Court judge temporarily postponed the hearing for 30 days after Cazares filed the suit so both sides could prepare their arguments.

The school's National Honor Society Selection Committee apparently excluded Cazares because she was not living with the man who impregnated her — unlike two other pregnant teen-agers who were chosen for the society.

But as the judge pointed out, Cazares has no control over that. Her attorney, Lynn Saul, argued that the committee's decision was sex discrimination and that Cazares was denied due process.

"Is this somehow detrimental to the National Honor Society to let in the best student in the school?" asked John Harris, program director of Papago Legal Services, which fought the case for Cazares. "The only conceivable result of an appeal is an affirmation of the ruling."

The society's handbook states that pregnancy alone cannot be reason for denial, but "may be taken into account in determining character" — the gray area the defendants are relying on.

"We're really disappointed that they would rather punish a lot of deserving students rather than admit they made a mistake," Saul said.

James Allen, the National Honor Society faculty adviser, and one of those named in the suit, said it is unfortunate the students must suffer but maintained an appeal was justified.

"If we're to allow a federal judge to dictate selection procedures, then where does it stop?" he said.

Elisa and Jose Cazares sat on a weather-beaten plank outside their home Thursday and talked about their wide-open futures. Jose Cazares talked about the Marine boot camp he faces in July, the GI bill

that will allow him to attend the University of Arizona and his goal of becoming a radio disc jockey.

Elisa Cazares talked about the baby kicking inside — practice for when its due date of July 13 arrives. But more, she talked about plans for finishing high school, going to the university, potential careers — and getting a summer job.

"I just don't see myself sitting around all day watching soap operas," she said.

She wants to attend the U.A. then possibly go onto law school, or be a counselor for alcoholics or pregnant teen-agers.

Her 10-year-old boyfriend, the child-to-be's father, will be a senior at the school come fall. They have no plans to marry. "I'm scared to," Cazares said. Referring to her divorced parents, she said, "I don't want to be put through that kind of trip."

The shy teen-ager with the broad smile and dimples seems an unlikely type to embroil herself in legal action. Yet several teachers praised her leadership and service to the school. Griffith went so far to say that it wouldn't surprise her if Cazares became leader of the tribe.

"She's a potential leader out here like you wouldn't believe," Nawn agreed.

Cazares looks back at the minor tempest she's roused within the school. "I don't ever regret doing that," she said, but "it seems nothing's going to be the same."

Teachers were told not to talk about it. Despite that, word has filtered out to the 220 students. "The kids aren't stupid," said Griffith. "They're very aware of what's going on."

Maybe more so than others. Members of the District of Tobono O'odham High School Board realized the contention only when they showed up for the induction ceremony and were told there wasn't going to be one.

"I really don't understand what happened," said Manuel Osegueda Jr., a board member. "I kind of feel sorry it went this far."

**The Arizona Daily Star**  
Tucson, Sunday, October 28, 1990

# Metro/State

## Student denied place in honor society is glad she fought back, looks to future

**By Mark Bryant**  
The Arizona Daily Star

Judges can decide wrong and right. But they cannot force people to mend an injustice.

A smart, soft-spoken 15-year-old student was dealt an injustice by her high school. With a wide-eyed belief in fair play, she took her case to court. And won — on paper.

Elisa Cazares, now 16 and the mother of a 3-month-old boy, was denied entry into the National Honor Society at Tohono O'odham High School last March, apparently because she was not living with the father of her unborn child. Two others nominated were pregnant and two were teen-age fathers.

She filed a federal lawsuit, claiming discrimination.

The U.S. District Court issued a permanent injunction in April, meaning that no induction ceremony could occur without her. School administrators appealed the decision in July through the federal government, which operates the school under the aegis of the Bureau of Indian Affairs.

They dropped the appeal earlier this month, though they still are appealing the judge's order to pay Cazares' counsel \$12,694.75 for legal fees.

Rather than admit they erred, as the judge ruled, school officials simply granted the recognition to no

one. The school year ended with none of the eight TOHS students nominated being inducted into the prestigious academic society. It would have been the first such induction for the school.

"The federal judge left the school a loophole and they took it," said John Harris, director of Papago Legal Services Inc., which represented Cazares.

"It's unfortunate that every other student who had been scheduled for admission to the National Honor Society was denied that opportunity because one student, perhaps the most highly qualified of all, chose to exercise her legal rights, which were fully affirmed by a federal judge," he said.

Cazares, a junior who harbors hopes of going to college, now attends Ajo High School. She feels worse for those who did not get inducted than for herself.

"Those kids over there deserve it," she said. "I kind of feel guilty."

But Cazares expressed no regrets about the battle. "I can't have people pushing me around, or else that's what they're going to be doing all my life."

The school she left, where 209 students are enrolled this year, opened three years ago to allow youths to live at home and provide them with community support, rather than send them off to corners of the

See **STUDENT**, Page 10B

## Student

Continued from Page 1B

Southwest. The school was established to nurture, encourage and bring self-esteem to the O'odham students.

"The irony is that the school placed here for that purpose failed and is continuing to fail," Harris said.

Federal policy also called for community involvement in school decisions. But while Cazares challenged school authority, local people were never consulted.

"The school board was never really involved in it. We were told it was an administrative matter," said Manuel Osegueda Jr., president of the five-member school board. "We should have known what was going on."

Said Harris: "I'm really disappointed that the local school board was so dysfunctional. It couldn't have been a simpler issue."

The BIA should have focused their efforts on monitoring the school instead of letting local administrators chart their own course, he said, adding, "Accountability is not a bad thing."

Cazares' suit got broader attention when The Washington Post published an op-ed article last month castigating the BIA and school officials. Said the writer: "To some of the children under its supervision, the bureau could be on Mars."

"Elisa is a bright young woman who will get on with her life," Harris said. "The lessons she's learned are



**Kevin Cazares**

not the comforting, pleasant lessons we want our kids to learn, but she'll do OK.

"If she makes it in the world, it's going to be despite, not because of, anything that Tohono O'odham High School did," he said. As for others, "what kind of lesson is it for the students who remained?"

The "lesson" also served as a catalyst for several dedicated teachers to quit their jobs at the wind-swept school about 30 miles east of Ajo. "Good, committed, competent teachers are not replaceable," Harris said.

The school again plans to select students for the National Honor Society this year. Will anything be done differently?

"The (NHS) handbook rules were followed. We'll just be a little more

careful," said James Allen, the NHS faculty adviser, who spurned the choice of Cazares and who was one of four education officials named in the suit.

Gerald Frank, the assistant U.S. attorney who argued the case for the defendants, declined comment.

Cazares has shrugged off the affair and now focuses on her young son, Kevin, and getting through school.

"I don't hold any grudges against them," she said of those who kept her from the National Honor Society. "They did what they did and (I) can't change that."

Asked about her chances of being nominated to the National Honor Society at Ajo High School, Cazares smiled shyly and said, "I'm scared to go through that thing again."

Looking back, Osegueda of the school board said: "I kind of felt that she should have been allowed (in) ... they were just going around and around. She should have been accepted."

Looking ahead, he expressed hope that the community will get involved with the school, possibly forming a parent-teacher organization, and invest time in helping the school succeed.

"The school needs to be as a family, rather than teachers with titles," Osegueda said. "I hate the title 'school board.' I'd rather be there working with them as a family member."

"Still, I believe that whatever happened, it has opened us to realize that we need to get involved in what's going on," Osegueda said.

THURSDAY, MAY 11, 1995.

**INVESTMENT COMPANY INSTITUTE****WITNESS****MATTHEW P. FINK, PRESIDENT**

Mr. TAYLOR. We have the Investment Company Institute, Matthew Fink.

Mr. FINK. Thank you, Mr. Chairman. I will be brief, given the lunch hour.

I am President of the Investment Company Institute, which is the national association of the mutual funds industry, and we are here to testify on the proposed fiscal year 1996 appropriations for the Securities and Exchange Commission.

Today, there are more than 40 million Americans, one out of every three households, who own mutual fund shares. Given the importance of mutual funds to millions of investors, we believe that sufficient and stable funding of the SEC should be a priority.

Mutual funds are designed to permit thousands of investors to pool their resources to invest in a fund which, in turn, invests in a large number of securities managed by a professional adviser. The shareholders of each mutual fund are the owners of the fund's shares and are entitled to all of the fund's income, which consists of the gross income generated by the fund's investments, less the fund's operating expenses. Thus, any increase in fund expenses, including an increase in fees paid to the Securities and Exchange Commission, will directly reduce the income received by fund shareholders.

We generally support the proposed funding level of \$343 million for the SEC, but we believe this amount should be funded through the existing statutory structure at the existing fee levels.

In contrast, the Administration's proposal would significantly increase fees. Although it provides a funding level of \$343 million for the SEC, I have shown in this chart—this, Mr. Chairman, would be the funding level for the SEC. It is proposing additional fees, which would bring fees, half a billion dollars more than needed, to operate the SEC. Even if you left the current fee schedule in place, which we support, it would still have fees far in excess of what is being proposed to be appropriated to the SEC.

True user fees paid by mutual funds and other securities firms would cover the costs of running the SEC, and we support that. But we can't support the Administration's proposed budget, which would be a half billion dollars tax on capital formation, savings and investment by investors, including these 40 million Americans who own mutual fund shares.

In the absence of a resolution of the SEC's funding structure by the authorizing committees, we would ask that the Administration's request of \$343 million be funded with no further fee increases.

Thank you very much for the opportunity to testify, Mr. Chairman.

Mr. TAYLOR. Thank you. I appreciate your information and appreciate your submission. It will be made a part of the record, and we will review it.

Mr. FINK. Thank you.  
[The information follows:]



**STATEMENT OF  
MATTHEW P. FINK  
PRESIDENT  
INVESTMENT COMPANY INSTITUTE  
BEFORE THE HOUSE  
COMMERCE, STATE, JUSTICE &  
JUDICIARY APPROPRIATIONS SUBCOMMITTEE  
MAY 11, 1995**

Mr. Chairman and members of the Subcommittee, my name is Matthew P. Fink. I am President of the Investment Company Institute (Institute), the national association of the American investment company industry, more commonly referred to as the mutual fund industry.<sup>1/</sup> We appreciate the opportunity to testify before your subcommittee on FY 1996 Appropriations for the Securities and Exchange Commission (SEC).

Mr. Chairman, I want to begin by commending you and your Subcommittee for your prior efforts to assure adequate resources for the SEC. As you know, mutual funds have become increasingly important to middle class Americans seeking to save and invest. Today, more than 40 million individuals, one in every three households, own mutual fund shares. Mutual fund shareholders have a median household income of \$50,000. These millions of average Americans deserve vigilant regulatory oversight over mutual funds. Given the increasing importance of mutual funds to millions of

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<sup>1/</sup> The Investment Company Institute is the national association of the American investment company industry. Its membership includes 5,569 open-end investment companies ("mutual funds"), 470 closed-end investment companies and 11 sponsors of unit investment trusts. Its mutual fund members have assets of about \$2.225 trillion, accounting for approximately 95% of total industry assets, and have over 40 million individual shareholders.

investors, sufficient and stable funding of the SEC should be a priority, even in the face of mounting deficit reduction pressures.

Mutual funds permit thousands of investors to pool their resources in a fund which, in turn, invests in a large number of securities under the supervision of a professional investment adviser. The shareholders of the fund are its owners and are entitled to all of its net income, which consists of the gross income generated by the fund's investments less the fund's operating expenses. Thus, any increase in its expenses, including an increase in fees paid to the SEC, directly reduces the net income received by fund shareholders.

The effort to provide a stable source of funding for the SEC began in late 1988. The Congress directed the SEC to examine the possibility of transforming the SEC to a self-funded status. Since the release of that study in January 1989, the Congress and both the Bush and Clinton Administrations have attempted to implement a financing mechanism for the SEC that would fully sustain the operation of the SEC through user fees. However, the effort to implement this proposal through authorizing legislation has proven exceedingly difficult.

The Institute and its members support the concept of fully funding the SEC through user fees, including fees paid by mutual funds. In the 103rd Congress the Institute offered its strong support of H.R. 2239, the Securities and Exchange Commission Authorization Act of 1993, which passed the House but was not considered by the Senate. In other statements before Congress, the Institute repeatedly has stressed the need to increase funding for the SEC, especially for the Division of Investment Management, which regulates the mutual fund industry. We continue to support adequate financial resources to provide effective regulatory oversight of mutual funds.

Action will be needed to avoid the kind of funding conflict which occurred last year both within and between the House and Senate and the respective authorizing, appropriations and tax committees, and which nearly resulted in the shut-down of the SEC.

The Administration's FY 1996 Budget proposes three new tiers of SEC fees which would generate revenues of more than a half billion dollars in excess of the \$343 million requested to operate the agency. Thus, the Administration's budget proposal is a tax in the guise of user fees to fund the work of the SEC, a tax on capital formation,

savings and investment paid by investors, including 40 million mutual fund shareholders. Such a tax is inequitable to these millions of middle income Americans.

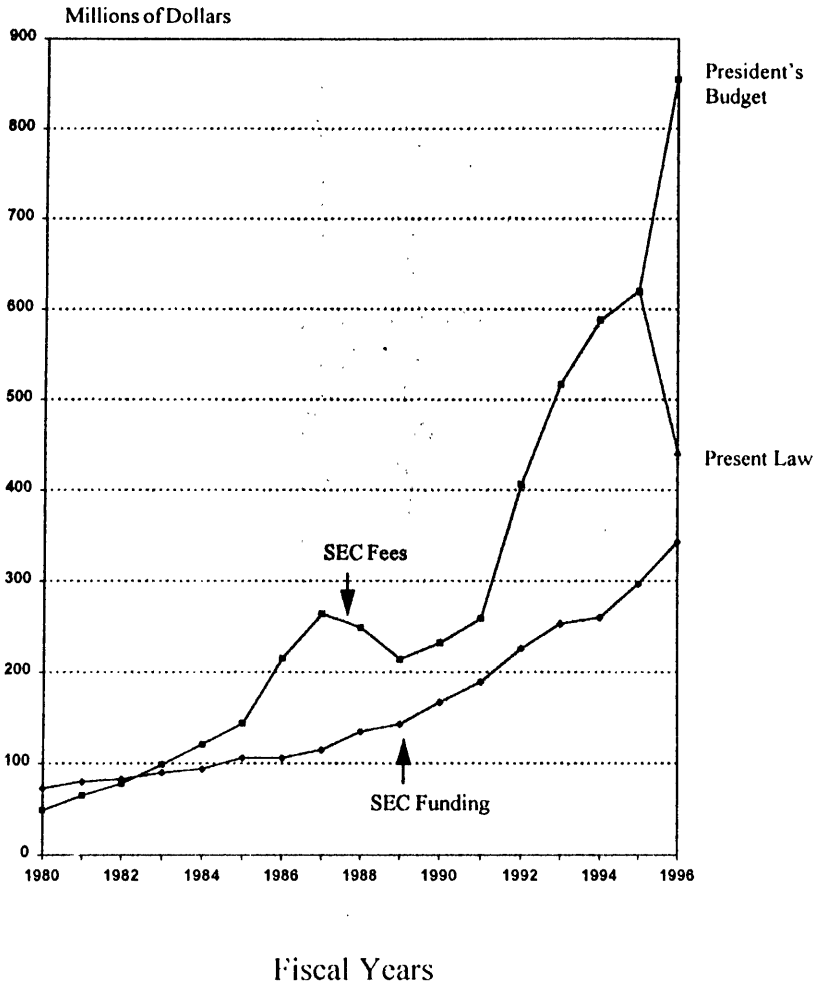
The primary source of SEC fees is derived from the Section 6(b) securities registration fee. This fee is statutorily set at 1/50 of one percent. In recent years the Congress has temporarily increased that fee, most recently to its current level of 1/29 of one percent. If no action were taken on the fee this year, the Section 6(b) fee would revert to 1/50 of one percent; but these fees, combined with other existing fees, would still provide approximately \$442 million, \$99 million more than the President's SEC funding request for FY 1996.

The Administration's FY 1996 SEC fee proposal would result in excess fee collections even greater than those accruing in FY 1995; fee collections under the proposed three tiers of fees would yield two-and-one-half times the amount needed for the proposed FY 1996 SEC funding level.

- In the absence of a resolution of the SEC's funding structure by the authorizing committees, we would ask that the Administration's SEC request of \$343 million be funded through the existing statutory fee structure at existing statutory fee levels.

Mr. Chairman, we are willing to work with you to find a solution to this difficult, but very important issue, but the President's budget proposal is an unrealistic starting point. Thank you for hearing our views. I will be glad to answer any questions.

# SEC Funding Compared With SEC Fees



Source: SEC Data

THURSDAY, MAY 11, 1995.

## **RISS PROGRAM—MID-ATLANTIC—GREAT LAKES NETWORK**

### **WITNESS**

**JOSEPH C. PETERS, EXECUTIVE DEPUTY ATTORNEY GENERAL, PENN-  
SYLVANIA OFFICE OF ATTORNEY GENERAL**

Mr. TAYLOR. We have Mr. Joseph Peters, I believe. Mr. Peters. And your associate is——

Mr. PETERS. Mr. James Gallagher, who is the Deputy Executive Director of the Mid-Atlantic-Great Lakes Organized Crime Law Enforcement Network. We call it MAGLOCLIN.

Mr. TAYLOR. Yes. Thank you.

Mr. PETERS. Mr. Chairman, it is an honor for me to provide this statement in support of the Regional Information Sharing System, or RISS, program.

The Regional Information Sharing System programs, which you have supported for the past 15 years, are known in the law enforcement community as one of the most beneficial and successful programs that you have sponsored. Throughout these years, Congress has recognized the continued impact of drug trafficking, organized crime and street crime in our society. It has demonstrated its knowledge that combating these problems requires the combined and coordinated efforts of local, State and Federal law enforcement through funding of the RISS program. The RISS projects are providing a unique method for law enforcement to share information on organized criminal groups and criminal activity on a multi-jurisdictional level.

The benefits that the RISS program offers to the law enforcement community are many. Information on crime suspects and criminal activity is accessible to member agencies through each RISS project. This ability to share information on multi-jurisdictional criminal activity assists member agencies with their investigations.

In the past year, the services offered by RISS and utilized by law enforcement have resulted in the seizure of large quantities of drugs as well as millions of dollars in cash and property. Without the aid of the RISS project, local, State and Federal law enforcement agencies could be hampered in their investigations.

In the 15-year period since Congress fully implemented the RISS program, project-supported investigations similar to these have resulted in over \$12 billion in recoveries at a cost that approximates 1.4 percent of that amount. In other words, for every dollar Congress has authorized, there is a \$73 return. That alone indicates the need to continue funding of the RISS projects.

Another fact to be considered in the continued funding of these projects is that they have not had an increase in their authorization for the past four years, but their membership has increased to over 4,300 local, State and Federal agencies representing over 300,000 law enforcement personnel. With the increasing strain on local and State budgets and competing demands for revenues, it is essential that your support be continued.



The continuous membership growth requires new authorization and full funding of the RISS program in the amount of \$25 million for fiscal year 1996 without a matching fund requirement.

Mr. Chairman, I would like to thank you and the Committee for the support and the opportunity to express my support of the Regional Information Sharing System program. In my position as Executive Deputy Attorney General of the Pennsylvania Office of Attorney General and a policy board member of MAGLOCLIN, I have had a unique opportunity to see firsthand the benefits of the RISS program. Through my involvement, I see a need for RISS because of its obvious worthwhile benefit to local, State and Federal law enforcement agencies.

The International Association of Chiefs of Police, the International Sheriff's Association and the National Alliance of State Drug Enforcement Agencies, whose members encompass a great portion of law enforcement, have also endorsed the RISS program and its continuation.

With this in mind, I respectfully request that you continue to support one of the most beneficial and successful programs that has been sponsored by Congress.

Thank you. I would be happy to entertain any questions.

Mr. TAYLOR. Thank you, Mr. Peters. We appreciate your presentation, and will take your submission and go from there. I have heard good things about it.

Congressman Quillen was to be with one of you today?

Mr. GALLAGHER. Yes, sir. He was going to testify, and I think other business prevented that.

Mr. TAYLOR. Congressman Quillen is well respected in this committee as well as the House, so your testimony certainly will carry a lot of weight.

[The information follows:]

**STATEMENT  
OF  
JOSEPH C. PETERS,  
EXECUTIVE DEPUTY ATTORNEY GENERAL  
PENNSYLVANIA OFFICE OF ATTORNEY GENERAL**

**IN SUPPORT OF APPROPRIATIONS FOR  
THE REGIONAL INFORMATION SHARING  
SYSTEMS (RISS) PROGRAM  
BEFORE  
HOUSE OF REPRESENTATIVES COMMITTEE ON APPROPRIATIONS  
COMMERCE, JUSTICE, STATE AND THE JUDICIARY  
SUBCOMMITTEE**

**MAY 1995**

**MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, IT IS AN HONOR FOR ME TO PROVIDE THIS STATEMENT OF SUPPORT FOR THE REGIONAL INFORMATION SHARING SYSTEM (RISS) PROGRAM.**

**THE REGIONAL INFORMATION SHARING SYSTEMS (RISS) PROGRAMS, WHICH YOU HAVE SUPPORTED FOR THE PAST FIFTEEN YEARS, ARE KNOWN IN THE LAW ENFORCEMENT COMMUNITY AS ONE OF THE MOST BENEFICIAL AND SUCCESSFUL PROGRAMS THAT YOU HAVE SPONSORED. THROUGHOUT THESE YEARS, CONGRESS HAS RECOGNIZED THE CONTINUED IMPACT OF DRUG TRAFFICKING, ORGANIZED CRIME, AND STREET CRIME IN OUR SOCIETY. IT HAS DEMONSTRATED ITS KNOWLEDGE THAT COMBATING THESE PROBLEMS REQUIRES THE COMBINED AND COORDINATED EFFORTS OF LOCAL, STATE, AND FEDERAL LAW ENFORCEMENT THROUGH THE FUNDING OF THE RISS PROGRAM. THE RISS PROJECTS ARE PROVIDING A UNIQUE METHOD FOR LAW ENFORCEMENT TO SHARE INFORMATION ON ORGANIZED CRIMINAL GROUPS AND CRIMINAL ACTIVITY ON A MULTI-JURISDICTIONAL LEVEL.**

**THE BENEFITS THAT THE RISS PROGRAM OFFER TO THE LAW ENFORCEMENT COMMUNITY ARE MANY. INFORMATION ON CRIME SUSPECTS AND CRIMINAL ACTIVITY IS ACCESSIBLE TO MEMBER**

AGENCIES THROUGH EACH RISS PROJECT. THIS ABILITY TO SHARE INFORMATION ON MULTI-JURISDICTIONAL CRIMINAL ACTIVITY ASSISTS MEMBER AGENCIES WITH THEIR INVESTIGATIONS. IN THE PAST YEAR, THE SERVICES OFFERED BY RISS AND UTILIZED BY LAW ENFORCEMENT HAVE RESULTED IN THE SEIZURE OF LARGE QUANTITIES OF DRUGS AS WELL AS MILLIONS OF DOLLARS IN CASH AND PROPERTY. WITHOUT THE AID OF THE RISS PROJECT, LOCAL, STATE, AND FEDERAL LAW ENFORCEMENT AGENCIES COULD BE HAMPERED IN THEIR INVESTIGATIONS.

IN THE FIFTEEN-YEAR PERIOD SINCE CONGRESS FULLY IMPLEMENTED THE RISS PROGRAM, PROJECT-SUPPORTED INVESTIGATIONS SIMILAR TO THESE HAVE RESULTED IN OVER TWELVE BILLION DOLLARS IN RECOVERIES AT A COST THAT APPROXIMATES 1.4 PERCENT OF THAT AMOUNT.

IN OTHER WORDS, FOR EVERY DOLLAR CONGRESS HAS AUTHORIZED, THERE IS A SEVENTY-THREE DOLLAR RETURN. THAT ALONE INDICATES THE NEED TO CONTINUE FUNDING OF THE RISS PROJECTS.

ANOTHER FACT TO BE CONSIDERED IN THE CONTINUED FUNDING OF THESE PROJECTS IS THEY HAVE NOT HAD AN INCREASE IN THEIR AUTHORIZATION FOR THE PAST FOUR YEARS, BUT THEIR MEMBERSHIP HAS INCREASED TO OVER 4,300 LOCAL, STATE, AND FEDERAL AGENCIES REPRESENTING OVER 300,000 LAW ENFORCEMENT PERSONNEL. WITH THE INCREASING STRAIN ON LOCAL AND STATE BUDGETS AND COMPETING DEMANDS FOR REVENUES, IT IS ESSENTIAL THAT YOUR SUPPORT BE CONTINUED.

THE CONTINUOUS MEMBERSHIP GROWTH REQUIRES NEW AUTHORIZATION AND FULL FUNDING OF THE RISS PROGRAM IN THE AMOUNT OF \$25 MILLION FOR FY96 WITHOUT A MATCHING FUND REQUIREMENT.

MR. CHAIRMAN, I WOULD LIKE TO THANK YOU AND THE COMMITTEE FOR THE OPPORTUNITY TO EXPRESS MY SUPPORT OF THE REGIONAL INFORMATION SHARING SYSTEM PROGRAM. IN MY POSITION AS EXECUTIVE DEPUTY ATTORNEY GENERAL OF THE PENNSYLVANIA OFFICE OF ATTORNEY GENERAL AND A POLICY BOARD MEMBER OF THE MIDDLE ATLANTIC-GREAT LAKES ORGANIZED CRIME LAW ENFORCEMENT NETWORK, I HAVE HAD A UNIQUE OPPORTUNITY TO SEE FIRST HAND THE BENEFITS OF THE RISS

PROGRAM. THROUGH MY INVOLVEMENT, I SEE A NEED FOR RISS BECAUSE OF ITS OBVIOUS WORTHWHILE BENEFIT TO LOCAL, STATE, AND FEDERAL LAW ENFORCEMENT AGENCIES. THE INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE, THE NATIONAL SHERIFF'S ASSOCIATION, AND THE NATIONAL ASSOCIATION OF STATE DRUG ENFORCEMENT AGENCIES, WHOSE MEMBERS ENCOMPASS A GREAT PORTION OF LAW ENFORCEMENT, HAVE ALSO ENDORSED THE RISS PROGRAM AND ITS CONTINUATION. WITH THIS IN MIND, I RESPECTFULLY REQUEST THAT YOU CONTINUE TO SUPPORT ONE OF THE MOST BENEFICIAL AND SUCCESSFUL PROGRAMS THAT HAS BEEN SPONSORED BY CONGRESS.

**TESTIMONY SUBMITTED BY**  
**THE REGIONAL INFORMATION SHARING SYSTEMS (RISS) PROGRAM**  
**IN SUPPORT OF APPROPRIATIONS FOR \$25 MILLION DOLLARS**  
**FOR FISCAL YEAR 1996**  
**BEFORE THE**  
**HOUSE OF REPRESENTATIVES COMMITTEE ON APPROPRIATIONS**  
**COMMERCE JUSTICE SUBCOMMITTEE**

**SUBMITTED BY**  
**GERARD P. LYNCH, ESQ., EXECUTIVE DIRECTOR**  
**MIDDLE ATLANTIC - GREAT LAKES ORGANIZED CRIME**  
**LAW ENFORCEMENT NETWORK**  
**ON BEHALF OF**  
**THE REGIONAL INFORMATION SHARING SYSTEMS (RISS) PROGRAM**

**APPROPRIATIONS COMMITTEE TESTIMONY**  
**RISS PROJECT DIRECTORS**

The Regional Information Sharing Systems (RISS) Program respectfully requests that Congress appropriate for Fiscal Year 1996, \$25 million as a line item, without matching funds, to continue their support in combating drug trafficking and organized crime.

These funds will enable RISS to continue its support in identifying, targeting, and removing criminal conspiracies and activities spanning jurisdictional boundaries that involve drug trafficking, organized criminal activity, and white collar crime. This will allow RISS to continue assisting more than 4,300 federal, state, and local criminal justice agencies across the nation comprising over 300,000 sworn law enforcement personnel. "[F]ederal assistance is essential to support the effective exchange of high quality criminal justice record information among state, local, and federal justice agencies and, therefore, to effectively assist justice agencies in investigating, prosecuting, and adjudicating offenders."<sup>1</sup>

The Office of Justice Programs (OJP) Regional Information Sharing Systems (RISS) Program is a federally funded program supporting law enforcement efforts in combating drug trafficking, organized criminal activity, and white collar crime. Six regional projects provide criminal information exchange and other related operational support services to local, state, and federal law enforcement agencies located in all fifty states. These projects are:

1. The Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network (MAGLOCLN): Delaware, District of Columbia, Indiana, Maryland, Michigan, Pennsylvania, Ohio, New Jersey and New York, as well as Canada.
2. Mid-States Organized Crime Information Center (MOCIC): Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota and Wisconsin, as well as Canada.
3. New England State Police Information Network (NESPIN): Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont, as well as Canada.
4. Regional Organized Crime Information Center (ROCIC): Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia.
5. Rocky Mountain Information Network (RMIN): Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming, as well as Canada.
6. Western States Information Network (WSIN): Alaska, California, Hawaii, Oregon and Washington, as well as Canada.

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<sup>1</sup> "Letter to New Attorney General Discusses Partnership and Priorities." Interface: The Justice Newsletter of SEARCH. 3.



The RISS projects are filling law enforcement's need for rapid, but controlled sharing of information and intelligence pertaining to known or suspected drug traffickers and criminals. Former President George Bush has stated, "We must begin the war on drugs by ensuring that all federal, state, and local information on the drug production and trafficking problem is shared appropriately."<sup>2</sup> Former Attorney General Dick Thornburgh has stated, "Increased cooperation among all agencies of law enforcement — federal, state, and local — has consistently proven to be the best answer to stopping violent crime."<sup>3</sup> The continuous rise of drug trafficking, violent crime and endless emergence of organized crime groups across the nation requires a concerted effort by law enforcement at the federal, state, and local level. The former President has further stated, "The war on drugs cannot be fought — much less won — without good intelligence."<sup>4</sup>

Congress funded the RISS program to address this need as evidenced by its most recent authorization in the Anti-Drug Abuse Act of 1988. The success of RISS has been acknowledged and vigorously endorsed by the International Association of Chiefs of Police (IACP). "The projects have both small and large successes, but the impact on criminals apprehended by means of RISS resources has been devastating."<sup>5</sup>

Other national law enforcement groups such as the National Sheriffs' Association (NSA) and the National Association of State Drug Enforcement Agencies (NASDEA), have seen the value of this congressional program to law enforcement nationally and have worked with the National Association of Attorneys General (NAAG), the National District Attorneys Association (NDAA), and the National Criminal Justice Association (NCJA) to further strengthen the awareness of RISS. In fact, at their 1993 Spring meeting, the National Association of Attorneys General passed a resolution calling for full funding for RISS and increased funding for the Bureau of Justice Assistance.<sup>6</sup>

In a combined effort by all of these law enforcement agencies, a publication was drafted by the U.S. Department of Justice sponsored Executive Working Group for Federal-State-Local Prosecutorial Relations. In this 1988 publication entitled, "Toward a Drug Free America: A Nationwide Blueprint for State and Local Drug Control Strategies," it was quoted that, "Each state should develop a computerized capacity to store, collate, and retrieve intelligence and historical information concerning drug offenders. Before initiating new computer projects, each state should take advantage of existing computerized information exchange and pointer systems, such as the Regional Information Sharing Systems (RISS) and Operation Pipeline. Each state should actively participate in multi-state, regional, and national information networking projects."

<sup>2</sup> National Drug Control Strategy, September 1989.

<sup>3</sup> "An Anti-Crime Coalition for America's Communities," by Dick Thornburgh, The NarcOfficer, May 1991.

<sup>4</sup> National Drug Control Strategy, September 1989.

<sup>5</sup> "The RISS Program: A \$12 Million Bargain," Police Chief, August 1987.

<sup>6</sup> National Association of Attorneys General, Spring Meeting, March 28-30, 1993.

In 1994, Congress invested \$14.5 million in the RISS program. Over the three-year period 1991-1993, RISS generated a return by member agencies that resulted in 18,000 arrests, seizure of narcotics valued at \$9 billion, seizure of \$64 million in currency, and recovery or seizure of property valued at \$81 million. In addition, more than \$1.1 million was seized through RICO civil procedures. In the fourteen-year period since 1980 when the program was fully implemented, the RISS program has assisted its member agencies with their investigations. Results of these investigations have amounted to well over \$12 billion dollars in recoveries at a total cost that approximates 1.37 percent of that amount, or a \$73 return for every dollar spent.

In addition to the RISS program, the projects have also been able to enhance other worthwhile Congressionally funded programs. The states of California, Connecticut, Illinois, Iowa, Massachusetts, New Jersey, North Dakota, Ohio, Oregon, Utah, Washington, Wisconsin, and others have, to varying extents, incorporated the RISS Projects in their statewide narcotics programs that were set up to include the RISS Projects as they carry out their individual state or local narcotic initiatives.

Oversight: The Bureau of Justice Assistance administers the RISS program and has established guidelines for provision of services to member agencies. The projects are subject to oversight, monitoring, and audit by the U.S. Congress; the General Accounting Office (GAO), a federally funded program evaluation office; the U.S. Department of Justice, Bureau of Justice Assistance; and local government units. The RISS projects are also monitored on a regular basis by the Intelligence Systems Policy Review Board (ISPRB) for 28 CFR 23 compliance. This 28 CFR 23 regulation places stricter controls on the RISS intelligence sharing function than those placed on federal, state, or local agencies. Evaluation of project operation has been very positive. Mr. Jack A. Nadol, Acting Director of the Bureau of Justice Assistance, Office of Justice Programs, stated at the Second National Conference of the RISS Program, held in January 1993, "The RISS Program is relatively the most cost effective program that BJA has ... because of the results we get and the number of people that we serve."<sup>7</sup>

A House Subcommittee found that, "The projects are addressing a law enforcement intelligence sharing void which exists between the levels of federal authority and state/local authority. There is a wide acceptance and approval of RISS project activity among state and local law enforcement agencies. There is considerable benefit to the federal law enforcement community from direct participation in RISS projects or from services which are derived directly from RISS project activity."<sup>8</sup>

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<sup>7</sup> Second National Conference of the RISS Program, January 1993.

<sup>8</sup> Findings of House Committee on Government Operations (House Report 99-216), July 22, 1985.

The GAO testified that, "We were quite comfortable that the processes were in place to protect the integrity of the federal monies."<sup>9</sup> A federally funded research firm stated, "In general, the program activity data analysis reflects favorably upon the development of the RISS program."<sup>10</sup> In testimony before a House Subcommittee, a nationally respected police administrator stated, "I can say to you gentlemen today that in my thirty-three years of involvement in law enforcement, ~~over thirty-three years~~, that of all the federal projects that have come down our way, we get more good out of and have derived more out of the RISS projects than any other project that has been funded by a federal grant."<sup>11</sup>

During 1994, case specific support has been furnished to hundreds of local and state police as well as sheriff departments. These cases have had an unrivaled impact on the local jurisdictions of main street America, the grass roots of law enforcement in the nation. The National Drug Control Strategy recognizes that regular ongoing interagency and intergovernmental cooperation are elements necessary for the full utilization of the available intelligence resources and investigative experts. "Cooperative and joint operations are the rule not the exception."<sup>12</sup> RISS and the National Institute of Justice, Law and Technology Division, are currently working, as directed by Congress, to establish a law enforcement technology information network utilizing the RISS Projects. RISS is also presently working on a cooperative effort with the National Drug Intelligence Center (NDIC) to utilize the RISS program as a channel for state and local involvement in the center. Additionally, RISS is an integral part of the Southwest Border States Anti-Drug System initiative encompassing the states of Arizona, California, New Mexico, and Texas.

In view of today's increasing demands on state, local, and federal law enforcement budgets, increased requests for RISS services are occurring. The Institute for Intergovernmental Research (IIR) report on the RISS program from 1991-1993 showed a 70 percent increase in the submission of principal subjects to our data bases, a 60 percent increase on inquiries of our data bases, and a 21 percent increase in member requests for analytical services for the three-year period.

A program that promises to enhance the future ability of the RISS projects to meet these increasing demands to disseminate information is the RISSNET: the electronic connection of the Projects' criminal intelligence data bases into a nationwide system. The RISSNET will also include an enhanced data base application which will give the project staff the ability to search any field or any combination of fields in the data base structure. It will have features such as full-text inquiry, derivative and soundex search, and imaging. Analysts in the RISS projects will also have the ability to perform analyses of the entire data base, including crime trends, tracking individuals and groups, and mapping their movement across the country.

<sup>9</sup> GAO testimony at Hearings before a Subcommittee of the House of Committee on Government Operations, March 26, 1985. Referred hereinafter as "Hearings".

<sup>10</sup> Institute for Intergovernmental Research, the "RISS Projects-Analysis of Activity," prepared for the Bureau of Justice Assistance, July 1985.

<sup>11</sup> Chief Joe D. Casey, President, International Association of Chiefs of Police: Hearings.

<sup>12</sup> National Drug Control Strategy, September 1989.

A new authorization and full funding of the RISS program is necessary in order to offset inflation factors and permit membership growth — without reducing current levels of project service delivery to existing members. RISS membership has increased from approximately 1,000 members in 1982 to 4,344 at present. Without the increased funding requested, RISS will be forced to turn down requests for services on many investigations.

It is respectfully requested that the Congress fully fund the RISS program as a line item in the congressional budget, in the requested amount of \$25 million, with no matching funds. Local and state law enforcement, who depend on the RISS projects for information sharing, funding, and technical assistance, are anticipating increased competition for decreasing budget resources. It would be counterproductive to require the RISS members from state and local agencies to self fund match requirements as well as to reduce the amount of BJA discretionary funding. The state and local agencies require more, not less, funding to fight the nation's crime/drug problem. The RISS program cannot make up the decrease in funding that a match would cause and it has no revenue source of its own. Cutting the RISS appropriation by requiring a match should not be imposed on the program.

We are grateful for this opportunity to provide the committee with this testimony and appreciate the support this committee has continuously provided to the RISS program.

### **THE REGIONAL INFORMATION SHARING SYSTEMS**

To assist the projects in implementing this program, the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance worked with the Projects to institute the following components.

1. **Information Sharing Component.** Every project will maintain and operate either a manual and/or automated information sharing component that is responsive to the needs of participating enforcement agencies in addressing multi-jurisdictional offenses and conspiracies. This component must be capable of providing controlled input, dissemination, rapid retrieval, and systematic updating of information to authorized agencies.
2. **Analytical Component.** Every project will establish and operate an analytical component to assist the project and participating agencies in the compilation, interpretation, and presentation of information provided to the project. This component must be capable of responding to participating agency requests for analysis of investigative data.
3. **Telecommunications Component.** Projects may establish and/or maintain a telecommunications system designed to directly support the operation of the information sharing component and analytical component, and to support project sponsored investigations and activities.
4. **Investigative Support Component.** Projects may establish and operate an investigative support component by providing financial assistance to participating agencies for their conduct of multi-jurisdictional investigations. Financial resources may include funds for the purchase of information, contraband that may be used as evidence, services, investigative travel and per diem, and overtime compensation. Funds expended and activities conducted under this component must directly support the operation of the information sharing and analytical components.
5. **Specialized Equipment Component.** Projects may establish and maintain a pool of special investigative equipment for loan to participating agencies. The loan of such equipment must directly support the operation of the information sharing and analytical components.

6. **Technical Assistance Component.** Projects may establish and maintain a component to provide technical assistance to member agencies. Through use of project personnel and others in participating agencies, consultation, advice, and information may be made available to member agencies concerning use of specialized equipment, investigative procedures, accounting of project funds if provided by the project in support of investigations, and information analysis. This component will emphasize use of technical resources among the projects as necessary and available. Technical assistance in the form of active participation by project personnel in member agency investigations is prohibited.
7. **Training Component.** Projects may establish and maintain a training component to upgrade investigative skills of personnel from participating agencies. Such training assistance may consist of financial support to send personnel to training courses, seminars, and conferences or, more commonly, design and delivery of special training courses by project staff. Training provided under this component must support the project goals and objectives.

To further enhance the coordination and exchange of information among member law enforcement agencies, the projects have initiated additional support service activities including distribution of project publications/digests and sponsorship of membership conferences.

THURSDAY, MAY 11, 1995.

**AFL-CIO****WITNESS****BYRON CHARLTON**

Mr. TAYLOR. We have the AFL-CIO, Byron Charlton.

Mr. CHARLTON. Thank you, Mr. Chairman.

On behalf of the AFL-CIO I would like to summarize my statement and submit the full text for the record.

The AFL-CIO represents almost 14 million American taxpayers, many of whom wake up every morning worried about job security, stagnant wages and the increasing long hours they must spend away from their families just to make ends meet. Understandably, these high-priority domestic concerns of American workers are also the top priority of their unions, particularly now when critical domestic programs are receiving close congressional scrutiny.

Nevertheless, Mr. Chairman, we have been quite disturbed by recent proposals advocating a radical reduction in U.S. foreign assistance. With the Cold War won and so many serious problems here at home, we understand the temptation to declare victory and leave other nations to their own devices. We, however, believe that such a pullback would serve neither the American national interest nor the long-term interests of our members.

We have always advocated that America's chief foreign policy objective should be the promotion and the strengthening of just and democratic societies. We believe that democracy promotion is not only a moral cause but a path toward a more peaceful and prosperous America. Nations which are democratic and support human rights are generally less prone to start wars or to challenge U.S. security interests. Nations in which citizens are free to participate in political and economic decision-making are more apt to have stable middle classes and be fruitful U.S. trading partners. For American workers, forced to compete in a globalized economy, these are not abstract goals but bread and butter issues.

American workers understand the need to make wise use of our limited national resources. We applaud all efforts to eliminate waste and increase the efficiency of government operations.

Mr. Chairman, we do not contend that our support for foreign assistance is based on altruism. In fact, we readily admit that we believe that support for developmental assistance and democracy building is in the economic self-interests of American workers, and it should be.

The United States Government and the AFL-CIO share a fundamental interest in promoting democracy to advance American interests. Building democracy creates stable, peaceful countries where economic growth and heightened standards of living can flourish. In turn, markets are expanded for the U.S. goods, providing jobs and increased standard of living for American workers.

For many years, the quiet partnership between American labor and nine U.S. administrations has served the U.S. national interest. It should be preserved, because no other vehicle, private or otherwise, is capable of reaching workers on a global basis.

Here at home, 73 percent of foreign aid dollars are actually returned to be spent in the United States; more than 1 million American workers make products sold to countries receiving foreign aid; farmers sell 50 percent of their farm goods to foreign aid recipients; 95 percent of military aid is spent on purchase of American products.

Mr. Chairman, we seek jobs, and jobs are important to all of us. But with the collapse of the Soviet empire, the U.S. is now faced with a host of new risks and new possibilities. While many nations have begun the transition to open markets and democratic governments, these advances are far from secure. The outbreak of regional, religious and ethnic hostilities, the rise of neo-fascist, neo-communist and religious extremist movements, international terrorism and economically induced social unrest all threaten these gains.

This nongovernmental civil society is the bedrock upon which political democracy rests, and it deserves America's assistance and attention. Global stability and the health of the area economy is important, economic restructuring, where the possibility of short-term economic hardship necessitates active citizen participation in the establishment of a strong social consensus.

The AFL-CIO requests that you weigh all proposed foreign aid restructuring and consolidation plans by the extent to which they advance democratization and render foreign aid more efficient and more effective. We have several questions about the possible effect of legislative restructuring. Specifically:

What are the safeguards to ensure that a merged super-Department of State would not make U.S. foreign policy more bureaucratic and less flexible in its ability to develop rapid responses to an ever-changing world situation?

As the foreign policy agencies are presently structured, they offer the ability to develop diverse, strategic responses to our often conflicting, long-term and short-term interests.

Mr. CHARLTON. For example, how would one "superdepartment" deal with a strategically positioned dictatorship with a growing economy of a sizable military nearing nuclear capability and a tendency to violence? These and many other reasons are why we believe that we must maintain a strong foreign aid program, not for the help only of others but in our own national interests.

Thank you, Mr. Chairman, for the time that you have given me.

Mr. TAYLOR. Thank you.

[The information follows:]



**STATEMENT OF BYRON W. CHARLTON  
AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL  
ORGANIZATION BEFORE THE COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED  
AGENCIES SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE**

**May 11, 1995**

Mr. Chairman and members of the Subcommittee, on behalf of the AFL-CIO, thank you for this opportunity to share our views on U.S. foreign assistance.

The AFL-CIO represents almost 14 million American taxpayers, many of whom wake up every morning worried about job security, stagnant wages, and the increasingly long hours they must spend away from their families just to make ends meet. Understandably, these high-priority domestic concerns of American workers are also the top priority of their unions, particularly now when many critical domestic programs that are receiving close congressional scrutiny.

Nevertheless, Mr. Chairman, we have also been quite disturbed by recent proposals advocating a radical reduction in U.S. foreign assistance. With the Cold War won and so many serious problems here at home, we understand the temptation to declare victory and leave other nations to their own devices. The AFL-CIO, however, believes that such a pull-back would serve neither the American national interest, nor the long-term interests of our members. While the American labor movement was always a strong supporter of the fight against Soviet tyranny, we never regarded the defeat of communism as the final goal of U.S. foreign policy. Instead, we have always advocated that America's chief foreign policy objective should be the promotion and

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strengthening of just and democratic societies, and have been very pleased by the bipartisan support for the Clinton administration's renewed emphasis on democratization. We believe that democracy-promotion is not only a moral cause, but a path toward a more peaceful and prosperous American future. Nations which are democratic and respect human rights are generally less prone to start wars or to challenge U.S. security interests. Nations in which citizens are free to participate in political and economic decision-making are more apt to have stable middle-classes and be fruitful U.S. trading partners. For American workers, forced to compete in a globalized economy, these are not abstract goals but bread-and-butter issues.

American workers understand the need to make wise use of our limited national resources, and applaud all efforts to eliminate waste and increase the efficiency of government operations. With this being said, however, we also must acknowledge that there is really very little foreign aid fat from which to cut. As a percentage of GNP, U.S. foreign assistance spending is near its lowest point this century. Development assistance, democratization and humanitarian assistance, combined, represents less than 1% of the total U.S. budget. Of this amount, a mere 0.18% goes to support labor's international programs (or 3.08% of foreign aid funds for democracy-building activities). This small expenditure plays a major role in serving America's interests, as evidenced by the rise of Solidarnosc in Poland and the role of Russia's democratic Mineworkers Union in collapsing the Soviet Union. Dollar for dollar, the return has been high for this modest investment.

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Mr. Chairman, we do not contend that our support for foreign assistance is based on altruism, in fact we readily admit that we believe that support for developmental assistance and democracy building is in the economic self interest of American workers, as it should be. The United States government and the AFL-CIO share a fundamental interest: promoting democracy internationally to advance American interests. Building democracy creates stable, peaceful countries where economic growth and heightened standards of living can flourish. In turn, markets are expanded for U.S. goods, providing jobs and an increased standard of living for American workers. For many years the quiet partnership between American labor and nine US Administrations has served the U.S. national interest. It should be preserved because no other vehicle, private or otherwise, is capable of reaching workers on a global basis.

With the collapse of the Soviet empire, the U.S. is now faced with a host of new risks and new possibilities. While many nations have begun the transition to open markets and democratic governments, these advances are far from secure. The outbreak of regional, religious and ethnic hostilities, the rise of neo-fascist, neo-communist and religious extremist movements, international terrorism and economically-induced social unrest all threaten recent gains. In large measure, democratic nations' success or failure in combatting these tendencies will depend upon the strength of their civil institutions, including: free trade unions, free media, independent civic organizations, religious institutions, political parties, and business associations.

This nongovernmental civil society is the bedrock upon which political democracy rests, and it deserves American assistance and attention. Global stability and the health

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of the emerging global marketplace will depend upon it. Therefore, Mr. Chairman, the AFL-CIO asks that Members of Congress weigh all proposed foreign aid funding plans by the extent to which they advance democratization in the world. The AFL-CIO believes that the Independent National Endowment for Democracy has been one of the most effective and cost-efficient American instruments in the promotion of democracy and American interests abroad.

In addition, Mr. Chairman, I would also like to point out the America is the first, oldest and strongest democracy in the world. No matter how much other industrialized nations may contribute to humanitarian and development assistance, those who live in tyranny will always look to us to lead the way to freedom. It is a vital and historic role, and a source of national pride.

This is not to say, however, that the AFL-CIO is unaware of the urgent need to reduce the federal deficit, impose fiscal restraint and make the government more responsive to the nation's needs. With this in mind, I would like to outline a few areas where we believe that savings can be realized without undermining the effectiveness of the U.S. foreign assistance program.

- First, we are supportive of recent congressional proposals to raise the threshold for government-to-government assistance, with heightened requirements for democratization, market reform and respect for human rights. Nongovernmental humanitarian aid and democracy promotion programs, however, should not be penalized for the intransigence of non-democratic governments. In fact, we would argue that such support is vital for any future reform efforts to take hold. This is especially true

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in the area of economic restructuring, where the possibility of short-term economic hardship necessitates active citizen participation and the establishment of a strong social consensus.

- Second, we see some merit in considering an acceleration in the rate at which middle-income nations are graduated out of economic assistance programs. Many countries, however, have followed an unbalanced development path where economic growth has far out paced political and social reform. Left unaddressed, this imbalance can tear apart the social fabric of these nations, and threaten any economic progress that has been achieved. In such cases, even though economic assistance programs may have ended, it is essential that private sector programs to promote democracy and strengthen the civil society be continued. Without them, future crises may arise, requiring an even greater expenditure of taxpayer dollars.

- And third, regarding U.S. support for multilateral development institutions, we believe that concessionary loans for the richer developing countries, provided through the World Bank's International Development Association (IDA), should be scrutinized for possible elimination. At a minimum, we would urge that those nations which are able to afford other non-IDA World Bank loans be graduated from the IDA program.

The AFL-CIO, therefore, asks that you weigh all proposed foreign aid restructuring plans by the extent to which they advance democratization, and render foreign aid programs more efficient and more effective. We have several questions about the possible effects of legislative restructuring. Specifically:

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● With the Clinton administration in the midst of implementing the findings of a bottom-up review of all foreign policy programs and agencies, what are the specific benefits of any legislative plan which could not be achieved by the administrative streamlining already underway? Are these benefits great enough to outweigh the disruptive effects of a merger by congressional fiat? Indeed, is it actually possible for one agency to quickly absorb all of the different functions of the various foreign aid agencies?

● What are the safeguards to ensure that a merged "super-Department of State" would not make U.S. foreign policy more bureaucratic, and less flexible in its ability to develop rapid responses to an ever-changing world situation? From the perspective of free trade unions, on the front lines of the struggle for democracy around the world, the administrative changes already enacted by the Clinton administration have done much to enhance the U.S. government's flexibility in the provision of foreign assistance. This has been especially true for the range of democracy-promotion programs aimed at strengthening civil society, the rule of law, good governance and market reform, which are administered by the National Endowment for Democracy and the U.S. Agency for International Development.

● As the foreign policy agencies are presently structured, they offer the ability to develop diverse, strategic responses to our often conflicting long-term and short-term interests. For example, how would one "super-Department" deal with a strategically positioned dictatorship with a growing economy, a sizable military nearing nuclear capability, and the tendency toward violent suppression of its independent press and

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democratic civil institutions? Could the same agency be credible in its attempts to further our short-term diplomatic ends through close government-to-government contacts, while at the same offering assistance to the democratic opposition in support of our long-term objective of promoting a peaceful democratic society, with respect for human rights, the rule of law, open markets, a free press and a stable civil society? Does not the present arrangement offer a more rational and flexible alternative?

- In this regard, what are the safeguards to ensure that U.S. democracy-promotion and public diplomacy programs maintain an arms-length distance from manipulation by target governments? Is our need to deepen relations with a host country always consistent with our interest in maintaining an objective voice in the dissemination of news and information? Is our interest in maintaining a lucrative trading relationship always consistent with our overriding interest in promoting the American values of freedom, justice and democracy? If not, how do we expect a single agency to maintain harmonious government-to government relations, broadcast objective news, and administer non-governmental, democratization programs which may serve to weaken the undemocratic governments with whom we must deal?

- Since the State Department's chief mission is government-to-government diplomacy, what are the safeguards against the emergence of a "rolodex" development program — based on the assumption that leaders and elites alone are capable of brokering fundamental change? The case of Mexico illustrates the shortcomings of this approach. With the successful imposition of a top-down structural adjustment program, just a few years ago that nation was widely touted as a model for other

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developing nations to follow. But while Mexico's GDP was expanding rapidly, the growth was largely accounted for by the further enrichment of that country's wealthy elites. At the same time, the Mexican middle class was shrinking and the very poor were suffering under the weight of government-imposed austerity and privatization programs. The AFL-CIO's chief objection to NAFTA — that Mexico lacked the democratic structures whereby citizens can demand government accountability, temper and restrain harsh policies, and negotiate for a share in economic growth — was largely dismissed by policymakers on both sides of the aisle.

● In this regard, what ensures that we continue to take a balanced, multi-dimensional approach to diplomacy and development? For example, the AFL-CIO supports recent proposals to raise the threshold for government-to-government assistance, with heightened requirements for democratization, market reform and respect for human rights. We also believe, however, that nongovernmental humanitarian aid and democracy promotion programs should not be penalized for the intransigence of non-democratic governments. In fact, we would argue that such support is vital if reform is ever to take hold in the most troubled nations of the world, such as many of those in Africa. This is especially true in the area of economic restructuring, where the possibility of short-term economic hardship necessitates active citizen participation and the establishment of a strong social consensus.

● And finally, at a time when the U.S. government is still in the process of developing a strategically coherent post-Cold War foreign policy, can we afford the protracted, bureaucratic infighting which is likely to result from a hasty reorganization



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of the U.S. foreign aid apparatus? Whether we like it or not, America is the only surviving superpower. We are also the first democracy, the oldest democracy, and the strongest democracy on Earth. No matter how much our allies contribute to development and humanitarian relief programs, those who live in tyranny will always look to us to lead the way to freedom. Can we really afford to imperil this role? Do we really want to?

Critics of foreign aid point to problems with our foreign largesse, for example the lack of sustained economic growth among the current list of recipients. I, however, would like to offer a somewhat longer historical view. Virtually every nation that is now above us on the list of foreign aid contributors was once a recipient of U.S. foreign aid. In fact, virtually every one of our major trading partners and all of our closest military allies used to be, at one time or another, on the receiving end of U.S. assistance. In other words, history shows that foreign assistance has worked, and worked well. With it, we have saved countless millions of lives, improved the world's standard of living, helped to build a community of free nations and a progressively more open world trading system.

Should more severe reductions be enacted, I fear that we will be forsaking a precarious moment of opportunity in which the U.S. can assist in the emergence of a more democratic, peaceful and prosperous post-Cold War world. Future generations, called upon to pay the price in preventable world crises, are unlikely to thank us for this thrift.

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Thankfully, in the aftermath of the Cold War the perennial contest between short-term geo-strategic interests and the long-term national goal of democratization has ended. Therefore, we urge that human and trade union rights be weighted heavily as a factor in your decisions on the allocation of a limited U.S. foreign aid budget.

Thank you.

THURSDAY, MAY 11, 1995.

**SEARCH—NATIONAL CONSORTIUM FOR JUSTICE INFO  
AND STATS****WITNESS****GARY BUSH, SEARCH, NATIONAL CONSORTIUM FOR JUSTICE INFOR-  
MATION AND STATISTICS**

Mr. TAYLOR. We will now call Mr. Gary Bush from SEARCH, National Consortium for Justice Information and Statistics.

Mr. BUSH. Mr. Chairman, I am Gary L. Bush from the Kentucky State Police and I appear here today in my role as Kentucky's representative to SEARCH, the National Consortium for Justice Information and Statistics. I am accompanied by Gary R. Cooper, SEARCH's Executive Director. I am testifying in support of SEARCH's request for appropriations support for its National Technical Assistance and Training program in the fiscal year 1996 appropriation for the Bureau of Justice Assistance in the Department of Justice.

As you know, we have submitted testimony for the record and, with your permission, Mr. Chairman, I would like to take a few moments and summarize that information.

SEARCH is a nonprofit criminal justice organization dedicated to assisting State and local criminal justice agencies and combatting crime through the effective and responsible use of information technologies. SEARCH is comprised of governors' appointees from each of the 50 States and the District of Columbia, Puerto Rico, and the Virgin Islands. Most SEARCH members are State criminal justice executives who are responsible for their State's automated repository of criminal justice records.

Mr. Chairman, our National Technical Assistance and Training program is unique. It provides no cost assistance to all components of the State and local criminal justice system—and primarily through small- and medium-sized agencies—for the development and improvement of their computer systems and the integration of all types of criminal justice systems.

The program not only helps State and local agencies work effectively and more efficiently through the use of advanced information technologies, but it creates a foundation, Mr. Chairman, for the national information infrastructure for justice systems.

Because the National Technical Assistant and Training program is national, SEARCH is able to replicate successful implementation strategies in one State or locality and disseminate that information to other States and localities. SEARCH is also able to provide assistance in the manner that promotes the interstate compatibility of criminal justice information systems. The beneficiaries are State and local criminal justice agencies throughout the Nation; the Federal Government, which is the largest single consumer of arrest and conviction and other criminal justice information; and the public.

Mr. Chairman, our program has been widely acclaimed for its services to thousands of State and local criminal justice agencies and practitioners. The following factors make Federal funding for the national program justifiable. First, the program provides assist-

ance and training to State and local agencies based on a national perspective and a national strategy.

Second, the Federal Government is the single largest consumer of State and local justice information and is dependent upon the information capabilities of State and local agencies.

Next, Federal support facilitates the effective and targeted expenditure of other Federal justice assistance money.

And lastly, services provided by the National Technical Assistance and Training program act as seed monies leveraging State and local monies that then build upon the foundation established by the national program.

During fiscal year 1995, the program is accomplishing the following, Mr. Chairman: Providing in-depth technical assistance at SEARCH's National Criminal Justice Computer Laboratory and Training Center to hundreds of States criminal justice—State and local criminal justice officials; providing on-site technical assistance to approximately 75 State and local criminal justice agencies; providing technical assistance by telephone to officials from over 650 criminal justice agencies in virtually every State in the union; providing training to over 1,400 criminal justice officials on-site throughout the Nation; and developing and publishing practical criminal justice information, technical bulletins, and guidance.

Mr. Chairman, our own on-site assistance includes helping a State or local law enforcement agency establish an automated justice information system, evaluate and plan for integration of existing information systems, or helping to enhance, expand or implement a computerized criminal justice record system.

Some agencies are pushing the envelope, Mr. Chairman, and examining new approaches to take full advantage of new technology, and developing technologies. In North Carolina, as one example, SEARCH is providing guidance on a state-of-the-art integration effort utilizing our national perspective and our knowledge of justice integration statistic geese. Since the establishment of the program, SEARCH has trained over 15,000 criminal justice agency officials from every State.

In conclusion, Mr. Chairman, congressional support for SEARCH's National Technical Assistance and Training program is vital. For a modest Federal investment, leveraged many times over by State and local funds, the Federal Government makes a critical contribution to the ability of State and local criminal justice agencies to provide these services.

Mr. Chairman, thank you.

Mr. TAYLOR. Thank you, Mr. Bush. And I know Chairman Rogers, a fellow Kentuckian, would love to have been here to welcome you and we are glad to have you here.

Mr. BUSH. Thank you, sir, I appreciate it.

[The information follows:]

# SEARCH

*The National Consortium for Justice Information and Statistics*

Dr. Francis J. Carney Jr.  
Chairman



Gary R. Cooper  
Executive Director

**The Honorable Harold Rogers , Chair**  
Subcommittee on Commerce, Justice and State, the Judiciary and  
Related Agencies, Committee on Appropriations  
United States House of Representatives

May 10, 1995

## INTRODUCTION

Mr. Chairman and members of the Subcommittee, I am Mr. Gary L. Bush from the Kentucky State Police. I appear here today in my role as Kentucky's representative to SEARCH, The National Consortium for Justice Information and Statistics (SEARCH).

SEARCH is a nonprofit criminal justice organization dedicated to assisting state and local criminal justice agencies combat crime and administer justice through the effective and responsible use of information and identification technologies. SEARCH is governed by a Membership Group comprised of one gubernatorial appointee from each of the 50 states, the District of Columbia, Puerto Rico and the Virgin Islands, who is a high-level state justice official.

We submit this testimony seeking appropriation support of \$1 million for SEARCH's National Technical Assistance and Training Program in the Fiscal Year 1996 appropriation for the Bureau of Justice Assistance (BJA). This amount represents funding for the Program at the same level as Fiscal Year 1995. It is less than we sought in Fiscal Year 1995; less than the Senate bill called for, and, frankly, less than needed, given the increasing demand for assistance. We request level funding in a spirit consistent with the national commitment to deficit reduction.

SEARCH's National Technical Assistance and Training Program is unique — it provides no-cost assistance to all components of the state and local criminal justice system with respect to the development, operation, improvement and/or integration of all types of criminal justice information systems. The National Technical Assistance and Training Program not only helps state and local agencies work more efficiently and effectively through the use of advanced information technology, but it creates the foundation for a national information infrastructure for justice systems.

Because SEARCH's Technical Assistance and Training Program is national, SEARCH is able to replicate successful computer implementation strategies in one state or locality and disseminate and transfer those strategies to other states and localities. SEARCH is also able to provide its assistance in a manner that promotes the interstate compatibility of criminal justice information systems. The beneficiaries are state and local criminal justice agencies throughout the nation; the federal government, which is the largest single consumer of arrest and conviction and other criminal justice information; and the public.

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During FY 1995, the National Technical Assistance and Training Program will accomplish the following:

- Provide in-depth technical assistance at SEARCH's National Criminal Justice Computer Laboratory and Training Center to representatives from dozens of state and local criminal justice agencies;
- Provide on-site, technical assistance to approximately 75 state and local criminal justice agencies;
- Provide technical assistance by telephone to officials from over 650 criminal justice agencies in virtually every state in the union.
- Provide training to over 1400 criminal justice officials nationally; and
- Continue to develop and publish practical criminal justice information system technical bulletins and reference guides.

SEARCH's information support program for state and local criminal justice agencies makes a unique and vital contribution. Through a comprehensive program of technical assistance and training, SEARCH facilitates the operation of the criminal justice system in a cost-effective, efficient and fair manner.

#### **WHY FEDERAL FUNDING IS ESSENTIAL**

The National Technical Assistance and Training Program has been widely acclaimed for the services it provides to hundreds of state and local justice agencies and thousands of criminal justice practitioners. We realize, however, that the Program's record of accomplishments alone should not be the only consideration to justify federal funding. Given congressional efforts to realign funding priorities consistent with the national commitment to deficit reduction, the following factors make federal funding for the National Program essential and justifiable:

- The National Technical Assistance and Training Program provides assistance and training to state and local agencies based upon a national perspective and national strategy that promotes a consistent nationwide approach to managing criminal justice information and integrating information systems. A nationwide approach is essential because the processing of individuals and cases through the justice system depends on the sharing of information between state, local and federal agencies nationwide;
- The federal government is the single largest consumer of state and local justice information and is dependent upon the information sharing capabilities of the state and local agencies that comprise this nationwide system;
- Federal support of the National Technical Assistance and Training Program facilitates the effective and targeted expenditures of other federal justice assistance monies; and
- Services provided by the National Technical Assistance and Training Program act as "seed" monies, leveraging state and local monies that then build upon the foundation established by the National Program.

The National Technical Assistance and Training Program focuses on identifying state and local criminal justice information management problems nationwide, and develops solutions that not only benefit individual agencies, but that promote compatibility and consistency with other state, local and federal systems.

The Program replicates and disseminates successful information management strategies on a national basis, emphasizing the efficient and timely sharing of high-quality information, and, thus, improving the effectiveness of the administration of justice. The Program also develops national strategies for the successful transfer of technology throughout the nation's criminal justice agencies.

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The ability of SEARCH's Technical Assistance and Training Program to provide solutions for state and local criminal justice agencies in a manner consistent with the development of a national criminal justice information system could not be achieved without federal funding. No individual state or local agency would use grant monies to go beyond their specific needs to track national trends, develop national strategies, and identify and replicate successful information management applications for use elsewhere. The National Technical Assistance and Training Program complements various federal funding strategies for grants to state and local agencies by meeting the needs of the individual agencies, and, at the same time, bringing the perspective of a national criminal justice information system to individual state and local agency plans. This approach maximizes the use of every federal grant dollar by using the grant monies on individual agency or jurisdictional needs as determined through expert technical assistance, while assuring that the federal monies are also used in a manner that has a national benefit. SEARCH's National Technical Assistance and Training Program has made a vital contribution to the design of state and local automated systems that meet the goals of a nationwide system, specifically: interstate sharing of information, data quality and timeliness.

Federal funding for the National Program is also critical because it provides a foundation for solutions that state and local agencies can build upon. SEARCH assistance under the Technical Assistance and Training Program is often leveraged many times over and complemented by state and local funding.

For instance, SEARCH is providing long-term technical assistance to Ingham County, Michigan, to help the county justice agencies integrate their justice information systems. SEARCH has been at the forefront in developing a national strategy for integrating justice information systems that will reduce information duplication, improve the accuracy of justice information and promote information sharing. In Ingham County, not only is SEARCH helping the county plan for the integration of its justice systems, but, through the National Technical Assistance and Training Program, SEARCH services to the county are creating the foundation for the county to procure a systems development contract with private sector business. While representatives of Ingham County justice and data processing agencies had their own funding source for an integrated system, they sought independent and objective expertise to undertake and plan for such a highly technical and difficult project.

Through the National Technical Assistance and Training Program, SEARCH helped Ingham County conduct a technical assessment of system information needs, identify potential technical and organizational problems, and develop a strategy for implementing an integrated system. Ingham County is actively developing a request for proposals that will result in a contract with one or more private sector businesses for both computer hardware and software to develop a countywide integrated criminal justice information system. In this manner, Ingham County was able to draw upon SEARCH's experience in planning for and implementing integrated systems, while using county funding to contract with the private sector for integration services.

The Ingham County example not only demonstrates how federal funding can be leveraged with local dollars, but, as is true in many cases with the National Technical Assistance and Training Program, how SEARCH assistance provides a foundation that results in significant contracts for private sector business.

Indeed, SEARCH continues to be extremely sensitive to the private sector business industry and strives to complement and support private sector activities. The National

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Technical Assistance and Training Program particularly focuses on work that is vital to the criminal justice community that the private sector does not provide.

**BENEFITS OF THE NATIONAL PROGRAM**

SEARCH's National Technical Assistance and Training Program:

- Facilitates the development and implementation of state-of-the-art computer capabilities among state and local criminal justice agencies with an emphasis on compatibility throughout the nation;
- Improves the accuracy, completeness and reliability of arrest, conviction and other criminal justice information;
- Increases the information capabilities of criminal justice agencies, particularly small- and medium-sized criminal justice agencies which often lack financial resources and specialized computer personnel to operate computer systems in a cost-efficient and effective manner; and
- Improves the information system capabilities and proficiency of criminal justice officials, resulting in a nationwide cadre of law enforcement officials trained in microcomputer technology and its application to law enforcement.

SEARCH's National Technical Assistance and Training Program assists in the reliable and timely identification of suspects and offenders; assists in the effective prosecution and adjudication of offenders, including drug-related offenders; assists in the efficient use of criminal justice resources; and assists in the production of comprehensive and compatible criminal justice statistics and research information.

Furthermore, the National Technical Assistance and Training Program provides essential infrastructure support to targeted block and discretionary grant anti-crime and anti-drug initiatives. Without information technology support, these initiatives are handicapped.

**TECHNICAL ASSISTANCE PROGRAM**

SEARCH provides technical assistance via the telephone and the mail, and when the needs of agencies require, SEARCH provides on-site technical assistance.

**In-house Technical Assistance**

SEARCH's program of in-house technical assistance provides access to a unique, centralized source of data about information management systems and related technologies that would otherwise be beyond the reach of most criminal justice agencies and, particularly, small- and medium-sized agencies. Simply by placing a telephone call, state and local criminal justice agencies have immediate access to the specialized knowledge of SEARCH's professional staff. Under FY 1995 funding, SEARCH will respond to approximately 650 telephone calls requesting technical assistance, which, on average, require two hours of staff time to effectively respond. Telephone technical assistance ranges from responses to simple questions to extensive technical consultations on network configurations, software installations and technological innovations.

**On-site Technical Assistance**

The Technical Assistance Program also provides on-site assistance to agencies that have special needs in automating their information systems. Priority for technical assistance is given to block grant recipients, and among them, to grantees planning for



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and/or implementing multijurisdictional or statewide information systems. Since 1986, SEARCH has provided technical assistance to scores of agencies in over 40 states — including the District of Columbia — representing all components of the criminal justice system.

The majority of our technical assistance is completed within one month, consists of a single site visit by two staff for approximately 2-3 days duration, and includes staff preparation, follow-up and production of a formal report.

Beyond these efforts to provide short-term assistance, there exists a pressing need to provide more extensive, long-term technical assistance to states and/or agencies within states that are predominantly non-automated, or that seriously lag in their efforts at automation. In response, SEARCH provides a limited number of agencies with technical support for extended periods of time, including multiple on-site visits, research and, often times, complementary training sessions. In our experience, this type of project often produces knowledge and products suitable for transfer to other jurisdictions. Indeed, the vast majority of SEARCH's technical assistance is multijurisdictional. When SEARCH provides technical assistance in one state, SEARCH often involves practitioners from surrounding jurisdictions.

SEARCH technical assistance activities typically include helping a state or agency establish an automated justice information system, evaluate and plan for statewide integration of existing automated justice information systems, or assistance in enhancing, expanding or implementing a computerized criminal history repository program.

Some agencies are "pushing the envelope" and examining new approaches which tear down old and inhibiting turf barriers and take advantage of new and developing technologies. In North Carolina, SEARCH is providing guidance and input on such an integration effort. North Carolina has entered into a contract with a private sector company which is preparing a long-range plan to integrate the information sharing capabilities among the various criminal justice disciplines found at city, county and state level government agencies. SEARCH is providing a national perspective and knowledge of justice integration strategies.

In West Virginia, SEARCH assisted the state in assessing the completeness and accuracy of the existing criminal history records database. The baseline assessment created the foundation for the state's comprehensive plan to improve the quality of the database. The audit work SEARCH conducted in West Virginia under the National Technical Assistance and Training Program also put the state in the position of qualifying for a substantial amount of BJA Formula Grant funding to obtain the necessary technology to meet the improvements in the database as required under the five-percent set-aside program.

During the past year, SEARCH has also provided on-site technical assistance to Delaware. The assistance has included assessments of the State Police information management system, automated fingerprint identification system (AFIS), National Incident-Based Reporting System, gun purchase system and general automation planning within the department. Continuing assistance is focusing on planning and future directions for the department's information management systems, including providing detailed recommendations for changes in information management procedures, development of computer programs and the procurement of an AFIS system.

With Fiscal Year 1996 funding at the requested level, SEARCH would expect to provide on-site technical assistance to about 75 criminal justice agencies.

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### NATIONAL TRAINING PROGRAM

Since its inception in 1986, SEARCH's National Technical Assistance and Training Program has trained over 15,000 criminal justice officials from every state in the use of computers and other information technologies. In FY 1995 alone, SEARCH will provide training to approximately 1400 state and local criminal justice officials across the nation.

SEARCH's National Criminal Justice Computer Laboratory and Training center in Sacramento serves as a hands-on resource for criminal justice practitioners to learn about and evaluate computer technology. The National Computer Laboratory and Training Center is presently configured with 20 microcomputers using various operating systems and is equipped with state-of-the-art training technology. Classes are normally limited to 25 students, thus affording a high instructor to student ratio. It is critical that this technology be maintained and updated on a regular basis.

SEARCH training in a particular state attracts participants from various state, federal and local agencies and, often, from agencies in neighboring states. For example, on August 8-12, SEARCH conducted training in Ashburn, Virginia. Students representing police departments from throughout Virginia were in attendance, as well as students from the New Mexico Securities Division, the Kings County (New York), District Attorney's Office, the New York State Banking Department, the Georgia Bureau of Investigation and Secretary of State's Office, the U.S. Department of Defense, the Arizona Securities Division, the Pennsylvania State Police, the North Carolina Secretary of State and the New Hampshire State Police.

Similarly, on January 16-20, SEARCH conducted training in Cincinnati, Ohio. Students in attendance represented sheriff's offices and police departments, prosecutors and county attorneys offices from throughout the state of Ohio. In addition, representatives from the District Attorney's Office in Nashville, Tennessee, and law enforcement officers from Kentucky attended the course. The Buckeye State Sheriff's Association and the Ohio Prosecutor's Association sponsored the course.

SEARCH, in cooperation with the Maricopa County (Arizona) District Attorney's Office has scheduled a training course in Phoenix, Arizona, for June 26-30, 1995. The training will be geared toward state and local law enforcement officials.

During FY '95, SEARCH has also provided numerous training seminars at the National Criminal Justice Computer Laboratory and Training Center located at SEARCH headquarters in California. Students attending the courses represented police departments, sheriff's offices, and district attorney's offices throughout the state. In addition, other students attending training represented the U.S. Postal Service; the California Departments of Insurance and Motor Vehicles, and the state Lottery Commission; U.S. Immigration and Naturalization Service; Utah Division of Investigations; Seattle (Washington) Police Department; Texas Attorney General's Office; U.S. Customs Service; Nebraska Department of Revenue; and the Michigan Attorney General's Office.

### TECHNICAL ASSISTANCE AND TRAINING PROGRAM MATERIALS

SEARCH's National Technical Assistance and Training Program also includes the preparation, publication and national dissemination of materials and reports that assist criminal justice agencies in acquiring and using computers and other information technology. SEARCH publishes quarterly *Technical Bulletins* that identify and evaluate information systems and technologies that have existing or potential application in criminal justice management. The *Bulletins* are a vital resource for criminal justice practitioners who

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receive them and help to identify and encourage potential markets for private sector development. The *Bulletins* are mailed to over 1600 criminal justice practitioners, and are also made available electronically via the SEARCH Bulletin Board System and the Internet.

Other types of SEARCH technical publications have included reports on such topical issues as: the implementation of the FBI's Integrated Automated Fingerprint Identification System (IAFIS); biometric technologies; directories which identify existing information systems for potential transfer; program briefs, which guide agencies in implementing automated systems; and comprehensive documentation for SEARCH-authored software.

In January of 1995, SEARCH convened a workshop that included representatives of counties that have recently completed or are currently involved in integrating their justice systems, the private sector and information systems experts to discuss the process of integrating justice information systems. The result of the workshop is a comprehensive report that defines and describes successful integration strategies and raises issues counties and states need to consider when they begin a justice integration project. The report will be disseminated nationally to state and local agencies.

#### **CONCLUSION**

Federal support for SEARCH's National Technical Assistance and Training Program does not promise a quick victory or big headlines in the war against crime and drugs. But, without question, federal support for the National Technical Assistance and Training Program makes a vital contribution to the war on crime and drugs. For a modest federal investment, leveraged many times over by state and local funds, a critical contribution is made to the ability of state and local criminal justice agencies to provide timely, accurate and compatible information for use in apprehending, prosecuting and sentencing offenders.

Accordingly, we respectfully request that the Subcommittee act to ensure Fiscal Year 1996 funding of SEARCH's National Technical Assistance and Training Program at the \$1 million level.

We thank you, Mr. Chairman, the members of your Subcommittee and the Subcommittee staff for your continued support.

Mr. TAYLOR. I am going to ask the National White Collar Crime Center, Richard Johnston, to come forward please. We are going to take a second recess. We have got less than seven minutes and I will be back in two seconds.

[Recess.]

THURSDAY, MAY 11, 1995.

## NATIONAL WHITE COLLAR CRIME CENTER

### WITNESS

#### RICHARD L. JOHNSTON, DIRECTOR

Mr. TAYLOR. Mr. Johnston, the committee will come back to order and we await your testimony.

Mr. JOHNSTON. Thank you, Mr. Chairman. Mr. Chairman and distinguished Committee Members, my name is Richard Johnston. I am the director of the National White Collar Crime Center. I thank you for the opportunity to present this testimony.

I am requesting the Committee to provide \$3.85 million for the Center for fiscal year 1996 to enable us to continue vital support services to State and local law enforcement agencies fighting economic crime and to initiate a critically needed capability to assist with the rapidly growing problem of computer crimes.

The National White Collar Crime Center is a uniquely crafted partnership between the Federal Government and the States. The Federal Government, through the Department of Justice, provides an operational framework and appropriate guidelines while the State and local law enforcement member agencies provide the control of policy and focus of the organization.

This formula works. It enables the various States to identify and address multistate problems by providing a coordination point complete with the support services necessary but not available through individual States. The Center fills a void in our country's efforts to protect its citizens and businesses.

Information exchange, enforcement, analytical services, training, and other support for those who investigate and prosecute economic crimes are 15 to 20 years behind those available to a narcotics investigator.

Why? Because white collar or economic crime has had little or no resource commitment and no nationwide strategy, yet more of our citizens are victimized by fraud than murder, rape, and other street crimes.

The center has a successful track record of assisting State and local law enforcement agencies in their fight against multistate economic crime. Our coordination and technical support provides a template for activating task force cases and investigations to address specific issues in a timely manner.

Most recently, the Center is assisting a group of State agencies and their Federal counterparts in examination of fraudulent investment offerings in the wireless cable industry, investigated only because the Center was positioned with the resources and expertise to gather and analyze volumes of information from dozens of sources.

As this investigation continues, one result is already apparent: Legitimate wireless cable businesses have been spared further negative impact by these people on their industry.

Responding to the needs of the law enforcement community, the Center is asking to be designated and funded as a support center for computer crimes. No single area is of greater concern to our members at this time and we would be remiss if we did not seek your help on their behalf. The wonderful progress made in business, science, and education through the computer is accompanied by equally expanded criminal misuse. These crimes represent legal, social, and economic challenges never before encountered. State and local expertise and resources in this area are grossly inadequate and individual State solutions are not feasible.

The multistate support system in place at the National White Collar Crime Center is the only logical and cost-effective option for implementing a long-term strategy to assist the States. Existing liaisons between the Center and the private high technology sector make working partnerships for technical support realistic and no true solution can be reached without this cooperation.

In short, Mr. Chairman, the bad guys are running away from the good guys in the use of this technology. We can begin reversing this trend immediately and aggressively with your support. We have consulted with leading experts in this field and they concur with our strategy for a long-term solution to this problem.

I have provided a copy of the executive summary of this proposal in our written testimony for your review.

The National White Collar Crime Center is positioned to continue to provide quality assistance and is highly regarded by those we serve. A few excerpts from the hundreds of support letters received this year clearly illustrate our value and potential. Mr. Chairman, these are also included in our written testimony.

I thank you for your time and I encourage you to continue your visionary support for our State's efforts to combat economic crime.

Mr. TAYLOR. Thank you, Mr. Johnston. We appreciate your presentation.

[The information follows:]

**Testimony of:**

**Richard L. Johnston, Director,  
National White Collar Crime Center**

**Mr. Chairman and Distinguished Committee Members:**

**My name is Richard Johnston. I am the Director of the National White Collar Crime Center. I thank you for the opportunity to provide this testimony.**

**I am requesting the Committee to provide 3.85 million dollars for the National White Collar Crime Center for fiscal year 1996 to enable us to continue vital support services to state and local law enforcement agencies fighting economic crime and to initiate a critically needed capability to assist with the rapidly growing problem of computer crimes.**

**The National White Collar Crime Center is a uniquely crafted partnership between the federal government and the states. The federal government, through the Department of Justice, provides an operational framework with appropriate oversight. The state and local member agencies control the policies and focus of the organization. This formula works. It enables the various states to identify and address multi-state problems by providing a coordination point complete with the support services not available through the individual states.**

**The Center fills a void in our country's efforts to protect its citizens and businesses. Even though our federal agencies are directing more attention to certain types of economic crime, and even though Congress is examining legislative solutions, the missing link has been a central point for the development of a coordinated strategy for the states to address their enforcement problems. This is the role of the Center . . . to facilitate and coordinate multi-state investigations, to provide critical investigative and prosecution services, to examine the scope and depth of economic crime in America today, to fill the huge need for quality training, and to develop effective prevention programs.**

**Information exchange, enforcement analytical services, training, and other support for those investigating and prosecuting economic crimes are fifteen to twenty years behind those available to a narcotics investigator. Why? Because white collar or economic crime has had little, or no, resource commitment and no nationwide strategy. Yet, more of our citizens are victimized by fraud than murder, rape, or other street crimes.**

The future of our children is equally at peril from slick con artists who can ruin their financial futures as from those who would physically assault them, rob them, or break into their homes. Because we have not studied economic crimes, we are hard pressed to know what behaviors to teach them to reduce the likelihood of becoming victimized.

I often refer to economic crimes as "stealth" crimes, ones that are not seen or heard - therefore not taken seriously, and yet, capable of devastating our lives just as completely as a crime of violence. At a minimum, every one of us is affected because the cost of fraud factored into the cost of goods and services to consumers.

The Center has a successful track record of assisting state and local agencies in their fight against multi-state economic crimes. Our coordination and technical support provides a template for activating task force investigations to address specific issues in a timely manner.

Most recently, the Center is assisting a group of state agencies and their federal counterparts in an examination of fraudulent investment offerings in the wireless cable industry. There were 267 individuals and over 110 business entities investigated only because the Center was positioned with the resources and expertise to gather and analyze volumes of information from dozens of sources. The task force has identified approximately 20 individuals who were central figures in illegal activity across the country, thus exposing a heretofore unidentified criminal enterprise. As this investigation continues, one result is already apparent: legitimate wireless cable businesses have been spared further negative impact by these people on their industry.

Responding to needs of the law enforcement community, we are asking to be designated and funded as a support center for computer crimes. No single area is of greater concern to our members at this time and we would be remiss if we did not seek your help on their behalf. The wonderful progress made in business, science, and education through the computer is accompanied by equally expanded criminal misuse. These crimes represent legal, social, and economic challenges never before encountered. State and local expertise and resources in this area are grossly inadequate, and individual state solutions are not feasible.

The multi-state support system in place at the National White Collar Crime Center is the only logical and cost effective option for implementing a long-term strategy assisting the states. Existing liaisons between the Center and the private high technology sector make working partnerships for technical support realistic. No true solution can be reached without this cooperation.

Our nation's law enforcement agencies are faced with the daily task of managing investigations which more and more frequently involve computers. They have little to no training and no technical support. In short, the bad guys are running away from the good guys with the use of this technology. We can begin reversing this trend immediately and aggressively with your support. We have consulted with leading

experts in this field, and they concur with our strategy for a long-term solution to this problem. I have provided a copy of the executive summary for your review (see attachment 1).

The National White Collar Crime Center is positioned to continue to provide quality assistance and is highly regarded by those we serve. A few excerpts from the hundreds of support letters received this year clearly illustrate our value and potential:

*... We realize that NWCCC is in a position to implement comprehensive support for investigation initiated by state and local criminal justice agencies ... The Kentucky State Police fully supports the establishment of training and technical support services proposed by the NWCCC. The very concept of the National White Collar Crime Center fills a strong, urgent law enforcement need, as society rapidly advances along the information highway.*

*Jerry Lovitt, Commissioner  
Kentucky State Police*

*... We at the Bureau of Criminal Identification and Investigation are often called upon to assist local law enforcement in the investigation of these crimes. Unfortunately, like so many other agencies, our resources are limited. With that thought in mind, the Bureau has always welcomed and encouraged assistance from any other source on a local, state, or federal level. Your program offers assistance in areas that are often the short comings of local and state agencies in that technology moves very rapidly, and training must move accordingly. Knowing this, I can offer the Bureau's support of your proposal ...*

*Gregory C. Berquist, Deputy Director  
Ohio Bureau of Criminal Identification and  
Investigation*

*... The GBI has recently initiated a Computer Data Recovery Team to assist in the investigation of computer-related crimes in our state ... It seems very clear to us that there is a need for a national driving force that can conduct the research and provide the resources necessary to assist state and local law enforcement agencies in a field where the technology changes so rapidly. It is our opinion that the National White Collar Crime Center is the appropriate forum to house such resources ...*

*Milton E. Nix, Jr., Director  
Georgia Bureau of Investigation*



... With full funding, the Center can ensure that Arizona agencies have the much needed training, analytical support, and other services to assist our anti-fraud efforts. Additionally, NWCCC will be able to initiate a support service for the emerging problem of criminal misuse of computers which will eventually impact all enforcement agencies. The center has a strong record of success and benefits member agencies in over 40 states ...

*Dee Riddell Harris, Director of Securities  
Arizona Corporation Commission*

The NWCCC proposal to train local and state law enforcement investigators would be a godsend to offices such as ours. We have the interest and intent to pursue economic crime as evidenced by two divisions staffed by ten investigators, five attorneys, and ten other staff persons. However, we are handicapped by lack of training opportunities and sense we are falling behind by each week that goes by ... We do not have the resources or training to safely seize the computer information right now ... If I were to identify the priorities of this office's economic crimes units, training and equipping our investigators on how to seize and use computer information would be among those at the top of our list.

*Bill Ritter, District Attorney  
Colorado Office of the District Attorney*

... As you well know, white collar crimes are extremely difficult to investigate and require a level of expertise beyond the capabilities of most officers ... the Center will be a great benefit to state and local law enforcement agencies. The Center's training and technical support will assist local agencies as they investigate those cases which will impact the financial well being of this country well into the twentieth century. Please add the Louisville Division of Police to the list of agencies which support your efforts ...

*E. Douglas Hamilton, Chief of Police  
Louisville Kentucky Division of Police*

... the Rhode Island State Police recently established a Financial Crimes Unit, which although quite successful, has struggled beneath a staggering work load due to the lack of personnel resources, specific training, and technological support. This unit could be so much more productive had all of its members been exposed to the support and training available through the National White Collar Crime Center ... I urge your strongest support in establishing the National White Collar Crime Center as a nationwide support organization for all state and local law enforcement. Its potential is unlimited; its need beyond measure.

*Edmond S. Culhane, Jr., Superintendent  
Rhode Island State Police*

*... This department agrees that rapidly developing computer technology being used by individuals to further illegal activities is reaching alarming proportions and requires an increasingly dedicated and sophisticated response from law enforcement . . . Since the National White Collar Crime Center operated under US Department of Justice guidelines and has been providing its members with similar high-quality services since 1978, it is positioned to effectively provide the kind of specialized training and support services it proposes in its nationwide strategy . . .*

*James B. Hazen, Acting Commissioner  
Pennsylvania State Police*

*I have reviewed your letter and accompanying materials in which you describe the increased use of computers to facilitate violations of the law and as repositories for evidence of crimes . . . I was encouraged that the National White Collar Crime Center plans to develop a computer investigations program . . . We support this initiative and stand ready to provide any assistance we can to encourage the relevant committees of Congress to give it the most serious consideration . . .*

*Gary S. Mendoza, Commissioner  
California Department of Corporations*

*... a critical new support capability will be added - training and technical assistance for computer-related crimes. This area requires a multi-state support approach because of the resources required which are well beyond Texas' ability to provide independently. The National White Collar Crime Center is an excellent example of the way federal-state partnerships should be crafted. I offer it as a model of a state-controlled program providing critical crime fighting services not available anywhere else . . .*

*Denise Voigt Crawford, Securities Commissioner  
Texas State Securities Board*

*... The Center is the best example of a successful working relationship between federal, state, and local agencies . . . The Center provides agencies such as ours with new tools that help us train our staff, investigate and prosecute criminals more quickly and generally, improve our odds in this war! . . .*

*John B. Hiatt, Division Director  
Attorney General of New Mexico*

*... As a provider and coordinator of services, the NWCCC provides a significant return on investment for each tax dollar allocated. The Center is currently seeking to build on the federal/state partnership by gathering a consortium of government, academic, and private sector entities to develop methods of combating the criminal use of computers which has become a major concern of governments at all levels. As a voting member of the Center, my office and the State of New Jersey directly benefits from the training and services provided . .*

*Jeffrey S. Blitz, Atlantic County Prosecutor  
Atlantic County New Jersey Prosecutor's Office*

*... My department, like most across the country, is not prepared to deal with the rapidly approaching problems presented by criminal misuse of computers and other high technology . . . Individual states cannot afford to establish this critically needed service; and a multi-state program is the only logical solution . . .*

*William K. Stover, Chief of Police  
Arlington County Virginia Police Department*

I thank you for your time and encourage you to continue your visionary support for our states' efforts to combat economic crime.

# Attachment 1

## **Executive Summary**

### **Computer Crime Support Capabilities for State and Local Enforcement Agencies**

#### **Summary of the Problem**

One of the most pressing issues in law enforcement today is the rapid advancement of technology and its criminal uses. Most urgent are the problems wherein the computer is the medium of criminal activity, the focus of criminal activity, or is a repository of evidence of criminal activity.

The misuse of computers gives rise to great concern in the enforcement and prosecution arenas for the following reasons:

1. Lack of expertise to detect and investigate
2. Widening gap between growth of the criminal activity and the enforcement response
3. High cost of developing separate state response capabilities
4. Likelihood of little federal assistance
5. Virtually unlimited number of potential new victims
6. High incentives for computer crime due to lack of enforcement and anonymity
7. Emerging areas of policy and law around criminal misuse of computers
8. No current strategy for addressing the challenge

Researching this problem, the National White Collar Crime Center has found many states well aware of the existing and potential problems. Others have not yet realized the looming crisis. Those having evaluated the impact of criminal uses for computers are alarmed. The others will be as well. One source stated that the preparedness of enforcement agencies to deal with this problem is akin to fighting a house fire with a squirt gun.

The Center has consulted nationally recognized enforcement sources to determine options for addressing the problem. Fortunately, experts agree to the basic elements of a long-term solution.

Unfortunately, nobody has the charge to develop and implement a solution. At the root of this is the lack of individuals with both technical expertise and investigative training. This small core of individuals is being utilized to perform case related work, and not to expand the number of qualified individuals in the field. Short-term investigative results are taking precedent over the long-term solution.

Several states have established computer crime units and are attempting to train and equip investigators to adequately respond to the problem. A full support capability is virtually impossible because of the costs involved. Federal agencies are hard pressed to train enough individuals to deal with their own cases and will be of little assistance to state and local agencies for some time to come. These states acknowledge the need for a multi-state support mechanism to assist them. This approach is more effective operationally and financially.

### ***Summary of the Proposal***

The National White Collar Crime Center is positioned to provide this service on behalf of the state and local agencies. Responsiveness is assured because the Center is governed by state and local enforcement agencies. The Center exists to provide support services to these agencies, and has a successful track record of doing so since 1978. Operating under U.S. Department of Justice guidelines, the Center functions with the high level of integrity and confidentiality required.

The Center will develop and implement a nationwide support strategy that will allow state and local agencies to determine the level of support required. This strategy will provide for a long-term solution and equip state agencies to address needs as they determine them. The approach calls for the simultaneous implementation of five support services critically needed:

1. A level of basic training will be made available to investigators to educate them on the criminal misuse of computers and alert them to the "do's" and "don'ts" when encountering computers. This will enhance the ability to detect criminal activity involving computers and ensure that vital evidence is not lost due to lack of knowledge of the investigator.
2. A level of specialized training will be developed to provide intensive, hands-on training to equip selected investigators to serve as agency resources/specialists - the individuals to be called when others encounter computers. Additionally, these specialists will serve on regional response teams to facilitate the sharing of newly acquired skills.
3. Specialized investigators will need ongoing technical support from a group of highly trained and educated experts working together to find solutions to investigators' problems. This capability is the center-piece of the support system to be housed at the Center. Critical to the overall support system is the development of a reference clearinghouse comprised of documentation for all hardware and software which might be encountered by investigators.

4. To ensure that the most critical and complicated cases can be supported, the Center will develop specialized on-site response teams comprised of Center team-leaders and a cadre of state investigators who can provide the highest level of technical assistance available.

5. The ability to track and analyze legal and policy issues is critical. The Center will establish this service to assist legal advisors and prosecutors.

The success of this project is dependent upon funding from Congress supplemented by support from a variety of private sector entities. The Center's Training and Research Institute in Morgantown, West Virginia, has secured support from the West Virginia High Technology Consortium, thus providing entree to national corporations to assist with establishing the reference clearinghouse. Additionally, a partnership with West Virginia University's School of Law will provide support to the policy and legal endeavors. The Center will continue to expand the circle of potential support from both public and private sectors.

### **State and Local Commitment**

State and local enforcement agencies will determine the degree of assistance required from the Center. Successful programs require investment from all parties involved; however, since funding is the key issue, the Center expects to provide the vast majority of fiscal resources needed to implement this strategy.

State and local agencies will be asked to make a commitment to pay costs of transportation, lodging, and meals for attendees at training programs. There will be no tuition or registration fees. They will also be asked to participate in tracking the implementation of the strategy by providing general information to the Center on related activities.

Agencies having individuals attending specialized training will make a commitment to permit these individuals to assist the Center in future training, on-site regional responses, and other activities that will build the network nationwide.



Testimony of

**Gregory G. Cowart, Director**  
Division of Law Enforcement  
Office of the Attorney General  
California Department of Justice  
4949 Broadway  
Sacramento, California 95820  
916/227-3884

before the House Appropriations sub-committee for  
Commerce, Justice, and State, The Judiciary and  
Related Agencies made on  
May 11, 1995



Mr. Chairman, and distinguished committee members:

My name is Gregory G. Cowart and I serve as the Director for the California Department of Justice which is under the leadership of State Attorney General, Daniel E. Lungren. I am submitting this testimony in support of the National White Collar Crime Center (NWCCC).

In my capacity as Director, I have oversight responsibility for a wide variety of statewide programs which assist local law enforcement in the fight against crime, gangs, and drugs.

One of the outstanding law enforcement resources housed within the California Department of Justice is the State Bureau of Investigation. This Bureau provides state resources, equipment, and expertise to local law enforcement in response to heightened threats posed by organized crime, violent street gangs, criminal extremists, sexual predators, and other immediate threats to public safety.

Our Bureau of Investigation is also charged with taking the lead on civil and tort investigations, the enforcement of our state's gaming statutes, questions of public integrity, financial fraud, and criminal tax evasion.

In our daily effort to address these responsibilities among others, the Special Agents, Criminal Intelligence Specialists, Analysts, and other staff within the Bureau of Investigation have made a dedicated effort to provide assistance to local law enforcement and the private sector in response to the alarming growth of white collar crime in California.

Nevertheless, our efforts have not met the legitimate need, nor the increasing demand, for a sufficient criminal justice response to the number of economic crimes being committed in California. A 1994 report by the California Senate Office of Research stated that there are no comprehensive figures on total economic losses created by real estate fraud, embezzlement, credit card abuse, and computer crimes because no mechanism exists to collect data and report to state or federal authorities. The report goes on to tell us that in California alone, "losses (from white collar crime) are estimated to be in the billions."

This is one reason why I am voicing my strong support for urging the members of this sub-committee to continue financial support for the National White Collar Crime Center.

I recognize that the National White Collar Crime Center has requested full funding for the 1996 fiscal year from the Congress, totaling \$3.85 million. Of specific interest to the needs of California law enforcement is the NWCCC's initiative to assist state and local agencies with the serious economic damage caused by high technology or computer

crimes. I understand that the computer crimes services proposed by the NWCCC will require an appropriation of \$1.75 million.

This is a smart investment toward attacking a very serious and growing criminal justice problem. The funding for the National White Collar Crime Center would provide a vital tool to state and local agencies across America.

The fact is that while the number of crimes involving high technology continue to increase, law enforcement efforts to counter this trend have not. The investigation of computer crime requires a high degree of technical skill in addition to investigative tenacity. With the rapid evolution of existing products, and the constant introduction of new technologies, law enforcement has been ill-prepared to handle the threat.

In an ideal world and fiscal environment, California and the other 49 states would each have their own specifically targeted white collar/computer crime units which would work and communicate with one another to solve local and regional financial, technology piracy, counterfeit, and other types of white collar crimes.

Recently, the California Department of Justice has proposed the development of a High-Technology Crimes Unit within our Bureau of Investigation. The estimated cost for personnel, training, equipment, and minimal support services stands at \$3 million per fiscal year. The reality of our world is that there is no way each state, or each region, can fund such an undertaking.

There is no doubt the NWCCC would be an invaluable asset to our efforts to prevent and arrest white collar crime. Today we are not capable of adequately addressing this growing and lucrative criminal enterprise.

It is my professional opinion that the first response to the serious problem of white collar crime should come from the local and state levels. Nevertheless, it is evident that these units of government have been, and will most likely continue to be, unable to adequately support effective responses because of the established priority of preventing and responding to the threats of violent criminals.

While both federal and state legislation will be required to address some of the challenging issues of high-tech crime, certain measures must be taken now to prevent state and local law enforcement from being completely neutralized in dealing with computer-involved crime.

The National White Collar Crime Center, with its mission focused on providing local and state law enforcement agencies with training, technical assistance, research, and education, will serve as an important resource in the effort against economic crimes.

The long-term strategy of the National White Collar Crime Center to create stronger partnerships between investigative and policing agencies is crucial to catching up to, keeping pace with, and presumably surpassing the criminal element. Because of this need, I encourage you to support full funding for the National White Collar Crime Center.

Thank you.

**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

Testimony of

G. W. McDonald  
Chair, Board of Directors  
National White Collar Crime Center  
Assistant Commissioner, Enforcement Division  
California Department of Corporations

Before the House Appropriations Subcommittee for  
Commerce, Justice and State, The Judiciary and Related Agencies

Washington, D.C.  
May 11, 1995

Mr. Chairman, and Distinguished Members of the Subcommittee:

My name is Bill McDonald, and I am testifying to urge your support for full funding of the National White Collar Crime Center line item in the Bureau of Justice Assistance of the Department of Justice budget for fiscal year 1996.

I am Assistant Commissioner in charge of the Enforcement Division of the California Department of Corporations, Chair of the Enforcement Policy Committee of the North American Securities Administrators Association, and, for this year, Chair of the Board of Directors of the National White Collar Crime Center.

The National White Collar Crime Center provides training and analytical support services to a membership of over 90 state and local law enforcement, prosecutorial and securities enforcement agencies in 42 states. The membership is expanding rapidly as a result of an aggressive outreach program, and includes a variety of major fraud, law enforcement, economic crime, and specialized prosecutorial and consumer fraud programs.

This is a program that works. When California recently took the lead in a nationwide attack on high tech scams targeting IRA accounts, the National White Collar Crime Center did a national survey of state securities agencies, compiled a data base of individuals and

entities under investigation, prepared link charts and other analytical products, sent questionnaires to 7000 investors nationwide and coordinated over 150 enforcement actions by the participating states.

The centralized support capability offered by the National White Collar Crime Center is not available anyplace else. State and local agencies must look to a variety of fragmented sources to assist them in attacking economic crimes within thier jurisdictions, resulting in duplication of efforts and dissipation of resources at a time when we should be marshaling all our assets in a concerted effort to address this national problem.

I have a staff of attorneys, investigators and forensic accountants. I need beginning, intermediate and advanced training in jurisdictional issues, litigation techniques, evidentiary issues, document production and preservation, money laundering, building interdisciplinary teams, proving financial frauds, investigation techniques, use of computers in committing and investigating crimes, use of analytical products, and a hundred other subjects.

That training now comes from the passing on of internal staff expertise, yearly Economic Crime seminars by District Attorneys Associations or the Attorney General's office, the North American Securities Administrators Association, continuing education by the Bar, Peace Officer Standards and Training or the Accounting industry.

The deficiencies in that kind of training are that it tends to be too basic, too repetitive, to lack continuity, to have no structure or master plan, to have no discipline, and to be pretty generic. Everybody putting on training reinvents the wheel and everybody who needs training learns in the saddle over the course of their careers.

The National White Collar Crime Center is developing a Training and Research Institute in cooperation with the West Virginia University 1) to offer turnkey operations to its members and to other law enforcement organizations, 2) to make available videotape libraries, CD ROM libraries, teleconferencing, and other innovative training products, 3) to be able to upsize and downsize training programs for any size group with any level of expertise, 4) to offer interdisciplinary and cross training, 5) to use the most modern equipment and techniques to combat adversaries who will always be better funded. The goal of the Institute is nothing less than to reinvent the way we train enforcement personnel in the prevention, detection, investigation and prosecution of economic crime violations.

The research component of the Training and Research Institute is committed to providing the National White Collar Crime Center with the empirical information needed to make the case that white collar crime is a national epidemic, that it hurts millions of people by trashing their financial security and that the law enforcement and regulatory communities

need more support, more staff, more equipment and more access to the consumer and to the media.

With appropriate funding, the Training and Research Institute will be capable of tracking emerging trends in white collar crime and creating early warning systems by tapping into the experience and expertise of the varied membership of the National White Collar Crime Center.

In the database area, the National White Collar Crime Center is developing a state of the art violators database to replace the patchwork of existing databases and allow one stop shopping to assist law enforcement in identifying lawbreakers and bringing them to justice wherever they reside or commit thier crimes.

In the investor education area, the National White Collar Crime Center is considering a variety of innovative approaches to raising the consciousness of the public about economic crimes, including 800 numbers, resource materials, financial survival skills curricula for high school and grade schools, and joint projects with consumer education organizations.



The National White Collar Crime Center is facilitating a multi-state approach to common problems and provides training and technical support to law enforcement agencies seeking to protect legitimate businesses from unscrupulous competitors.

This year, the National White Collar Crime Center will work with a consortium of businesses to initiate a program to deal with the use of computers to perpetrate crimes and to investigate and prosecute white collar crimes. This program will recognize and seek to develop a national program for supporting law enforcement in drafting and serving search warrants, document production and preservation and the use of evidence in a computer environment.

I urge the Subcommittee to support full funding for the National White Collar Crime Center as a cost-effective, state-controlled program providing vital support services to help fight economic crime.

Please address any questions to the National White Collar Crime Center's director, Richard Johnston, at (800) 221-4424, ext. 21.

Thank you.

Mr. TAYLOR. With no further witnesses, the Committee is adjourned.

[Subsequent to the completion of the hearings the following statements were submitted to the Subcommittee:]



**SOUTHEAST FLORIDA AND CARIBBEAN RECRUITMENT PROGRAM: SEFCAR  
Status, Achievements and Plans**

Statement Submitted for the Record  
for the Commerce/Justice/State Appropriations Subcommittee

By

J. M. Prospero, Director, CIMAS  
Claes G. Rooth, SEFCAR Coordinator &  
Associate Director, CIMAS  
Rosenstiel School of Marine and Atmospheric Science  
University of Miami  
April 27, 1995

**HISTORY**

SEFCAR is an activity carried out in cooperation between the National Oceanic and Atmospheric Administration (NOAA) Environmental Research Laboratory (ERL) and the University of Miami (UM) under the auspices of the Cooperative Institute for Marine and Atmospheric Studies (CIMAS). CIMAS is a Joint Institute with NOAA/ERL; it was established on the basis of a Memorandum of Understanding between NOAA and UM with the expressed purpose of facilitating the scientific cooperation between UM scientists and those from the various NOAA facilities located in Miami. These include the sharing of personnel expertise and physical resources at the University, the promotion of mutual research activities, and sharing access to graduate students and other education activities.

**OBJECTIVES:**

The primary objective of SEFCAR is to develop a scientific foundation for fisheries management practices in the South Florida coastal region. To this end SEFCAR carries out coordinated biological and physical field studies using state-of-the-art technology including satellite and surface-based ocean remote sensing, placing special emphasis on the coastal waters along the Florida Keys and their interactions with the larger scale current features. Although SEFCAR is fisheries-oriented, the process studies provide information relevant to many issues of concern to the Florida Keys National Marine Sanctuary (the second largest in the US) and other State and Federal protected environments in the South Florida region, including Florida Bay.

**STRATEGY:**

It has long been suspected that many physical, biological and chemical processes in the Florida Keys and other Florida coastal waters are strongly affected by the behavior of the Gulf Stream

(the Florida Current). Waters flowing through the Straits of Florida have previously passed through the Caribbean Sea and the Gulf of Mexico; thus organisms (including humans!) and chemicals from this entire region constantly pass close to our shores and, under the appropriate conditions, they can be brought into our coastal waters and deposited upon our beaches. The Florida Current/Florida Coast system is a completely unique oceanographic environment. There is no other coastal region in the world where a major ocean current passes so close to a shore under the influence of a tropical trade-wind dominated climate. The fact that this coastal shore is also a major (and rapidly growing) population center further complicates the issues.

Before SEFCAR, little was known about the physical processes that controlled the long-range transport of waters to our coast and the relevance of this transport to our fisheries. To this end SEFCAR focussed on studies of the circulation processes in the region and their impact the spawning-to-recruitment life histories and survival rates of marine organisms. We developed and used the most advanced technology in these studies including satellites, satellite-tracked drifters, and the latest biological tracking and sampling technology (some of it locally developed). The UM through SEFCAR acquired and deployed an ocean surface current radar (OSCR) which allows us to map coastal currents in real time; this enables us to accurately guide research vessels to unique current features (current jets, fronts and eddies) which we believe play a dominant role in larval transport. The UM OSCR is the only instrument of this type used in the US for fisheries studies and SEFCAR pioneered in this concept.

The SEFCAR studies have focussed on selected crustaceans and fishes (e.g., lobster and snapper). These play an important economic role in Florida commercial fisheries and, perhaps most importantly, in tourism. Our studies have provided a unique picture of the physical factors that control the transport of the larval forms of these species from the larger Caribbean region to the Florida Keys. These findings are important to fisheries management issues.

Although SEFCAR is largely fisheries-oriented, its studies are relevant to larger regional issues that affect the coastal ocean environment. The coastal region in South Florida is densely populated and the population is growing rapidly. This leads to human stresses on the coastal ocean waters and to conflicts in the allocation of resources. The chemical and physical studies in SEFCAR have provided much enhanced knowledge about potential pathways for human impacts. These include nutrient transports that affect coral reef habitats and pollutants that can accumulate in marine organisms. As an example, on a field experiment during the summer of 1993, we detected the incursion of a huge plume of Mississippi River water along the Keys, an event that lasted for weeks; the plume was traced to the effects of the severe flooding in the midwestern US at the time. Incursions of low salinity river waters such as this (carrying

pesticides, herbicides, trace metals and other pollutants) could have a severe impact on the biological communities in the regions, including fisheries and coral reef communities. Although this event was very dramatic, the same type of flow continues on a day-to-day basis but at a lower level. The SEFCAR studies clearly demonstrate that these flows directly impact the near-shore communities in the Florida Keys.

#### **CURRENT STATUS:**

SEFCAR is in its sixth year of operations. It began operations in 1989 at an annual funding level of approximately \$1M; during the past few years, funding levels have been reduced to about half, reflecting a shift from field operations to data analysis and laboratory studies.

#### **FUTURE DIRECTIONS:**

The past research in SEFCAR provides a basis for developing better resource management tools. **The future SEFCAR program will focus on providing specific information in support of resource management needs for long-term planning as well as for short-term reactive decision making.** These will be centered around a core structure of a real-time Nowcasting-Forecasting current-modeling system which has been developed as a part of the South Florida Oil Spill Research Center (SFOSRC) at UM. Over the past few years, SEFCAR and SFOSRC have worked closely to integrate the observational program in SEFCAR with the modeling activities in SFOSRC. The model provides continually updated information regarding the current state and expected evolution of the physical environment in the South Florida coastal region on time scales of weeks to around a season. It has been successfully used to predict the transport of oil spills (and also of rafters!). The core model project will also support process assessments on the basis of historical data - for example, the variability in catch or abundance statistics for selected fisheries resources, and suspected pollution-related ecosystem transients.

The core project will serve as a common platform for special application developments which will address a number of management or regulatory agency needs. These will be developed by working interactively with the information users at the state, federal and local level. Some key applications areas are:

- \* Fisheries management and resource stewardship
- \* Oil spill response management and exposure risk prediction
- \* Man-made impacts (e.g., nutrients) on reef tract water quality along the keys
- \* Development of management strategies for the Florida Keys National Marine Sanctuary with respect to specific protection objectives
- \* Support for the multi-agency Florida Bay Impact Study project by providing critical information about externally imposed influences on the bay processes.

In addition, the establishment of the core program creates opportunities for special problem-focussed activities. These activities are not necessarily restricted to NOAA interests - many government agencies have responsibilities in this region (e.g., DOC, DOI, DOE, EPA, COE, SFWMD, DEP, etc.).

#### CONCLUSION:

The South Florida Coastal Ocean Ecosystem (SoFCOE) is emerging as one of the key study areas in the U. S. for improving methods and principles of management and protection of regional resources of national interest. SoFCOE encompasses the unique Everglades ecosystem, Florida Bay and the coral reefs of the Florida Keys; all these regions are interconnected and all are threatened by progressive degradation. Many of these regions are recognized as part of the national environmental heritage. As such, a major objective of the South Florida Ecosystem Restoration Initiative is to assure their sustainability. Indeed the economic significance of the SoFCOE to Florida is enormous:

The burgeoning South Florida community depends on the Everglades for its water supply.  
Florida Bay is a nursery for species supporting an extensive commercial and recreational fishery.  
The coral reefs and the associated recreational fisheries are keystones of an active tourist industry.

While it is generally accepted that these regions must be protected, it is also clear that we must be better able to understand and predict consequences of regulatory management actions. Our lack of understanding of how the natural system works in the SoFCOE and of the ramifications of specific regulatory and management actions are major obstacles to the implementation of restoration and protection measures and the public's acceptance of them.

At present, SEFCAR is the only program that focuses in a detailed and comprehensive manner on the coastal ocean processes in South Florida. SEFCAR's combined capabilities for modeling (with SFOSRC) and field studies is unique in this region. As such, SEFCAR will play a critical role in the South Florida Restoration Initiative, especially with regard to Florida Bay. The large-scale circulation processes (both in the ocean and the atmosphere) clearly play an important role in driving the water exchanges with the Bay. There is no other group in Florida that has the expertise and physical assets that are required to carry out such research. Furthermore, the proximity of the UM RSMAS to the Florida Keys and Florida Bay makes it the ideal base for such operations.



**TESTIMONY SUBMITTED FOR THE RECORD  
TO THE COMMERCE/JUSTICE/STATE APPROPRIATIONS  
SUBCOMMITTEE**

**BY THE UNIVERSITY OF MIAMI  
South Florida Oil Spill Research Center: SFOSRC  
Status, Achievements, and Plans**

Christopher N.K. Mooers, OPRC Director

April 27, 1995

**HISTORY**

In June 1992, the University of Miami formed the Ocean Pollution Research Center (OPRC) for the development of R&D capability applicable to oil spills in South Florida in the aftermath of EXXON VALDEZ and OPA 90, and to ocean pollution throughout the South Florida coastal ocean and Wider Caribbean region. In July 1993, the U.S. Coast Guard awarded, in the spirit of OPA 90, a grant to develop SFOSRC as a regional center-of-excellence on oil spill R&D through a cooperative agreement with the International Oceanographic Foundation (IOF). The IOF turned to the University of Miami's OPRC to operate SFOSRC. In the summer of 1994, the Congress transferred SFOSRC from the USCG budget to NOAA Coastal Ocean Program (NCOP) (within the National Ocean Service (NOS) budget), beginning in FY95. SFOSRC has involved the participation of a few dozen scientists and engineers, mainly from RSMAS and the UM College of Engineering, but also NOVA University, FIU, FAU, USF, and ERIM.

**SCIENTIFIC GOAL AND LONG-TERM OBJECTIVES**

The goal of the SFOSRC is to develop, demonstrate, and evaluate new strategies, methodologies, and technologies that can be applied by the USCG and NOAA to oil spills; i.e., to function as a center of innovation. The locus of operations is based in South Florida and its regional subtropical/tropical environment, but it is available to participate on a national (or even international) scale.

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Specific long-term (10 yrs.) objectives are:

1. to develop techniques and procedures for observing and characterizing the physical environment (including the surveillance of oil spills *per se*) in near-real-time;
2. to develop models that use real-time as well as archived data to compute oil spill trajectories in near-real-time;
3. to model and predict the physical, chemical, and biological fates of oil spills;
4. to model and predict the impacts (effects) of oil spills on the regional ecosystem;
5. to cooperate in the development of containment and clean-up equipment that is optimized for oil spills in the tropical environment, especially in shoal regions; and
6. to develop R&D contingency plans for studying the evolution and consequences of opportunistic oil spills in this region.

#### STRATEGY

##### LONG-TERM:

The SFOSRC will become a center-of-excellence in oil spill R&D, especially as it pertains to the Southeast U.S., Gulf of Mexico, and Caribbean Sea regions. It will complement the OPRC's broader concerns with generic ocean pollution research.

##### MID-TERM (first ten years):

The SFOSRC will develop a prototype oil spill information management system. This system will focus on collating and displaying the full spectrum of information germane to tactical and strategic decision-making associated with oil spills. Thus, it will provide a resource for conducting contingency planning and training (simulations) and reconstructions (hindcasts), as well as for spill response operations (nowcasts and forecasts). It will integrate environmental information from data archives, real-time data streams, and numerical (circulation, trajectory, fate, and effects) models with surveillance information about oil spills, ecological information about coastal habitats and marine ecosystems, technical information about oil spill countermeasures and response equipment, and legal information about environmental and related regulations. It will be supported by research into basic scientific questions regarding: observing and modeling circulation; oil spill surveillance; oil spill trajectories, fates, and effects; and technological questions concerning: oil spill shoreline protection and countermeasures. The techniques and simulation/forecast systems developed from this basic research will have the potential to be transferred into the operational arena for use as strategic and tactical decision aids.



This prototype system will provide a working design for regional (e.g. South Florida) high technology operational centers intended to support multi-agency groups of managers dealing with oil spill and other ocean pollution topics. It will be exercised in various field experiments and with spills-of-opportunity; its performance will serve to help set our priorities for R&D.

#### CURRENT STATUS

SFOSRC is in its second year of operation. It received \$2M from the USCG in FY 93, and \$1M in FY94. Corresponding downsizing of staff, faculty, participants, and activities has occurred. SFOSRC is expecting to receive \$850K (less a \$50K management tax) from NOAA in FY 95, within a few months after the FY95 rescission of NCOP is clarified affirmatively. The agreement is for SFOSRC to provide a one-year program plan which will move its efforts in a convergent direction with SEFCAR's, and in the spirit of the outcome from the recent South Florida Coastal Ecosystem Workshop.

The *South Florida Oil Spill Research Center* (SFOSRC) brings new technology and methodology to bear on the risks that South Florida faces from major oil spills associated with tanker traffic, offshore oil production operations, and coastal power plant oil storage. Oceanic currents and atmospheric winds play a large role in these risks and impacts. SFOSRC has three ongoing research projects:

- Straits of Florida Nowcast/Forecast System (SFNFS) for oil spill trajectory prediction using real-time observations and computer models. This will allow the rapid identification of areas that would be impacted by ocean spills.
- Oil Spill Information Management System (OSIMS), for storing and visualizing relevant ecological, geological, engineering, logistical, and regulatory information (plus oceanic and atmospheric observational and model data). This will aid decision-makers in planning, training, and responding to oil spill and other pollution events.
- National Marine Oil Transportation System Model (NMOTSM), which is being developed for the Federal Interagency Oil Spill R&D Committee. This is the first quantitative description of how oil is transported in U.S. marine waters and the consequent modalities of oil spillage. This will allow risk assessments to be made and serve as the basis of establishing R&D priorities (with regard to risk amelioration) by federal R&D managers.

SFOSRC has established a prototype, real-time nowcast/forecast system (SFNFS) for the circulation of the Straits of Florida based on the Princeton Ocean Model (POM), NMC's operational (synoptic) winds, and a feature model for the Florida Current inflow. The system is fully automated: the winds are downloaded from an NMC server, SFNFS is run, graphics are generated, and graphics for subdomains off the Keys and Cuba are

disseminated (to NHC and the Brothers-to-the-Rescue), all automatically. SFNFS has been active in developing the use of OSCAR; GPS-tracked, cellular phone-communicated, oil-spill-following drifters; and the acquisition and analysis of NOAA satellite SST data. SFOSRC is also developing the object-oriented Oil Spill Information Management System (OSIMS) which computerizes real-time oceanic and atmospheric observational and model output data, historical ecological and geological information, and regulatory information, plus automated decision-support systems (DSS) for emergency response. OSIMS is fast reaching the working prototype stage. It will, in addition to real-time events, support strategic activities: contingency planning, training, and event reconstruction. OSIMS will be available to regional emergency response and environmental managers over Internet; it will also be able to assist researchers in accessing real-time and historical data and model output to support adaptive field experiments, to conduct event reconstructions through hindcasts, and to provide simulations of hypothetical scenarios. The third (and final) SFOSRC project, NMOTSM, is, in its first year, focused on developing a prototype model to describe quantitatively the transport, spillage, and coastal impact of oil in the Gulf of Mexico and Straits of Florida region. Once the prototype has been demonstrated and evaluated, it will be extended to the entire U.S. The prototype NMOTSM progress will be reviewed in July 1995 and refined and tested during FY96. Further development (beyond FY96) will depend upon the actions of the Federal Interagency Oil Spill R&D Committee, USCG, and NOS/NOAA.

#### FUTURE DIRECTIONS

On an experimental basis, it is proposed to provide South Florida marine emergency and environmental managers and researchers with a higher level of synoptic environmental and ecological information than now available to them. In effect, we aim to augment substantially the SST (sea surface temperature) information presently available through COASTWATCH (a NOAA program) by providing synoptic maps of ocean currents, etc. The experiment will include the development of user-community-interfaces and the evaluation of the impact and value of this higher level information on emergency and environmental (esp. fisheries) managers and researchers. The scientific understanding developed by SEFCAR (and various NOAA, FMRI, etc.) programs, and the environmental simulation, nowcast, and forecast and information management system development results of SFOSRC, place us on the threshold of beginning to provide environmental and ecological information in an organized, timely fashion to environmental and emergency managers and researchers. These managers and researchers face a host of problems in the marine environment of South Florida (ranging from oil spills and sewage outfalls to search-and-rescue, toxic algal blooms, sea grass die-offs, coral bleechings, fisheries management and others) for which improved environmental and ecological information would prove beneficial. Hence, it is proposed to conduct a five-year experiment in using modern observational technology, modeling methodology, and computerized information management systems to determine if a significant improvement can be made in environmental and emergency management in South Florida.

It remains to connect more broadly our knowledge base, modeling systems, observing systems, and information management systems to regional emergency and environmental

managers. Such a (big) step will require developing several interfaces and will offer feedback to our research objectives as well as system developments. At a minimum, we must enhance our links to NHC (National Hurricane Center) and stronger develop links to the South Florida Contingency Planning Working Group, CUFR, SEFSC, FKNMS, USCG, MSRC, FMRI, NURP, and COASTWATCH. We envision providing them, as a minimum, with daily maps of surface currents and winds, plus interpretative analyses. Information on tides, waves, water quality, etc. will be added in due course. We also must extend our geographical scope to encompass the West Florida Shelf to 27N (as well as the Straits of Florida to 27N) in order to provide adequate support to the Florida Bay problem set and regional fisheries issues, including the distribution of red snapper and grouper juveniles, plus shrimp. In due course, a hierarchy of linked modeling and observing systems will be established, both at the smaller scale of Florida and Biscayne Bays and the larger scale of the Intra-Americas Sea (Caribbean Sea, Gulf of Mexico, and Straits of Florida). And we must strengthen our atmospheric modeling and observational components. To accomplish this, we will need to upgrade our models, to make fuller use of operational real-time data (sea level, telephone cable, meteorological stations, NEXRAD, etc.), to deploy real-time observing systems in a research mode, and to extend our physical and ecological process understanding.

#### CONCLUSION

SFOSRC is poised to make major contributions to the prospective South Florida Coastal Ocean Ecosystem program through its real-time modeling and observing systems, and oil spill information management system, which can be generalized to address ecological (and fisheries) management issues as well as generic ocean pollution applications. Since SFOSRC has worked closely with SEFCAR on physical observations and process studies, it will be relatively straightforward to integrate our efforts over the next 18 months. In fact, the local NOAA fisheries managers at SEFSC are so enthused by our capabilities, that they have joined our efforts to develop the SFOSRC program plan (to be coordinated with SEFCAR's next plan) for NCOP. There will be a focus on synoptic (near-real-time) circulation information applied to fisheries management issues in the offings of the Florida Keys so that the fisheries managers and scientists can conduct synoptic fisheries management and research studies. This integrated effort will place South Florida in the forefront nationally in such matters.



**NCRI**

National Coastal Resources Research & Development Institute

**STATEMENT BY**

**STEVEN G. OLSON  
DIRECTOR  
NATIONAL COASTAL RESOURCES RESEARCH AND DEVELOPMENT INSTITUTE  
PORTLAND, OREGON**

**on**

**NATIONAL COASTAL RESOURCES RESEARCH AND DEVELOPMENT INSTITUTE  
FY 1996 APPROPRIATIONS**

**Before The**

**SUBCOMMITTEE ON COMMERCE, JUSTICE, AND STATE,  
THE JUDICIARY AND RELATED AGENCIES  
OF THE  
COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES**

**MAY 2, 1995**

## INTRODUCTION

Thank you, Mr. Chairman and members of the Subcommittee, for the opportunity to submit testimony on behalf of the National Coastal Resources Research and Development Institute (NCRI). I am Steven G. Olson, Director of NCRI. Since it was Congress' intention in establishing NCRI in 1984 for the Institute to be a 'grass roots' program, I am also speaking on behalf of NCRI's national constituency, the citizens who live and work on America's seaboards and Great Lakes shores. These citizens help to establish NCRI's annual program priorities and provide the foundation for every NCRI-sponsored initiative to launch new growth industries, revitalize traditional economic activities, and foster sustainable economic development on our coasts.

I wish to thank the Chairman and the other members of this Subcommittee for your continued support of NCRI. You have believed that the economic, social, and environmental well-being of coastal America is vital to our nation's growth and prosperity. You have maintained faith in a vision that a federal investment in partnerships of rural coastal communities and small businesses with sources of innovation can move new advances in research and technology into action to produce positive economic results.

NCRI is poised to implement a program in Fiscal Year 1996 which would include the continuation of 30 current multi-year projects in 16 states and the funding of an additional 6-8 new initiatives. The projected near-term returns on this investment are hundreds of jobs created or saved, millions of dollars in revenues and payrolls added to the economy, and increased sustainability of invaluable resources.

## THE NATIONAL COASTAL RESOURCES RESEARCH AND DEVELOPMENT INSTITUTE

The Congress established NCRI in 1984 in response to the decline of coastal economies caused by the 1979-1982 recession and a shift in the national economy from goods-producing and resource-based industries to service industries. Today, rural coastal communities are under increased economic stress due to the continuing decline of natural resource sectors, such as fisheries and timber; the loss of traditional employers, such as military bases and mills; and economic and services isolation. Other communities are facing unprecedented and uncontrolled growth due to in-migration and population-induced growth, placing their fragile environments and quality of life at risk.

NCRI's mission is to advance sustainable American economic growth and prosperity by moving research and technology into economic action to achieve positive impacts in rural coastal communities and to improve the competitiveness of small coastal businesses. NCRI is committed to national goals for economic security and a rising standard of living by working with these coastal communities and businesses.

NCRI functions as a component of the Office of Oceanic Research Programs, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration (NOAA). NCRI occupies a unique position in NOAA. NCRI does not fund research, but rather the application, evaluation, transfer, and commercialization of applied research and research-based technology in commercial scale, pilot demonstration activities. In this way, NCRI provides a bridge between applied, mostly government-sponsored, research and private sector/community adoption of innovative ideas.

## **NCRI IS ENTREPRENEURIAL GOVERNMENT**

NCRI targets industry and community leaders to work cooperatively with researchers to:

- ▶ Develop new products that enhance the economy of coastal regions, reduce costs of production of coastal products, improve product safety, and develop markets for products.
- ▶ Accelerate adoption and commercialization of scientific and technological innovations.
- ▶ Maximize the economic development prospects of a region in accordance with the general wishes of the people who live there.
- ▶ Create a conducive environment for rural coastal regions to attract services and financial capital for infrastructure improvements.
- ▶ Educate and assist local leaders in coastal regions to make wiser choices/decisions and to better control the developments which are going to occur in their regions from external impetus.
- ▶ Build a nurturing environment for entrepreneurship.

In many cases, solutions and techniques may be carried forth to commercialization without the need for NCRI intervention. However, NCRI's constituency is small coastal businesses and communities that cannot risk investment of limited resources in new techniques and approaches to economic development without some guarantee of a return on their investment. NCRI shares some of the risk related to implementing and evaluating innovations. In return for federal investment, NCRI requires that its partners make available to the public all technical and economic information produced during the project. In this way, technology and information can be moved swiftly into the marketplace independent of federal assistance. Community and business leaders can then judge for themselves whether further investment is warranted.

## **NCRI INVESTMENTS PRODUCE ECONOMIC RESULTS**

Since 1986, when NCRI received its first appropriation to fund projects, NCRI has provided federal assistance of over \$6.5 million in support of 95 projects in 27 coastal states. Although NCRI has no statutory cost sharing requirements, voluntary contributions from private sector and state and local government sources to these activities exceed \$4.5 million.

NCRI is committed to initiatives that strengthen the links between American research and development and American jobs. NCRI acts to:

- ▶ Expand economic opportunities;
- ▶ Spur jobs creation;
- ▶ Transfer technologies to create greater efficiencies and new growth;
- ▶ Empower U.S. businesses and workers with the resources to become more productive;
- ▶ Restore sustainable economic growth; and
- ▶ Overcome persistent unemployment.

## NCRI ACCOMPLISHMENTS

The accomplishments of NCRI projects show both NCRI's continuing achievement and the magnitude of the positive impacts on coastal economies that the Institute's investments are capable of producing.

### TRANSFERRING TECHNOLOGIES TO CREATE GREATER EFFICIENCIES AND NEW GROWTH IN COASTAL INDUSTRIES

- ▶ NCRI is currently funding a project at Ohio State University to develop and evaluate an underwater welding electrode which will provide a breakthrough in wet welding technology for use in commercial applications to create reliable, permanent welds underwater could save industry and the military time and money in repairing ships, offshore rigs, and underwater infrastructure. It is predicted that a potential annual sales volume of 150,000 underwater wet welding electrodes (\$1.5 million) is a reasonable estimate for the market in this country alone.
- ▶ In one of its first projects, NCRI funded an Oregon researcher to develop new applications of technically innovative, cost-effective electroslag surfacing and welding technology for ship repair. The U.S. Navy helped to sponsor the introduction of this technology into U.S. shipyards through demonstration and training programs. Today, electroslag surfacing is being used for the repair of propeller shafts of U.S. Navy ships, which could result in cost savings in excess of \$3 billion.
- ▶ A new NCRI project in Virginia will apply economical and efficient technology to treat wastewaters from blue crab processing facilities in order to assist the industry to comply with new water quality regulations. This project is at the leading edge of technological application to an industry that lags behind in environmental compliance, and the results have the potential for an immediate and significant economic impact on not only the Virginia crab processing industry, but on other seafood processors throughout the nation. Without appropriate wastewater treatment and processing options, many crab plants will be forced to close down. In Virginia alone, this would mean the loss of over \$75 million in revenues and hundreds of jobs.

### EXPANDING ECONOMIC OPPORTUNITIES

- ▶ Two years ago, this Subcommittee heard testimony from Nancy Tyndall, owner of Aquafood, Inc., in Aurora, North Carolina. Ms. Tyndall invested her own money in hybrid striped bass farming because of the success of an NCRI project with another North Carolina fish grower who harvested the nation's first commercial crop of hybrid striped bass raised in farm ponds in 1989. In 1993, Ms. Tyndall and 19 other 'growers' in six southeastern states produced over 2.2 million pounds of hybrid striped bass with a "to-the-farm" value of over \$6 million. A "modest" projected estimate of the total growth of this industry in the Southeast United States exceeds \$100 million dollars per year in domestic and export sales.

The Subcommittee also heard how growth of the hybrid striped bass industry has benefitted other businesses as well. Testimony provided by Mr. Mike Freeze, co-owner of Keo Fish Farms, in Keo, Arkansas, indicated the Keo Fish Farms' sales of hybrid striped bass fingerlings have increased dramatically over the past five years as more hybrid striped bass farmers begin production.

### SPURRING JOB CREATION

- ▶ Three years ago, this Subcommittee heard from NCRI's project partners on Molokai, Hawaii, about their first harvested crops of "long ogo" using new seaweed (limu) aquaculture technology in the island's many ancient fishponds. Today, limu culture is becoming an economic reality on Molokai, with over 20 residents working in seven fishponds. A local cooperative is now providing fresh ogo for local restaurants and supermarkets. In the near future, we anticipate that the annual yield from a typical limu farm will provide residents with annual income opportunities of about \$20,000 per hectare under cultivation.
- ▶ Last year, the Subcommittee heard about a new NCRI project with Carver Shellfish, Inc., in Beals Island, Maine. This effort is applying state-of-the-art freezing technology to the processing of new-shell Maine lobsters. One processor estimates that 25 jobs would be created during the first full season of commercial production, with new wages estimated at \$70,000. In 5-10 years, production levels could reach 12 million pounds per year with a wholesale value of \$84 million.

### EMPOWERING U.S. BUSINESSES AND WORKERS WITH THE RESOURCES TO BECOME MORE PRODUCTIVE

- ▶ An NCRI project with North Carolina State University and Carolina Pride, the first commercial cryogenic processor of blue crab in North Carolina, commercialized technology which improved product quality and safety and stabilized blue crab supply. As you will hear in testimony this year, revenues increased 10%, which translates to a potential net economic return to the industry of \$50 million.
- ▶ Similarly, a new NCRI project with Leavins Seafood, in Apalachicola, Florida, is applying new processing techniques to increase the quality and safety of raw Gulf Coast oysters, recover lost market opportunities, and stabilize production.
- ▶ Another NCRI project with the Oregon State University Seafood Laboratory and West Coast seafood processors has developed a 'fresh surimi' product from Pacific Whiting. This represents a unique opportunity for the seafood processing industry to produce a significant volume of value-added products from Pacific Whiting and to increase employment and income related to new investment in the coastal processing sector.
- ▶ In Tampa, Florida, Singleton Seafoods, Inc. and researchers from the University of Florida are evaluating ohmic thawing technology to improve the efficiency of seafood processing. Commercialization of ohmic thawing technology in seafood plants would provide a substantial reduction in fresh water requirements, drastic reductions in waste water generated, and lower operating costs through a faster and more energy efficient process.
- ▶ Salmon growers and commercial fishing gear designers in Washington completed NCRI-funded commercial-scale trials of a fish culture cage system which can withstand the severe conditions of the offshore environment. This technology is now available for finfish aquaculture to expand to more exposed locations around the coastal U.S.



## RESTORING SUSTAINABLE ECONOMIC GROWTH

- ▶ With NCRI support, community and business leaders in a nine-county region in northeast Michigan are implementing a strategic regional economic plan to establish new business opportunities to reduce the loss of employment caused by the closing of Wurtsmith Air Force Base and a continually dwindling industrial base.
- ▶ An NCRI project with the Washington and Oregon Sea Grant programs and the coastal communities of Raymond, Washington, and Warrenton, Oregon, is applying a model approach to waterfront planning and plan implementation for small communities. The alternative economic activity which results can reverse the current downward economic trend and produce economic and societal benefits to help offset the adverse effects of timber-related industrial dislocations and declines in other resource-based sectors.
- ▶ Researchers in Virginia and New Jersey are working with oystermen in the Chesapeake and Delaware Bays to develop innovative techniques to help reestablish the region's oyster industry, which was once valued at over \$100 million along with hundreds of jobs.

## OVERCOMING PERSISTENT UNEMPLOYMENT

- ▶ A collaborative project with business and community leaders in Door County, Wisconsin, has demonstrated a novel approach for smaller coastal communities to diversify their economies by initiating, expanding, or attracting economic activity which is less seasonal or which offers a seasonal pattern opposite the current dominant pattern. New businesses have been attracted which reduce off-season unemployment and in-season labor shortages.
- ▶ The development and innovative marketing of nature tourism enterprises by communities in Cameron Parish, Louisiana, has demonstrated a profitable alternative for rural coastal communities to generate tourism revenues with minimum infrastructure development and improve rural communities' access to the multi-billion dollar tourism industry.

In summary, the unique nature of NCRI produces economic change to serve the needs of seacoast and Great Lakes communities in a way that is consistent with the citizens' social, cultural, and environmental values. NCRI's commitment to supporting community and commercial-scale pilot demonstration projects which emphasize applying, implementing, and evaluating research-based information and technology in conjunction with community and business leaders directly addresses the priority needs of nonmetropolitan coastal communities. Each project has a sizeable local impact in terms of generating jobs and income but also can be replicated in other coastal communities with similar conditions and circumstances.

### NCRI'S ACTION AGENDA FOR FY 1995

NCRI's annual program plans are always based on an assessment of needs accomplished by extensive interaction with coastal community and industry leaders and citizens nationwide. It is this public, our constituency, that identifies issues, problems, and opportunities of highest regional and national priority and establishes the Institute's annual agenda.

In the future, NCRI will continue the current multi-year projects described above and to launch new programs requested by the public to accelerate the commercial and community adoption of new technologies and research to:

- ▶ increase the commercial aquaculture production of high-valued shellfish, finfish, and seaweed species for uses in food, pharmaceutical, and chemical products;
- ▶ build sustainable economies in communities suffering from recent declines in traditional economic activities, such as fisheries, timber, and military base closures;
- ▶ assist the American seafood industry to improve product quality and safety and environmental compliance through advancements in processing and waste management technology, and handling, storage, and distribution practices; and
- ▶ create new economic activity based on commercialization of environmental technologies.

The projected revenues from the new enterprises stimulated and the increased productivity from the advanced technologies adopted as a result of the continuation and implementation of these projects are estimated to exceed \$200 million annually.

### CONCLUSION

Mr. Chairman, NCRI is proud of our achievements, accomplished with a small federal investment to complement the investment of time, energy, and dollars by our project partners. The need for action has never been more evident in coastal communities as traditional economic activities continue to decline. NCRI is poised and ready to address these problems of national importance. We believe that a continued investment in NCRI will contribute substantially to :

- ▶ increasing America's competitiveness in the world's economy,
- ▶ stimulating productivity and environmentally sound economic development and diversification,
- ▶ swiftly transferring technologies and information to the marketplace, and
- ▶ improving the quality of life for, and self-sufficiency of all citizens.

We are deeply appreciative to this Subcommittee for your past support of NCRI. By your actions on our behalf, you have shown you believe that a good investment of federal dollars is an investment in the people of this nation. Thank you.

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May 9, 1995

The Honorable Harold Rogers  
 Chairman, House Appropriations Committee for NOAA/NOS  
 H 309 - The Capitol  
 Washington, D.C. 20515

Dear Representative Rogers:

Thank you for the opportunity to present written testimony to the House Commerce Appropriations Committee for NOAA. This is an appeal to continue funding of \$600,000 in the NOAA/NOS, Mapping, Charting and Geodesy Program listed as "S.C. Cooperative Geodetic Survey." Funding for this program has been cut from the FY96 Federal budget.

Funding from this budget item is used for two fundamental programs. Some of the funds partially support the field program of the S.C. Geodetic Survey. During the past decade, federal budget cuts have forced the National Geodetic Survey to reduce drastically its field programs to maintain and enhance the National Spatial Reference System. The S.C. Geodetic Survey has taken on most of the field work needed to insure the maintenance and integrity of the geodetic network in South Carolina. All the geodetic data generated by the S.C. Geodetic Survey is performed to national standards and submitted to the National Geodetic Survey to be incorporated into the National Spatial Reference System.

The remainder of the funding is combined with state funds to create grants which are awarded to counties willing to commit funds to create county mapping systems that meet state standards. These incentive grants are a small amount of the funds the counties expend to implement the mapping systems. To date, 17 of our 46 counties have benefited from considerably improved mapping systems. On a standardized map base used by all the agencies in a county, these counties are able to streamline land record systems, to more easily plan, coordinate, develop and maintain infrastructure and services, to quickly and efficiently answer requests for information and to respond more readily to economic opportunities. Spartanburg County, for instance, prepared a single land parcel map and parcel histories within a few hours after the information was requested to purchase land for the BMW plant. Prior to the new mapping system, 51 maps would have been required to supply the same information.

Millions of dollars over 150 years have been devoted to the development and maintenance of a National Spatial Reference System. As the federal role in field activities continues to diminish due to funding constraints, deterioration of this reference system becomes more likely. The relatively small amount of funding provided in the form of grant ensures continued maintenance and densification of this system by the S.C. Geodetic Survey.

We appreciate your committee's consideration of this request.

Sincerely,

*Bobby M. Bowers*

Bobby M. Bowers  
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STATEMENT OF MICHAEL CROW  
VICE PROVOST  
COLUMBIA UNIVERSITY  
BEFORE THE  
SUBCOMMITTEE ON THE DEPARTMENTS OF COMMERCE,  
JUSTICE AND STATE, THE JUDICIARY, AND RELATED AGENCIES  
COMMITTEE ON APPROPRIATIONS  
UNITED STATES HOUSE OF REPRESENTATIVES

MAY 11, 1994

Mr. Chairman and Members of the Subcommittee I am Michael M. Crow, Vice Provost of Columbia University in New York City. I deeply appreciate this opportunity to submit this statement to you regarding Fiscal Year 1996 appropriations.

The purpose of this statement is to request your favorable consideration of a matter with respect to the Department of Commerce. We fully support the President's FY 1996 request of \$86 million for NOAA's Office of Global Programs (OGP). The economic benefits that can flow to this country from this small investment are truly extraordinary.

Office of Global Programs

OGP's extramural research program has made important contributions to our understanding of how climate changes. It has become increasingly clear, in fact, that climate patterns are triggered that can extend widely and over long periods of time. In particular, NOAA's Office of Global Programs in conjunction with the university community have made extraordinary progress in understanding the El Nino/Southern Oscillation (ENSO) phenomenon. Why is this important? Because we now understand that this phenomenon is responsible, e.g., for triggering recent floods and mud slides in California, dry warm winters in the West, and other results that have profound effects on agricultural crops and practices, large losses from flood damage and other economic effects.

Let me give you some examples of the kinds of annual losses that can be generated from climate-related events. And bear in mind that many of these losses could be mitigated with the availability of good climate information.

## Statement of Michael M. Crow

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*Agriculture, Fisheries and Forestry:	\$ 15 billion
*Mining and Manufacturing:	\$ 1.5 billion
*Transportation:	\$ 1.2 billion
*Communications:	\$ 334 million
*Financial, Insurance, Real Estate:	\$ 5.4 billion
*Other (wholesale and retail trade, services, farm and non-farm residences, and Federal, state and local governments	\$ 6.9 billion

The total for these losses, on an annual basis, is \$30.53 billion, or \$305 billion averaged over a decade.

But what can be done to reduce or mitigate these losses if we have good predictability of the kinds of climate shifts that drive these effects? A great deal.

The most obvious contribution climate prediction would provide would be to permit markets to evaluate and reflect expected changes in futures and commodities. However the benefits stretch far beyond the commodities markets.

Producers, processors, consumers, our government, and others could assess price risk and stocks of agricultural and food products, as well as other industrial products. If oncoming drought could be foreseen, products could be stockpiled and price sensitivity reduced for consumers, commodity transportation patterns could be anticipated and altered (e.g., planning for offsetting barge traffic with rail or other traffic), and insurance costs could be reduced, and so could losses. Farmers could plan to forego certain crops and plant others that would do better under certain precipitation and heating patterns, anticipate irrigation requirements and water flow rates, and input manufacturers could estimate needs for fertilizer, chemicals, and machinery. Commercial fishermen and timber producers could take steps to protect their normal operations and alter their investment to avoid losses.

These are but a few examples of how this information can be put to work on behalf of the U.S. and global economies. However, you can see that the effects would reverberate throughout the economic system, down to the pocketbook of the consumer buying groceries or paying in insurance premiums.

We have recently commissioned a serious study of the value of climate prediction. With information that even moderately improves the U.S. economy's capacity to evaluate future climate changes, the system likely would reduce costs, losses, and other variables along the lines of the following estimates.

Statement of Michael M. Crow  
Page 3

*Agriculture, Fisheries, and Forestry:	Annual losses \$15 billion. Preventable losses probably 30%, or \$4.5 billion.
*Mining and Manufacturing:	Annual losses \$1.5 billion. Preventable losses 5% or \$75 million.
*Transportation:	Annual losses \$334 million. Preventable losses 8% or \$26 million.
*Financial, Insurance, Real Estate:	Annual losses (above premiums) \$5.4 billion. Preventable losses 40% or \$2.16 billion.
*Other (including wholesale and retail trade, services, farm and non-farm residences, and government fixed capital):	Annual losses \$6.9 billion. Preventable losses 40% or \$2.76 billion.

A general estimate of total preventable losses over a year's time is about \$10 billion, a significant savings.

ENSO prediction is well on its way to becoming a reality. Estimates of savings in California disaster relief and mitigated losses alone are in the billions of dollars. We must continue our research and refine our knowledge to provide better prediction for the West Coast and extend that knowledge and capability throughout the United States and the world. We are, after all, in a global economy. And few indeed are the major U.S. companies that do not have important economic interests in other parts of the world that could be affected by this kind of information.

In light of these considerations, an investment of \$86 million for Fiscal Year 1996 is small indeed, and certainly justified. Our next steps will be to develop an International Research Institute for seasonal to interannual climate prediction, and to continue research into decadal or longer time scales, which will help understand such phenomena as long-term drought.

Columbia University has commissioned two studies that seek to describe in detail the economic benefits derived from improved climate forecasting. The executive summaries of each are attached to my brief statement.

I appreciate the opportunity to submit this statement in support of NOAA's Office of Global Programs' Fiscal Year 1996 appropriations request, and would be delighted to respond to any inquiries regarding our studies or related information on economic benefits, or the scientific underpinnings of climate prediction.

## *ECONOMIC ASSESSMENT OF BENEFITS FROM IMPROVED PREDICTIONS OF CLIMATE CHANGE*

### *EXECUTIVE SUMMARY*

This report assesses potential benefits from better predictions of climate shifts, the inter-year changes in rainfall, temperature and other atmospheric characteristics vital to crop production and growth, and to the well being of millions of people around the world.

As scientists develop more information about the world's climate and weather, it has become increasingly clear that atmospheric events frequently trigger patterns of changes that extend widely and over long periods. Defining and recognizing both the trigger events and the detailed characteristics of the patterns as they develop depends on the assembly and interpretation of enormous masses of information about the sea and the atmosphere over very large areas. Nevertheless, the intellectual basis for better forecasts now exists. This report describes the vulnerability of the world and U.S. food and fiber systems, and how improved forecasts of climate changes could benefit agricultural producers, consumers, agribusiness and others both in the United States and worldwide.

Extreme El Niño cycles are one well known type of event that causes droughts, severe floods and other climate shifts across North America and around the world. Thirteen of the 28 extreme cycles since 1895 have been multiple-year events. For example, the extreme El Niño cycle of 1986/87 spawned the 1988 North American drought, the most severe since the 1930s. Had the world food and agriculture system had better advance information about this climate change as it was beginning its early development, it likely would have been possible to avoid at least part of the damages caused across the U.S. economy. Using this event as an example, the report estimates: potential benefits of better forecasts for world agriculture.

### *The Agricultural System*

The production and marketing system that provides the world's food and fiber is almost unimaginable in its size and scope. Considering only commercial production of major food, feed, oilseed and cotton crops, the annual value of production surpasses \$250 billion at current prices (greater than the total GDP of all but 10 countries). The value of livestock production is more than equal that of crops, bringing the total raw commodity value to more than \$500 billion. Furthermore, the total GDP from upstream and downstream activities necessary for the production and marketing of food and fiber products is several times greater than the value of the commodities themselves, implying a world system at risk to climate changes that exceeds \$1 trillion annually.

Furthermore, the system is increasingly vulnerable to bad weather. Declining availability of prime land for farming and increasing population growth make production more and more vulnerable to drought, freezes and other climate changes. Area devoted to grains and oilseeds, for example,

declined from 847 million ha in 1982 to 831 million ha in 1993. Even if no further declines occur, annual yield increases of 1.9% are required just to maintain current consumption levels for a world population expanding by 94 million people annually (equivalent to adding another country the size of the United States every three years!). Productivity growth depends heavily on better genetics and higher yields. For many crops, as productivity improves, plants become increasing susceptible to weather-related stress and damage.

### *U.S. Food/Fiber System*

The U.S. food and fiber system provides an example. It provides employment for 22.8 million people and generates more than \$950 billion in GDP yearly, 18% of the U.S. total. The sector has become increasingly commercialized in recent years, depending on growing amounts of inputs (machinery, improved seeds, fertilizer, pesticides, and many others) to sustain its competitive position in domestic and world markets (more than 37% of the sector's GDP is provided by the input subsector). However, the bulk of the sector's GDP contribution comes from agricultural processing, manufacturing and distribution activities that take place beyond the farm gate (56%). It is the combination of efficient production and marketing services that makes U.S. agricultural commodities and products among the world's most competitive and efficient and permits U.S. consumers to spend just over 11% of their disposable income on food. More than \$42 billion in U.S. agricultural sales are on world export markets, which account for more than one-third of total agricultural production.

### *Example: Damage from the 1988 Drought*

This huge system, with its key contributions to the national economy, is extremely vulnerable to climate changes, and the abnormal El Niño cycle caused 1988 drought provides a specific example. Beginning in the spring and summer of 1988, extremely hot, dry weather extended across 41% of the nation by late July, and was especially severe in the Northern Plains and Corn Belt regions. Virtually all spring-planted crops were damaged in the dry areas, with corn yields down 29% and total U.S. grain and soybean output reduced 28% from previous-year levels.

In spite of relatively large stocks at the beginning of the 1988 season, the drought's impacts spread through the economy is a well recognized pattern:

- Ruined pastures and damaged summer vegetable crops reduced production and increased prices of vegetables and other food crops, and for milk
- New crop prices increased for affected crops (and for grain in storage), providing some income cushion for farmers with large inventories and partial crops, but rapid cost increases for livestock producers
- Sharp increases in feed (and other production) costs caused liquidation of breeding herds of hogs and other livestock, severely reduced livestock feeding and fattening (cattle, hogs, other), and reduced food output and increased consumer prices



- Sharp reductions in crop and livestock inventories led producers to increase acreage planted the following year, causing production surpluses in subsequent years as climatological patterns returned to normal. For those commodities with government price and income supports, the surplus production led to sharply increased program costs.
- By late 1988, and through the following one to three year period, the drought-reduced inventories cut food production and increased prices. This pattern of food-price increases increased consumers' food expenditures while reducing availability, and also increased government costs for feeding programs for the poor, for school children, and for others.
- The drought reduced water flow in the Mississippi and other rivers and severely disrupted barge traffic. These transportation disruptions increased marketing costs throughout the system.
- Drought losses severely reduced economic activity in communities located in the regions most severely affected. Regional economic losses were estimated, for example, at 22% for North Dakota, 13% in northeast Montana, 3% for Wisconsin and Illinois and less than 1% for northwest Ohio. These losses were estimated to total \$10 billion to \$15 billion for the non-farm, downstream agribusiness sector.

While data do not exist to permit highly specific estimates of losses caused by the 1988 drought, studies by USDA and others and examination of economic indicators for the sector for the period suggest that the 1988 drought cost the economy between \$28 billion and \$44 billion. Most of the impacts were downstream from the farm sector, but they affected many farmers and input suppliers as well.

<i>Indicative 1988-90 Costs of the Drought of 1988</i>		
Component	Range	
	billion dollars	
Producers	2.0	4.0
Government	6.2	7.9
Disaster aid	5.5	5.5
Feeding programs	0.7	1.4
CCC	0.0	1.0
Consumers	10.0	15.0
Market System/Communities	10.0	17.0
<b>Total</b>	<b>28.2</b>	<b>43.9</b>

Such droughts and the damages they cause are not isolated events, but tend to be observed frequently (although not always with the severity of the 1988 event). For example, severe seasonal climate changes occur perhaps every four years in the U.S. Corn Belt, implying an average of more than two events each decade and decade costs approaching perhaps \$100 billion. Regardless of the lack of precision of such estimates, the cost of drought damage is enormous and widely distributed across the economy.

### *Savings From Better Predictions*

Perhaps the greatest contribution that could come from better information about world climate change would be forecasts with sufficient precision to permit markets to more specifically evaluate and reflect expected changes in futures prices, that is in prices of commodities to be delivered at future dates. Commodity traders now are among the most avid consumers of weather and climate information, and a few buy and sell heavily on the basis of their reading of long-term forecasts. However, current forecasts are insufficiently specific or precise to permit most traders who use futures markets to trade distant futures contracts (or derivatives) to manage their weather risks, or for the markets to confidently reflect impacts of the next extreme El Niño cycle, for example. And, while it is unrealistic to expect that forecasts will be sufficiently specific that they can be used precisely to reflect likely yield damage or production levels several years hence, even general (but more reliable) information about the 1995, 1996 and 1997 growing conditions would make markets significantly more efficient. Adjustments throughout the system likely would be dramatic:

- **Stocks.** Producers, processors, consumers, governments, and others throughout the system would be in a much better position to manage their price risk and stocks. The result would be accumulation of stocks (and better prices as stocks are built) in advance of droughts, less severe price shocks during droughts and much more orderly domestic and export use of U.S. commodities.
- **Farm Production.** Not only would more reliable forward prices guide more efficient stocks policies, they would increase production efficiency as well. And, in addition to scheduling production to better anticipate need, producers would be in a better position to shift among crops (and among varieties, as well) to guard against late or short seasons by choosing better adapted crops, take advantage of wet or dry growing seasons, and make other adjustments to apply genetic and management technology to match crops with better information about conditions.
- **Irrigation, Other Crop Protection Investments.** Armed with more reliable estimates of coming climate shifts, producers would be in a much better position to invest in irrigation facilities. Governments and other reservoir managers would be better able to manage water flows and availability as needed. Input manufacturers would be better able to estimate requirements for fertilizer, chemicals and machinery needed. Such benefits would extend throughout the system, and would include especially processors and transportation suppliers for whom production scheduling is essential to efficient production.

- **Governments/Consumers.** Communities and government programs were affected especially severely by the drought of 1988. In part, because of expensive government programs, producers' share of the drought losses was small (less than 10%). By contrast, consumers bear the brunt of the impacts of crop damage from climate changes, and stand to gain the most from better forecasts. Furthermore, government efforts to reduce or eliminate current costly and inequitable disaster programs likely will continue to be stymied as long as producers have no effective way of anticipating the incidence or extent of future climate shifts

Far more important, a system with prices reflecting more reliable expectations of climate change would have far fewer and smaller price shocks, and much more accurate adjustment to real shifts in longer-term supply or demand conditions. The result likely would be more stable consumer prices, but also somewhat lower costs and prices to the extent that costs of insuring against climate changes are reduced.

#### *Amount of Savings*

To an important degree, savings from better forecasts would depend on the degree of improvement, both in reliability and in length of the forecast. At least part of the perhaps \$10 billion annual cost of unanticipated climate shifts in the United States (including those resulting from abnormal El Niño cycles) will continue to occur in the absence of forecasts well beyond technology now even on the drawing board.

Nevertheless, the U.S. agricultural system has enormous flexibility to adjust to changing conditions and, given better information, likely would make major shifts to avoid loss. With information that even moderately improves U.S. commodity market's capacity to evaluate future crop and livestock risks, the system likely would be in a position to far more accurately judge needs for a broad range of equipment and practices and to reduce costs and variability as a result. Thus, a current working assumption regarding the effectiveness of better estimates is that they would reduce damage costs as much as 25%.

Such savings, while small relative to the total size of the \$950 billion U.S. food/fiber system, would mean very significant impacts in areas at highest risk. As a result, these estimates likely understate the real potential for savings from better estimates of climate change, especially for sectors beyond agriculture. At the same time, the capacity to predict climatic variability -- that which manifests itself as short-term regional drought, episodes of intense flooding, or oceanic warming capable of impacting the viability of fisheries -- has clear economic implications for agricultural productivity, water and energy supply, the health of ecosystems, urban infrastructure and transportation systems, and hence for the ability of governments to implement economically efficient policies.

In addition to reviews of changes in the United States, case studies on the early use of extreme El Niño cycle forecasts also indicate the potential value of such information to producers worldwide. In northeast Brazil, where drought conditions are closely associated with the incidence of El Niño

warm events, the decision to alter planting schedules based on improved forecasts resulted in stabilized agricultural production levels in spite of severe climate conditions and a 30% reduction in rainfall. In Peru, improved climate change forecasts helped producers select crops more tolerant to drought in drier seasons and more tolerant to heavy rainfall in wetter seasons. Thus, for many developing countries, especially where agricultural production provides the bulk of export revenue and hence is the major source of foreign exchange, improved forecasts could be expected to be as important as in developed areas such as the United States.

# **ECONOMIC BENEFITS OF IMPROVED CLIMATE CHANGE FORECASTS**

## ***EXECUTIVE SUMMARY***

### **BENEFITS OF BETTER CLIMATE CHANGE PREDICTIONS**

This report assesses potential benefits from better predictions of climate shifts, the inter-year changes in rainfall, temperature and other atmospheric characteristics vital to crop production and growth, and to the well being of millions of people around the world.

As scientists develop more information about the world's climate and weather, it has become increasingly clear that atmospheric events frequently trigger patterns of changes that extend widely and over long periods. Defining and recognizing both the trigger events and the detailed characteristics of the patterns as they develop depends on the assembly and interpretation of enormous masses of information about the sea and the atmosphere over very large areas. Nevertheless, the intellectual basis for better forecasts now exists. This report describes the vulnerability of the world and U.S. food and fiber systems, and how improved forecasts of climate changes could benefit agricultural producers, consumers, agribusiness and others both in the United States and worldwide.

Extreme El Niño cycles are one well known type of event that causes droughts, severe floods and other climate shifts across North America and around the world. Thirteen of the 28 extreme cycles since 1895 have been multiple-year events. For example, the extreme El Niño cycle of 1986/87 spawned the 1988 North American drought, the most severe since the 1930s. Had the U.S. economy had better advance information about this climate change as it was beginning its early development, it likely would have been possible to avoid at least part of the damages caused. Such droughts and the damages they cause are not isolated events, but tend to be observed frequently (although not always with the severity of the 1988 event). For example, severe seasonal climate changes occur perhaps every four years in the U.S. Corn Belt, implying an average of more than two events each decade and decade costs approaching perhaps \$100 billion. Regardless of the lack of precision of such estimates, the cost of drought damage is enormous and widely distributed across the economy, climate shift impacts that represent only a fraction of the total impact of such changes on the economy of the United States.

The U.S. economy with its nearly \$23.4 trillion in fixed wealth, its \$6 trillion GDP and its nearly \$800 billion addition to fixed wealth annually is damaged by severe climate losses of enormous (and increasing) magnitude annually. For example, in 1993, insurance payments for catastrophic

losses were \$5.7 billion across the economy although severe weather losses likely were nearly four-fold that level (\$28.4 billion), and imply economic losses (including impacts of price increases and increased costs for consumers, government disaster costs, impacts on communities and direct production losses). For example, the 1988 drought cost agricultural producers an estimated \$2 billion to \$4 billion dollars in direct losses, but meant upstream and downstream losses throughout the economy of \$28 billion to \$44 billion. On a decade basis, costs to the U.S. economy of severe climate changes on agriculture likely exceed \$10 billion. And, regardless of the lack of precision of such estimates, the cost of climate change damage is huge and distributed widely across the economy.

This study has examined impacts of climate change on each major aspect of the economy both in terms of fixed capital at risk, annual GDP levels and historical losses. To establish indicative levels of potential losses for the economy.

- **Agriculture, Fisheries and Forestry** The annual GDP is \$115.5 billion, and fixed capital stock is just under \$423 billion, growing at about \$35 billion annually. Annual losses from climate change events for food and agriculture are estimated at \$10 billion, with an additional \$5 billion for the other, somewhat less vulnerable forestry and commercial fishery sectors.
- **Mining and Construction** Annual GDP for these two sectors is \$307 billion, with fixed capital wealth of just under \$598 billion, growing \$27.3 billion annually. Fixed capital in construction, especially, is highly vulnerable to climate change and annual losses as great as 0.05% of GDP appears likely on the basis of recent severe climate loss experience, amounts ranging from \$1.5 billion annually.
- **Manufacturing** One of the economy's largest sectors, manufacturing accounts for \$1.1 trillion GDP and more than \$2.4 trillion in fixed wealth, growing nearly \$235 billion annually. Because of the enormous number of manufacturing facilities and their diverse locations, many of these facilities are highly vulnerable to climate change events. For this sector, losses of \$1.7 billion from severe climate change have been estimated by the US Department of Commerce, amounting to 0.1% GDP.
- **Transportation** This crucial economic sector is highly exposed to climate change problems because of the special vulnerability of air and water transportation to climate changes, and the vulnerability of highways and, to a lesser extent, railways to flood damage. The sector contributes \$194 billion annually to GDP, and has fixed capital wealth of \$636 billion, increasing by just under \$23 billion annually. Earlier US Department of Commerce survey estimates implied climate change losses for this sector at about \$1.2 billion annually, 0.02% of the sector's fixed capital wealth.
- **Communications, Electric, Gas and Sanitary Services** This sector contributes \$336 billion to GDP annually, and has fixed capital wealth of \$1.96 trillion, increasing more than \$84 billion annually. The earlier USDC survey implies annual losses to this sector of about 0.017% of fixed capital wealth annually, about \$334 million.

- **Financial, Insurance and Real Estate** This sector contributes \$1.1 trillion annually to GDP, and has \$2.4 trillion in fixed capital wealth, growing \$136 billion annually. This sector paid \$5.7 billion in catastrophic losses in 1993, and reported substantial losses that year as a result.
- **Wholesale and Retail Trade, Services, farm and non-farm residences and government (federal, state and local)**
  - **Wholesale and retail trade** Annual GDP of \$952 billion with fixed capital wealth of just under \$1.2 trillion, growing \$96 billion annually.
  - **Services.** A annual GDP of \$1.2 trillion but has fixed capital wealth of only about \$0.97 trillion.
  - **Farm and non-farm residences.** GDP from this companioned is reflected in construction and other sectors. However, the fixed capital wealth in residences is \$8.6 trillion, more than 36% of the nation's fixed capital wealth.
  - **Federal, state and local governments** This sector accounts for \$756 billion in annual GDP, and has nearly \$4.3 trillion in fixed capital wealth, growing just over \$200 billion annually.

Total fixed capital wealth from these components amounts to \$14.9 trillion, with a significant amount of this wealth exposed to climate change losses each year. USDC survey estimates assign about one-fifth of the nation's climate change losses annually to these economic components, amounting to losses of \$6.9 billion (0.05% of fixed capital wealth in these components).

- **Gulf States Loss Amounts.** Two indicators are presented, the U.S. Army Corps of Engineers annual flood damage surveys and insurance industry records of payments made.

The 1993 severe floods were extremely damaging in the Midwest (\$3.4 billion in damages in Missouri, for example; \$16.4 billion nationwide), but caused relatively much smaller damages in the Gulf Coast Region, about \$67.4 million. Virtually all of that damage occurred in Texas (\$57 million), with losses of \$4 million and \$4.5 million in Louisiana and Mississippi, just over \$2 million in Florida and only negligible losses in Alabama.

Direct losses in the region from catastrophic events over the past 44 years amount to more than \$29.2 billion (constant 1992 dollars), an average of just under \$0.7 billion annually. In 1993, losses were well above that average at \$1.17 billion. More than one-half of that total was in Florida (\$630 million) and nearly two-fifths in Texas (\$445

million). For the region, even the long-term average would imply losses of perhaps \$7 billion over a period of a decade.

Clearly, insured losses are far less than the total, and, in particular, losses from severe climate change impacts likely are far greater those covered by insurance. Assuming that climate change catastrophes account for 80% of regional losses and that total losses exceed insurance payments by 250%, total impacts of climate change events on the region would be about \$14 to \$20.5 billion over the period of a decade. And, if 30% of these losses were avoided by better inter-annual climate information, the savings would be \$4.2 billion to \$6 billion over the decade.

- **Pacific Northwest Loss Amounts.** Using U.S. Army Corps of Engineers annual flood damage surveys and insurance industry records of payments made, records indicate that the 1993 floods that were extremely damaging in the Midwest also were severe in California, with \$166 million damages. Losses in other states were small, ranging from zero in Alaska to 2.9 million in Hawaii, for a regional total of \$173 million. However, flood damages were only a small portion of the total severe weather losses for 1993 which were estimated to be \$1.4 billion for the region (\$1.2 billion of that in California). Washington also suffered significant severe weather losses in 1993, estimated to be \$188 million.

All catastrophic losses covered by insurance for the region were just under \$1.1 billion in 1993, and direct catastrophic losses over the past 44 years, for example, amount to just under \$8.4 billion (constant 1992 dollars), on average well below 1993 losses of \$1.1 billion. For the region, the 1993 rate would imply insurance losses of perhaps \$1.1 billion over a decade.

Clearly, insured losses are far less than the total, and, in particular, losses from severe climate change impacts likely are far greater those covered by insurance. Based on estimates of severe weather losses for 1993. Assuming that climate change catastrophes account for 80% of regional losses and that total losses exceed insurance payments by 250%, total impacts of climate change events on the region would be about \$22 billion to \$30 billion over the decade. If 30% of these losses could be saved by better climate change information, the savings would be \$6.6 billion to \$10 billion over the course of decade.

- **Indicative Total Climate Change Losses, U.S. Economy.** Based on the foregoing review of available economic and climate information, indicative climate change losses for the United States are:
  - Agriculture, forestry and fisheries. \$15 billion annually
  - Mining and manufacturing. \$1.5 billion annually
  - Transportation. \$1.2 billion annually.
  - Communications. \$334 million annually.
  - Financial, insurance and real estate. \$5.4 billion annually



- o Other (wholesale and retail trade, services, farm and non-farm residences, and federal, state and local governments) \$6.9 billion annually
- o Total: \$30.53 billion, \$305 billion per decade.

### OBSERVATION: SAVINGS FROM BETTER PREDICTIONS

Perhaps the greatest contribution that could come from better information about world climate change would be forecasts with sufficient precision to permit markets to more specifically evaluate and reflect expected changes in futures prices, that is in prices of commodities to be delivered at future dates. Agricultural commodities are an example, but they are not the only market where better information would allow markets and prices to anticipate climate change and stimulate investment in stocks, or shift production or marketing patterns to avoid losses. For example, commodity traders now are among the most avid consumers of weather and climate information, and a few buy and sell heavily on the basis of their reading of long-term forecasts. However, current forecasts are insufficiently specific or precise to permit most traders who use futures markets to trade distant futures contracts (or derivatives) to manage their weather risks, or for the markets to confidently reflect impacts of the next extreme El Niño cycle, for example. And, while it is unrealistic to expect that forecasts will be sufficiently specific that they can be used precisely to reflect likely yield damage or production levels several years hence, even general (but more reliable) information about the 1996, 1997 and 1998 growing conditions would make markets significantly more efficient. Adjustments throughout the system likely would be dramatic.

- **Stocks** Producers, processors, consumers, governments, and others throughout the system would be in a much better position to manage their price risk and stocks of agricultural and food products, and industrial and other products, as well. The result would be accumulation of stocks (and better prices as stocks are built) in advance of droughts, travel plans that account for climate changes, commodity transportation patterns that avoid impacted areas, and a vast system of other changes through the economic system in anticipation of the climate change. Such information would increase economic efficiency throughout the system, reduce insurance costs and reduce losses. It would mean less severe price shocks in response to losses, and much more orderly domestic and export market accommodation when climate change impacts actually occur.
- **Production Planning** Not only would more reliable forward prices guide more efficient stocks policies, they would increase production efficiency as well. And, in addition to scheduling production to better anticipate need, producers across the economy would be in a better position to accommodate the change because of advance warning. For agriculture, which bears the brunt of climate change impacts, such information would mean an opportunity to shift among crops (and among varieties, as well) to guard against late or short seasons by choosing better adapted crops, take advantage of wet or dry growing seasons, and make other adjustments to apply genetic and management technology to match crops with better information about conditions.

However, advance warning would benefit each sector, allow market prices to guide better investment decisions and reduce impacts of climate change across the economy

- **Specific Protections.** Armed with more reliable estimates of coming climate shifts, all sectors of the economy would be in a much better position to take steps to protect against some aspects of climate change. For example, agricultural producers would be in a much better position to invest in irrigation facilities. Governments and other reservoir managers would be better able to manage water flows and availability as needed. Input manufacturers would be better able to estimate requirements for fertilizer, chemicals and machinery needed. Commercial fisherman and commercial timber producers would be able to take steps to protect both their normal operations, but also to alter their investment to avoid losses. Such benefits would extend throughout the system, and would include especially processors and transportation suppliers for whom production scheduling is essential to efficient production.
- **Governments/Consumers.** Information systems that successfully anticipate climate change would have far fewer and smaller price shocks, and much more accurate adjustment to real shifts in longer-term supply or demand conditions. The result likely would be more stable economic investment patterns, lower costs, and more stable consumer prices, as costs of insuring against climate changes are reduced.

### AMOUNT OF SAVINGS

To an important degree, savings from better forecasts would depend on the degree of improvement, both in reliability and in length of the forecast. At least part of the perhaps \$30 billion annual cost of unanticipated climate shifts in the United States (including those resulting from abnormal El Niño cycles) will continue to occur in the absence of forecasts well beyond technology now even on the drawing board.

Nevertheless, the U.S. economic system has enormous flexibility to adjust to changing conditions and, given better information, likely would make major shifts to avoid loss. With information that even moderately improves the U.S. economy's capacity to evaluate future climate changes, the system likely would be in a position to far more accurately judge needs for a broad range of equipment and practices and to reduce costs and variability as a result.

Estimates of the share of annual losses that could be prevented with better information are extremely tenuous, of course. However, earlier U.S. Department of Commerce surveys of U.S. industrial and commercial firms do provide some guidance for several economic sectors. These include:

- **Agriculture, Fisheries and Forestry.** Annual losses, \$15 billion. Preventable losses, 30%, or \$4.5 billion.
- **Mining and Manufacturing.** Annual losses, \$1.5 billion. Preventable losses, 5% or \$75 million.

- **Transportation.** Annual losses, \$1.2 billion. Preventable losses, 40% or \$480 million.
- **Communications** Annual losses, \$334 million. Preventable losses, 8%, or \$26 million.
- **Financial, Insurance and Real Estate.** Annual losses (above premiums), \$5.4 billion, preventable losses, 40% or \$2.16 billion
- **Other (including wholesale and retail trade, services, farm and non-farm residences, and government fixed capital).** Annual losses, \$6.9 billion. Preventable losses, 40% or 2.76 billion.
- **Total annual losses, \$30.53 billion. Preventable losses, \$10.01 billion.**

Such savings, while small relative to the total size of the \$6 trillion U.S. GDP, would mean very significant impacts in areas at highest risk. As a result, these estimates likely understate the real potential for savings from better estimates of climate change, especially for sectors beyond agriculture. At the same time, the capacity to predict climatic variability -- that which manifests itself as short-term regional drought, episodes of intense flooding, or oceanic warming capable of impacting the viability of fisheries -- has clear economic implications for economic productivity, water and energy supply, the health of ecosystems, urban infrastructure and transportation systems, and hence for the ability of governments to implement economically efficient policies.

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# Geisinger.



**DR. STUART HEYDT, PRESIDENT AND CEO  
GEISINGER HEALTH SYSTEM  
DANVILLE, PENNSYLVANIA**

**TESTIMONY FOR THE  
COMMERCE, STATE, JUSTICE AND JUDICIARY SUBCOMMITTEE  
HOUSE APPROPRIATIONS COMMITTEE,  
U.S. HOUSE OF REPRESENTATIVES**

**MAY 11, 1995**

Mr. Chairman and Members of the Subcommittee, it is my privilege to present written testimony for inclusion into the hearing record on behalf of the Geisinger Health System in Danville, Pennsylvania.

Geisinger Health System has been nationally recognized as a model for delivering quality, cost-efficient health care services. In order to better serve our patients and physicians, Geisinger Health System is developing a rural telemedicine/telecommunications network to operate under our managed care network of 45 physician practice clinics in 38 predominantly rural communities. Allow me to describe the Geisinger Health System's efforts to form a public/private partnership to support the development of a comprehensive rural telemedicine/telecommunications network.

**Geisinger's Rural Telemedicine/Telecommunications Network**

The Geisinger Health System is the largest rural health network in the nation. Geisinger is presently developing and building one of the largest telemedicine/telecommunications networks in the United States -- within the 31 counties of the Commonwealth of Pennsylvania that Geisinger serves. This network will result in a model system of telemedicine -- the communication of all forms of medical data amongst patients, doctors, nurses, EMS technicians and vehicles, and hospitals, thereby allowing access to quality health care in virtually every rural corner of the Commonwealth that Geisinger covers. Key uses of the telemedicine/telecommunications network will include, but are not limited to, geriatric nutrition research and education; rural highway trauma response and treatment; physician recruitment and continued education; and numerous other clinical and administrative functions that will improve the access to and delivery of health care services in rural areas.

Primary among barriers in delivering quality health care services in rural and isolated

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areas is the inability to efficiently transmit medical information between health care providers, particularly among rural practitioners and referral centers. This impedes the delivery of coordinated care and adds significantly to costs to patients. We believe that a telemedicine/telecommunications system can address the barriers that, directly and indirectly, reduce efficiency in the delivery of health care in a rural setting.

As envisioned, our rural telecommunications/telemedicine network will have several areas of emphasis:

- Exploring new models for delivering care in rural, underdeveloped areas by demonstrating how the existence of this information infrastructure can lead to fundamental, cost-efficient changes in the practice of medicine, changes that would not be available without the tools provided by high speed telecommunications.
- Reducing the isolation of physicians and patients in rural areas and expanding opportunities for local communities to have interactive communication capabilities that can be used for numerous activities including ongoing education programs.
- Improving and stabilizing the impact of health care reform on the medical work-force in small, rural and underdeveloped communities by upgrading and converting existing medical facilities to ensure their continued and efficient operation without significant job losses.

#### **Geisinger's Advances in Geriatric Nutrition**

The development of Geisinger's telecommunications/telemedicine network will be a vital component of the Geriatric Nutrition Research Alliance. This alliance is a collaboration between Geisinger's Department of Gastroenterology and Nutrition and Penn State University's Department of Nutrition. The aim of the Geriatric Nutrition Research Alliance is to educate health professionals and Pennsylvania's elderly about nutrition. Their research has revealed widespread malnutrition among the elderly people in rural central and northeastern Pennsylvania. The Alliance shows potential for becoming a national model for other geriatric nutrition programs.

A fundamental component of the Geriatric Nutrition Research Alliance is the development of educational strategies aimed at delivering nutrition information and research findings to physicians, faculty, students and allied health professionals as well as elderly patients and populations at large. Information dissemination and nutrition education outreach programs constitute a crucial goal of the Geriatric Nutrition Research Alliance -- preparing students, health educators, patients, and physicians to promote and enhance the quality of life for older persons through proper nutrition awareness, training, and expertise.

Our network will include a two-way interactive videoconferencing system to enhance nutrition education outreach activities by allowing physicians, faculty, students, and elderly

patients to communicate face-to-face without the cost and delay of travel. Telemedicine/telecommunications activities for the Alliance will eventually include:

1. Remote nutrition education outreach programs for free-living and hospitalized elderly patients;
2. Continuing medical education programs in assessment of malnutrition and nutrition intervention in elderly patients for allied health professionals,
3. Nutrition education for students and faculty, including the transmission of courses, lectures, seminars, and medical grand rounds.

The Geriatric Nutrition Research Alliance is currently establishing ties with other rural health care organizations -- including SEDA-COG, our 11 county regional development agency, the Pennsylvania Office of Rural Health, the Pennsylvania Department of Aging, and the Pennsylvania Department of Health -- to foster the development of a regional consortium focused on geriatric nutrition concerns. Thus, the foundation is in place for a collaboration that will culminate in a regional screening network to promote nutritional assessment and care of the rural elderly.

Geisinger Health System recently submitted an application with Penn State University in State College, Pennsylvania for the National Telecommunications and Information Administration's TIAP award. Together, our institutions are well positioned to conduct a TIAP demonstration project that can enhance the delivery of nutrition education and health care to one of the largest concentrations of elderly people in the United States. The Department of Commerce's investment in this innovative telecommunications project will directly impact the local economies and quality of life in Pennsylvania's rural communities. A TIAP award to Geisinger and Penn State will help reduce the escalating costs of malnutrition and poor health among the elderly and improve the delivery of health care to medically underserved, rural areas.

#### **Geisinger Designs A Model Rural Trauma Care Response Network**

Rural accident deaths in motorized vehicles outnumber urban accident deaths in vehicles by almost two to one (according to the National Safety Council). The majority of Geisinger's 1,300 annual trauma cases are highway related. Statistics from the Pennsylvania Department of Health's State Health Data Center show motor vehicle crash deaths in Geisinger's service area are well above national and state averages. Accidents occurring in rural and isolated areas delay diagnosis and treatment, thereby increasing both the severity of illness and mortality. Thus, many patients die from lack of timely response and/or delayed treatment by emergency services, particularly in rural and remote locations.

To address this need, the Geisinger Health System is working with federal, state and local officials to develop a model trauma care response network using telecommunications and telemedicine technology to provide faster response and more efficient health care treatment.

critical to the survival and recovery of patients injured in accidents on the highways and roads of Pennsylvania. Utilizing the most modern technology, Geisinger will link several of its 55 clinic sites, its two Life Flight helicopters and strategically located emergency response vehicles with the Level I Trauma Center at the Geisinger Medical Center in Danville.

This linkage will allow EMS technicians on the scene of accidents to have immediate contact with specialists for consultation, thereby expediting the transmittal of critical information and the start of life-saving treatment at the scene. Geisinger's trauma response network will ensure early stabilization and continued monitoring of patients to increase dramatically the rate of survival and recovery of Pennsylvania's accident victims. Geisinger, in cooperation with state and local entities, will provide a model program that is both innovative and effective in assisting other rural regions throughout the country in improving rural trauma response and treatment.

### **Geisinger Health System: The Nation's Largest Rural Health System**

The Geisinger Medical Center, founded in 1915, is a 577-bed facility in Danville, Pennsylvania that has become the hub of the nation's largest rural health care system. Today, the Geisinger system is a multi-institutional network serving 31 rural counties and 2.3 million people in central, northcentral and northeastern Pennsylvania. In addition to Geisinger Medical Center, which serves as the region's tertiary referral and Level I Trauma Center, the system includes a 230-bed regional hospital and cancer center in Wilkes-Barre, and 45 physician practice clinics in 38 communities in rural and isolated areas. Geisinger also has the largest rural HMO in the country, the profitable 161,000 member Geisinger Health Plan. Last December Geisinger opened its doors to the Janet Weis Children's Hospital, the nation's first free-standing children's hospital in a rural area. This facility is part of our continuing effort to meet the needs of children in northeastern and central Pennsylvania and to provide high quality, affordable health care services in a rural, managed care environment.

As one of the dozen major clinics in the country and one of only four rural referral tertiary care centers of 500 or more beds, the Geisinger system embodies many of those major characteristics sought by Congress and the Clinton Administration on health care reform. Geisinger has been continually cited as a prototype for health care reform, including the following national endorsements:

- In a recent study of the top-rated medical facilities in the U.S. and Canada, the Geisinger health care system was cited as one the *Best Hospitals in America* and among the elite when it comes to rural health care.
- Department of Health and Human Services' Assistant Secretary of Health Dr. Philip Lee, Pennsylvania Senator Specter, Congressmen Bud Shuster, Paul Kanjorski and other legislators have endorsed Geisinger's group practice/managed care concepts as a national model for health care reform.

- The New York Times featured Geisinger's network of 530 salaried physicians as an innovative and cost-effective managed health care system.
- Arnold Relman, M.D., former editor of The New England Journal of Medicine, refers to the Geisinger system with its HMO as the harbinger of what is going to happen in health care all over the country.
- The National Committee for Quality Health Care offers the Geisinger approach as one of several national models for reforming American health care.

#### **Request for Federal Investment**

Since the Geisinger system is a nationally-recognized model for an integrated system, a concept that is rapidly gaining favor throughout the country, a successfully implemented telecommunications system here can become a prototype that sets standards for other providers in medically underserved, rural areas. Geisinger is already experienced in developing collaborative relationships both within its own diverse and widely dispersed network as well as with non-Geisinger providers in the service region.

Central to Geisinger Health System's development of a telemedicine/telecommunications network is our commitment to providing quality health care services for the rural communities which comprise our managed care system. Indeed, health care, particularly in rural areas, is an indicator not only of economic development but of quality of life. We at Geisinger are committed to providing our rural communities with better access to quality health care services, that will improve the overall strength of the region. Geisinger Health System has already invested more than \$3 million in the initial pieces of hardware and software to begin putting this system-wide network in place.

Geisinger Health System is aware of the support that your subcommittee has given in the past to developing model telemedicine/telecommunications networks. Therefore, on behalf of the Geisinger Health System, I respectfully request that you include \$2 million through the FY 1996 Commerce, State, Justice and Judiciary Appropriations bill to directly support a model rural telemedicine/telecommunications network under Geisinger's integrated health care system. This network holds tremendous promise of becoming a prototype for other managed care providers in medically underserved rural areas that are exploring the applications of information technologies.

Thank you very much, Mr. Chairman, for the opportunity to submit this testimony on behalf of the Geisinger Health System and for considering our request for direct federal investment in this model rural telemedicine/telecommunications network.





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**MR. PAUL KRAMER, PRESIDENT  
CHILDREN'S HOSPITAL OF PITTSBURGH**

**TESTIMONY BEFORE THE COMMERCE, JUSTICE, STATE,  
AND JUDICIARY SUBCOMMITTEE  
HOUSE APPROPRIATIONS COMMITTEE  
U.S. HOUSE OF REPRESENTATIVES**

**MAY 11, 1995**

Mr. Chairman and Members of the Subcommittee, it is my privilege to present written testimony for inclusion into the hearing record on behalf of Children's Hospital of Pittsburgh in Pittsburgh, Pennsylvania. I would like to take the opportunity to describe our efforts to develop a federal-state-local partnership to support a national model of coordinated regional pediatric care using an interactive telecommunications network.

**MEETING THE CHALLENGES OF SPECIALIZED PEDIATRIC CARE**

Children are at the frontlines of change in the health care delivery market, and the pace of that change has increased significantly during the last several years. With increased emphasis on reducing health care costs, there has been a radical shift from inpatient to outpatient services. Pediatric patients of the future will receive preventive care in a variety of community-based health clinics and will undergo minor surgical procedures in outpatient satellite surgical centers in sharp contrast to traditional methods which have been the standard for pediatric care and treatment throughout the last century.

As sweeping change continues to occur within the health care industry, it is critically important to understand that for pediatric health care services "one size does not fit all". The requirements of a reformed health care delivery system must be tailored to the specialized needs of children. For example, for every hour in the hospital, a child on average requires 31 percent more routine nursing care than an adult and a child younger than two requires 45 percent more care than an adult. Patients admitted to specialty pediatric hospitals require even more intensive care, because they are younger, sicker and more likely to have a chronic or congenital condition than the pediatric patients of general hospitals.

Recent studies undertaken by the National Center for Education in Maternal and Child Health highlight the fact that one of the major problems with current pediatric medical care is that many doctors, nurses, paramedics, and emergency medical technicians continue to treat children as miniature adults. In fact, children are at greater risk than adults of having serious breathing problems, are less tolerant of blood loss and more vulnerable to head injury. Recognizing and treating a child in shock illustrates crucial differences in procedures and protocols between emergency pediatric care and adult care. Yet, current estimates indicate that only 1 in 5 practicing pediatricians knows how to perform some of these procedures.

For America's 65 million children, changes in the nation's health care system pose serious concerns. Too often, strategies to cap health care spending fail to take into account the radical differences in the treatment needs of children and adults.

Children's Hospital of Pittsburgh (CHP), along with other children's hospitals across the nation, recognizes the critical need to quickly adapt to a new health care environment without compromising the quality and accessibility of specialized pediatric care. As we move forward as a nation to reform the health care delivery system, Children's Hospital of Pittsburgh, along with its pediatric hospital partners across the nation, can play an important role in designing and re-engineering a pediatric health care delivery system for the 21st century.

#### **CHILDREN'S HOSPITALS: A NATIONAL RESOURCE**

In general, pediatric hospitals and medical centers are driven by missions that commit them to serving all of the children of their communities, including the sickest, poorest, and those in need of the most specialized care, through the delivery of primary and subspecialty care in both inpatient units and outpatient clinics. Pediatric hospitals are by nature highly specialized and provide more intensive and costly care than any other acute hospitals given the fact that children's illnesses are more severe than adult illnesses.

Children's hospitals also are regional referral centers, meeting the specialized care needs of children from the most distant rural areas as well as the closest inner city neighborhoods. On average, a children's hospital devotes more than 70 percent of its care to children with chronic or congenital conditions. Freestanding children's hospitals represent only one percent of all hospitals, but they care for 25 percent of all hospitalized children with chronic or congenital conditions and the majority of children with specific specialized care needs.

Although they represent only one percent of the nation's hospitals, free-standing children's hospitals train a quarter of all pediatricians. Together with pediatric departments of major university medical centers they train the majority of pediatricians and virtually all pediatric subspecialists in the United States. Additionally, more than one in three children's hospitals is the formal sponsor of research on the cause, prevention, and treatment of illness in children. For example, it was a children's hospital which first identified AIDS in children, and it was a children's hospital that first cultured the polio and measles viruses.

Pediatric hospitals and medical centers have a unique role to play in the re-engineering of our pediatric health care delivery system.

#### **CHILDREN'S HOSPITAL OF PITTSBURGH: A REGIONAL AND INTERNATIONAL RESOURCE**

Children's Hospital of Pittsburgh, a regional pediatric referral center, is recognized nationally as a leader in advanced health care for children. For over 100 years, Children's has been committed to excellence in child health care delivery.

When Children's Hospital opened its doors on June 5, 1890, six consulting and attending physicians cared for patients admitted to the 15-bed health care facility. Today,

with 235 beds, the hospital-based medical staff has expanded to 150 and its admitting staff to over 560. The hospital's 100-year-old mission, however, has never changed. Children's Hospital of Pittsburgh maintains its commitment to quality patient care, education and research.

Children's Hospital is the only hospital in western Pennsylvania devoted solely to the care of infants and children. The population of the region served by the hospital is approximately 5 million. Each year the hospital admits over 10,000 patients; provides same-day surgery to over 6,000; manages over 50,000 emergency visits and 130,000 outpatient visits.

Over the past 100 years, Children's has created an outstanding record of accomplishment and public service. Its success has been shaped by a threefold mission: (1) to provide quality medical care; (2) to educate the next generation of care providers; and (3) to advance scientific knowledge through pediatric research.

The hospital is especially well-known for its pioneering work in transplantation, middle ear disease, diabetes, cancer and trauma. Today, Children's Hospital continues to be a national leader in designing new treatments for children with extremely complex diseases. The hospital serves as a national model in key areas. Children's Hospital of Pittsburgh is:

- one of the nation's leading centers for research on juvenile diabetes mellitus;
- the home of the only pediatric bone marrow transplantation program in Southwestern Pennsylvania;
- the nation's largest center for middle ear disease research;
- the only accredited Level One Pediatric Regional Resource Trauma Program in western Pennsylvania. It is one of only two pediatric trauma centers in Pennsylvania and only 15 in the nation.
- a major participant in the national Children's Cancer Study Group;
- one of nine hospitals in the nation with a General Clinical Research Center exclusively designed to address pediatric problems.

Children's is home to the world's busiest pediatric transplant center. Children's has been more successful with small intestine transplants (alone or in combination with liver) than any other center performing such transplants in the world. CHP pioneered much of the work that has been done in pediatric transplantation, and other hospitals and medical centers across the nation have replicated CHP's model in recent years. The hospital is also a pioneer in short stay surgery and one of the leading cystic fibrosis centers in the country.

Children's has an outstanding program in research which has made landmark discoveries resulting in cures for complex childhood diseases such as polio. Today, Children's is ranked fifth among independent pediatric hospitals in the country for the level of funding received in National Institute of Health grants.

## CHP'S VISION FOR THE FUTURE: A REGIONAL PEDIATRIC NETWORK

Children's Hospital of Pittsburgh proposes to develop a coordinated model of care geared to the creation of one seamless system of high quality pediatric care through the consolidation of pediatric activity in western Pennsylvania.

Changes in the health care industry, including the movement of treatment from inpatient to outpatient services, will result in a 58% decrease in the need for pediatric beds in southwestern Pennsylvania by the year 2000. Pennsylvania's state health services plan estimates that by the year 1995, the Pittsburgh region will have 150 more pediatric beds than are necessary. These changes in health care delivery have serious implications for the specialized health care needs of children.

Recognizing the critical need to adapt the delivery of health care to the specialized needs of the community it serves, Children's Hospital of Pittsburgh is dedicated to serving as a regional resource and a central coordinating body for the development of new protocols and standards for cost-effective, state-of-the-art pediatric care in the "hospitals without walls" of the 21st century. Building upon CHP's expertise in the delivery of pediatric care and its subspecialties, CHP will form dynamic partnerships with targeted community hospitals throughout the 27 county area comprising Western Pennsylvania.

Children's Hospital of Pittsburgh will work in concert with its community partners to create a collaborative approach to the delivery of pediatric health care, and to identify alternative models of cost-effective care. Pediatric care of the future will likely be provided in the following ways:

1. Secondary Care to be delivered in partnering facilities;
2. Pediatric Surgery to be delivered in freestanding surgery centers and partnering facilities;
3. Tertiary and Quaternary care will continue to be provided at CHP where the resources and expertise are available to support this level of care;
4. Pediatric outpatient services to be delivered at regional satellite centers and partnering facilities.

Children's Hospital will serve as a primary resource for community pediatricians and hospitals through consultations, management of inpatient units, training programs, educational services which will share the specialized expertise of CHP professionals with the community at large. Children's will devote special attention to the need for its resources and expertise in rural areas, health professional shortage areas, and areas which traditionally have had medically under-served populations.

The regions targeted to compose the regional pediatric network in Phase One include:

- Beaver/Butler Counties
- Armstrong/Indiana Counties

- Westmoreland County
- Washington/Fayette/Greene Counties

The establishment of advanced information systems at CHP will particularly allow the hospital to respond to the critical needs of primary care practitioners in rural areas where isolation and distance are significant obstacles to quality care. The development of a telemedicine/telecommunications network will facilitate training opportunities for primary care physicians, and allow frequent physician/patient consultations, thereby overcoming the physical isolation of rural providers.

A centralized medical information system will provide more cost-effective and efficient methods of patient scheduling, lab reports, etc. Additionally, existing continual medical education and community education programs will be expanded through the implementation of advanced telecommunications capabilities at CHP. An After-Hours Triage Program will be based at CHP for the purpose of providing back-up support through after-hour management of patients for community pediatricians.

Western Pennsylvania, along with other parts of the nation, is currently undergoing a revolution in its health care delivery system. For over one hundred years, Children's Hospital of Pittsburgh has pioneered a system of pediatric care, treatment and research which has uniquely served the children and families in the region.

As a national leader in advanced health care for children, Children's Hospital of Pittsburgh is well equipped to create a federal-state-local partnership to support the development of a model regional pediatric network. CHP professionals are prepared to serve as a primary resource and "magnet" in pediatric care by sharing their collective expertise in pediatric specialties and subspecialties with other facilities throughout western Pennsylvania who require CHP's consultation, training programs and educational services.

Children's Hospital of Pittsburgh is calling upon the federal government, which has a vested interest in promoting cost-effective alternatives to delivering quality pediatric care, to invest in this important initiative. In requesting a federal partnership for this demonstration project, Children's Hospital of Pittsburgh is prepared to dedicate significant institutional resources of its own. I am aware that your Subcommittee in the past has supported health-related telecommunications initiatives. Therefore, I request that you include \$3.12 million in the FY 1996 Commerce, State, Justice and Judiciary Appropriations bill to help Children's Hospital of Pittsburgh demonstrate a coordinated model of regional pediatric care that is connected by an interactive telecommunications network. Our regional pediatric network will be a federal-state-local partnership to address the specialized health care needs of children and adapt to a rapidly changing health care environment which requires greater efficiency and communication among regional providers.

Thank you, Mr. Chairman, for the opportunity to submit this testimony on behalf of Children's Hospital of Pittsburgh and for considering our request for direct federal support of our regional pediatric telecommunications network which can serve as a national model for the enhanced delivery of pediatric care.

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**Testimony of Dr. Galen Godbey  
Executive Director of the  
Pennsylvania Educational Telecommunications Exchange Network  
Before the House Appropriations Committee  
Subcommittee on Commerce, State, Justice and Judiciary  
United States House of Representatives**

**May 11, 1995**

Mr. Chairman, it is my privilege to submit testimony for the hearing record on behalf of the Pennsylvania Educational Telecommunications Exchange Network (PETE Net), a consortium of Pennsylvania educational institutions. PETE Net educational institutions are pursuing a crucial telecommunications initiative to strengthen our region's communications infrastructure and successfully meet the competitive challenges of the 21st century. Allow me to describe PETE Net's ambitious federal/state/local partnership to establish an interactive telecommunications network to promote resource sharing and organizational agility in education.

PETE Net is designed to be a state-wide educational telecommunications network; it currently is comprised of 23 distinguished Pennsylvania educational institutions, including community colleges, four-year, private educational institutions, as well as major research universities pursuing a state-of-the-art model demonstration project that will be an interactive resource sharing network. PETE Net is designed to aid the educational institutions of our state by reducing duplication, sharing academic resources, and containing costs. In addition to linking member institutions, this network has the potential to connect other institutions of higher education throughout the region -- as well as across international borders -- and including individual units in the K-12 system. We believe PETE Net will play a crucial role in enhancing our competitiveness while integrating new technology into the educational system, and providing valuable economic stimulus to one of the key industries in our state: education.

This initiative has attracted broad and deep support from among industry and academic leaders and government officials throughout the Commonwealth of Pennsylvania. Indeed, it is a crucial building block for a state-wide effort in Pennsylvania and can serve as a national model demonstrating how to effectively employ new interactive videoconferencing and satellite communications technologies into our educational systems.

Simply put, the mission of PETE Net is to provide a demonstration of how educators and students can effectively eliminate geographic constraints and sectoral boundaries, which historically have prevented massive resource sharing in education. We want to ensure that the whole of our accumulated capabilities on campuses and disparate geographic locations is greater than the sum of our parts, providing higher quality education to our students. We will link our libraries, programs for financial administration, teaching and learning capabilities, and our information dissemination technologies. We want to develop resource sharing networks to create a virtual organization, serving both rural and urban communities throughout the Commonwealth while providing a model from which other states and regions of our country can learn.

PETE Net seeks to realize the stated goals of the U.S. Chamber of Commerce in developing a state-wide network for education resource sharing. First, however, it is critical to understand that the United States does not have a problem of aggregate educational resources. We do have, however, severe problems of efficiency, effectiveness, and equity in providing access to our nation's incredible intellectual riches for most learners.

The goal of our program is to improve students' access to information, increase educational cost efficiency, and enhance academic competitiveness. Specifically, we seek to develop federal, state, local and private resources to fund the following:

- Development of an interactive video network for the 23 current member institutions of higher education, including community colleges, four year colleges, and research universities. This will enable scholars and students on many different campuses to see and talk to each other and learn from each other by pooling courses, data bases, and library collections.
- Enhancement of computer programs and services for all 23 PETE Net member institutions to assist in project administration, training, and development of customized course offerings. This will enhance adult education and business outreach capabilities, while providing worker retraining skills for valued economic development initiatives.
- Teleconferencing equipment for a network which ultimately will incorporate 80 of Pennsylvania's independent colleges, 14 community colleges, 29 K-12 intermediate units (which serve clusters of school districts) businesses, and museums.

Through these means we will ensure that our educational institutions will have increased access to resources while significantly restraining costs. Specific cost savings and benefits of PETE Net include:

- Expansion of access for students and educators;

- Improved articulation between educational levels;
- Provision of a basis for avoiding future, or reducing current, needless duplication of courses, libraries, and other services;
- Reduction in the professional isolation of faculty and facilitation of professional development and worker retraining programs; and
- Reduction in travel expenditures and time for staff and students, as well as facilitation of in-plant training of business employees.
- Exporting the best of the American educational system to other countries, thereby generating revenue for American institutions and helping developing nations avoid debilitating commitments to traditional educational infrastructure.

By establishing a truly interactive, agile communications network, PETE Net consortium members will vastly expand resources and capabilities while containing costs. In an age when higher education is afflicted by escalating costs, with a concomitant danger of substantial academic layoffs and possible campus closures, PETE Net is a viable initiative to reduce expenditures while extending quality education to more citizens. It is ideally suited to play a key role in worker retraining activities associated with changes in America's defense industrial base, base closure, information technology sector, and changes in the workplace.

The priorities established by PETE Net in seeking federal support for information infrastructure from the Commerce Appropriations Subcommittee are fully consistent with initiatives put forward by Washington, D.C., policymakers. Congress and the Administration have brought important leadership to accelerating the construction of the information superhighway, which promises to provide a seamless web of communications networks, computers, databases, and consumer electronics that can put extraordinary quantities of information at the fingertips of American workers and employers. Congress has already endorsed legislation that provides explicit support for federal funding for telecommunications and information infrastructure for educational institutions.

PETE Net is well situated to respond to these initiatives as they develop in Washington. As Secretary of Commerce Ron Brown, Chairman of the White House Information Infrastructure Task Force, has noted, the development of information networks "cannot be left to the private sector alone." Japan has committed billions of dollars to connect its business and educational institutions for voice, video and data communication by the year 2000. Already in the United States, several states -- including Oregon, Iowa, Maine and New Jersey -- have made substantial commitments to developing coordinated network capabilities for education, health and other public services. It is in response to these developments that PETE Net proposes to link a number of the Commonwealth's independent colleges and universities with our K-12 educational system to foster community involvement and collaborative learning.



Federal investment in this area is not only key to meeting foreign competition, but also to maintaining comparative advantage. Continuing education is a uniquely American innovation. It has proved to be a profitable investment: even before we accelerate our efforts through the use of interactive telecommunications. American higher education is a valued export commodity with a positive balance of payments, in excess of \$5 billion per year. The Commonwealth of Pennsylvania is one of the nation's leaders in higher education, not only in terms of the number of our institutions, but also in terms of the benefits reaped by participation of students from overseas.

While the design of PETE Net is to enhance competitiveness of our region's educational institutions and benefit the nation as a whole, the Network will also enable us to address issues of choice and equity in a crucial fashion. For example, students in poor or rural districts will be able to access advanced placement courses through the PETE Net, thus eliminating the forced choice between moving to another school district or being limited to an inferior education. This could prove a key benefit to federal policymakers as you analyze the potential impact of resource sharing networks.

The building blocks for the Pennsylvania Educational Telecommunications Exchange Network are already in place. Twenty-three members in PETE Net have committed their resources to building an interactive network by which we create an educational model of agile organization. These institutions include:

- Albright College
- Allentown College of St. Francis de Sales
- Cedar Crest College
- College Misericordia
- Community College of Allegheny County
- Duquesne University
- Gannon University
- Juniata College
- King's College
- Lafayette College
- Lebanon Valley College
- Lehigh Carbon Community College
- Lehigh University
- Luzerne County Community College
- Lycoming College
- Marywood College
- Moravian College
- Northampton Community College
- Reading Area Community College
- Seton Hill College
- Susquehanna University

- University of Scranton
- Wilkes University

PETE Net endeavors to link parallel educational initiatives throughout the Commonwealth to create a truly state-wide network. PETE Net members will be dedicating a substantial amount of their own institutional resources as well as funds made available through county and state grants. In addition, PETE Net is conducting an outreach campaign to enlist appropriate corporate partners who recognize the value to the community of establishing these communication networks.

So far, we have selected an equipment manufacturer, prepared and issued a vendor RFP, orchestrated essential academic and administrative planning processes, and are prepared to start exchanging courses among member colleges during the fall 1995 semester. However, a federal role is indispensable to the continued development of this resource sharing network. PETE Net members are heartened by the already expressed federal priorities identified by the White House Information Infrastructure Task Force and the Congress of the United States. It is therefore with considerable optimism that PETE Net members have sought the support of Washington policymakers for a federal/state/local partnership to realize the full capabilities of a communications network for the educational institutions in our region.

Our institutions recognize the Subcommittee's past support of telecommunications infrastructure projects for educational institutions that promote economic and community development. PETE Net respectfully requests, with the strong support of our Pennsylvania delegation, that the Appropriations Committee include \$6 million in the FY 1996 Commerce, State, Justice and Judiciary Appropriations Bill to assist in the development of PETE Net as a national demonstration of organizational agility in education that permits resource sharing among K-12, two-year colleges, four-year colleges and graduate institutions, particularly those in rural and underserved areas. PETE Net will be valuable not only to the citizens of the Commonwealth but also to all Americans as we struggle to enhance our competitiveness and efficiency to prepare for the challenges and opportunities of the 21st century.

Thank you very much, Mr. Chairman, for the opportunity to submit this testimony on behalf of the PETE Net member institutions and for considering our request for federal investment in the Pennsylvania Educational Telecommunications Exchange Network.

**DR. PHILIP ECKMAN, THE DULUTH CLINIC  
DULUTH, MINNESOTA**

**TESTIMONY BEFORE THE COMMERCE, JUSTICE, STATE,  
AND JUDICIARY SUBCOMMITTEE  
HOUSE APPROPRIATIONS COMMITTEE  
U.S. HOUSE OF REPRESENTATIVES**

**MAY 10, 1995**

**Enhanced Telecommunications Infrastructure:  
An Essential Component in Meeting  
the Health Care Needs of Rural America**

Mr. Chairman and distinguished Members of the Subcommittee, I am pleased to submit testimony for the record on behalf of the Duluth Clinic in Duluth, Minnesota. I would like to take this opportunity to describe the importance of the Lake Superior Rural Health Information Network for the states of Minnesota, Wisconsin and Michigan as we pursue a federal partnership with the Department of Commerce. I hope you will give every consideration to this worthwhile telecommunications initiative.

**INTRODUCTION**

Confronted by tighter resources and an increasingly competitive market, health care providers today are seeking alternative ways to administer care. Under such conditions, providers are being forced to reevaluate the costs and method of delivering care. Physicians and patients in isolated, medically underserved areas face additional challenges. Rural health care providers, in particular, encounter multiple geographic and communication constraints in the delivery of health care.

Moreover, the combined impact of an aging and shrinking population base, along with sharp reductions in the number of physicians and hospitals available to service that base, has left remaining providers and facilities with no option but to do more with less. In some cases, this might entail a primary care physician expanding the area he/she services. In other cases, it might mean that the patient must travel great distances to receive specialized services in a regional hospital center. But in both instances, it entails greater sacrifice on the part of both patient and provider.

Thus, many health care providers are looking ahead and exploring new ways to provide services and products more economically. The acceleration of information technologies in the medical field has opened many new possibilities for stand-alone and isolated practitioners. High-speed communication networks are now being employed and tested in the medical field for a variety of applications, clinical as well as administrative. No longer are physicians and patients in isolated regions forced to accept less care than in more medically equipped areas.

The need to address the inefficiencies created by the physical limitations common in rural health care practices has driven these providers to seek out advanced telecommunications technologies. An example of such a technology is the Integrated Switch Digital Network (ISDN), the backbone of many of the more advanced telecommunication systems in the United States. With the capacity which an ISDN provides, rural clinics, hospitals and providers can introduce health information system hardware and software to service a broader geographic region without sacrificing quality of care.

#### **DULUTH CLINIC: A REGIONAL RURAL HEALTH RESOURCE**

The Duluth Clinic has a long and distinguished history in the Western Lake Superior Region. Established in 1915 as a small group practice, the Duluth Clinic has evolved into an integrated regional health care system serving over 1,700 patients daily in more than 20 communities throughout Minnesota, Wisconsin and Michigan. Today, the Duluth Clinic is the third largest multispecialty group practice in Minnesota and the largest north of Minneapolis-St. Paul. In addition to these Clinic-affiliated sites, the Duluth Clinic maintains strong alliances with numerous health care providers throughout the Western Lake Superior Region.

Since its founding, the Duluth Clinic has upheld a tradition of medical excellence coupled with a strong commitment to meeting the health care needs of this extremely rural region. Even as the Clinic faced new challenges and growth in its history, its medical professionals never lost their dedication to placing the patient first and providing patients easy access to a regional network of physicians, clinics and hospitals. Primary care and family practice specialists are located at all neighborhood medical centers and member clinics for ready access. Patients who otherwise would have to travel great distances can often receive the care they need in their hometown.

Despite the challenges of servicing a large geographic area, the Duluth Clinic has been a visible presence for families throughout the region. Clinic specialists spend 1,400 physician days in the region visiting area health care providers and individual practitioners to offer their expertise in the diagnosis and treatment of patients needing additional medical expertise. Committed to medical excellence, the Duluth Clinic's highly skilled medical professionals have adopted a team approach to delivering quality, efficient health care to the entire region. This spirit of close cooperation with area physicians makes the Duluth Clinic an ideal setting to implement a model regional multistate health information network that other rural health providers can study and replicate.

#### **DULUTH CLINIC: A DEMOGRAPHIC PROFILE**

The importance of an enhanced telecommunications infrastructure in advancing rural health care needs is best demonstrated by the extremely challenging demographics of the Duluth Clinic's service area. Servicing portions of Minnesota, Wisconsin and Michigan and over 35,000 square miles, the Duluth Clinic's vast and exceptionally remote geographic region exemplifies how the introduction of new technology will

expand the availability and accessibility of medical care to the rural communities serviced by Duluth Clinic.

The vastness and rural character of the region severely limits access to quality health care services for Duluth Clinic's patients throughout northern Minnesota, Wisconsin and Michigan. Numerous studies and various health care experts have documented the unique characteristics of rural areas, including geographical barriers, which isolate medical personnel from their colleagues and major resource centers and make it difficult to recruit and retain doctors and other health professionals. Moreover, to access many of Duluth Clinic's specialists, patients must make the extremely long trip to the main facility in Duluth.

The Duluth Clinic's service area throughout northern Minnesota, Wisconsin and Michigan averages 27 persons per square mile, a startling contrast to parts of New York City for example, which contains over 50,000 persons per square mile. The remoteness of the region and the lack of public transportation systems makes the pursuit of primary and specialized care difficult for Duluth Clinic patients who may require the services of Duluth Clinic's main facility. Further, physical barriers to access may be outweighed by financial barriers as lower incomes and a less stable economy in rural areas present additional challenges to sustaining quality health care institutions like Duluth Clinic.

### **THE LAKE SUPERIOR RURAL HEALTH INFORMATION NETWORK**

In an effort to adapt to the sweeping changes in the health care market, the Duluth Clinic is developing the Lake Superior Rural Health Information Network, a regional health information network designed to improve the communication and transmission of medical information between all clinic sites. The Duluth Clinic enjoys strong support for this initiative from a variety of public and private sector interests, including local and state government endorsement. One of the Clinic's primary goals of deploying information technologies in the health care domain is to manage health care resources more effectively. The Duluth Clinic is prepared to demonstrate that telecommunications systems are a viable solution to the inequities in health care services among rural, underserved areas.

The Lake Superior Rural Health Information Network will provide open connectivity for systems and users and minimize inefficient or redundant allocation of health information networking resources. This network will also provide numerous long-term benefits, such as reduce physician isolation and access to continuing medical training/education; ensure faster response time to medical situations and service requests; deploy medical and administrative staff and utilize health care resources more effectively; reduce costly duplication and unnecessary travel expenditures associated with physician/patient consultations in a large multistate region.

The Lake Superior Rural Health Information Network will be implemented in two phases. In Phase I, medium capacity network connections will be installed at the Duluth Clinic and its' Neighborhood Centers (Lakeside, West, Hermantown, Superior East and

Superior South) and Regional Centers (International Falls, Hibbing, Ashland, Spooner, Ely and Deer River). Low capacity network connections will be installed at the Primary Care Centers (Floodwood, Babbitt, Tower, Chisholm, Remer, Washburn, Iron River, Hayward and Solon Springs) and at the Regional Hospitals (Superior Memorial Hospital, Falls Memorial Hospital, Ely Bloomenson Community Hospital, Mesabi Regional Medical Center, Community Memorial Hospital, Hayward Area Memorial Hospital, Spooner Community Memorial Hospital and Grandview Hospital).

The capital costs associated with Phase I will total \$5.53 million over two years, with annual recurring operating costs of \$1.321 million.

Dial-in remote access will be provided at nine additional Outreach Consultation Sites, two Federally Qualified Health Centers and at the Native American Tribal Health Facility at the Lac Courte Oreilles Health Center.

For Phase II, additional capacity will be required to allow for the introduction of teleradiology, medical imaging and interactive clinical services within the Duluth Clinic system. To facilitate this expansion, it is proposed that the network connections of virtually every facility be upgraded by one level. For example, the Main Campus, the Neighborhood Centers and the Regional Centers would be modified by the installation of high-speed access configuration. The Primary Care Centers and the Regional Hospitals would be upgraded from low to medium, and the other facilities, centers and sites would be updated from low to high speed dial.

The capital costs of Phase II, which would be implemented immediately upon completion of Phase I, are estimated to be \$1.812 million, with annual recurring operating costs of \$1.048 million.

#### **REQUEST FOR FEDERAL ASSISTANCE**

While there is disagreement between Congress and the Administration on the appropriate federal role in developing a national information infrastructure, all agree that an improved information infrastructure will enhance American economic growth and competitiveness. And few dispute that the introduction of information technologies in the medical domain is quickly becoming an important way to manage the escalating costs of delivering quality, efficient health care, particularly in geographically isolated areas with little access to basic medical care.

As was the case with the introduction of electricity and telephone service 50 years ago, a federal role in deploying and sustaining these communications technologies in rural America remains indispensable. The United States cannot rely solely on market forces to drive investment in medical information technologies, for to do so would deprive the residents of small towns all across America of the access to health care services which people in urban and suburban areas take for granted. Federal investment in the Lake Superior Rural Health Care Network is critically important to the entire tri-

state region. This initiative will serve as a national model for other multistate systems seeking to link clinic sites over a geographically expansive area.

The Lake Superior Rural Health Information Network is a cost-effective and measured response to the changes taking place in the health care marketplace. The Duluth Clinic's large rural service area expands across three states and would provide an ideal setting to conduct a national health information network demonstration. Duluth Clinic is prepared to demonstrate that telecommunications systems are a viable solution to the inequities in health care services among rural, underserved areas. One of the Duluth Clinic's primary goals of deploying information technologies in the health care domain is to manage health care resources more effectively.

The Duluth Clinic acknowledges the importance of several programs under the jurisdiction of the Department of Commerce which foster advanced communications technologies in the health care sector. The National Telecommunications and Information Administration has leveraged critical support for public and private sector telecommunications demonstration projects that promote widespread and innovative use of advanced technologies, especially those which serve rural and underserved areas. Similarly, the National Institute of Standards and Technology's Advanced Technology Program has accelerated the development of powerful, new technologies that can catalyze the integration of an information infrastructure for the health care industry. The Duluth Clinic requests the Committee's investment in the Lake Superior Rural Health Information Network as a viable solution to managing more efficiently the health care resources in a large, multistate service area.

Specifically, the Duluth Clinic seeks direct funding of \$3 million from the Committee in FY' 1996 in support of this proposal. While the federal assistance sought for this initiative is not insignificant, it is hard to imagine an upgrade of the telecommunications infrastructure for a health care system linking 43 facilities spread out over a 35,000 square miles costing less than \$214.28 per square mile. In return for this federal commitment, the Lake Superior Rural Health Information Network will shoulder the burden of annual costs estimated to approach \$2.5 million.

The Duluth Clinic has committed significant institutional resources to the development of this initiative. A variety of public and private entities throughout Minnesota, Wisconsin, Michigan and other states have also leveraged support for this network. Yet, state and private supporters cannot fully underwrite an initiative that is national in scope. The Duluth Clinic has received significant intrastate endorsement for the Lake Superior Rural Health Care Network, most notably from other health care providers in the tri-state region interested in accessing the network. The Duluth Clinic has developed strong professional ties to patients and physicians independent of the clinic system who would naturally benefit from a rural health information network. The Clinic is willing to incorporate such physicians and providers into the network.

Thank you, Mr. Chairman, for your consideration of this request for federal investment in the Lake Superior Rural Health Information Network.

**TESTIMONY SUBMITTED FOR THE RECORD  
TO THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON  
COMMERCE, JUSTICE, STATE, AND JUDICIARY OF THE HOUSE  
APPROPRIATIONS COMMITTEE  
DR. KOFI BOTA  
CLARK ATLANTA UNIVERSITY**

*May 11, 1995*

Mr. Chairman, thank you for the opportunity to submit this statement for the record. Clark Atlanta University (CAU) is proposing the establishment of a Center of Excellence for Technology Transfer (CET<sup>2</sup>) to conduct value-added research and development that is market directed and to promote commercialization of new technologies. In developing the concept for CET<sup>2</sup> we have worked closely with the Department of Commerce supported Center at Iowa State University (ISU) -- The Center for Advanced Technology Development -- to align the goals and mission of our Center with those of the Department of Commerce.

Clark Atlanta University, a historically black comprehensive university formed in 1988 by the consolidation of Atlanta University (founded 1865) and Clark College (founded 1869), has built a significant base for research and development, technology transfer, and education in the sciences, engineering and technology. The recent establishment of the Research and Education Center for Science, Engineering and Technology (RECSET) is an affirmation of CAU's commitment to both basic and applied R&D and technology transfer.

CAU's current centers of excellence and laboratories in science, engineering and technology have positioned the university to play a significant role in the marketing and commercialization of technology in the region. These centers include:

- Center of Excellence in Information Sciences funded by the National Science Foundation and the Army Research Office with research foci in database, image, and signal processing, software technology, and artificial intelligence;
- Center for Environmental Policy, Education and Research funded by EPA and the Army Research Office. Program areas include environmental policy analysis, environmental modeling, and health risk assessments;
- Minority Research Center of Excellence. Program foci include atomic and molecular theory, fractal physics, nonlinear systems, and wavelet analysis and image compression;



- Center for High Performance Polymers and Ceramics funded by NASA is expanding existing polymer and ceramic research capabilities in polymer synthesis; polymer characterization and properties; polymer processing; and polymer-based ceramic synthesis;
- Laboratory for Advanced Aerospace Structures;
- Software Engineering Research and Education Laboratory.

These centers and laboratories provide CAU faculty and students with a broad based understanding of technology research and development. The CET<sup>2</sup> is the logical next step. We will work with industry to focus on R&D from a market-based perspective and the commercial viability of the research product.

Specific activities of the CET<sup>2</sup> will include:

- Access to technology transfer opportunities information;
- Technology evaluation including bench and pilot scale testing; assistance with technology development;
- Incubation and strengthening of small and minority business enterprises in technical, marketing, and management activities;
- Information resources management for a broad range of technology, HBCU/MI personnel and physical resources, and minority business enterprises;
- Assistance with licensing, patents, and other legal matters;
- Scientific and engineering consulting to industry and government;
- Technology transfer and training for government and industry;
- Education, training and curriculum enhancement for faculty and students;
- Fostering Mentor/Protege Programs; Small Business Technology Transfer; Small Business Innovation Research; Cooperative Research and Development Agreements.

Mr. Chairman, universities can contribute directly to national economic goals through the development and implementation of technology development centers like the CET<sup>2</sup>. By focussing on value-added research and development that is market directed and the promotion of commercially viable new technologies, we will be able to help industry utilize research dollars in the most cost-effective manner.

Furthermore, by supporting the development of the CET<sup>2</sup>, Congress and the Department of Commerce can provide leadership for national technology transfer to HBCU and Small and Minority Business Enterprises.

We are seeking this subcommittee's support for an appropriation of \$3 million in FY1996 for initial costs associated with the development of the CET<sup>2</sup>. These funds will be matched by university and private sources.

Thank you for the opportunity to submit this statement and for your careful consideration of this request.

**CONGRESSIONAL TESTIMONY SUBMITTED TO  
THE HOUSE COMMERCE, JUSTICE, STATE, AND RELATED AGENCIES  
APPROPRIATIONS SUBCOMMITTEE**

**DR. THOMAS MANION, PRESIDENT  
ST. NORBERT COLLEGE**

May 11, 1995

Please accept the following statement for inclusion in the hearing record. The International Center at St. Norbert College in De Pere, WI, is seeking to expand its extremely successful small business-assistance programs throughout the State and the Upper Midwest.

St. Norbert College is a comprehensive college of arts and sciences located in De Pere, Wisconsin. Founded in 1898, the College has a mission and long tradition of quality academic and community support in the fields of business and international education.

Over twenty years ago, St. Norbert College made a major commitment to international education. It was one of the first four-year colleges to establish a degree program in international business when it formally launched its International Business & Language Area Studies major in 1972.

The College has since added interdisciplinary majors in International Studies and International Economic Studies. The College has strong programs in modern foreign languages including Spanish, French, German, Russian, and Japanese. In the 1980's it expanded its study abroad opportunities for undergraduates and developed two way exchange programs with universities in Japan, Germany, China, Ukraine, Ecuador, France, and Spain. All undergraduate students must take courses in Foreign Heritage and Global Society as part of their General Education requirements.

St. Norbert College established the International Center in the late 1980's with an education, training, and technical assistance mission of preparing the current and future generation of small business leaders to meet the challenges of a society and economy which has become increasingly global in nature.

St. Norbert College is playing an increasingly important role in developing Wisconsin's small business community's competitiveness internationally and expanding jobs and investment locally. Since 1989, the International Center has been a major resource for increasing economic development in Wisconsin, particularly among small businesses. Technical assistance programs and activities involving a wide range of research, consulting, training, and continuing education services have been designed to meet the needs of individual companies, as well as groups of people from various organizations, including owners, executives, managers, technicians, line staff, marketing and other personnel.

In 1992, the International Center formed a unique partnership with the Wisconsin Department of Development, Bureau of International Trade. It was the first time that a state agency had located one of its major offices on a college campus employing one of its full-time international trade specialists at St. Norbert College to advise businesses interested in initiating or expanding exporting. However, when the State office found that many of these businesses were unable to act on their advice because they lacked the skilled staff, time, and expertise to do so, the International Center developed a joint technical assistance project that has evolved into the Export Management Services (EMS) program.

The International Center developed its EMS technical assistance programs and services in direct response to (a) specific requests from Wisconsin businesses, and (b) an extensive, scientifically valid needs assessment survey of a random sample of over 600 Wisconsin business executives conducted by the St. Norbert College Survey Center. Both the individual company requests and the survey of executives indicated that the biggest barrier to initiating or expanding export marketing was a lack of technical information and the need for technical assistance to utilize that information.

Mr. Chairman, I firmly believe the International Center is a model for a regional economic development partnership with higher education, industry and government. As you know, the subcommittee has supported this project in previous years with funding to develop and design the International Center facility. In keeping with the commitment the College has made to the small business community, we will complete construction of this facility later this year.

We are seeking your support for a \$1,200,000 grant in fiscal year 1996 to expand the reach of the International Center's small business-assistance programs to more of the State of Wisconsin and the Upper Midwest. I realize that funds for programs such as these are scarce this year, but with the ongoing cooperation of the State, the International Center is able to provide a tremendous return on a relatively small investment.

**DR. WILLIAM TRUEHEART  
PRESIDENT  
BRYANT COLLEGE -- SMITHFIELD, RHODE ISLAND**

**CONGRESSIONAL TESTIMONY SUBMITTED TO THE  
HOUSE APPROPRIATIONS SUBCOMMITTEE ON  
COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES**

**May 11, 1995**

Mr. Chairman, and Members of the Subcommittee, please accept this statement for the record on behalf of Bryant College's Center for International Business and Economic Development (CIBED).

Bryant College, a 130-year-old independent college of business administration in Smithfield, Rhode Island, has, since 1973, invested heavily of its own resources to build an impressive array of "corporate outreach" and professional education programs that, collectively, have served as an important engine for regional economic development with a focus on small businesses.

Throughout Southern New England, Bryant has earned a very favorable reputation as a valuable source of expertise and practical support in small business development, corporate training programs, executive and continuing professional education, export and international trade assistance, and consulting and succession planning services for family businesses.

Bryant's faculty of 138 teacher-scholars is a proven regional resource, sharing its expertise through consulting, research and community service activities. The College's 2,800 full-time undergraduates, currently drawn from 31 states and 34 foreign countries, represent a valuable talent pool for the region, as do its 800 graduate students within its M.B.A and M.S. in Taxation programs. Over 10,000 people annually, representing some 1,800 firms take advantage of Bryant's continuing education programs and corporate outreach services.

Through its five corporate outreach programs, extensive Executive and Professional Continuing Education operations, and Part-Time Studies program, Bryant has earned a particularly strong reputation for service to the corporate community and the workforce of Southern New England. Among the principal vehicles for delivery of training and corporate consultation services are:

**A. Rhode Island Small Business Development Center (RISBDC)**

In 1982 Bryant College became the nation's first private institution of higher education to operate a statewide Small Business Development Center. Today, RISBDC operates a network of six offices throughout the state under funding from the College, the federal Small Business Administration and the Rhode Island Department of Economic Development. The Small

Business Administration considers RISBDC to be among its flagship operations, having had a positive impact on over 1,000 consulting clients in 1991-92, and having served over 3,000 people through its many training programs.

Of special interest is RISBDC's recent successful collaboration with the Northern Rhode Island Private Industry Council in providing an innovative Entrepreneurial Training Program to assist, 36 unemployed technica wishing to start and manage their own businesses. The program reports a nearly 90% success rate as measured by the number of new enterprises established and job placements.

#### **B. Center for Management Development (CMD)**

Established in 1973 as Bryant's vehicle for flexibly addressing the training and continuing professional education-needs of the corporate community and regional workforce, the Center has grown to serve more than 8,000 individual, corporate and non-profit clients annually in more than 300 programs on the campus, in mobile microcomputer laboratories and at corporate locations throughout Southern New England.

#### **C. Rhode Island Export Assistance Center (RIEAC)**

In 1988, in response to recommendations developed by a statewide task force, Bryant College established the Rhode Island Export Assistance Center to assist businesses aspiring to operate in a global economy. In four years, RIEAC's programs have attracted national recognition for their success in instructing business practitioners, including small businesses, in the identification and pursuit of international market opportunities.

#### **D. World Trade Center Rhode Island (WTCRI)**

In 1989 Bryant College became the first private institution of higher education to operate a World Trade Center franchise. As a member of the World Trade Center Association, Bryant is part of a network of over 185 international centers organized to provide trade services to both corporate and small business clients. These include an international computer network, a newsletter of international trade issues and reciprocal services with over 400,000 affiliate members.

#### **E. Institute for Family Enterprise (IFE)**

Rhode Island has been called the quintessential family business state, with an estimated 75 - 85% of its business entities under family ownership. These firms are subject not only to the ordinary pressures of corporate growth and survival, but to an important overlay of family dynamics. This creates special needs with respect to coping with inter-generational succession and financial planning, multi-generational conflict resolution, estate planning and a host of other unique problems.

The Center for International Business and Economic Development serves as the organizational umbrella for Bryant's existing corporate outreach activities, and provides a more comprehensive and integrated delivery system for their client services.

The College has long stressed the importance of "service to the corporate community" as a central part of its institutional mission. The Center will dramatically strengthen the linkages among Bryant's traditional academic and corporate service functions (teaching, research, executive education, continuing and professional education, and direct corporate outreach), the numerous economic development agencies of the region, and the business and industrial community.

Mr. Chairman, it is clear that future economic growth for the Southern New England region will depend upon success in four important areas.

1. Small Business Development: The importance of small businesses in job creation and technological innovation is well documented. For the past two decades, two-thirds of the nation's new jobs have been created within small firms. Although the attrition rates for new enterprises remain high, longitudinal studies of entrepreneurial behavior now suggest a more encouraging pattern of cumulative learning over multiple successive ventures. Further progress will depend upon increased understanding of the organizational dynamics of new ventures, new models of entrepreneurship education, and better techniques for reconciling the capital needs of new firms with the fiduciary obligations of financial institutions and capital markets. Similarly, much remains to be done in terms of creating and nurturing opportunities for minorities and women.

2. International Trade: Rhode Island needs to realize its export potential and increased sophistication with respect to international trade issues. One of the few encouraging aspects of the recent economic downturn has been the increased attention by New England firms to exploiting new markets for their products. In Rhode Island, for example, exports have risen dramatically -- 65% in the past five years -- due in part to the success of innovative programs such as those offered by the Rhode Island Export Assistance Center at Bryant College.

3. Technology Transfer/Commercialization: Choices need to be made as to the appropriate technologies upon which to base future growth and development. These choices will provide the cornerstone for economic development. Success in this arena will depend upon creative public-private partnerships; new levels of coordination with respect to public policies and industrial practices; and the creation of "common ground" for constructively addressing the industrial, commercial and educational challenges of the coming decade.

4. Workforce Retraining: To compete effectively in the global marketplace, the firms of the region will need "high performance" workers; more flexible supervisors; greater facility in managing both industrial processes and information; and better delivery systems for lifelong and continuing education. They will need training programs specifically designed to engage and motivate displaced industrial workers and to accommodate the needs of an increasingly diverse workforce. This need will place new demands on the educational institutions of the region, and require new partnerships between the business and educational communities.

To help fulfill the promise that Bryant College has begun with the creation of the Center for International Business and Economic Development, Bryant is seeking Federal program support of \$2,000,000 for fiscal year 1996 for the continuation and expansion of its small business assistance programs with an emphasis on economic development and export promotion. Thank you for this opportunity to present testimony on behalf of Bryant College's initiative.



NATIONAL PUBLIC RADIO

on

FY 1996 APPROPRIATIONS for the

PUBLIC TELECOMMUNICATIONS FACILITIES PROGRAM

submitted to

SUBCOMMITTEE ON COMMERCE, STATE, JUSTICE, STATE AND  
JUDICIARY

COMMITTEE ON APPROPRIATIONS

UNITED STATES HOUSE OF REPRESENTATIVES

**May 3, 1995**

Mr. Chairman and members of the subcommittee, on behalf of NPR's 524 member stations, I wish to request an appropriation of \$29 million for the Public Telecommunications Facilities Program (PTFP) for FY 1996, a freeze at the FY 1995 level.

Funding for the public broadcasting infrastructure has been an important component of the funding structure for public broadcasting. It is as important now as it was when PTFP was established in the 1970's:

- Investment in PTFP is an investment in the educational and community use of technology.
- Investment in PTFP helps maintain the considerable investment already made in the public broadcasting infrastructure, an infrastructure that is nearly universal and that is ready to be augmented by new technologies as a part of the information highway.
- Investment in PTFP allows public radio to reach unserved audiences.

**Investment in PTFP is an investment in the educational and community use of technology.**

Public radio stations across the country provide important educational and community services. The infrastructure built by PTFP and other community resources delivers programming that provides opportunities for lifelong learning. The learning opportunities reach people wherever they are: in the car, at home or at work. Public radio programming is also used in the classroom. For example:

- Last year, KUNM-FM in Albuquerque, NM received a PTFP grant to install a network of six translators to extend their signal into the Northwest corner of the state and augment the academic and distance learning services that the University of New Mexico can provide to the area.
- In conjunction with the National Geographic Society, NPR has produced, and PTFP-funded infrastructure has delivered, programming on topics such as fresh water and weather for use in the classroom. This programming is accompanied by teacher's guides.
- Local public radio stations with PTFP-built and/or maintained equipment provide unique services and programming to meet local needs.

Connecticut Public Radio presents a monthly "Alcoholics Anonymous Open Information Meeting," providing people with a greater degree of anonymity than attending a meeting in person. In Chico, CA, KCHO-FM is building a distance learning audio network to serve the rural and mountainous regions of northern California with programs that will earn credit at California State University, Chico. In Arizona, the Sun Sounds radio reading service is heard on the subcarrier of KUAT-FM in Tucson, AZ. Sun Sounds serves 4000 blind citizens in the Tucson area with readings of local and national publications. Public radio stations in most of the fifty states are involved in providing this service to visually impaired listeners.

**Investment in PTFP helps maintain the considerable investment already made in the public broadcasting infrastructure, an infrastructure that is nearly universal and that is ready to be augmented by new technologies.**

Since its inception, PTFP has invested \$500 million in public telecommunications facilities that deliver informational, cultural and educational programming to the American people. That is a significant investment in a system that is now nearly universal, reaching communities as diverse as Pt. Barrow, Alaska; Jackson, Mississippi and Los Angeles, California. This universality provides an amazing potential for communication among Americans as we move further into the information age. We should not let it deteriorate.

The following are examples of stations providing key services to their communities. These communities and state, local and federal governments have made major investments in these institutions. PTFP has helped, or is being asked to help, maintain that investment. In many communities, these types of repairs would be beyond the station's reach.

- KRBD-FM in Ketchikan, AK received a PTFP grant last year to replace its antenna and to change its frequency, eliminating interference from another FM station. The grant was for \$38,622. The remainder of the project cost of \$64,370 must be raised in Alaska.
- The 9-station public radio network in Nebraska has applied for a grant this year to replace its obsolete and worn-out master control console and routing switcher.
- WOUB in Athens, OH received a grant of \$117,616 in 1994 to replace its worn-out and obsolete transmitter and antenna. That is about half of the project cost.

- WUNC-FM in Chapel Hill, NC received a grant of \$118,850 to upgrade its radio transmission system. WUNC shares a tower with the University of North Carolina Center for Public Television. The current tower is obsolete and rusting and is being replaced. The new radio transmission system will be added to the tower. Half of the project cost will be raised locally.

Maintenance of this nearly universal system is especially important as we develop the information highway. The development of an interactive telecommunications network linking schools, libraries, health care facilities, governments and other public information producers offers exciting possibilities for public service. Public radio has an important role to play in the development of this information highway. The existing network of stations across the country provides an infrastructure that is ready to be augmented by new technologies, and is already doing so.

For example, public radio stations in Alaska, Massachusetts, Colorado, Virginia, California, and Indiana are involved in a project to encourage free public access to education and information on-line services, using local public radio and television stations as a nucleus. As a part of this project, WNIN in Evansville, IN installed public access terminals in low-income housing areas. Users can access local public libraries, newspapers, and schools and use Internet e-mail. After the first quarter of use, WNIN On-line has received over 44,000 calls and 1800 registered users.

While the highway is in development it does not make sense to allow services that already serve hard-to-reach areas go into disrepair. In addition, public radio stations will be important players and partners in serving communities via the information highway. It is important that they remain viable.

#### **Investment in PTFP will allow public radio to reach unserved audiences**

Public radio coverage in the U.S. is around 90%. There are still areas to reach. PTFP will help the public radio system develop service in unserved and underserved audiences. For example:

- WMMT-FM in Whitesburg, KY received a grant in 1994 to extend its signal by replacing its antenna, transmitter and increasing its power. The grant will enable the station to serve 51,000 people now unserved by the station.
- Last year, the Kekahu Foundation in Hanalei, HI received a grant to plan for the establishment of the first public radio station to serve the island of Kauai, Hawaii.

- KUT-FM in Austin, TX received a 1994 grant of \$91,534 to provide first service to a population of 99,000 in San Angelo, TX. Another \$30,000 must be raised in the community. The nearest public radio station is 90 miles away and the only classical music programming that is available is through the cable system and is only available to cable subscribers.
- WUNC-FM in Chapel Hill, NC received a grant in 1994 to, among other things, bring service to a significant rural and African-American population of 70,000 in North Carolina and 103,000 in Virginia. In addition, the signal extension will enhance the clarity and strength of the current signal and extend the Radio Reading Service of Raleigh to thousands of visually handicapped citizens in the new coverage area.

PTFP is truly a successful public/private partnership. Each grant leverages more from local communities. In fact, PTFP requires a local match - frequently 50%. The PTFP is a small program, but a very important one. While public radio's product is programming, without the infrastructure we would have a product but no way for listeners to hear it.

The nearly universal nature of the public radio system, the important services that system provides, and the need to complete our efforts to reach all Americans are all very important reasons to continue funding the PTFP. The \$29 million we request is a very modest investment, but a smart one, we believe. We encourage your continued support of the PTFP.

**STATEMENT OF STUART H. SHAPIRO, M.D.  
PRESIDENT AND CEO, PRISON HEALTH SERVICES, INC.**

**BEFORE THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS  
FOR THE DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE,  
THE JUDICIARY, AND RELATED AGENCIES**

**Mr. Chairman and Members of the Subcommittee:**

I am pleased to have this opportunity to acquaint you with the provision of health care services in prisons and jails across America; and to explain how privatizing/outsourcing the very cost-inefficient health care system in the Federal Bureau of Prisons with an experienced, quality managed health care provider can save taxpayers up to \$1 billion over the next five years without any loss of control by the Bureau of Prisons. Over the last 15 years, more than 100 state and local jurisdictions have already experienced the successful transition in privatizing their correctional health care systems, simultaneously improving quality and saving billions of taxpayer dollars.

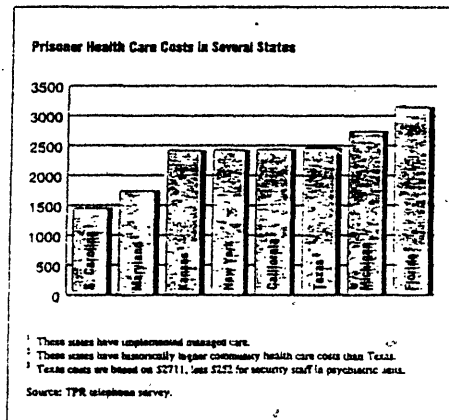
**The Problem: Rising Costs For Federal Bureau of Prisons Health Care**

The costs of providing health care to the more than 95,000 inmates confined in federal prisons is staggering, and has been increasing as a percentage of the BOP's total operating budget. In 1988, the BOP spent \$86 million on direct inmate health care. At the time, the BOP housed 43,835 inmates. Therefore, the BOP spent about \$1,962 per inmate in 1988. By 1994, the BOP was spending almost \$300 million for medical care, or over \$3,100 per inmate. Put another way, between 1988 and 1994, the BOP inmate population increased by 117 percent. Over the same time period, direct inmate health care expenses increased by 249 percent. As a percentage of the total BOP operating budget, medical care costs have increased from 9.3 percent in

1988 to over 12 percent in 1995. These costs will continue to skyrocket for several reasons:

- ◆ The federal inmate population is growing by more than 10 percent a year.
- ◆ The federal inmate population is aging, thereby requiring more health services.
- ◆ The incidence of chronic diseases (such as AIDS) among inmates is increasing.

These costs are substantially higher than most states pay to provide health care to their prison populations on a per inmate basis. Indeed, according to an April 1994 Texas report, of the eight states with the largest state prison populations, only Florida's health care costs per inmate came close to the amount spent on federal prison health care.



Source: Texas Performance Review: *Behind the Walls: The Price and Performance of the Texas Department of Criminal Justice*, April 1994

After looking at Texas' prison health care costs, the State Comptroller's Office made the following prediction: "In the future, [Texas' prison] managed health care plan will contract with external health-care providers . . ."<sup>1</sup> The U.S. General Accounting Office (GAO) was similarly positive in its assessment of privately-managed prison health care. In a February 1994 report on the BOP health care delivery system, GAO indicated that "at least 15 states provide all or part of their health care to inmates through private contractors" and that BOP should consider adopting such an approach.<sup>2</sup>

### Why States and Localities Have Privatized Prison Health Care

Beginning in the 1970s, state and local governments began to seek alternatives such as contracting out and privatizing some prison and jail functions. Managing the health care services provided to inmates is an area that has seen tremendous growth in recent years. Since 1978, more than 40 percent of the largest jails and 25 percent of state prisons throughout the country have privatized their health care services. Today, hundreds of state and local governments, and more than 300,000 inmates, are served by private managed health care firms such as Prison Health Services (PHS) of New Castle, Delaware. PHS has been providing quality managed-health care services for inmates to state and local governments since 1978. Among the states where PHS currently contracts with state and local governments: Maryland, Kansas, Tennessee, Florida, Pennsylvania, California, Maine, South Dakota, West Virginia, Illinois, and Georgia.

Much like the BOP, many state prison systems were burdened by direct health care costs of \$3,000 to \$4,000 per inmate per year prior to privatization. PHS estimates that other, hidden costs related to the delivery of health care services-- such

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<sup>1</sup> Texas Performance Review: Behind the Walls. The Price and Performance of the Texas Department of Criminal Justice, April 1994.

<sup>2</sup> United States General Accounting Office: Bureau of Prisons Health Care. Inmates Access to Health Care is Limited by Lack of Clinical Staff, February 1994.



as the cost of providing security for off-site health care visits and defending health care related lawsuits -- add another 50% to the direct health care costs. In other words, total costs, including both direct expenses of providing health care services plus related, indirect costs, bring the total expenditure to as much as \$4,500 to \$6,000 per inmate per year in non-privatized settings.

Contracting with managed care companies such as PHS has saved prisons and jails millions of dollars per year because **PHS provides services at a predetermined price and assumes all liability.** PHS creates a single line item in a budget that is guaranteed not to go higher. In addition, by offering a greater range of health care services at prison sites, and by managing care and eliminating unnecessary procedures, PHS reduces the transportation and security expenses associated with off-site health care visits. As a result of such proactive, aggressive management, in 1993 PHS was able to provide direct health care services to prisons and jails at over 100 sites at an average cost of \$1,987 per inmate for the year, while reducing other related costs by up to 50 percent.

Cost savings as a result of privatization of prison health care are dramatic. PHS estimates that during 1993:

- ◆ In Maryland, **privatization saved \$25 million** in direct and indirect inmate health care costs.
- ◆ In Kansas, **privatization saved \$11 million.**
- ◆ In Philadelphia, **privatization saved \$3 million.**
- ◆ At PHS' 100 sites nationwide, **privatization saved \$100 million in health care costs.**

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<sup>3</sup> Estimates of cost are based on 24-hour inpatient care or an average 6-hour outpatient visit requiring an appropriate vehicle and two correctional officers to accompany each inmate.


**What an "HMO Behind Bars" Can Do For The Federal Bureau of Prisons**

The concept of managing inmate health care is already familiar to the millions of Americans who have switched their health insurance from traditional indemnity plans to Health Maintenance Organizations (HMOs). HMOs in the private sector have been shown to save money and improve the quality of health care delivery.

As an "HMO behind bars," companies such as PHS save hundreds of millions of taxpayer dollars at the state and local levels and can offer the BOP the same opportunities to provide quality services at reduced and fixed costs. Private contracting will save the BOP \$2,000 or more per inmate each year in direct and indirect health care costs. For the current federal prison population of 95,000, this cost reduction could represent a total savings of \$200 million annually. Over five years, the savings could total \$1 billion.

I urge the Members of the Subcommittee not to ignore these potential savings as you craft an appropriations bill for fiscal year 1996.

Thank you again for this opportunity.





**STATEMENT**

**FROM**

**STEVE A. ROBERTSON, II, DIRECTOR  
NATIONAL LEGISLATIVE COMMISSION  
THE AMERICAN LEGION**

**TO THE**

**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE AND JUDICIARY  
COMMITTEE ON APPROPRIATIONS  
UNITED STATES HOUSE OF REPRESENTATIVES**

**ON**

**LEGAL SERVICES CORPORATION FUNDING  
RECOMMENDATIONS FOR FISCAL YEAR 1996**

**MARCH 31, 1995**

Statement of  
 Steve A. Robertson II, Director  
 National Legislative Commission  
 The American Legion  
 to the  
 Subcommittee on Commerce, Justice, State and Judiciary  
 Committee on Appropriations  
 United States House of Representatives  
 March 31, 1995

Mr. Chairman, The American Legion appreciates this opportunity to express its concerns regarding funding for the Legal Services Corporation.

Since 1974 Congress has funded the Legal Services Corporation to provide low-income people access to free legal services. A key component of the Legal Services Corporation is the National Veterans Legal Services Program, a national support center on veterans' law.

The Legal Services Corporation has over 1200 offices nationwide offering legal assistance annually to over 1.5 million low-income people. Unfortunately many military veterans fall into that category. To the best of our knowledge, the Legal Services Corporation does not keep statistical data on the number of military veterans or their dependents served, but there is no doubt that they help many low-income veterans and their families with claims for Social Security benefits, divorces, and landlord-tenant problems. If the Legal Services Corporation did not exist, nearly all of these low-income military veterans would not be able to receive quality legal representation in these "quality of life" issues.

The American Legion recognized the value of the Legal Services Corporation to the military veterans' community. In September 1992 the Legal Services Corporation entered into a grant agreement with The American Legion, the Disabled American Veterans, the Paralyzed Veterans of America and the National Veterans Legal Services Program to form the Veterans' Consortium Pro Bono Program. The Veterans' Consortium Pro Bono Program has been truly a "life saver" for military veterans appealing claims beyond the Board of Veterans' Appeals.

The Legal Services Corporation played a tremendous role in the organizing, administering and funding this comprehensive pro bono program. The Veterans' Consortium Pro Bono Program has two elements: Outreach/Education and Case Evaluation/Placement. In the Outreach/Education phase, attorneys are recruited to represent pro se appellants on a pro bono basis. These "recruits" receive additional training and a copy of the VETERANS BENEFITS MANUAL produced by the National Veterans Legal Services Program at no cost to the volunteer.

In the Case Evaluation/Placement phase, cases are reviewed for financial eligibility and merit. Selected cases are then

assigned to attorneys with a case-screening memorandum that addresses the facts and other legal issues. Each attorney is provided comprehensive advisory services from a dedicated veterans law specialist and mentoring attorney. These services may include assistance in developing litigation strategy, advice on researching veterans' law, review of draft briefs and motions, help with the court's procedures and rules of practice, sample briefs and other pleadings, and assistance in preparing for oral argument.

The Legal Services Corporation helps to fund the excellent work accomplished by the National Veterans Legal Services Program. The work done on behalf of America's veterans by the National Veterans Legal Services Program is well documented. Their efforts in producing and maintaining the VETERANS BENEFITS MANUAL and THE VETERANS SELF-HELP GUIDE ON VA CLAIMS, working on Agent Orange issues and the publication of their newsletter, "The Veterans Advocate," have been tremendous benefits to the military veterans' community.

In preparing the FY 1996 budget, please keep in mind the efforts of the Legal Service Corporation on behalf of not only the low-income military veterans and their families, but the entire military veterans community.

Mr. Chairman and members of the Subcommittee, this concludes my testimony. Thank you.



**FACING  
HISTORY  
AND  
OURSELVES**

**STATEMENT FOR THE RECORD OF  
MARGOT STERN STROM,  
EXECUTIVE DIRECTOR  
FACING HISTORY AND OURSELVES**

to the

**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, AND THE JUDICIARY  
COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES**

**Submitted on  
May 11, 1995**



**STATEMENT FOR THE RECORD OF  
MARGOT STERN STROM, EXECUTIVE DIRECTOR  
FACING HISTORY AND OURSELVES**

to the

**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, AND THE JUDICIARY  
COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES**

**May 10, 1995**

Mr. Chairman, and members of the subcommittee, thank you for including this statement on behalf of Facing History and Ourselves (FHAO) in the FY 1996 outside witness hearing record. Facing History and Ourselves was honored to be recognized by this Subcommittee last year as an effective program. Specifically, the report accompanying the FY 1995 Commerce, Justice, State and the Judiciary Appropriations Act included language praising our violence prevention programs, and directed the Office of Juvenile Justice and Delinquency Prevention to review our grant application and provide funding upon the determination that the program was worthy. In my statement, I will discuss the progress we have made in our work with the Office of Juvenile Justice and Delinquency Prevention. I would also like to take this opportunity to explain why the important work being done by Facing History is critical to the prevention of violence in the country. Since Facing History presented testimony before this Subcommittee last year the demand for our services has continued to increase, and we are uniquely positioned to respond in a way that will have significant impact. As such, we are requesting the support of this Subcommittee for additional funds in FY 1996 to expand our program in five urban centers where young people are most at-risk.

**STATEMENT OF THE PROBLEM**

Today's teenagers are frequent victims of hate crimes as evidenced by bigotry, violence and hatred. Some are trapped in the cross fire of gang warfare, using weapons to resolve interpersonal conflicts. Many children witness and are victimized by violence in the home or by hate speech at school and on the street. And both children and adults are paralyzed by fear, terror and indifference.

The National Education Goals Report (1993) confirms that substantial numbers of students continue to be victims of violent acts. Ten percent of all 9th graders report bringing a weapon to school at least once in the previous month, and 25 percent of 12th graders report having been threatened with a weapon in the previous year. Most alarmingly, threat and injuries are higher among younger students than older students, suggesting that the decision to commit violent acts is increasing. Finally, over one-third of all students report that students at their schools belong to gangs.

### **Facing History and Ourselves**

It is important to note that studies show that violence is neither random nor uncontrollable, and that youth can be educated to resolve conflicts and differences through non-violent means (American Psychological Association's Commission on Violence and Youth). The State of Virginia's report, *Violence in Schools*, which is being presented as a model for action by the National Education Association, suggests that education can play a key role in confronting this issue. According to the report, students must be taught fundamental skills in human relationships and citizenship.

Still, while many call for increased safety through means such as metal detectors in schools, these solutions do not address the issue of personal responsibility. According to a Center for Disease Control report that looked at youth in New York City, the installation of metal detectors "had no apparent effect on the prevalence of threats and physical fights in any location." Any solution must be comprehensive, focusing on the attitudes and behaviors that foster youth violence. In short, we must begin with our children to change these trends.

The Office of Juvenile Justice and Delinquency Prevention (OJJDP) recognizes the need for a comprehensive, two-pronged approach to reducing violence and to help to build safer communities (Comprehensive Plan for 1995). While OJJDP recognizes the need for increased law enforcement, corrections, and other immediate steps to protect our communities today, it stresses the need for programs which can prevent violence and delinquency as being our Nation's greatest hope for the future. According to OJJDP's report, "We must intensify our efforts to prevent delinquency by seeking ways to effectively intervene with those at risk."

### **FACING HISTORY AND OURSELVES: A LASTING SOLUTION**

For 20 years, Facing History and Ourselves has been dedicated to this cause. FHAO is a national education foundation whose mission is to engage adolescent students of diverse backgrounds in an examination of racism, prejudice, and antisemitism in order to promote the development of a more humane and informed citizenry. For the past 20 years, Facing History has been on the cutting edge of violence prevention as a program that helps re-sensitize kids to the violence in their lives; provides a deeper understanding of the process of dehumanization and the consequences of bigotry, violence and hatred; and offers models for prosocial behavior and community service. Facing History currently provides technical training and assistance to a network of nearly 5,000 educators in 40 states who reach more than 500,000 adolescents with our program which provides a framework for addressing the violence and hatred that affects their lives and threatens our Nation's future.

Facing History is a comprehensive approach to violence prevention which targets pre-adolescents and adolescents, as well as the adults who support them in the community. It provides parents, local police, community leaders with inspirational speakers and timely



### Facing History and Ourselves

resources. Model programs encourage parental participation and community service. The Facing History approach emphasizes individual responsibility in a democratic society in history and today. Through art work, theater presentations, discussions with role models and mentors, students gain confidence and learn to have an impact on their communities and nationally.

Facing History encourages students to look for alternatives to violent behavior. As students develop an appreciation for the importance of choices, they begin to realize that one's action or inaction can determine the future. All of FHAO's teaching materials highlight examples of people who refused to stand idle in the midst of injustice, recognizing the fragility of democracy and the need to act to preserve it, and highlights those who have made a positive difference in strengthening and protecting democratic values.

Facing History works directly with educators to develop an individualized program that can meet the specific needs of their classroom, after-school program, service learning or juvenile offender program. The process includes initial and continued training to enrich the program over time. FHAO also provides technical assistance in the form of written materials and video programs, such as the FHAO-produced "Chicago Students Confront Hatred and Discrimination," a thoughtful discussion of hatred, antisemitism, and violence by students from different Chicago neighborhoods. Materials such as *Choosing to Participate* model the value of courage and compassion, and the capacity we have to make a difference. *Connect Magazine* publishes student writing about issues of violence, allowing them to share their creativity with their counterparts across the Nation.

Another form of technical assistance is the identification, training, coordination and funding of resource speakers who can be utilized by teachers in various regions. These speakers help young people consider the perspective of victims of hate crimes and to have students examine their own thinking and actions. For example, Gregory Alan-Williams, an Emmy Award winning, African-American stage and screen performer, writer, and director, regularly speaks to young people in Facing History programs. During the Los Angeles riots, Mr. Alan-Williams walked into the center of a violent mob to rescue a Japanese American motorist. According to Alan-Williams, "I cannot demand justice for myself, unless I am willing to preserve justice for others." Other resource speakers include: Dr. Leon Bass, an African-American educator who as a soldier was present at the opening of the concentration camps at the end of World War II, and Deputy Superintendent William Johnston, a 25-year veteran of the Boston Police Department. For 14 years, Johnston served in the Community Disorders Unit, which is responsible for investigating civil rights violations, and speaks to FHAO students about the work of the Community Disorders Unit, individual responsibilities, the potency of hate-motivated activities, and his own experiences.

The experience of Facing History is proof that educators, when given the right resources and technical support, can address these issues with students in a way that changes attitudes and

### **Facing History and Ourselves**

behaviors. Having established a presence in the major urban centers of Boston, Chicago, New York, Memphis, and Los Angeles, Facing History is positioned to assist in the prevention of violent crime committed by juveniles, as well as street violence perpetrated against American youth. By employing a comprehensive, community approach that involves school personnel, local police, community leaders, and others who deal with youth, Facing History is a model for the "comprehensive response" of prevention and intervention sought by OJJDP.

As an established program with a track record of careful program dissemination and effectiveness, Facing History combines both the organizational expertise and capability to carry out this project successfully. Facing History enjoys bi-partisan support in Congress. When Congress passed the Safe Schools Act of 1993, the committee report referred to Facing History as a national non-profit organization that can provide valuable technical training and assistance to education agencies as they develop local violence prevention programs. Facing History is one of 21 organizations selected to be part of the Carnegie Endowment-sponsored national Network of Violence Prevention Practitioners. FHAO has also been selected as a model of an educational intervention by the Department of Education, where it has been designated as an "exemplary program" worthy of dissemination through the National Diffusion Network for some 15 years.

Yet while Facing History is active in school reform movements and collaborates with such groups as Outward Bound, the New America School Development Corporation (NASDC), and the National Urban Alliance for Effective Education, the Facing History model goes beyond the classroom walls to reach youth at risk wherever they are in our communities. FHAO provides its program expertise to Boys and Girls Clubs and after school programs for juvenile defenders, while involving local police and community leaders as resource speakers. Facing History establishes model programs such as parent-youth classes, young leadership networks, and urban-suburban discussion groups that break isolation. Facing History conceptualizes, develops and sponsors traveling exhibits of student art and mall exhibits that address issues of violence. In addition, it sponsors community conferences on issues of adolescent and media violence; collects, publishes and distributes journals of student writing in response to violence; and has produced video resources on hate crimes for classrooms and employment assistance projects. Facing History also creates and sponsors events such as the Young Leadership Network, which brings together people from across urban centers, and provides speakers for conferences, workshops and symposia such as those sponsored by the New England region of the U.S. Department of Justice Community Relations Service. Finally, FHAO sponsors continued research so that it can remain timely, bringing the latest materials to educators in the field. Harvard University and Facing History have recently launched a joint project to address the issue of violence which will marshal the latest scholarly work on violence, and bring the materials developed to teachers and pre-teachers nationally. Those who work with youth in our Nation's major urban centers are anxious to receive our services; the demand for our assistance already exceeds our staff capacity to provide service.

**Facing History and Ourselves****THE NEED FOR EXPANSION**

Facing History's programs are key to reducing violence in our communities through training and technical assistance. Facing History helps teachers and others who work with young people to establish programs that foster mutual respect, partnership, tolerance, and civic responsibility. This effort can not only avert juvenile violence, but significantly reduce expenditures for law enforcement, rehabilitation and imprisonment, as well as other society costs.

It is clear that FHAO has local support. The demand for our services has continued to grow. Our current staff in these targeted urban areas is working to capacity. Our workshops, follow-up sessions, and institutes are oversubscribed and we must turn teachers and other educators away. The need for the program is clear, and educators are turning to us for technical assistance. The program has demonstrated its effectiveness in a variety of settings. Facing History has the structure in place to replicate its program nationally. The critical limiting factor at this time is our need to employ additional program staff who provide training, technical assistance and on-going support. It is for this reason that FHAO has approached the Federal government for funding.

Last year, FHAO requested the support of this Subcommittee to provide \$2 million to allow us to expand our program. The Subcommittee acted favorably upon our request by directing the Office of Juvenile Justice and Delinquency Prevention to review our proposal and, if warranted, to provide funding. OJJDP conducted a site visit in December and determined that FHAO is an effective program that is worthy of Federal funding. However, OJJDP told us that they are only able to provide us with \$100,000 of the \$2 million in funding that we requested.

While these funds will allow us to hire, train and support one full-time equivalent program staff, so much more needs to be done and must be done quickly. As such, Facing History and Ourselves is seeking the Subcommittee's support for specific language in the report accompanying the FY 1996 Commerce, Justice, State and the Judiciary Appropriations Act providing \$450,000 in funding. This will enable us to add program staff in each of the five targeted urban areas where youth are most at risk, and to provide training, technical assistance in program installation, follow-up services, and resource materials to educators working with young people. When fully trained, these program staff will allow us to expand our efforts in these targeted regions by more than one-third, ultimately reaching an additional 200,000 students each year.

Mr. Chairman, thank you for the opportunity to submit this statement and for your consideration of this request.

**Written Comments Submitted By  
the International Association of Chiefs of Police**

**In Support of Appropriation for  
the Regional Information Sharing Systems (RISS) Program**

**before**

**U.S. House of Representatives  
Committee on Appropriations  
Commerce, Justice Subcommittee**

**John T. Whetsel  
Chief of Police  
Choctaw, Oklahoma**



The International Association of Chiefs of Police (IACP) respectfully requests that the U.S. Congress appropriate for Fiscal Year 1996, \$25.0 million as a line item, without matching funds, to the Regional Information Sharing Systems (RISS) program so that they may continue their support of drug trafficking and organized crime fighting efforts.

The IACP wholeheartedly endorses the RISS program and is committed to its continuing success. Many of our members, as chief executives of state and local law enforcement agencies, have joined RISS and avail themselves of RISS's services on a regular basis. Any diminution of services will greatly impair our members' ability to secure information both necessary and vital to apprehending known drug traffickers and criminals. At this particular point in time, the need for the specialized services provided by RISS is expanding.

In order to create a governmental awareness of law enforcement's interest in keeping the projects in operation, in 1987 the IACP submitted a full report on the program to then Attorney General Edwin W. Meese III. In this report, we presented a number of justifications for permanent funding of the RISS program as an integral part of the criminal justice system. Briefly stated, the arguments are:

- o The organization of the RISS projects is directly targeted to the criminal organizations in existence today.
- o The RISS projects provide backup for both the federal and state/local systems.
- o The need for the rapid sharing and exchange of criminal intelligence between law enforcement agencies is basic; RISS fills this need.
- o RISS promotes economic efficiency within the criminal justice system.

Every year since that report, the IACP has submitted written comments to this subcommittee supporting the RISS appropriation request.

The RISS projects are a unique combination of federal/state/local cooperation, providing services to law enforcement agencies throughout the country. The law enforcement community has found that when resources, intelligence and manpower are pooled, law enforcement can successfully fight the powerful crime syndicates that reap billions of dollars of profit from American society. These projects are a great resource for areas of the country that need coordination between and among state, federal and local law enforcement agencies.

The participation of federal agencies in these projects is substantial. The regional nature of organized crime, especially organized drug crime, dictates that often federal and state laws are transgressed in the same or related transaction. Only with cooperation between all agencies can the law enforcement community have the greatest impact on the crime cartels that control both narcotics and other types of organized crime in our country.

The law enforcement community is presently in a very critical phase: the economy's downturn has spawned municipal crises all over the country. Police agencies are facing increasing competition for decreasing budgetary resources. However, demands are increasing exponentially. It is, therefore, incumbent upon not only law enforcement executives but all of us who are responsible to our constituents for the level and quality of law enforcement services afforded the citizenry, to see that these services are offered in an economically and fiscally efficient manner. It is almost incumbent upon us to see that services fit the need.

Virtually all elected officials agree that there is a "War on Crime and War on Drugs." If this is so, it must be fought as a war. The Persian Gulf experience showed us that resources must be allocated in order to fight a war successfully. Likewise, we must allocate resources to the law enforcement community to allow them to successfully wage this war. The RISS program is a vital and important element in the law enforcement arsenal. Maintaining their funding level is of paramount importance to the IACP.

We are also very interested in promoting the growth of the projects. Therefore, we respectfully request that you fully fund the program as a line item in the budget, in the requested amount of

\$25 million, with no matching fund requirement. State and local law enforcement is faced with decreasing municipal revenues. These scarce resources should not be further decreased in order to fund the RISS program. The program itself has no revenue source, and thus cannot fund the match. We do not feel that the match requirement should be imposed on the program. The amounts to be appropriated are small in comparison to the benefits all law enforcement receives.

Mr. Gerald P. Lynch's testimony on behalf of the projects presents all the necessary information to evaluate the success and the economic efficiency of the program. The IACP membership respectfully requests that you fund the projects at the \$25 million level and that you do not impose the matching requirements.



**THE NATIONAL SHERIFFS' ASSOCIATION'S  
WRITTEN COMMENTS  
TO SUPPORT APPROPRIATION OF  
LINE ITEM BUDGET FUNDS FOR  
THE REGIONAL INFORMATION SHARING SYSTEMS  
(RISS) PROGRAM**

**SUBMITTED TO:  
THE U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON APPROPRIATIONS  
COMMERCE, JUSTICE, SUBCOMMITTEE**

**By:  
Charles "Bud" Meeks, Executive Director  
National Sheriffs' Association**





## NATIONAL SHERIFFS' ASSOCIATION

1450 DUKE STREET • ALEXANDRIA, VIRGINIA 22314 • 703-836-7827

CHARLES "BUD" MECKS  
EXECUTIVE DIRECTOR

### NATIONAL SHERIFFS' ASSOCIATION'S SUPPORT OF RISS

The National Sheriffs' Association, representing the 3,095 sheriffs' offices of the United States, fully supports the Regional Information Sharing Systems (RISS) Program. As many of our members utilize the services of RISS, NSA wants to ensure that the RISS program be supported and that it continues to be a vital resource for sheriffs and the criminal justice community.

If the services offered through the RISS Program are reduced in any way, this would critically harm the ability of the sheriffs to collect viable information which is crucial in apprehending known criminals and those involved in drug trafficking. We believe the services which RISS provides are necessary and immeasurable to successfully succeed today's myriad security threats and hazards.

Today, the threat of violence is more prevalent than ever and even with shrinking budgets, the criminal justice community continues to fight crime and the war on drugs; but, in order to successfully accomplish this task, it must be afforded the necessary resources to do so. This type of resource can help effectively in dealing with perpetrators of violence, and the RISS Program is one such resource that must continue to be provided. Supporting its funding is a high priority.

The RISS projects directly provide federal, state, and local criminal justice systems with the necessary backup they need to successfully apprehend criminals in today's increasing violence in our society.

The National Sheriffs' Association, therefore, respectfully urges the U.S. House of Representatives - Committee on Appropriations, to fully fund the RISS Program as a \$25 million line item in the budget, with no matching fund requirement. RISS must be funded at a level so that it may continue to successfully provide support to the criminal justice systems for drug trafficking and organized crime-fighting efforts.

*Serving the Nation's sheriffs since 1940*



AMERICAN BAR ASSOCIATION

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## EDITOR WASHINGTON LETTER

Rhonda J. McMillon  
(202) 331-2609  
ABAmet MCMILLON

May 9, 1995

Honorable Harold Rogers  
Chairman, Subcommittee on  
Commerce, Justice, State  
and the Judiciary  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

I write on behalf of the American Bar Association (ABA) to urge your support for adequate federal funding for the Post-Conviction Defender Organizations (PCDOs), formerly known as death penalty resource centers, through the Administrative Office of the United States Courts (AO). The ABA, along with the federal courts, state bar associations, the state judiciary and Congress, has played a key role in the development and implementation of these organizations because we believe that they are absolutely essential to the effective administration of justice in capital cases. Consequently, we urge the Subcommittee to approve the Judiciary's FY 1996 request of \$21.19 million for the PCDOs.

The American Bar Association has taken no position on the death penalty per se. However, the Association is deeply concerned about ensuring that our justice system works well and, in particular, that the system handling capital cases ensures both fairness and finality.

In February, 1988, the American Bar Association adopted policy calling for "support for the creation of state and regional centers to provide expert advice and assistance to appointed counsel in federal habeas corpus litigation." Later that year, the ABA, in cooperation with the Administrative Office of the United States Courts, sponsored a national conference to address the growing crisis resulting from the unavailability of counsel for capital post-conviction appeals. Both of these actions were prompted by the troubling situation which existed in 1988. In many states, federal capital habeas appeals were being filed by prisoners without counsel or by counsel with no expertise in capital post-conviction practice. In some states, there was not even

a rudimentary mechanism in place to track the status of appeals and to determine when counsel was needed. This situation resulted in substantial delays, loss of public confidence in the system, inadequate representation, and, in some states, a systemic breakdown which stopped both appeals and executions.

The creation of the PCDOs has rationalized this chaotic process and enabled the capital collateral appeals system to function in a more effective and just manner. These organizations provide direct representation to prisoners in a cost-effective manner and, when appropriate, recruit counsel who often accept these cases only because of the support available from the centers. In many instances, these organizations are able to secure counsel who seek no compensation for their services, further leveraging limited federal dollars.

The PCDOs were carefully designed to ensure the provision of representation in an ethical and appropriate manner. In many states, they were created at the recommendation of broadbased blue-ribbon committees composed of leaders of the bar, state and federal judges, prosecutors and defense counsel, and representatives of the executive branch and the legislature. The PCDOs are subject to ongoing oversight both by the AO and independent boards of directors. They must file quarterly reports with the AO, submit a detailed application for funds which documents their activities and the justification for the level of funding requested, and undergo an annual audit by an independent accounting firm. All centers are subject to extensive restrictions imposed by the AO as a condition of receipt of federal funds and are monitored regularly by the Administrative Office. In addition, the organizations' boards meet regularly to develop policy, review the activities of the organizations, and deal with any concerns or complaints.

In light of the work of the PCDOs, it is certainly understandable that they are controversial in some respects. They are ensuring representation in the most conspicuous, controversial, and emotionally charged cases in our justice system. The extensive oversight built into the PCDO system is designed to ensure compliance with ethical rules and government guidelines, while not impairing the ability of the centers to provide effective advocacy for their clients.

Some have asserted that the federal resources available to death row prisoners through the PCDOs have created an imbalance of resources in the system. It should be noted that, rather than contributing to an imbalance in favor of defense services, these organizations were put in place to correct an already-existing fundamental imbalance. While a number of states do not provide defense counsel as a matter of right in post-conviction appeals, the prosecution function in these cases has, of course, been funded. In the past, that imbalance resulted not only in lack of quality counsel in these appeals but also functioned as a fundamental cause of delay in the capital appeals system. While

we have no definitive answer to the issue of whether parity of resources exists in the post-conviction capital system, an ABA study conducted at the request of a Congressional subcommittee concluded that "to the extent an imbalance of resources exists with respect to capital cases, it favors the prosecution. Accordingly, we would caution against any broadbased parity provision without a detailed examination of the asserted imbalance of funding.

In summary, the post-conviction defender organizations are an effective and critical element of our justice system. Without them, the capital appeals system would revert to the chaos which characterized it in the late 1980's. Without them, we cannot ensure that prisoners will receive effective representation. Finally, without these organizations, there would be no counsel, and, without counsel, these appeals will not reach an appropriate conclusion. We are all committed to insuring that the capital conviction review process provides speedy justice. Without adequate funding for these offices, there will be neither speed nor justice in that system.

Accordingly, we urge your support for continued funding of the post-conviction defender organizations.

Sincerely,

Robert D. Evans

cc: Members of the Subcommittee  
The Honorable Richard Arnold

CONGRESSIONAL TESTIMONY OF  
RALPH SHERIDAN, PRESIDENT & CEO  
AMERICAN SCIENCE AND ENGINEERING, INC.  
SUBMITTED TO THE  
HOUSE APPROPRIATIONS SUBCOMMITTEE ON  
COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES

May 11, 1995

Mr. Chairman, thank you for the opportunity to submit this statement to the Subcommittee. I am President and CEO of American Science and Engineering (AS&E) located in Billerica, MA, a leader in the development of X-ray detection devices utilizing patented Backscatter X-ray technology to detect drugs, explosives, and other contraband. We specialize in developing equipment for difficult inspection problems, namely the identification of drugs, explosives, or other organic material in confused or cluttered environments. Because of this capability, we serve inspection experts at the Customs Service, the Secret Service, U.S. Postal Inspection Service and the Supreme Court, as well as foreign customs agencies and foreign security agencies.

I would like to focus my statement on an extremely innovative technology called BodySearch and its application to use in detention and correctional facilities and specifically the Bureau of Prisons. BodySearch utilizes AS&E's patented Backscatter technology to provide safe, fast, cost-effective, unintrusive inspections of personnel. It detects and displays all types of contraband hidden on a person's body both under and in his or her clothing. Importantly, BodySearch is safe for both the operator and the person being inspected. AS&E's technology provides the user an alternative way of inspecting personnel in significantly less time than a stripsearch and greater reliability than a pat search. Typical applications for this system include searches of inmates, visitors, and staff at prisons, as well as Customs inspections and VIP security.

In order to detect organic materials such as plastic explosives and drugs, AS&E's equipment incorporates Z Backscatter organic detection technology to form two kinds of X-ray images. The first is the traditional transmission image which appears darker at points of high density similar to a medical X-ray. The second display shows backscatter images which are formed by measuring the scattered X-ray energy and mapping its intensity. Certain target materials such as drugs, weapons and explosives produce clear sharp backscatter images highlighting the contraband which may have been undetectable in the transmission image.

The same technology used in BodySearch has been utilized by the U.S. Customs Service for over eight years. These devices including mobile van units have been instrumental in detecting millions of dollars worth of cocaine, heroin, marijuana and U. S. currency concealed in various conveyances including luggage, cargo and vehicles of all sizes. There is general agreement among drug enforcement officials that technology is the key to enhancing the nations drug interdiction effort. Similarly, technology can be the key to successfully monitoring what is brought in and out of our nation's prisons.

Mr. Chairman, we must provide the men and women working in prisons across the country with the tools necessary to limit their physical contact with dangerous and sometimes violent inmates and guard against the flow of contraband and weapons into the prison system. AS&E's BodySearch system is a proven effective way to arm the guards against the dangers implicit in this violent environment. I urge the subcommittee to support funding for a demonstration of this technology at an installation to be designated by the Director of the Bureau of Prisons.

Thank you for your interest and attention to this important matter. I welcome the opportunity to work with the Chairman and the members of this Subcommittee.



**American Science  
and Engineering, Inc.**

Fort Washington

40 Erie Street

Cambridge, Massachusetts 02139-4286

617 868-1600

Fax 617 354-1054 • Telex 921-458

# **BODYSEARCH™ 1**

## **Contraband Detection System**

# **AS&E® BODYSEARCH™**

## **BENEFITS**

**U**pgrades detection capabilities for all contraband hidden under or in clothing.

**L**ess intrusive and more effective search of inmates, visitors and staff.

**E**liminates or reduces fears of infection to correctional staff.

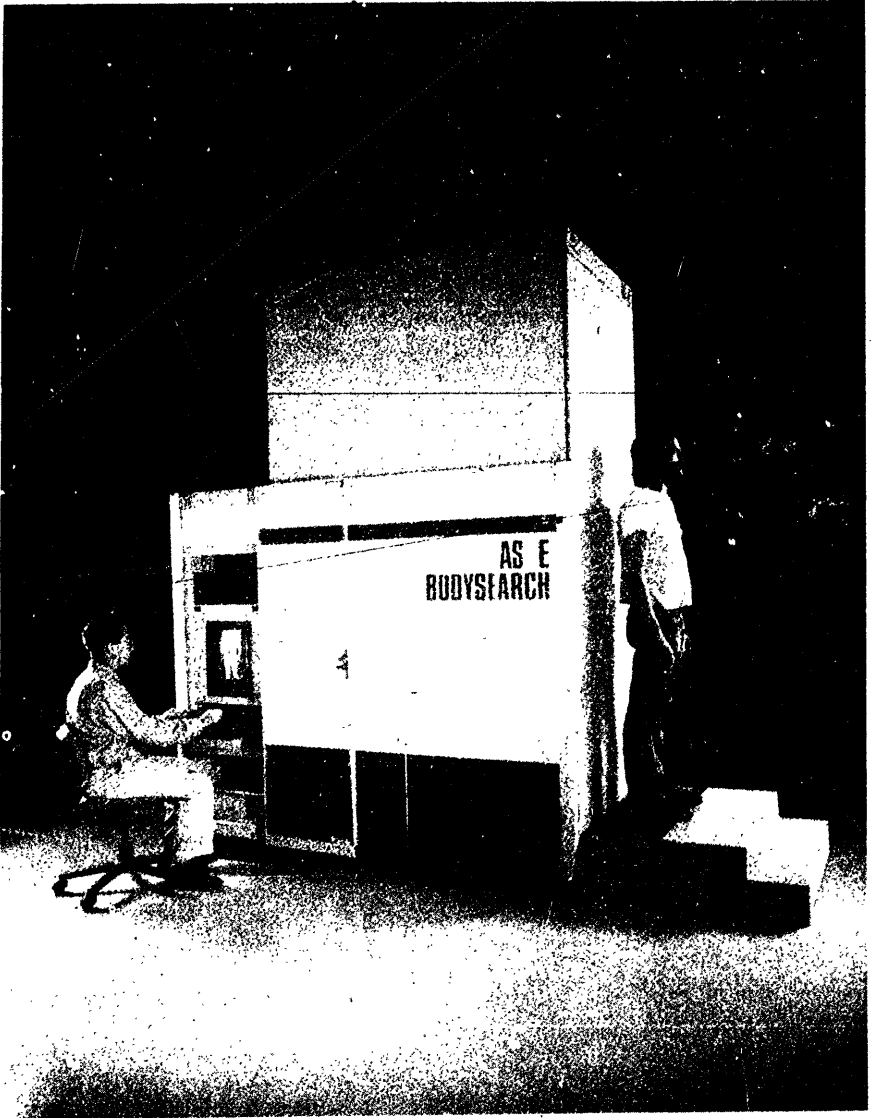
**S**afe for both operator and person scanned.

**E**liminates or reduces hostile environments caused by close proximity or contact searches.

**D**ramatically reduces time spent and operational costs incurred by other search methods.

# **AS&E® BODYSEARCH™**

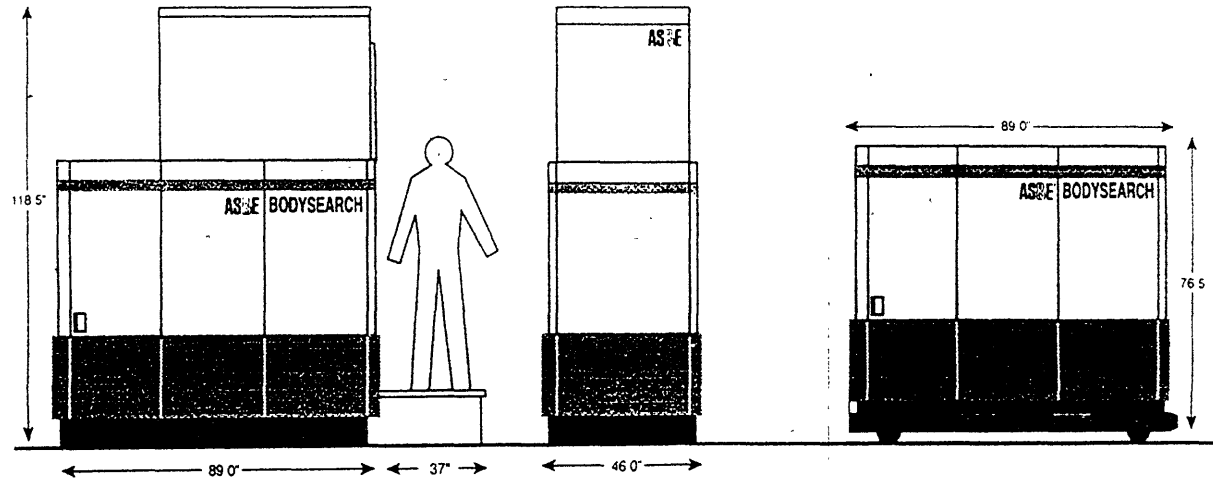






American Science & Engineering

## BODYSEARCH System



# BODYSEARCH™

## MICRO-DOSE® X-ray Inspection System Specifications

### IMAGE DISPLAY SYSTEM

**Backscatter image display**  
15 inch solid state display monitor  
480 x 1024 picture element storage/  
image

8 bit memory  
256 density levels

### Detection Capability

Image display of organic (plastics, explosives, drugs) and non-organic (guns, knives, electronics) materials.

### Image Analysis Options

Zoom: Operator Controls  
2x-4x-8x magnification on screen with joystick to roam through full field of view.

### Density Expand:

Three controls for expanded image density of low, medium and high regions.

### Video Reverse:

Reverse dark portions of the image to light portions of the image to dark.

### Background Enhance:

Increases contrast in the image surrounding the subject by adjusting brightness values in the image.

### OPERATOR LOCATIONS

Remote or Local Console  
Operator Chair (option)  
Operator Desk (option)

### Inspection Rate

8 seconds per scan (at 60Hz)  
10 seconds per scan (at 50Hz)

### Health and Safety

0.05uGy (5 micro-Röntgens) to subject per exposure. Operator receives less than 1.0 uGy/hr (0.1 mR/hr) at cabinet surface.

### Modular Design

Allows convenient relocation of unit and provides easy access for servicing and adding features.

### Image Storage Options

Hard Copy Printer  
VCR Interface

### ENVIRONMENT

Power  
208-240 VAC +/- 10%  
20A, 50/60 Hz

### Temperature

Operating: 4°C to 40 °C  
(40°F to 104°F)  
Storage: -40°C to 60°C  
(-40°F to 140°F)

### Humidity

No visible moisture

### ENVIRONMENTAL STABILIZATION

#### (Options)

Engineered air-conditioning  
Engineered heating  
Conformal coating of electronic boards

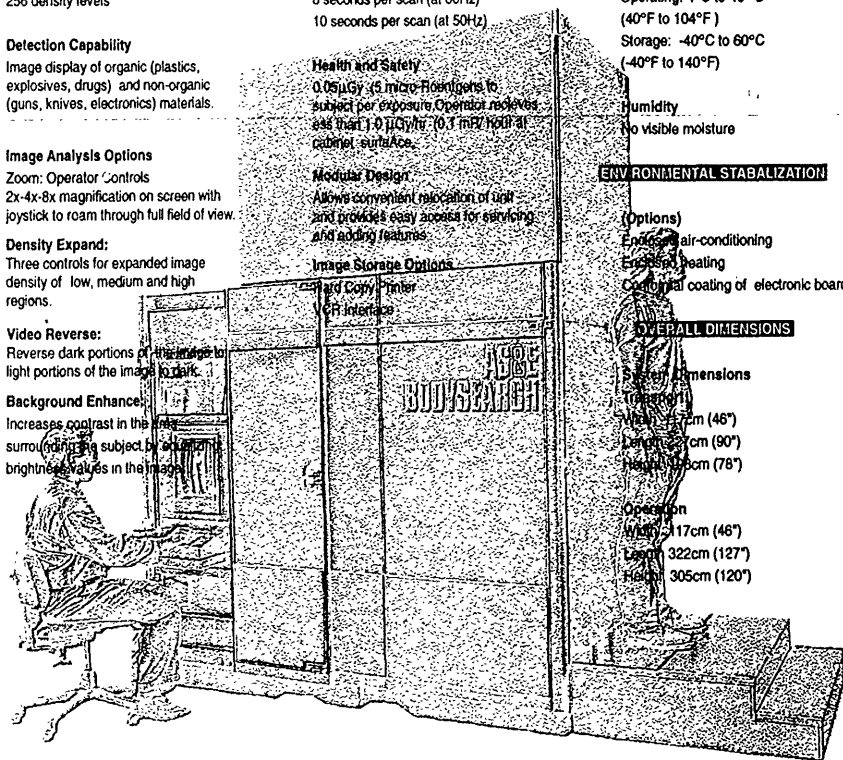
### OVERALL DIMENSIONS

#### System Dimensions

Width 117cm (46")  
Depth 322cm (90")  
Height 173cm (78")

#### Operation

Width 117cm (46")  
Depth 322cm (127")  
Height 305cm (120")



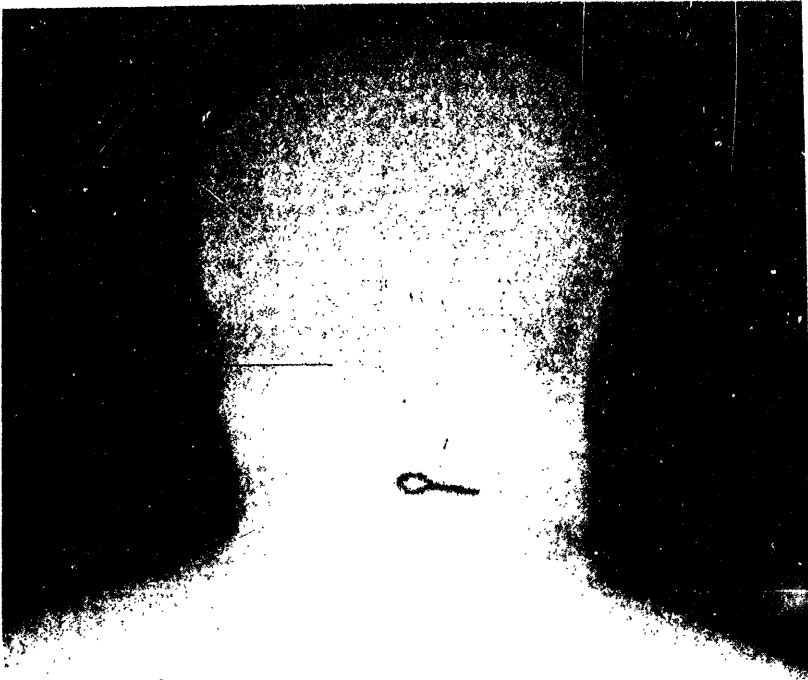
**AS&E**

### American Science and Engineering, Inc.

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• Telephone 1-800 225-1608 (617-868-1600 within MA)

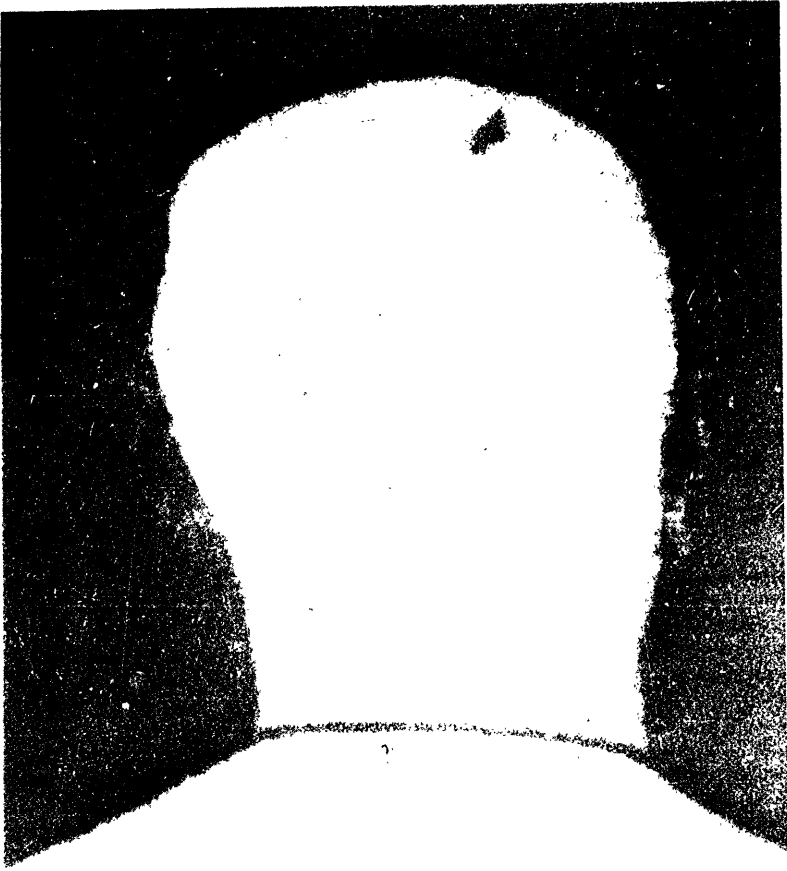
• Fax 617 354-1054 • Telex 921-458



EP 92124

**AS&E BODYSEARCH™1 Image**

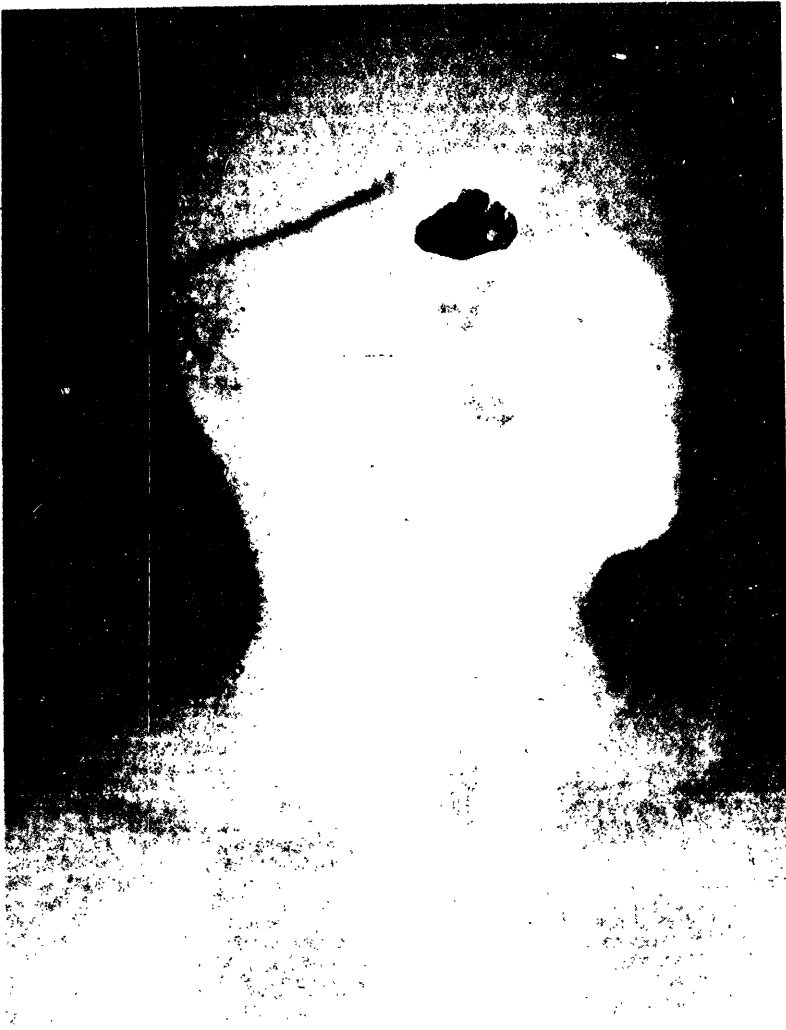
Enlarged detail of full-body photograph, back view. Clearly visible is a handcuff key in the middle of the subject's neck.



EP 92025

**AS&E BODYSEARCH™1 Image**

Dressed female subject "B". "Zoom" feature used to expand image of hacksaw blade fragment concealed in hair against scalp. White spot at top of skull is plastic hair barrette.



EP 92031

**AS&E BODYSEARCH™1 Image**

Dressed male subject "A". "Zoom" feature used to view a hacksaw blade segment hidden in the subject's mouth. Blade is to the left of the lips. Dark area below eye is normal cheek bone seen through thin skin over cheek bone.

# AS&E's® BODYSEARCH™

## Radiation Dosage Comparisons

	Average Radiation Dose Received Per Year, Per Person Expressed In Microrem.	The Equivalent Number Of BODYSEARCH 1™ Scans at 5 Microrem Per Scan.
Living Anywhere on Planet Earth	300,000	60,000
Cosmic Rays	28,000	5,600
Round Trip NY to LA Jet Flight	5,000	1,000
Construction Materials	3,600	720
An Average Smoker	1,300,000	260,000
Radon Gas	200,000	40,000
Medical X-Rays	39,000	7,800
Additional Dose Due To Living in Denver	50,000	10,000
Domestic Drinking Water	3,000	600

### References:

#### **A Primer On Low-Level Ionizing Radiation And Its Biological Effects**

Published for the American association of Physicists in Medicine by The American Institute of Physics, AAPM Report No. 18.

#### **Ionizing Radiation Exposure Of The Population Of The United States**

Published by the National Council on Radiation Protection and Measurements, NCRP Report No. 93.

### Note:

**BODYSEARCH™** Dosage is Approximately 5 Microrem per scan.

# AS&E's® BODYSEARCH™

## Radiation Dosage Comparisons

### for System Operator

	A	B
	Average Radiation Dose per Year (millirem)	Equivalent Number of Inspections Performed Operator
Background Radiation, anywhere on Earth	300	19,100,000
Cosmic Rays	28	1,800,000
Round Trip NY to LA Jet Flight	5	320,000
One Dental X-ray Exposure per Year	400	25,500,000
Additional Dose in Denver due to altitude	50	3,200,000
Domestic Drinking Water	3	190,000

A: Average Radiation Dose received per year, per person, expressed in millirem.

B: Equivalent number of two-scan inspections performed, for exposure to an operator standing at a remote console two meters from the system cabinet. Exposure to an operator during a single two-scan inspection is approximately 0.000016 millirem.

#### References:

##### A Primer on Low-Level Ionizing Radiation and Its Biological Effects

Published for the American Association of Physicists in Medicine by the American Institute of Physics, AAPM Report No. 18

##### Ionizing Radiation Exposure of the Population of the United States

Published by the National Council on Radiation Protection and Measurements, NCRP Report No. 93

##### Medical Physics Data Book

U.S. National Bureau of Standards Handbook 138; T.N. Padikal, Editor



## AS&amp;Es BODYSEARCH 1 vs. Personal Contact Searches

Comments or Action	Amount	Units
Average Number of Pat Searches per Day		Searches
- Time Taken for Questioning prior to Search		Minutes
- Time taken for Search		Minutes
- Total Time for Pat Searches per Day		Person-Hours
- Total Time for Pat Searches per Year		Person-Hours
Average Number of Strip Searches per Day		Searches
- Time Taken for Questioning prior to Search		Minutes
- Time taken for Strip, Search, and Dress (Person)		Minutes
- Time Taken for Search (Clothing, etc.)		Minutes
- Total Time for Strip Searches per Day		Person-Hours
- Total Time for Strip Searches per Year		Person-Hours
Average Annual Correctional Officer Salary		per Year
- Average Hourly Correctional Officer Rate (Direct)		per Hour
Average Annual Correctional Officer Benefits/Fringe Cost		per Year
- Average Hourly Correctional Officer Rate (Indirect)		per Hour
Average Hourly Correctional Officer Cost (Total)		per Hour
Total Time for All Searches per Day		Person-Hours
Average BODYSEARCH 1 Time per Person Scanned		Minute
Total BODYSEARCH 1 Time for All Searches per Day		System-Hours
Potential BODYSEARCH 1 Time Savings per Day		Person-Hours
Potential BODYSEARCH 1 Time Savings per Year		Person-Hours
Potential BODYSEARCH 1 Cost Savings per Year		Saved per Year
Number of BODYSEARCH 1 Systems Required		System(s)
Special Price of BODYSEARCH 1 @ \$ 135,000 each		
Potential BODYSEARCH 1 Payback Period		months
Assumes 5 Day per Week Operations, and		
2 Officers for Strip Searches and BODYSEARCH		

Estimated Cost Analysis for

## AS&amp;Es BODYSEARCH 1 vs. Personal Contact Searches.

Comments or Action	Amount	Units
Average Number of Pat Searches per Day		Searches
- Time Taken for Questioning prior to Search		Minutes
- Time taken for Search		Minutes
- Total Time for Pat Searches per Day		Person-Hours
- Total Time for Pat Searches per Year		Person-Hours
Average Number of Strip Searches per Day	90	Searches
- Time Taken for Questioning prior to Search		Minutes
- Time taken for Strip, Search, and Dress (Person)	5	Minutes
- Time Taken for Search (Clothing, etc.)	5	Minutes
- Total Time for Strip Searches per Day ( 2 Officers )	30.0	Person-Hours
- Total Time for Strip Searches per Year	7800.0	Person-Hours
Average Annual Correctional Officer Salary	\$24,000.00	per Year
- Average Hourly Correctional Officer Rate (Direct)	\$11.54	per Hour
Average Annual Correctional Officer Benefits/Fringe Cost	\$12,000.00	per Year
- Average Hourly Correctional Officer Rate (Indirect)	\$5.77	per Hour
Average Hourly Correctional Officer Cost (Total)	\$17.31	per Hour
Total Time for All Searches per Day	30.0	Person-Hours
Average BODYSEARCH 1 Time per Person Scanned	1.00	Minute
Total BODYSEARCH 1 Time for All Searches per Day	1.5	System-Hours
Potential BODYSEARCH 1 Time Savings per Day	27.0	Person-Hours
Potential BODYSEARCH 1 Time Savings per Year	7020.0	Person-Hours
Potential BODYSEARCH 1 Cost Savings per Year	\$121,500.00	Saved per Year
Number of BODYSEARCH 1 Systems Required	1	System(s)
Special Price of BODYSEARCH 1 @ \$ 135,000 each	\$135,000.00	
Potential BODYSEARCH 1 Payback Period	13	months
Assumes 5 Day per Week Operations, and 2 Officers for Strip Searches and BODYSEARCH		

Estimated Cost Analysis for Captain Cloyd Kyle - SCI at Huntingdon - Visitors Only

## AS&amp;Es BODYSEARCH 1 vs. Personal Contact Searches

Comments or Action	Amount	Units
Average Number of Pat Searches per Day	200	Searches
- Time Taken for Questioning prior to Search		Minutes
- Time taken for Search	10	Minutes
- Total Time for Pat Searches per Day	33.3	Person-Hours
- Total Time for Pat Searches per Year	8666.7	Person-Hours
Average Number of Strip Searches per Day	260	Searches
- Time Taken for Questioning prior to Search	5	Minutes
- Time taken for Strip, Search, and Dress (Person)	8	Minutes
- Time Taken for Search (Clothing, etc.)	3	Minutes
- Total Time for Strip Searches per Day ( 2 Officers )	138.7	Person-Hours
- Total Time for Strip Searches per Year	36053.3	Person-Hours
Average Annual Correctional Officer Salary	\$16,640.00	per Year
- Average Hourly Correctional Officer Rate (Direct)	\$8.00	per Hour
Average Annual Correctional Officer Benefits/Fringe Cost	\$0.00	per Year
- Average Hourly Correctional Officer Rate (Indirect)		per Hour
Average Hourly Correctional Officer Cost (Total)	\$8.00	per Hour
Total Time for All Searches per Day	172.0	Person-Hours
Average BODYSEARCH 1 Time per Person Scanned	1.00	Minute
Total BODYSEARCH 1 Time for All Searches per Day	7.7	System-Hours
Potential BODYSEARCH 1 Time Savings per Day	156.7	Person-Hours
Potential BODYSEARCH 1 Time Savings per Year	40733.3	Person-Hours
Potential BODYSEARCH 1 Cost Savings per Year	\$325,866.67	Saved per Year
Number of BODYSEARCH 1 Systems Required	1	System(s)
Special Price of BODYSEARCH 1 @ \$ 135,000 each	\$135,000.00	
Potential BODYSEARCH 1 Payback Period	5	months
Assumes 5 Day per Week Operations, and 2 Officers for Strip Searches and BODYSEARCH		

Estimated Cost Analysis for Jefferson County Corrections - Hall of Justice

Environmental  
Medical  
Service

MASSACHUSETTS INSTITUTE OF TECHNOLOGY  
MEDICAL DEPARTMENT  
77 MASSACHUSETTS AVENUE, 208-238  
CAMBRIDGE, MASSACHUSETTS 02139 4307



August 17, 1994

To Whom It May Concern:

American Science and Engineering has asked me to evaluate the potential risk from repeated exposure to an x-ray personnel inspection system operating at a maximum skin entry radiation dose of 5 microrem per scan. Even if the same individual were subjected to 2 inspections at 5 scans per inspection each day for an entire year, the total skin entry exposure would total no more than 20 millirem. The whole-body equivalent depth dose from this skin entry exposure would be less than 10% of the skin entry dose or less than 2 mRem/year. This depth dose is less than 2 percent or one fiftieth of the comparable natural background radiation in the Boston area and much less than the normal variations in natural background radiation in various parts of the United States.

Studies of large populations who routinely receive elevated natural radiation amounting to 200 mrem per year above the normal background radiation throughout their lifetime have demonstrated that such increases in radiation exposure level do not result in detectable detrimental health effects. Since the projected maximum cumulative exposure in this inspection application is 10 times lower at skin entry than those elevated natural radiation levels are to the whole body, no measurable effect should be anticipated.

It is my opinion that an annual skin entry radiation exposure of up to 20 mrem as projected in the maximum usage of this x-ray personnel inspection methodology will have no effect on the persons being inspected. Even if the person being inspected were pregnant at the time of the inspection, the depth dose to the fetus would be expected to be much lower than the skin entry dose, and well within the normal variations in natural background radiation exposure to the fetus.

Yours truly,

*F. X. Massé*

F.X. Massé, CHP, CMP  
Director, MIT Radiation  
Protection Programs

FXM/nlj

Director  
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Industrial Hygiene  
20C 204  
(617) 253 2596

Radiation Protection  
Campus RPO 20C 207  
(617) 253 2180

Reactor RPO  
NW12 108  
(617) 253 4203

Bates UNAC RPO  
P.O. Box 95 21 Manning Road  
Methuen, MA



New England Medical Center

August 17, 1994

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It is my opinion that an annual skin entry radiation exposure of up to 20 mrem as projected in the maximum usage of this x-ray personnel inspection methodology will have no effect on the persons being inspected. Even if the person being inspected were pregnant at the time of the inspection, the depth dose to the fetus would be expected to be much lower than the skin entry dose, and well within the normal variations in natural background radiation exposure to the fetus.

Yours truly,

F.X. Massé, CHP, CMP

F.X. Massé, C.H.P., C.M.P.  
Radiation Safety Officer

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FXM/nlj

The principal teaching hospital for  
Tufts University School of Medicine

# **Schiller Institute, Inc.**

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**Testimony Submitted to the  
United States House of Representatives  
Committee on Appropriations  
Subcommittee on Commerce, Justice, State and the Judiciary**

**by**

**the Schiller Institute**

**May 11, 1995**

**Webster G. Tarpley,**

**President**

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**TESTIMONY BEFORE THE HOUSE APPROPRIATIONS  
COMMITTEE SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE,  
AND THE JUDICIARY**

Thank you, Mr. Chairman, for allowing us to testify today. The Schiller Institute would like to bring to your attention the rather dubious and oftentimes very destructive role of the so-called non-governmental organizations (NGOs). Operating independent from any U.S. government control, (thus the designation "non-governmental organization"), these organizations, with NGO status conferred upon them by the United Nations Organization and with the pretensions of serving "humanitarian" goals, in reality have their own political agenda and goals.

Some of them are radical ecologist organizations intent on imposing their own particular agenda on the countries in which they operate. Others have a clear population-control agenda, working frantically to limit the growth of population, especially among the black, brown and yellow peoples of the world. Much of the alleged momentum leading up the UN conference on population- control in Cairo, opposed both by the Catholic Church and a good deal of Islamic organizations, was a result of the activity generated by these same NGOs. Other NGOs operate under the buzz- word of "democracy movements," setting up direct political operations in target countries with the explicit goal of destabilizing the ruling government or ruling parties in that particular country.

Although often operating in open hostility to the governments of the countries they are working in, and AGAINST U.S. policy interests in those countries, they are nevertheless heavily financed by the U.S. taxpayer, through the State Department budget, and particularly through the AID budget. One of the key funnels through which AID funds are filtered is through the National Endowment for Democracy, an operation whose funding came under heavy criticism in the U.S. Congress already during the summer of 1993. The 243-181 vote was unfortunately not enough to turn off the crane to the NED and it continues to provide a life-line to the NGO network.

In a recent visit to Sudan, Schiller Institute co-founder Lyndon LaRouche was particularly struck by the way the NGOs were effectively operating as a subversive force in that country with an active program to foment civil war and to overthrow the legitimate government. We have included the Sudanese case as one of several "case studies" that are appended to my written testimony. As a result of his experience in Sudan, LaRouche characterized an NGOs as "no-good organizations."

The concept of the non-governmental organization had its origins in the British Tavistock Institute of Human Relations, an institution which was a spawn of the psychological warfare department of British intelligence. The purpose of the NGO was to "end the era of the nation-state." For this reason we have grave concerns regarding continued financing of the NGOs through the State Department budget. Any funds expended through that budget ought to go to promote U.S. interests abroad. Money spent on the NGOs definitely does not! If there is interest in reducing the deficit, the Schiller Institute would recommend that the first place to start is by reducing the State Department/AID funding to the non-governmental organizations. Thank you again, Mr. Chairman, for allowing me to testify today.

Lima, Peru April 24, 1995

## **The Case of Peru: How Non-Governmental Organizations (NGOs) use Funds Provided Directly or Indirectly from U.S. contributors**

It is the case that U.S. government funds [from the U.S. Agency for International Development (USAID), the National Endowment for Democracy (NED)] and funds from non-profit foundations and multilateral institutions which also receive U.S. government funds, are used in Peru for purposes other than those formally stated and against the interests of the United States.

As indicated below, the NGOs receiving these funds are committed to the promotion and protection of subversive movements, the legal defense of convicted terrorists, campaigns to discredit the Peruvian state and its security organs, the destabilization of the national government, worsening of bilateral relations, interference in the activities of state authorities, sabotage of bilateral antidrug and military cooperation, interference in internal politics and electoral activities, promotion of population reduction policies, among others. Most serious is the fact that the U.S. Congress and government have used reports from these NGOs to shape their relations with Peru--now seriously deteriorated--to the detriment of regional security and the antidrug effort.

According to its own report "USAID/Peru: Partners in Development," September, 1994, USAID has the following goals:

- 1) Strengthening democratic institutions;
- 2) Sustained economic growth;
- 3) Improving the health of high-risk populations.

As we shall see, even when USAID/Peru assistance is useful, in many cases the activities of many of the NGOs which receive its funds are contrary to these stated goals.

Specifically, these funds have been used to back the political opposition to President Fujimori and support subversive insurgencies.

For example, in 1994, USAID promoted the creation of a National Prisoners Registry under pressure from the National Human Rights Coordinator, an organization the Peruvian government has denounced as an accomplice in the subversion of both Shining Path (Sendero Luminoso) and the Tupac Amaru Revolutionary Movement (MRTA).

USAID supported the Liberty and Democracy Institute (ILD), run by Hernando de Soto, an active proponent of drug legalization and the drug-related underground economy, and an enemy of bilateral antidrug and military cooperation. The ILD is also financed by the National Endowment for Democracy through the Center for International Private Enterprise (CIPE) and the Smith Richardson Foundation, among others. The U.S. embassy in Lima admits giving funds to the ILD, but adds that the NED "is private and we have no further information in this regard." The NED is funded by the U.S. Congress.



Other NGOs receiving U.S. funds include:

- \* National-International Forum, and its {Agenda Peru} project, also financed by the NED. This was the thinktank of the failed presidential candidate Javier Perez de Cuellar which also supplied the personnel and training for the opposition to Peruvian president Alberto Fujimori, known as the Democratic Forum {Foro Democratico}. It also shares personnel and offices with the Transparency (Transparencia) NGO, the largest and most visible group of supporters of the Perez de Cuellar candidacy.

Transparency spokesmen told the Spanish wire service EFE, [reported March 16, in the daily Expreso] that it was "supported" by the National Democratic Institute (NDI) [of the U.S. Democratic Party], the International Foundation for Electoral Systems (IFES), the International Republican Institute (NRI) [of the U.S. Republican Party], and the National Endowment for Democracy. Transparency spokesmen had previously reported having the support of the Center for Electoral Promotion and Consulting (CAPEL) based in Costa Rica, which "channels USAID funds" [reported in Carretas magazine, Oct. 20, 1994]. CAPEL also "supported" the National Electoral Tribunal (Jurado Nacional de Elecciones), the highest-level Peruvian electoral entity.

It is comical to note that Transparency's "promotional committee" was made up of Harold Forsyth, a congressional candidate on Perez de Cuellar's slate, and that Graciela Fernandez Baca had to resign from Transparency's board of directors to become the vice presidential candidate on Perez de Cuellar's ticket.

- \* Democratic Forum (Foro Democratico) has received generous support from the George Washington University, in Washington, D.C., the North-South Center at the University of Miami, the Subcommittee for Hemispheric Affairs of the House of Representatives when it was presided over by Rep. Robert Torricelli (D-NJ), the Washington Office on Latin America (WOLA), and the Inter-American Dialogue thinktank. One of its directors, Max Hernandez, has received scholarships from the Woodrow Wilson Center.

- \* Analysis and Development Group (GRADE), whose projects are also financed by the Brookings Institution. One of its directors, Francisco Sagasti, is also a leader of Agenda Peru and Democratic Forum.

- \* Agenda Peru has brought together a network of NGOs such as DESCO, CEPES, IEP (Institute for Peruvian Studies), CIPCA, and the Bartolome de las Casas Rural Studies Center of Cuzco, which we shall mention below. Among Agenda Peru's primary advisers are Fernando Rospigliosi, a member of the IPE, which is in turn financed by the Ford Foundation. The IEP is unquestionably Peru's oldest NGO. It groups numerous "Senderologists" whom President Fujimori likes to call "Senderophiles" because they constantly serve as Shining-Path's sounding board and attack the state's antiterrorist strategy. Luis Ivan Degregori is just one example of such individuals.

But the IEP is more than this: its founder, Luis E. Valcarcel, and other Peruvian personnel were the conduits for the Peru-Cornell program [1947-1951], which was financed by USAID, the Peace Corps, Rockefeller Foundation, Carnegie Foundation, Social Science Research Council and the National Science Foundation. Valcarcel and Jose Maria Arguedas, IEP's founders, also set up the San Cristobal de Huamanga University (UNSCH) in 1959,

the noted spawning ground of Shining Path (Sendero Luminoso). They also trained and encouraged an entire network of anthropologists such as Efraim Morote Best, Antonio Diaz Martinez, Luis Casanova, and Tom Zuidema, who together with Shining Path's later "president," Abimael Guzman, the UNSCH's personnel director for many years, directed the {fieldwork} which led to 14 years of subversive warfare and 25,000 dead. Human Rights NGOs Which Receive Political Support from Washington

In February of 1993, the State Department officially admitted that it used information from Peru's National Human Rights Coordinator (CNDDHH) in preparing the reports which shape U.S.-Peruvian relations. As a condition for its again participating in the Support Group overseeing Peru's reinsertion into the financial community, Washington demanded that the Peruvian government accept CNDDHH as its interlocutor. It was on the basis of a CNDDHH report, in February of 1993, that Washington suspended its involvement in the Support Group, despite the fact that President Fujimori had repeatedly characterized the group as "accomplices of subversion."

CNDDHH is made up of various NGOs, the majority of which originate in the Liberation Theology faction of the Catholic Church, led by the Episcopal Social Action Commission (CEAS) of the Peruvian Bishops Conference. CEAS controls CARITAS, the enormous Catholic social welfare agency.

Included among the non-religious NGOS belonging to CNDDHH are:

\*The Andean Jurists Commission (CAJ), local correspondent of Human Rights Watch/Americas, financed by speculator George Soros; the Roderick, John and Catherine MacArthur Foundation, the Ford Foundation, Aaron Diamond and J.M. Kaplan Foundations, among others. CAJ actively promotes drug legalization, demilitarization, and opposes any U.S.-Peruvian bilateral anti-drug cooperation. One of its leading spokesmen, Diego Garcia Sayan, worked with ONUSAL, the United Nations' mission to El Salvador which forced that nation's government to negotiate with the narcoterrorist Farabundo Marti National Liberation Front (FMLN), while reducing and purging the national Armed Forces. In 1984, the executive director of Americas Watch, which later became Human Rights Watch/Americas, Juan Mendez, stated in an interview with a pro-Shining Path publication that the Peruvian military had carried out a "dirty war."

\* Pro-Human Rights Association (APRODEH), run by Francisco Soberon, also linked to the Washington Office on Latin America (WOLA) whose lobbying inside the U.S. Congress is well known. APRODEH, tied to the Mariateguista Unified Party, an advocate of armed struggle, generally defends accused terrorists and was active in the La Cantuta case defending Shining Path members who were killed.

The November 19, 1991 El Comercio reported that CNDDHH is additionally linked to the MIR-IV Stage movement, one of whose factions joined the MRTA.

\* Legal Defense Institute (IDL), linked to French priest Hubert Lansiers, who claims that there are hundreds of "innocent victims" jailed on charges of terrorism. IDL provides lawyers for accused terrorists, and was in charge of publishing in Peru the report of the International Jurists Commission known otherwise as the {Goldman Commission}. The latter was contracted by the U.S. State Department in September, 1993 to question Peru's anti-terrorist legislation and demand the review of all sentences handed down to the

narcoterrorists of the PCP-Shining Path and the MRTA. In its final report, the Commission alleged that 30% of all sentenced terrorists were "innocent;" the then charge d'affaires of the U.S. Embassy, Charles Brayshaw demanded that the Fujimori government implement all of the policy recommendations made by the Goldman Commission.

In October, 1993, USAID signed with the College of Lawyers a "Program for the Civic Education of the Population for the Consolidation of Democracy, the Constitution and Human Rights." The project received \$210,000 from USAID and responsibility for its implementation was handed over, among others, to the Andean Jurists Commission, the Legal Defense Institute, and the Peruvian Institute for Education in Peace and Human Rights (IPEDEPEH), which is a member of the CNDDHH.

One example of how the human rights NGOs operate inside the U.S. is seen in the hearings convened on March 10, 1993 by the Subcommittee on Hemispheric Affairs of the House of Representatives, presided over by Rep. Robert G. Torricelli of New Jersey. Witnesses at the hearings included Francisco Sagasti, an executive of GRADE, Agenda Peru and Democratic Forum; Felipe Ortiz de Zevallos, executive of Apoyo, S.A. Collette Youngers of WOLA and Carol Graham of The Brookings Institution also appeared, Brookings being one of the sponsors of GRADE.

In her statements to the committee, Youngers recommended that the U.S. should not only not lift the embargo on any assistance to Peru, but that Peru should return to the institutional situation which existed prior to April 5, 1992 [the date on which President Fujimori closed down the corrupt Congress and took emergency measures to launch the anti-subversive war]. She demanded that all military assistance and training should be cut definitively. "Technical assistance... as part of the antinarcotics program should be discontinued. AID should provide more humanitarian aid and aid for the development of grassroots and non-governmental organizations," excluding the Peruvian state, Youngers said. [Reported in <Caretas>, Lima, March 18, 1993.]

In February of 1993, in its report on human rights in Peru, the State Department said that the CNDDHH is a "respectable and independent entity" whose information is reliable, and led the State Department to conclude that there was a "systematic pattern" of human rights violations."

CNDDHH has acted outside Peru to try to block funds from the "Donors Group" to Peru, in an effort to have those funds be administered directly through the NGOs. [Reported by El Comercio, August 23, 1993]. The Donors Group was convened by the World Bank and the Inter-American Development Bank.

## Britain deploys NGOs to destroy the nation-state

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According to the British establishment's long-term plans, the era of the nation-state will begin to come to an end during the 1990s. In its place, Britain intends to establish a new imperial order, in part run through such supernational institutions as the United Nations. While eliminating the nation-state has been British policy since the American Revolution, the particular plan now being implemented dates back to the years following World War II. This is the plan behind many diverse British strategic operations since that time: for example, the Serbian genocidal war on Croatia and Bosnia; the enforced starvation of Somalia, and the economic conditionalities policies of the International Monetary Fund (IMF), which are killing off South America and Africa, and increasingly devastating Eastern Europe.

A major purpose of these operations is to create a series of profound psychological and political shocks which foster what the Tavistock Institute of Human Relations, British intelligence's psychological warfare department, terms a "paradigm shift." A paradigm shift occurs when a target population's earlier concept of its identity and the world is abruptly shifted into a planned, differing one. The 1990s, according to the plan, will see the triumph of the imperial paradigm, superseding the old nation-state paradigm.

In this section of our report, we bring to the reader's attention some of the Tavistock Institute's thinking on the role of the U.N. nongovernmental organization in effecting this change. We focus on a 1989 conference on this plan, referencing relevant Tavistock writings going back to the 1960s, where the plan, and some of the theories behind the plan, were outlined. To do so requires using some of these operatives' peculiar and often intentionally vague jargon. This has the advantage, however, of making the reader familiar with the typical manner in which such operatives present their thinking, and thereby better equipped to identify such operatives.

### The new Mongol hordes

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On Nov. 13-19, 1989, the Program for Social Innovations in Global Management (SIGMA) at Case Western Reserve in Cleveland, Ohio, began a series of conferences on the use of nongovernmental organizations (NGOs) to end the era of the nation-state. The 1990s was identified as the period when this era would begin to end. The theory presented at the

conference had been developed by Tavistock, and many of its speakers were among its long-time operatives. The conference drew psychiatrists, sociologists, and political activists from 44 countries.

Conference coordinators Drs. David L. Cooperrider and William Pasmore introduced a series of articles on the conference to *Human Relations* readers by reporting that the powers of the nation-state had to be drastically curbed, if the world were to solve a series of global challenges identified by the United Nations and other organizations.

These alleged challenges, they said, include unbridled population growth, depletion of natural resources, global warming, tropical deforestation, loss of species diversity, chronic hunger and malnutrition, injustice and violation of human rights, increases in terrorism and communal violence, and the ever-present potential for nuclear holocaust.

Referencing the then-recent collapse of the Berlin Wall and transformation of Eastern Europe, the authors reported that the world was facing the threat, but also the opportunity, of being at a point of "encounter" between the limitations of mankind's past and the potentialities of mankind's future.

To overcome these alleged limitations, they said, requires the widespread growth of "global consciousness." This they define as the task of the social sciences. SIGMA, they reported, with the aid of the United Nations University, the International Social Science Council, and the International Federation of Institutes of Advanced Study, has concluded that the NGO is best suited to foster this growth.

There exist thousands of transnational organizations which have emerged since World War II, they note, which are capable of meeting this "global challenge." These NGOs "represent a unique social invention of the post-modern, post-industrial, information-rich and service-focused, globally-linked world system." The authors caution against idealizing the NGOs, but add that although the idea of such an organization is only a century old, it is "one of the most striking phenomena of the 20th century." They report that there are now over 20,000 transnational nongovernmental organizations listed in various U.N. or associated compilations.

What is essential about these organizations is that they cut across national boundaries, since they exist as entities beyond the nation-state.

The NGOs' operations, they gloat, in their peculiar jargon, have led to the "current transnationalization of world affairs whereby the international relations of the nation-state system have been superseded or supplemented by non-territorial relations among private individuals, groups and organizations, and the emergence of new forms of organization and management that illuminate the pathways by which peoples of the world may enlarge their spheres of cooperation in the service of sustainable global well-being."

## The 1990s as an Axial age

Elise Boulding, professor and a long-time activist with U.N. organizations, informed the conference that the 1990s would be a period of the greatest social transformation since the 13th century. The NGOs will steer this radical transformation, she said. The wife of the late prominent Club of Rome economist Kenneth Boulding and a popularizer of Tavistock conceptions, Boulding identified the current period as an "Axial age."

Axial ages, Boulding reports, are periods when peoples, ideas, and cultural traditions from widely different regions come together in a "great flowering of human creativity." The great task of the 1990s, made possible by the coming Axial age, is to foster "transnationalism," which is the

awareness that human identities must cross national borders, and "current state-centered nationalisms" be rejected.

Boulding posits the first Axial age as having occurred around 12,000 B.C., when man made the transition from the putative hunting and gathering existence to settled agriculture. The first documented Axial age was the formation of central empires in Africa, the Mediterranean, Egypt, and Sumer, about 3,000 B.C. She describes the period of 500 B.C. to 500 A.D. as the next Axial age, when small bands of Zoroastrian, Buddhist, Jainist, and later Christian and Muslim holy men carried the message that there was a cosmic order of which the earth was a mirror. Unfortunately, she says, their "networking" had few concrete referents.

The next Axial age was in the 1200s, when "the great nomadic empires of Genghis Khan and Kubla Khan were reorganizing the social face of Asia," and learning was advancing in Europe.

Alas, she says—ignoring the Italian Renaissance—Europe then turned its back on the process begun in the 1200s. How? Through its policy of Christian evangelization, especially linked to exploration. "These explorations followed a pattern of domination and exploitation that violated an important principle of axialism—symmetric interaction." As a result, she says, "Europe, for all its expansion of frontiers, had been slow to move toward radically new domains of the future."

Fortunately, she says, new forms of universalism developed in England. Boulding points to the "promising" role played by Quakers, the Brethren, Mennonite, and other "peace churches," who began building international networks based on world brotherhood, made possible by the fact that the earlier Axial age had eradicated the "existing institutional church-state complex." Later, in 1780, the English Enlightenment philosopher Jeremy Bentham coined the word "international" to apply to the law of nations, wherein, she says, one finds the origin of the concept of "world citizen." This concept developed further with the first World's Fair in London in 1851, followed by Paris (1855, 1867, 1900) and Chicago in 1893.

This "flowering" led to the rise of the "international civil society" as contrasted to the "international society." It also led to the formation of the first nongovernmental organization. Beginning with 200 NGOs at the turn of the century, there were 18,000 by 1980. "Future oriented, their members highly mobile and highly interactive, NGOs fulfill the triad of conditions for contributing to an Axial age," Boulding exults. A new Axial age, she proclaims, one last experienced during the days of Genghis Khan, will characterize the 1990s, but this time the NGOs will be the instrument of change leading to a global civilization.

### The first global civilization

Howard Perlmutter, a professor of "Social Architecture" at the Wharton School and the de facto head of the Tavistock Institute in the United States, reported on how this global civilization could be built. Perlmutter is a protégé of the now retired Eric Trist, a long-time leading official of Tavistock, who later emigrated to the U.S. to hold the post at the Wharton School now held by Perlmutter.

Perlmutter reports that "the central thesis of our recent work has been that we are seeing a paradigm shift in the social architecture of societal institutions around the world . . . which have as both a cause and consequence the building of the planet's first global civilization." Perlmutter had previously studied this phenomenon as far back as the 1950s, when

he was advising multinational corporations on how to expand throughout the world. More recently, he led a Tavistock team that studied the mechanisms through which Europe and the U.S. could block advanced western technology from spreading uncontrollably to the Third World.

Perlmutter cautions that the notion of a global civilization based on an ethnocentric universalism, as advocated by British intelligence official and historian Arnold Toynbee, where one group such as Europe seeks to become hegemonic, has become discredited. Hence, control must only be exerted covertly, he indicates. An early British imperialist notion relating to this concept was "indirect rule," the method by which, for example, Britain ruled India using Maharaja front-men.

Consequently, by the first global civilization Perlmutter claims to mean a new "world order with shared values, processes, and structures, whereby nations and cultures become more open to influence by each other." In this civilization, which entails a new paradigm, there is also a recognition of the identities and diversities of peoples. Peoples of different ideologies and values both cooperate and compete, but no ideology prevails over all the others, he states.

The main characteristic of this period, Perlmutter reports, is that there will be a paradigm shift from what Trist and he have termed the Industrial Model (Paradigm I), to the Symbiotic and Societal Model (Paradigm S), via the De-Industrial Model (Paradigm D). That is, the disintegration of Paradigm I under the attack of social forces defined by Paradigm D will eventually lead to a new integration, Paradigm S. Paradigm S is the paradigm of the new world order. Paradigm D is the paradigm of the NGOs.

The Industrial Model, Paradigm I, has, as its main characteristics, the following defined values: efficiency rather than people, short-term profits without concern for consequences; secondary concern with the environment; competition rather than cooperation; and ethnocentrism.

Paradigm I is based on a set of underlying values, a logic, in which dominance and dependency are a central preoccupation in societal and intersocietal relations.

The De-Industrialization Model, Paradigm D, has the following characteristic values: greening, feminism, "small is beautiful," intuitive thinking, concern with species extinction, and doubt over the sustainability of industrialization.

Paradigm D is characterized by the idea of limits. A society based on such an underlying logic would be a world become an "archipelago of largely self-contained relatively small communities," at least in intent.

One version of Paradigm D is arcadian. Another version is spiritual. Mao Zedong and the 19th-century Russian anarchist Nicolai Bakunin are typical leaders of arcadian movements; Mahatma Gandhi is a typical leader of the spiritual movement, according to Perlmutter. These are the two main versions of the paradigms defining the NGOs currently, Perlmutter reports, but adds that under conditions of economic breakdown, new variants of both will emerge.

The Symbiotic and Societal Model, Paradigm S, seeks to balance the values of the two previous, clashing paradigms. There is concern for results but also consequences, a global but also a local orientation to problems, concern for both people and efficiency, the use of technology but a concern for the environment, the balancing of autonomy and independence. Hence, the hoped-for Paradigm S will triumphantly emerge.

Perlmutter claims that neither Paradigm I nor Paradigm D can be a viable basis for a global civilization, since the continuation of the first may lead to human extinction, while the second might lead to a utopian retreat from the real world.

Here are some contrasting characteristic values of the three paradigms.

- I. Western science, technology as source of knowledge;
- D. Eastern truths as enduring and source of perennial wisdom;
- S. Global complementarities of knowledge, wisdom, spiritual insights along with differences.

- I. Western medicine;
- D. Eastern medicine, e.g. herbal remedies;
- S. Different scientific approaches produce breakthroughs.

Here it is apparent that this manipulated conflict of "I" and "D" is simply an imperial effort to block what is positive in the West from radiating into the former colonial sector. There is another series of sets of contrasting values, where the purpose of the 'manipulated' conflict is quite different. For example:

- I. Western style of capitalism as a model, with shock therapy advocated;
- D. Rejection of pure capitalism; importance of agriculture makes industrialism less relevant for high debt countries;
- S. Elements of free market accepted widely with wide variety of safety net ideas.

Here the intent is to force the Third World to accept modified forms of colonial rule, made palpable through a process of conflict and compromise. The process is analogous to the process by which a trade union leader's will is broken by brutal negotiations, and he feels lucky to find an apparently slightly better alternative to the worst proposal of the employer. In the above case, the alternatives all ultimately destroy the nation.

Perlmutter forecasts the following scenario:

European and American efforts to impose "homogenized westernization," the universalization of Paradigm I, lead to such developments as video-rock in Nepal and the imposition of shock therapy on eastern Europe. This, in turn, provokes counter-reactions from peoples resistant to such developments. These counter-reactions, however, are characterized by a "xenophobic reaction to increasing interdependence in all the areas," somewhat masked by an affirmation of historical legacies and cultural identities. This counter-reaction then becomes the source of reviving old ethnic and religious rivalries, which, Perlmutter gloats, are now becoming deadly hostilities.

The universalization of such a counter-reaction would constitute the victory of Paradigm D. So, one is left with the choice of western-imposed shock therapy and trash-culture, or mass-death through the rise of irrational social movements.

Eventually, the universalization of Paradigm D could lead to the fragmentation of humankind. As an example of this, Perlmutter projects a "nuclear confrontation between western countries and fundamentalist Islam in the 21st century." The British effort to create such a confrontation is now evident. Perlmutter warns that this fragmentation could also lead to many peoples being held hostage to psychopathic or messianic leaders who are determined to convert the rest of humankind.

The alternative to this scenario is the hegemony of Paradigm S, he claims, since the first two paradigms cannot be universalized without dire results.

In other words, Britain offers mankind the choice of either Euro-American-imposed IMF genocide or mass-death through spreading xenophobic wars. Moreover, by orchestrating conflict between the advanced and former colonial sector, Britain intends to create a new global system eradicating what is positive about both. This is the task of social science in the present period.



## EIR Special Report/The United Nations

Figure 3

## Tavistock's comparison of the twelve key institutions

Paradigm I	Paradigm D	Paradigm S
	Nation-state	
Absolute sovereignty linked to national security and a national economy	Small natural autarchic societies, no formal state	Limited sovereignty, multi-level allegiances, relatively autonomous regions
	Economy	
Worldwide free market, premised on continuous (blind) growth (converse centrally planned)	Local markets, steady-state economy, demonetization	World, regional, national, and local markets, free and regulated, integration of formal and informal economies; selective managed growth
	Welfare state	
State takes on welfare function to compensate for maldistribution	Welfare state replaced by community care	Wide variety of partnerships among state, community, and private sources
	Advanced countries-Lesser developed countries (AC-LDC)	
Empire, colonies, hegemony, dominance dependency	AC withdrawal, LDC self-reliance, detinking	ACs help LDCs pursue own development goals, restructuring of trade, redressing of resource consumption imbalance
	Representative political democracy	
Representative political democracy, short electoral intervals, legislative particularism, administrative displacement, coalitions producing least change	Community politics based on direct, participative democracy	Marriage of short- and long-term policies, innovative mixes of representative and participative democracy, using electronic technologies, capacity for major change
	Corporation	
Dominance of large-scale, high-tech firms, bureaucratically organized whether ownership private or public (TNCs encouraged)	Cooperatives and other forms of small enterprise only	All types and scales as appropriate, small-in-large organizational democracy
	City	
Uncontrolled growth, inner decay (AC), Favela (LDC)	Dissolved into small, self-reliant communities	The diffused city or microrregion, interdependent urban fields
	Family	
Isolated nuclear family, smaller, strained, insecure	Various types of living units supported by gemeinschaft mentality in closely integrated neighborhoods	Multigenerational families with friends and neighbors as age-cohort supports
	Individual	
Individualism win-lose, he oriented, having oriented, privatized	Cooperative win-win, she oriented, being oriented	Balance of cooperation and competition, both he/she and being-having orientation, "individuation," socially responsible individuality
	Science	
Classic scientific method, linear causation, reductionistic left-brain logic, hard data	Anti-hard science, intuitive, holistic contextual approach, capabilities of right brain	Balance of analysis and synthesis, knowledge and wisdom, both sides of the brain—whole-brained, synergy from reconciliation of the two cultures
	Technological choice	
Technological imperative, high technology preferred, nonrenewable resources favored, environment neglected	Human imperative, intermediate technology, renewable resources only, environment primacy	Joint optimization, full range of technologies, harmonization of human needs and environmental conservation (ecodevelopment)
	Education	
Continuous formal education to adulthood, specialization, analytical capacities, competitive values and social compliance encouraged	Deschooling, emphasis on cultivation of personal interests and holistic learning	Multiple channels and forms of learning, competence and personal development both cultivated, generalist-specialist balance, collaborative values and independent search

The accompanying chart (Figure 3), taken from a 1986 study by Perlmutter and Frist, shows more fully what Tavistock's new world is intended to look like as a result of this process.

Shifting the world into Paradigm S, from its present Paradigm I, has several requirements, Perlmutter reports. One is building internationally committed networks of international and locally committed organizations, that is, the NGOs. Another is creating global events. What are these global events? Perlmutter compares them with terrifying initiation rituals of primitive societies. He approvingly quotes the British historian (and Praxis board member) E.P. Thompson:

"And so the transition from civilization to planetization, from a materialistic industrial society based on production and consumption to a contemplative culture based upon consciousness and ecological symbiosis, is an initiation experience for the human race. The demons we see outside us in the forms of nuclear war, famine, and ecological catastrophes are the terrifying images that accompany the shift from one level of reality to another. Because of the limitations of our egos we cannot realize that we are all part of one single planetary life unless we discover to our horror that we are now threatened by one single planetary death."

## The theory behind the assault

To better understand the type of thinking behind these vague formulations, it is necessary to look at Tavistock writings on "turbulent environment." This is the environment that makes the emergence of the new paradigms possible.

In 1967, Tavistock theorist Fred Emery outlined Tavistock's approach to the world till the end of the century. In "The Next Thirty Years: Concepts, Methods and Anticipations," Emery exults in the mastery which Tavistock had already achieved in social manipulation, and outlines the plans for achieving a new paradigm shift by the 1990s.

"It should be clear by now," Emery proclaims, "that with planning, the social sciences can play an active role in the next decades, not simply a passive one—they can seek to modify directly their social environment in order to help men better pursue the ends they desire and not be left to adapt passively to whatever blindly emerges."

In order to mould this desired future, Emery emphasizes the importance of investigating the four ideal types of organization environment, to see which environment characterizes the present, and which will, through design or otherwise, characterize the future. It is the environment which determines how the various systems (individual or group) function. Emery's analysis is based on that of Kurt Lewin, one of Tavistock's founders and chief theoreticians.

1. The simplest kind of environment is the "placid, randomized environment." In this environment, the goals and the noxiants are relatively unchanging and randomly distributed. An example of such an environment, Emery states, is the concentration camp of World War II. The optimal strategy in this environment is the simple tactic of "attempting to do one's best on a local basis."

2. The second type of environment is characterized by "clustering." In this environment, goals and noxiants are not randomly distributed. Some parts of the environment, consequently, can serve as signs for other parts. In this environment, unlike the first, the survival of a system is conditional upon knowledge of the environment. An example is the Skinnerian rat cage, where the rat can avoid a painful shock, or acquire food, by certain actions. The optimal strategy is limited only by restrictions of knowledge.

3. The third type is that termed the "disturbed-reactive environment." This environment is considered to occur commonly in the real world,

and to have been the environment characterizing the world from the period immediately following World War II through the mid-1960s. The third type is an example of the second, except that there is more than one system. Consequently, the survival of one system is relevant to, positively or negatively, the survival of the others. An example of such an environment is the free market, or gladiators fighting for survival in the Roman coliseum.

4. The most complex environment, and the one that reportedly characterizes the period since the mid-1960s, is the "turbulent field." The major difference of this environment is that it is dynamic, unlike the placid and clustered environments. But also, unlike the disturbed-reactive environment, its dynamic properties arise not merely from the interaction—competition—of the systems, but also from the field itself. Emery compares this environment, somewhat misleadingly, to that which occurs when a company of soldiers marches in step over a small bridge.

In this field, processes emerge as unplanned-for consequences of actions taken by component systems. Therefore, it is difficult, if not impossible, for individual organizations to adapt successfully. Strategic planning can not ensure stability. No matter what you do or plan, it seems, there is no way out.

What Emery does not say is that most "turbulent fields" are usually controlled, behind the scenes, by higher powers, seeking to destroy or brainwash the victims trapped in this controlled, yet turbulent, environment. The mysterious, unknowable dynamism of the field is usually simply the result of its covert manipulation. For example, the turbulence in former Yugoslavia is not some natural sociological phenomenon—it is deliberate, and largely controlled by Britain.

There are several overlapping ways, all pathological, by which the individual "system," i.e., person, nation, etc., typically responds to the externally imposed turbulent environment.

One response by individuals or a society to turbulent environments, where conflicts are insoluble, is to simplify the complexities of the environment through repression in the realm of the individual, and suppression and oppression in society. One seeks to restrict the range of conditions to which one must respond. One manifestation of this response is a tendency for superficiality, hysteria, and especially rebellious hysteria. The rebellious hysteric, Emery projects, may become the dominant social type by the 1990s.

A second response to turbulence is fragmentation or disintegration, where the parts of the system split off and pursue their own ends without regard to the total system. An example of this is the widening of the gulf between the advanced and underdeveloped countries, the disintegration of societies into different ethnic, racial and class groupings, Emery states.

A third response is dissociation, as manifested in criminality, for example, where the needs of societies and others are ignored.

Overall, all these responses are associated with irrational group behaviors, including charismatic, mob behavior, fads, and fashions. These varying pathological responses typify the breakdown process in former Yugoslavia today. They also typify the direction of society since the advent of the 1960s counterculture.

## **Tavistock's way out: the U.N.**

There is an altogether different mode of responding to the turbulent environment than a descent into barbarism, Emery concludes. But this requires the intervention of social science and the emergence of organizations, such as the U.N., which mediate conflict and restrict turbulence.

Emery says that this alternative way of responding to turbulence is

Figure 4

**The top U.N. nongovernmental organizations**

There are currently thousands of "nongovernmental organizations" (NGOs) registered with the different councils and departments of the United Nations Secretariat. NGOs are authorized to receive certain non-public United Nations documentation and various free services, and also to participate in various U.N. conferences.

The term "nongovernmental organization" is misleading on several grounds. First, the U.N. typically depicts them in its literature as small, poorly funded, humanitarian organizations with no important influence over, or ties to, government. But many NGOs, such as Oxfam [Oxford Famine] or the Presbyterian Church U.S.A., represent elites which function at a level higher than government, determining governmental policies in countries such as Britain, France and the United States—the Security Council member-states that run the U.N.

Secondly, many NGOs, such as B'nai Brith or Freedom House, are decades-old private intelligence agencies which also maintain documented relations with governmental intelligence agencies, such as the Israeli Mossad and the U.S. Central Intelligence Agency. Finally, the vast majority of NGOs are front organizations with no real institutional existence. They are, rather, temporary vehicles through which either U.S. and British intelligence, or the Anglo-American establishment more generally, undermine the sovereignty of targeted formerly colonial states.

What follows is a list of some of the most important NGOs, which either run Britain, France, and the U.S., or are fronts for those states' intelligence agencies.

Africa Fund	International League for Human Rights
African-American Institute	Lutheran World Federation
American Humanist Association	Maryknoll Fathers
American Jewish Committee	National Conference of Christians and Jews
Amnesty International	Olof Palme Peace Foundation
Asia Society	Oxfam
B'nai Brith	Population Council
Baha'i International Community	Population Crisis Committee
Braha Kumaris World Spiritual University	Presbyterian Church U.S.A.
Carnegie Endowment for International Peace	Rockefeller Foundation
Episcopal Church	Rotary International
Freedom House	SANE FREEZE
Friedrich Ebert Stiftung	Sierra Club
Friedrich-Naumann Stiftung	Stanley Foundation
Foreign Policy Association	Temple of Understanding
Greenpeace	Trilateral Commission
Heritage Foundation	Unitarian Universalist Association
Human Rights Watch	United Nations Association of America
International Bar Association	World Council of Churches
International Chamber of Commerce	World Jewish Congress
International Commission of Jurists	World Vision International



Heritage Foundation



Trilateral Commission



Sierra Club

through the systems adopting new values through a paradigm shift in the society. The paradigm shift transforms the field. "By this transformation," he says, "there is created a field which is no longer richly joined and turbulent but simplified and relatively static," as, for example, in the placid concentration camp.

This transformation, however, requires the direct intervention of Tavistock. "This unselfconscious process of value formation is too slow to meet present pressing requirements," he complains, adding that it is therefore "necessary for social scientists to exert their efforts to speed up the distillation process." He adds that "if these questions we posed about values each had to have its own separate solution, we might well doubt whether men could cope with them in the next generation and then find ourselves writing some pessimistic scenarios for the 1990s." This does not have to be the case, he adds, since social scientists, with a single strategy, can intervene.

The paradigm shift that Perlmutter calls for, to end this age of turbulence, is a society based on "democratic" forms of self-control through "systems management."

This brings us to the planned, hidden U.N. dictatorship.

One rule in such a systems-management approach is to maximize cooperation between differing systems while recognizing that no system can take the role of the other. The differing competing systems form some sort of consensus; one must reject the idea of absolute right and wrong.

It is obvious that the power in such a society is found in the systems managers outside or above the environment, who guide this decision-making, i.e., the Security Council or related U.N. bodies or international organization forms.

There are two major objectives of systems management. The first objective is to provide a forum within which the ground rules can be evolved. By the systems manager establishing the rules of the game, the players become manipulable and predictable. Emery cautions that the systems manager must maintain a degree of secrecy, for without such secrecy the proposed players in the game will never accept a joint search for the ground rules.

Systems management also seeks to provide for "broader social sanctioning." That is, systems managers, through rewards and punishments, ensure that the rules of the game become virtually sacred and therefore inviolable. In other words, U.N. sanctions and wars. This sanctioning process is intended to control "the diffusion of values throughout member organizations," which, he notes, is "one of the functions exercised by professional bodies."

Emery concludes that this takeover project, then being outlined in 1967, will best occur if the social scientists proceed cautiously and covertly. As he puts it: "These processes are most effective when they allow for the coordination that arises from the mutual adjustment of the values and interests of the participants even though these social processes may not be consciously directed at an explicit goal, and decision processes are characterized by disjointed incrementalism."

### The NGO role in the turbulent environment

Writing in 1986, Perlmutter and Trist confirm Emery's assessment that during the last 20 years "a deep change has been taking place in the world environment." "The salience of the disturbed-reactive environment," which they say characterized the period from the immediate postwar years

through the 1960s, has been "giving way to the salience of the turbulent environment."

This transformation of the environment means that the "institutional forms and modes of adaptation" that came into existence in relation to an earlier environment, have become dysfunctional. "Response capabilities that can absorb and eventually reduce turbulence will develop only if humankind succeeds in building a set of major social institutions based on premises, values and beliefs radically different from those that underpin our present institutions." The authors report that "to raise institution building to a new level of consciousness is a primary task of the present era," which they define as "social architecture."

In respect to the paradigm shift under way, they note that until recently the notion that there were no limits to growth was hegemonic, an essential underlying belief of Paradigm I. Such developments as the 1973 oil shock, however, began to expose the "falsity" of that belief, and thus undermine the paradigm.

They note that the alternative of industrialism envisioned by Paradigm D thinkers, the philosophy of the NGO, is characterized by the notion of limit. Consequently, Paradigm D thinkers seek to transform "nation-states" into "an archipelago of small communities." "The superpowers and former 'great powers' would dissolve into regional groupings with distinct linguistic and cultural identities," according to the objectives of organizations which hold such views. Moreover, "complex technology would be avoided" as "inherently elitist."

The authors strongly emphasize that Paradigm D thinking cannot ultimately replace Paradigm I thinking, since some of its values are undesirable and others infeasible.

They further report that social science must intervene: "The degree of suffering that will occur if one waits for the collapse of I to begin before attempting proactive social architectural intervention by all relevant means and through all access routes is too great to be acceptable."

Thus Tavistock poses Paradigm S thinking as the only acceptable alternative to the discredited Paradigm I thinking, while avoiding the impractical, or not yet obtainable, society envisioned by utopian NGOs proposing Paradigm D.

Through the intervention of social science, Paradigm S, which provides a soft alternative to Paradigm D, is made acceptable. An example of this alternative:

"In addition to blind unregulated growth [I] or no growth [D], there is the policy of selective regulated growth [S], which can harmonize the need for growth with the requirements of the environment.

"Nation-states would remain, but their sovereignty would be limited. Some powers would be transferred to larger, others to smaller, units."

The acceptance of such a "compromise" by nations faced with, on the one hand, the IMF and New World Order, and on the other hand rampaging NGOs and spreading wars, constitutes the victory of British intelligence's "social architecture."

# U.S. AID runs overthrow of Thailand's government

by an EIR Investigative Team

*"Southeast Asia has had the most astonishing progress of all the regions. . . . Southeast Asia has, as far as the United States is concerned, governments that are neither allies nor are they—considered strictly—countries with which we have a very friendly relationship."*

—Henry Kissinger  
Hong Kong, October 1983

Twice, in the nine years since Kissinger declared that America's longstanding allies among the ASEAN nations were not considered friends of Washington, the U.S. government has acted to prove his startling words true. The first occasion was the February 1986 overthrow of longtime U.S. friend Ferdinand Marcos by a U.S.-ordered military coup, backed up by U.S.-backed "people's power." The second time is now—in Thailand.

EIR has learned that the U.S. Agency for International Development (AID) has been functioning as the financial angel for the entire so-called democracy movement, which erupted into violent action on May 18-19 in Bangkok, leading to confrontation with the Thai military and the killing of probably a few hundred people. That protesters' movement was organized on the ground by a plethora of "non-governmental organizations," which were legalized in Thailand three years ago. These "NGOs" are in turn funded, directed, and controlled both directly and indirectly by the Bush administration. The NGOs are effectively agencies of the U.S. government!

## AID funnels the funds

In February 1991, when the Thai military overthrew the government of Prime Minister Chatichai Choonhavan in a

bloodless coup, the United States officially cut off all financial assistance to Thailand. However, according to documents received from the U.S. AID, millions of dollars continued to flow to Thailand from that agency—exclusively to the Thai "democracy movement."

AID has siphoned off nearly \$700,000 to Participating Agencies Collaborating Together (PACT) in Thailand. The money is to be used for the purpose of "NGO coalition building," according to the AID document. PACT formerly was merely the funding arm for AID, but is now its own autonomous organization, concentrating mostly in Asia, a spokesman said.

Another \$1 million in AID monies, to "strengthen provincial councils and strengthen elected government," was dispatched to Thai NGOs through the Asia Foundation.

According to Asia Foundation spokesman Catherine Delpino, the foundation is working "to direct the private NGOs to target the government for reform," and on human rights. The foundation also funds "advocacy groups" of environmentalists and slum-dwellers to "lobby" for change, although "we have to be careful not to appear as though we are lobbying foreign governments."

The Asia Foundation, which has penetrated nearly every layer of Thai society, is nominally a private foundation. However, according to its 1990 annual report, it received \$381,783 from private sources, against \$13.7 million in "grants from the U.S. government" for its operations in Asia. It is therefore presumed that the foundation is helping to carry out U.S. foreign-policy objectives.

AID also pitched in another \$40,000 for the Duang Prateep Foundation, whose "slum angel" Prateep was a founder of the Thai Confederation of Democracy.

The AID also forked over nearly \$500,000 in the same time period to the Asia-America Free Labor Institute (AFLI) of the AFL-CIO. This money, says the AID document, was provided to "promote worker participation in elections, advocacy, and promote worker rights."

According to Philip Fishman, the AFL-CIO representative in Bangkok until recently, "Most of these labor leaders who were playing a role in these pro-democracy demonstrations are people who were closest to us and received the most extensive training. I know for sure one was on the organizing committee with [opposition leader General] Chamlong. There was another labor leader from the labor movement who was basically in charge of erecting the barricades and was very well known. It's something I'm personally quite proud of."

The AFLI itself dishes out offices, money, and recreational weekends to bind workers to it. It organized a program on "democracy" for a core of trade union leaders, who then went out and taught a compact version of the course to 1,400 trade unionists. This, along with the Washington-funded NGOs, provided the base of the "democracy" protesters.

In total, for Thailand, the AID has earmarked over \$8.6 million to build non-governmental organizations and to environmental purposes for disbursal over an approximate three-year period. "There is no question but that voice and choice in government has become more effective" in Thailand, said AID administrator David Hagen, in explaining the allocations.

The AID is the prime funder in greasing the wheels for greenie revolution in Thailand, against an allied government. The operational command structure for the entire apparatus begins with Asia Foundation, operating from its offices in Washington, San Francisco, and Bangkok, and from the AFLI. These two organizations train the NGOs and other protest leaders. The Thai point-man for the operation is Sulak Sivaraksa, the Anglican-trained greenie who led the uprising against the Thai military in 1973. By his own account, Sulak and/or his followers have organized the NGOs to which the AID is channeling money (see article and interview on pages 50-53). Sulak and his NGOs are, in turn, supported logistically and protected by a plethora of apparently private "human rights support" operations in the United States that give the subversive movement publicity and credibility.

It is the completely foreign sponsorship of the so-called democracy protesters—not the demands of the rising middle class, as the Anglo-American press would have us believe—that accounts for the violence of May 18-20, which all observers admit is "uncharacteristic of the Thai."

As one U.S. controller of the operation remarked, the Thai military was "very surprised by the resolute civilian action and simply didn't understand the basis of this opposition to what they are doing. They were caught by surprise. When you see that kind of bloodshed, it is usually the

result of armed forces not knowing what they are doing and being caught by surprise, and that is what happened in this case."

### Now It's 'democracy'

It would appear that since U.S. embassies, particularly in developing countries, have gained such notoriety for organizing coups, Washington is working hard to cover its tracks by overthrowing governments under the banner of "democracy." As of June 3, nearly two weeks after the NGO-led riots forced the resignation of Prime Minister Suchinda Kraprayoon, the Thai government still lacks a prime minister. The NGO movement is threatening more violence, if the duly elected ruling-party coalition does not name a prime minister it approves of.

The immediate target of the operation is the Thai military, which has been the key governing institution for an independent Thailand since it forced the creation of a constitutional monarchy in 1932. The Bush administration's similar attempts to dismantle the militaries of Ibero-America have now been transported to Asia. Even the same personnel are involved. The Asia Foundation is organizing a conference on "democratization" to be held in Bangkok in June (now postponed), which was to have featured Lewis Goodman, author of *The Military and Democracy: The Future of Civil-Military Relations in Latin America*—the famous "Bush manual" for the destruction of Ibero-America militaries. The book was in part funded by the U.S. Information Agency.

Admitting that the Thai military "has been a source of stability in the political panorama in Southeast Asia," Goodman asserted in an interview made available to *EIR* that the U.S. goal should be to reduce the military to its "proper role." Realizing this objective "will be quite a complex thing," he said. "It may end up with the destruction of the Armed Forces."

The royal family of Thailand, led by King Bhumipol Adulyadej, is another target of the "democracy" movement. Continuing instability forces the king to intervene directly into politics. Already (see interviews below), the protesters are agitating to overturn the amnesty, signed by the king, of former prime minister Suchinda, in a direct challenge to the king's authority. The objective is to force the king into a corner, so that he takes action that destroys his moral authority.

The bloody events in Thailand over May 18-20 are projected to be but the beginning of the destabilization of the ASEAN countries. Next on the hit list are Indonesia and Malaysia, according to James Clad, a member of the Carnegie Endowment for Peace, in comments to the *Washington Post*. It might be asked what the United States hopes to gain by destabilizing the Southeast Asian countries. Thai and Philippine soldiers fought by side by side with Americans in Korea and Vietnam. Henry Kissinger's 1983 statement



helps provide the answer: "Southeast Asia has had the most astonishing progress of all the regions." Over the last decade, the economies of ASEAN, with the exception of the Philippines, have enjoyed high growth rates and are on the way to becoming full-fledged "newly industrialized countries." Evidently, such a prospect is a threat to Washington, and its strategic partners, London and Beijing.

## Documentation

### AFLI representative: 'We trained them all'

*The following interview with Philip Fishman, head of the Asia-American Labor Institute (AFLI) of the AFL-CIO in Bangkok until he became head of the AFL-CIO International Division, was made available to EIR:*

*On the role of the labor unions in the democracy protests:* They played a fairly big role, a bigger role than I thought originally. There was at least one, and maybe two. I know one for sure who was on the demonstration organizing committee with Chamlong, and whether there was an arrest warrant or not, he was one of the people cited. . . . There was another leader from the labor movement who was basically in charge of erecting barricades and was very well known. The vice president of the Thai Trade Union Congress, which is the largest private sector congress in Thailand, spoke at the demonstrations that were taking place in other places. And I just saw . . . that at least seven labor leaders were arrested during the demonstrations, so I think they played a bigger role than I originally knew about. . . .

It is often the case, and it's personally something I'm quite proud of, that most of these labor leaders who are playing a role in these pro-democracy demonstrations are people who were closest to us and received the most extensive training. One of the interesting programs that our institute had been conducting there for five years was a sort of democracy education program, where a cadre of labor leaders were taught to teach model courses to rank-and-file labor leaders on the basic aspects of democracy, the role that trade unions play in building and protecting democracy, how to run a democratic union, these types of things. And almost without exception, these labor leaders who were involved in the leadership and most active in these democracy demonstrations were people that were part of the cadre of educators. So, it is something that we are very proud of.

We used materials here that we had developed basically at our Latin American institute, who sort of have been doing these kinds of programs longer. And then we adopted them to an Asian-Thai context, and we held a series of long training programs, day-long, residential training programs for these democracy educators, out of which emerged a core group of 10 or 12. The rest of them really didn't measure up for one reason or another.

And then these 12 used these materials and boiled them down to a two-day curriculum for rank-and-file union members, and then developed materials in Thai based on the materials that they had been presented in their training programs. The materials they presented were each about five pages long. They developed a series of four or five pamphlets which were developed in very basic language. One was on the political aspects of democracy, and the social aspects of democracy as well as unions and democracy. . . .

The workers themselves did the outlook forum and so on, and there was a series of democracy education programs for rank and file union members and local union leaders in Thailand, which were held at least once a month. And, about the time I left, there were about 1,400 unionists who had attended these programs and the democracy educators themselves used to get together on a quarterly basis and review curriculum and review training techniques, evaluate and so forth, and usually between that and the quarterly meetings I would try to expand upon their own experience and knowledge.

For example, we had Bertil Lintner [correspondent for *Far Eastern Economic Review*, who has led a campaign against the Thai military—ed.]. They were curious about what was going on in Burma for example. During one of these quarterly meetings, we invited Bertil to come and give a presentation on what happened in Burma. So usually we would bring another piece into it.

There was some difficulty, for example, the difference between the political spectrum and the economics spectrum. And there is such a strong identification, as you might know, in Thailand, between democracy and capitalism, that it was hard for our people to see that democracy was a political idea and that there was a whole range of economic structures or systems that could be democratic, that could go along with a political democratic system; so we brought in an ICFTU [International Congress of Free Trade Unions] official who's from Scandinavia, from Sweden, to give them an idea of the Swedish model, to make them understand that when you talk about democracy, you're not talking about laissez-faire capitalism. So, we added a piece to it.

Another time, we had a long session on coalition building, on how to reach out to other groups in a society on particular issues and develop coalitions. It was very interesting.

For me, it was an eye opening. It was really inspiring. It seems to have paid off, in very unexpected ways.

*On the role of the U.S. embassy:* I have heard that this is something the embassy has taken note of there. There is some indication that they were kind of surprised to see our people play such a preeminent role. They're supportive. . . . The political section, which is responsible for maintaining contact with the parties, with the workers, with the students, with the political opposition, they are usually more understanding of the broader picture and usually more sympathetic. . . . I am sure that the political section people are very cognizant of who is involved and what kind of role they are playing, and very appreciative of some of the work we did, in not only helping to build a democratic institution, but also training individual people who have now emerged in such essential roles. Whether or not that extends up to the ambassador, I really don't know.

*On opposition leader Gen. Chavalit Yongchaiyuth:* Throughout the '70s and perhaps leading into the early '80s, there was a sort of activist element within the military—the Young Turks they were called; they were responsible for some of the early coup attempts in the early 1980s. Chavalit was identified with that group. Chavalit really rose to fame by putting together the policies in the south that coopted the communists. . . . One of the ironies of the situation is that a lot of those people who came out of the jungle became advisers to Chavalit, and became advisers to a lot of different politicians and so on. They were not only not thrown into jail, but they were immediately accepted as being credible. . . . Chavalit was identified with this soft response to the communists. He was identified with Prasert Supkongkorn, one of the founders of the Communist Party. He was identified with more of the leftist elements.

The irony of it was that the American embassy was in love with Chavalit. He was their boy. He was trained in the U.S.

## Asia Foundation: Is Asia following Ibero-America?

*The following interview with Asia Foundation staffer Steven Clayborne was made available to EIR:*

*On environmentalism:* That's one of our major focuses in Thailand over the last couple of years, to help strengthen the environmental NGOs in Thailand, and work with businesses and the government on compliance issues and on policy issues, environmental policy issues. So that is something that is definitely on the horizon in Thailand. . . .

The other thing we are trying to do is to hook into some local government assistance. The Interior Ministry runs local government basically in Thailand, but there is some talk that

they will devolve some power, so we are going to pick some municipalities and help with some planning, so that they can actually make requests to the Interior Ministry for money for their own development projects. And hopefully this will tie into the environmental planning aspect of things.

*On penetrating Thai democracy:* We are trying to work with the Parliament. We have been trying to work with them off and on for a long time. The latest project we had was working with a group of young, would-be parliamentary research analysts who would be housed in an office—a research bureau, basically—who would do research on the budget and provide research services to the parliamentarians, to the congressmen. And this was done through a public think tank, the Institute for Public Policy Studies. And we are still working on this project, if the Assembly ever gets it together. We had them here for nine months basically, studying state legislatures and support services there. So hopefully, we had a couple of guys who were elected to Parliament again who were behind this project, and they will get things off the ground.

So, hopefully, they will help push this through, or at least get it off the ground, with the idea that congressmen need some independent sources of information and research on things. So, that is our major project, which we are still trying to get going.

And then we have been working on accountability issues as well. Trying to bring government accountability departments together, auditing departments, for example, and a corruption commission, and different bureaus in the Thai bureaucracy, to take another look at accountability mechanisms, financial accountability, and basically in helping them to develop some training programs. . . .

And then we are also working with the press, the Press Development Institute of Thailand, on investigative reporting training programs to strengthen their ability to do that kind of investigative journalism. That's the other side of accountability. Again, focus on accountability.

The institute is about 10 years old. It's not what you would call one of our creations, but we helped get it off the ground. We have a lot of journalist friends. It's a fairly free press. . . . So we're pretty active. We have a pretty big program in Thailand.

*On the military:* There is definitely some sort of dialogue going on—it's in the streets now. It's always been a bone of contention. I think we have tried to address it by bringing military people over here and looking at the relations between our military and civil society, and we are planning to do more in this area in Asia. But I guess the study of civil-military relations is not as advanced as in Latin America, for example, where they have really gone through some kind of process. The question is, is Asia following the same sort of process?

# Operatives in London, Washington, and Cairo seek U.N. action in Sudan

by an EIR Investigative Team

The speaker came right to the point: "Probably in the next two weeks, Sudan will formally be placed on the official list of terrorist nations; when that happens, this opens the door to anything. There are only a few countries on that list. These are the countries we will do anything to destabilize." Whether or not military intervention will take place, he continued, is tied to whether or not the U.S. is able to "really use the New York terrorist incident [the bombing of the World Trade Center] to maximum advantage. If they take the fact that the Sudanese were involved in that New York situation, and they really push that angle . . . on that basis they could carry out some kind of action."

The speaker is John Prendergast, one of the co-chairmen of the U.S.-based Coalition for Peace in the Horn of Africa. He was speaking approximately two weeks before the U.S. State Department's Aug. 18 announcement that indeed Sudan had been placed on this U.S. hit list.

Prendergast officially works for the Jesuit-founded Center for Concern, but he contracts his services also to other non-governmental organizations such as Bread for the World and Africa Watch. He is described by the Council on Foreign Relations as their "main Sudan expert."

Prendergast, and his partner in running the Coalition for Peace in the Horn, Sharo Pauling of Bread for the World, together drafted legislation against the Sudanese government that was introduced in the Senate in April by Sen. Paul Simon (D-Ill.), with whom they have regular contact. The working relationship is no doubt facilitated by the fact that Paul Simon's older brother, Arthur Simon, founded Bread for the World and was its president for 18 years before his retirement two years ago. But Paul Simon is not just a senator, and the Simon brothers' concern is not just hunger in southern Sudan.

Paul Simon is also closely tied to the Anti-Defamation League of B'nai B'rith, and regularly praises ADL legislation on the Senate floor. Indeed, it is widely known that he is in the U.S. Senate today because the ADL and the American-Israeli Public Affairs Committee (AIPAC) launched a very well-funded propaganda and smear campaign used to defeat Sen. Charles Percy, who they claimed was too "pro-Arab."

Prendergast, Pauling, and the Simon brothers are among the primary operatives organized in interlocking institutions with altruistic-sounding names, that are operating from Lon-

don, Cairo, and the United States, with the immediate goal of bringing down the Sudanese government of Gen. Omar Hassan Ahmed Bashir. For many in this cast, the principal mechanism for accomplishing this goal is the United Nations.

The operation against Sudan has now been placed on a fast track — no doubt connected with the fact that the splintered opposition groupings in the south are losing in their battle against the government in Khartoum. It must be kept in mind that the targeting of Sudan is part of the targeting of the entire Horn of Africa and Africa in general, where the cast of characters involved in the various manipulations differs from country to country, but the funding mechanisms remains largely the same.

Beneath the platitudes about "multiparty democracy" rolling back "the size and influence of overly centralized African governments" to "end the rule of African dictators," there lies a much different agenda: the recolonization of the region. Establishment policy — as hammered out behind closed doors among participants of such ruling councils as the New York Council on Foreign Relations and its mother institution, the Royal Institute of International Affairs (RIIA) in London — is to weaken governments of African countries so as to destroy any resistance to the looting of raw materials by multinational corporations. Inflaming religious and ethnic conflicts is a means to this end.

One of the script writers is Michael Clough, Senior Fellow for Africa at the Council on Foreign Relations, whose blueprint for steering the Clinton administration, *U.S. Policy Toward Africa and the End of the Cold War*, was published by the CFR in 1992 (see box). Among Clough's points are that: 1) the nation-state — particularly in Africa — is dead; 2) the United States cannot lead a crusade to save Africa from poverty, political repression, and civil war; 3) what the United States can do is support the U.S. constituencies concerned about issues "that happen to involve Africa" — such as relief, human rights, population, women's rights, and the environment, groups that are funded by "the larger foundations, such as the Ford Foundation, the Rockefeller Foundation, the Carnegie Corp. of New York, and the John T. and Catherine MacArthur Foundation"; 4) The U.S. must channel assistance through non-governmental organizations within the African countries and

must cease funding strong central governments.

Clough's prescription tends toward the dissolution of nations in favor of their tribal components. In light of Africa's tribalism and the low levels of literacy and education resulting from the denial of technology to the continent, the form of government that has worked best has been precisely the strong central government that Clough rejects.

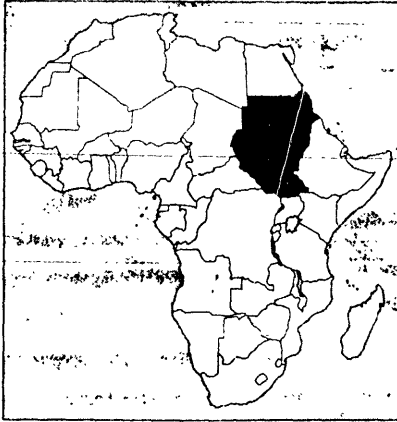
Clough was Africa policy adviser to Bill Clinton's presidential campaign, although he was not brought into the administration. Though leaders of the non-governmental organizations have accepted Clough's thesis, it is still an open question whether the Clinton administration has also done so. A State Department spokesman, in making the announcement on Aug. 18 that Sudan had been placed on the U.S. hit list as a terrorist nation, admitted that the Clinton administration, in this case, was following up a process that had been begun by Bush: "Last December, then-Secretary of State Eagleburger ordered a systematic 180-day review to determine whether Sudan should be designated a state sponsor of acts of international terrorism." He added that the review "is now completed."

### The U.S. Congress-handlers

Sharon Pauling of Bread for the World and John Prendergast of Center for Concern are the undisputed U.S. Congress-handlers, both in shaping the "public opinion" upon which U.S. congressional action is taken, and in assisting in drafting legislation. Pauling laid out the strategy of the Coalition for Peace in the Horn of Africa: "We want to give [Clinton's] administration a chance. We are working hard on Assistant Secretary for African Affairs George Moose, and [National Security Adviser] Tony Lake. And apparently Tony Lake in the National Security Council and Frank Wisner in DOD [Department of Defense] are very concerned about Sudan. I think we really have something to work with here. . . . We need much more action. The U.S. needs to be a player on all of this, but it cannot act all alone. The last thing that we want to see is unilateral action like we saw in Somalia. We want multilateral action. We want the Security Council to act. . . . We are asking for a U.N. envoy. . . . We are asking for human rights monitors in the country to send a signal to everybody, including [rebel leader John] Garang. . . . They need to be in the transition zones like the Nuba Mountains; they need to be all over the south. We are asking for demilitarized areas."

Pauling explains that the coalition that she and Prendergast coordinate "helped to draft the resolution that the Senate is currently considering, that was introduced by Sen. [Paul] Simon. And the one from Rep. [Harry] Johnston, who is the new chairman of the Africa Subcommittee on the House side." The House resolution says that the United States supports the self-determination of the Sudanese people. "That's a major threat" for the Khartoum government, says Pauling.

Sudan in the African continent



"What it stops short of is — it doesn't call for separation — but 'self-determination' is a vague term that, at the bottom line, means separation of sorts. The first threat was the U.S.-led intervention into Somalia. They said: 'If it can happen there, it can happen to us.' The second threat was that [U.N.] General Assembly in December passed a resolution that was fairly unanimous. I think there were only eight countries that didn't sign on to it — basically condemning human rights violations in the Sudan."

Bread for the World is an adjunct of the massive World Council of Churches-National Council of Churches apparatus, which also links up with the major establishment foundations, such as the Ford Foundation, the Rockefeller Foundation, and the Rockefeller Brothers Fund. It was John D. Rockefeller, Jr. who donated the first millions in 1946 to expand the Federal Council into the World Council of Churches. Because churches also provide support to the Council of Churches apparatus, and tend at times to be critical of the kinds of operations that the Council of Churches funds, some of the dirtier operations are funded directly by the Ford Foundation, according to Diane Knipper from the D.C.-based Institute for Religion and Democracy. The Ford Foundation, for instance, funds the Sudan Council of Churches. Although the Ford Foundation was established in 1936 by Henry Ford, by 1961 it was under the policy influence of the Rockefeller-Council on Foreign Relations crowd. There are currently in-

terlocking board members between the Ford Foundation and the World Council and National Council of Churches.

Willis Logan, director of the Africa Office of the National Council of Churches (also called Church World Service) "used to be very outspoken on the Sudan issue . . . but now he refers calls to me," notes Pauling. Bread for the World publications include articles authored by other Council of Churches personnel. Pauling said Bread for the World gets no foundation money, and gets "maybe 10% of our income" from churches. The finance office of the National Council of Churches admits that BFW contributions "probably come up on our computer."

#### London base for opposition forces

While Bread for the World and friends work on getting the United States to lead the charge against Sudan, London

is organizing the opposition to Khartoum. The National Democratic Alliance — the coalition of anti-Bashir Sudanese political parties and trade unions — has offices in Britain, the United States, and Egypt, but London plays the key role. The NDA is also strongly backed by Saudi Arabia, and it is allowed to use Egypt as an important base of operations. It includes not only Sudan's northern political parties, including the Umma party of Sadiq Mahdi and the Democratic Unionist Party, but also the trade union movement in the north, the Legitimate Command of the Sudanese Armed Forces, and western darling Gen. John Garang's Sudanese People's Liberation Army (SPLA) in the south.

Prof. Peter Woodward, one of Britain's "opposition handlers," insists that it is the creation of such opposition alliances that is the tried-and-true method, and complains that "the U.S. media-led military operation" in Somalia didn't

### CFR spokesman plans dissolution of nations

*The following points are made in a policy proposal by Michael Clough, who is Senior Fellow for Africa at the New York Council on Foreign Relations (CFR), a board member of Africa Watch, and affiliated with the globalist Stanley Foundation. Clough's book Free at Last: U.S. Policy Toward Africa and the End of the Cold War, was financed by the Rockefeller Foundation and published in 1992 by the Council on Foreign Relations. During the same period, Clough was Africa adviser to the Clinton campaign.*

Clough says that it "would be a mistake to pretend the United States can lead a crusade to save Africa from poverty, political repression and civil war"; that it does not have the resources or the "inclination" to do so. The only precedents for such an effort "are the postwar reconstruction of Europe and Japan."

He argues that "the U.S. no longer has any substantial geopolitical interests in Africa," and that the outcome of "the many ongoing struggles for political supremacy in Africa" will not threaten the security or welfare of the United States.

The nation-state is dead, Clough maintains. He adds that "events have usually confounded those who heralded the dawn of a new age in which relations among peoples would supplant relations among nations," but that never-

theless, "there are compelling reasons for believing that a quantum expansion of transnational society is currently under way."

"The most important influence on U.S. policy toward Africa is coming from groups not interested in the continent per se," he writes, but instead are concerned about "issues or causes that happen to involve Africa," such as human rights, women's issues, overpopulation, relief, and the environment. The advantage of these interest groups are: 1) they have a sophisticated network of global relationships linking them with other private groups and international organizations; 2) they have well-organized national offices with effective public information, media and lobbying operations and close working relationships with key members of Congress.

Clough acknowledges the significant role "the larger foundations" currently play in influencing "U.S. relations with the world." He acknowledges that not many organizations concerned with international relations could survive "without the support of 'the Ford Foundation, the Rockefeller Foundation, the Carnegie Corporation of New York and the John T. and Catherine MacArthur Foundation.'" Foundations are playing "a more active foreign policy role by directly assisting private individuals and groups overseas working for economic and political change."

In countries ruled by dictators, which is how Clough classifies Sudan, "all official U.S. assistance must be channeled through independent non-governmental organizations." He also proposes that with respect to Africa as a whole, "No less than 50% of all official U.S. aid to Africa must be channeled through U.S. non-governmental organizations."

accomplish the task. Things are "a worse mess now than when you arrived," he said. "If [the United States] never had a strategy from the beginning!" Woodward may be right: London has never been short on "strategy" to subvert governments and create new ones of its liking.

The Royal Institute of International Affairs referred a U.S. reporter to Woodward for information about Sudan. A professor at University of Khartoum in the 1970s, Woodward now teaches at the University of Reading, England. The day Woodward was reached, two members of the National Democratic Alliance — Dr. Abdul Wahab Sinada, chairman of the Sudan Human Rights Organization, and Dr. Khalid al-Kidd, a leader of the Sudan Communist Party — were late for tea. "I don't know where they are; they are not good timekeepers," the professor said. "I've also got the phone number and fax number for the assistant secretary of foreign affairs of the Unionist Party — that's one of the biggest parties; he is one of my former students, as most of these people are." How did all these Sudanese political figures end up being Woodward's students in Reading, 30 miles west of London? Woodward bristled. "I don't go around organizing political parties, if that is what you mean!"

Woodward says that the Sudanese elite were all educated at the University of Khartoum, "where I used to teach, and so I knew or I taught at various times, either there or here in Britain, a lot of the elite." He claims that he uses BBC broadcasts to keep in touch with contacts in Sudan. "They still all keep in touch with me . . . to tell me what is going on. . . . I'm also a regular commentator on BBC World Service. It goes out on the World Service. That's one of the ways I keep in touch with them. I get responses back from them." Woodward said he and friends from the back benches in the House of Commons — Robert Banks (Conservative) and Tony Worthington (Labour) — see themselves as "playing the role of mediators" and "putting new ideas to the Sudanese." Woodward claims, however, that there is not a strong inclination in Britain to intervene militarily or even to push the U.N. into such action.

On Aug. 17, Baroness Caroline Cox, a member of the British House of Lords, floated a trial balloon for a United Nations-led intervention against Sudan. "The international community must urgently discourage Khartoum from continuing its offensive in the South and the Nuba Mountains," she wrote in the *International Herald Tribune*. "The United Nations will be sending the right signals to the Khartoum government if it moves rapidly to impose an embargo on the shipment of weapons and oil to Sudan and to establish a military air exclusion zone over the South and Nuba Mountains." A London source insisted that "whatever she does, is done on behalf of the government and the establishment."

Archbishop of Canterbury George Carey has also signalled British interest in a more immediate "solution." "The time has come for world attention to be turned from Bosnia-

Hercegovina to southern Sudan," the archbishop said in a statement issued from Nairobi earlier this summer. "I will get in touch with the British government and other organizations to see what could be done."

Among this cast of characters attempting to manipulate policy toward the Sudan, there is clear agreement on the desirability of a power play by the United Nations at Anglo-American urging. At the same time that the London-based NDA is forming a new "government in the wings," its members are desperately calling for international assistance to put them in power. The U.N. and the international community must apply to Sudan the same kind of sanctions that they put on Iraq, Sudanese Communist Party leader Dr. Khalid al-Kidd told a U.S. reporter. "Because the [Sudanese] regime is facing very, very severe economic difficulties," he said. "One of the most important things is oil, and they are getting this from Libya, from Iran. So if the oil is stopped, if the country is cut off — Port Sudan, the Red Sea — and if it is made sure that countries like Libya do not give Sudan oil and things like wheat — these things that they desperately need — this will hasten the overthrow of this regime. Definitely!" Dr. al-Kidd is calling for "safe havens" in southern Sudan. He also made clear that the NDA has "very strong backing" from Saudi Arabia. "After the stance the Sudanese government took backing Saddam Hussein, we especially started getting strong Saudi support."

Dr. al-Kidd emphasizes that what happens to Sudan is not unimportant for the United States and Britain. "Sudan has the Nile, which makes it vital to Egypt, Uganda, Kenya, Ethiopia. And now they are speaking about very, very vast oil wealth in the Sudan, especially in the southern part. Sudan is rich with resources, very rich. It hasn't had a chance for these things to be produced."

Dr. al-Kidd says that the real feat that has been achieved in the various NDA conferences in London, Cairo, and Nairobi in the recent period, is that the Umma party and the Democratic Unionist Party (DUP) have finally agreed to a plan for a totally secular government. He explains: "These two parties, the Umma and the DUP, used to be traditional parties advocating Islamic laws in the Sudan themselves."

They were hesitant to sign the charter [at a London meeting in 1992] which clearly separates religion from the state. But they signed." Making clear how fragile the stitched-together alliance really is, al-Kidd added that "many people don't think they [the two traditional Islam-based parties] are wholeheartedly for this new, secular constitution," in that the parties bases are "grassroots religious sects." Dr. al-Kidd boasts that the Communist Party was the initiator of the Alliance itself, and that it was his party, in particular, that "is trying to make the NDA adopt the complete separation of politics from religion." The Sudanese Communist Party is widely known to have strong ties to the Israeli intelligence service, the Mossad.

### A little help from the Ford Foundation

One of Dr. al-Kidd's close associates, though higher up the ladder, is Dr. Amin Mekki Medeni, who heads the Sudan Human Rights Organization. Dr. Medeni was educated in London, and was employed first by the United Nations, and later by the World Bank, before returning to Sudan in 1979. He now operates from Cairo. Medeni told a reporter in early August that the Ford Foundation in Cairo "has helped the organization establish itself abroad. They helped members, individual members of the organization. They had Abdullahi A. An-Na'im as a visiting fellow for a year. Until last week he used to work for the Ford Foundation in Cairo, but now he has taken up his position as the director of Africa Watch in Washington. His office is going to be in Washington, D.C., but he will also head the Africa Watch program in New York."

The Ford Foundation annual report for 1992 lists Abdullahi A. An-Na'im as the recipient of \$250,000 for the period of October 1991 to September 1992. Living expenses must be high in Cairo.

There is clearly a very large operation in Cairo, which includes a significant so-called labor union component. The National Democratic Alliance is in fact an expansion and reorganization of the National Alliance for the Salvation of the Country, which was instrumental in bringing down an earlier government in Sudan, that of President Gaafar Mohamed Nimeiri in April 1985. In that action, the so-called labor component was key. In an interview published by *Business Week* on Nov. 4, 1985, then-Executive Director of the U.S.-based African-American Labor Center Patrick O'Farrell discussed how the AALC, which is affiliated with the American Institute for Free Labor Development (AIFLD), played a role in the events that brought down the Nimeiri government. "It was brought down largely by the unions, especially the doctors, and we had been helping to train them. . . . Now for God's sake, don't say we were training people to overthrow the government. . . . But the unions did go to the streets to bring down the government." *Business Week* added: "Today, Sudan's prime minister is a former leader of the doctors' union."

The African-American Labor Center is no longer in Sudan. A spokesman for AALC told a reporter that their pointman for Sudan, Gebra Bebra-Miram, now operates out of Cairo instead: "He was our representative in Sudan until we had to evacuate." The AALC works closely with the European-based International Confederation of Free Trade Unions (ICFTU): "We are now in contact with what is called the Sudan Workers Trade Union Federation that is based in Cairo." He added, however, that the AALC was not just concerned with the labor movement, but "in Cairo we are in contact with the many [Sudanese] opposition groups; we enable them to make some representation on their cases. And we enable them to attend meetings of international organiza-

tions, for example, the ICFTU meetings, where they go and challenge the credibility of the [Sudanese government] unions. . . . I don't know all the groups we support."

The AIFLD network was founded by "dirty tricks" specialists in the early 1960s, who were deployed into the American labor movement by the State Department and the CIA. The countries of Latin America have had extensive dealings with this apparatus, as AIFLD operatives have participated in the corruption, destabilization, and destruction of labor movements and governments across the continent.

### The NED lends a hand

The African-American Labor Center is at least partially funded by the U.S. government, through National Endowment for Democracy grants. The NED's 1991 annual report, for example, lists a \$132,221 grant to the Free Trade Union Institute (FTUI), "to allow the African-American Labor Center (AALC) to help three regional trade union organizations in Africa to develop approaches to the serious political and economic problems facing workers in their respective regions." Other NED grants to this apparatus the same year were \$220,927 and \$215,970.

It is not only the AALC that gets money from the National Endowment for Democracy. In mid-July it looked like it was curtains for the NED, when the U.S. House of Representatives voted 243-181 to cut off its funds, but this "private CIA" agency was quickly rescued. Since its creation in 1983, the NED has financed hundreds of political projects internationally, including the destabilization of President Ferdinand Marcos of the Philippines, and support for the Medellín Cartel of cocaine barons in Colombia. Current president of the NED is Carl Gershman, a member of the Anti-Defamation League of B'nai B'rith.

According to a spokesman for the NED, one of the Sudanese dissidents whom the agency funds is Bonna Malwal, editor of the *Sudan Democratic Gazette* in London, a key member of London's opposition Alliance. Clearly, the NED and others fund him well. Malwal shuttles back and forth between London and Washington quite regularly, with a detour this summer to Aspen, Colorado for an Aspen Institute-sponsored gathering. In testimony to the congressional subcommittee on Africa hearings in early May, Malwal called for U.S. and U.N. intervention in Sudan, insisting that "there can be no solution within Sudan - this is what has been going on for the last 40 years. . . . The U.S. must lead the way."

The NED also funds the Horn of Africa project of a U.S.-based non-governmental organization called the Fund for Peace. Indeed, the one U.S.-based NGO that all the members of the NDA have nothing but good things to say about is the Fund for Peace. This was particularly emphasized by the Sudan Human Rights Organization leader in Cairo, Dr. Medeni, who works with the Fund for Peace in Cairo. Medeni was particularly appreciative that the Fund for Peace had

organized and covered all expenses of a Cairo-based strategy workshop in November 1992. Fund literature notes that the event "brought Sudanese activists in exile from their various temporary havens together to decide how to coordinate and expand their activities, how to empower what remains of the internal human rights movement, how to assist victims of the current regime, and how to raise the visibility of conditions in Sudan in the international community." Dr. Medeni noted that he had coordinated the event with the Fund for Peace.

The executive director of the Fund for Peace is Nina Solarz, the wife of Steven Solarz, the former chairman of the Subcommittee on Asian Affairs of the House Foreign Affairs Committee. Steven Solarz was the Democrat who made the Persian Gulf war bipartisan, with his strong support for George Bush's bombing raids on Baghdad. Jewish weekly newspapers have been floating the possibility that he will be made the new director of the powerful American-Israeli Public Affairs Committee.

Among numerous Fund for Peace board members who are also members of the New York Council on Foreign Relations is Morton Halperin, now with the Carnegie Endowment for International Peace and soon to be Assistant Secretary of Defense for Democracy and Peacekeeping. Halperin's most recent proposal is that in the new world order, "the U.S. and international community should not only assist, but should 'guarantee' the results" of elections, as "constitutional democracy is the only legitimate form of government." These measures should then be institutionalized in organizations such as the United Nations and the Organization of American States.

Dr. Medeni insists that there is no connection between the Ford Foundation and Fund for Peace. However, for two years running, the *Foundation Index* reveals that the Ford Foundation made contributions to the Fund for Peace of \$200,000 in December 1987, and \$200,000 in June 1988, with a supplementary \$100,000 in November 1988. Never mind the hundreds of thousands of dollars from other foundations, such as the Carnegie Foundation and the Rockefeller foundations. The Fund for Peace also recently received a "special grant from the John Merck Fund [for] African human rights publications."

### The question of John Garang

Applying the same manipulative method that earned for Venice the name of the "Hinge of Europe," the Anglo-American establishment is keeping its options open by using the various Sudanese assets being supported by the West to keep several tracks going at the same time. The question now arises: Is SPLA leader John Garang now being hung out to dry?

Sharon Pauling insists that at the time of the Gulf war — once the Sudanese government backed Saddam Hussein — the U.S. welcomed Garang with open arms. At about that

point, "a number of us were trying to figure out if the United States was actually arming the SPLA. You just wondered — all this back and forth — you never really know with the CIA and State Department, what's really going on. I think there is a possibility [that the U.S. is arming Garang] — we are so strongly opposed to this regime right now!"

Garang holds press conferences at the New York law firm of Chadbourne, Parke, Whiteside and Wolfe, though a spokesman won't say exactly what the relationship is. This law firm handles some of the dirtiest companies around, such as United Brands Co., which has been part of American organized crime since the turn of the century, and the Gulbenkian Foundation, based in Lisbon, a pass-through for CIA money into African countries. On his June trip to the United States, Garang was hosted by the Ford Foundation as well as major think tanks. Garang has the kind of U.S. connections that would be able to help him hold out against the Khartoum government much better than he is now doing. But some of the groups that have split from Garang are being wooed by some sections of the "human rights" mafia.

The various spokesmen for the opposition NDA insist that Garang is solidly with them. And yet, certain establishment opinion has apparently turned against him. Stoney Cook from the African-American Institute — the organization set up by the CIA 40 years ago, where U.S. Africa policy is actually made — told a reporter: "There are people who feel that Garang is not interested in secession any longer, that he wants the whole pie. There are a lot of people who feel this is so; that total liberation is his objective at this point. . . . I'm not sure there is support for his taking over the whole country." Asked if breaking up the country was the only choice, Cook answered that history had proven that to be so.

Another signal that Garang's days may be numbered is that John Prendergast, of the Coalition for Peace in the Horn of Africa, is now going on loan to Africa Watch to write an exposé of human rights violations in southern Sudan, which will include the violations committed by Garang's SPLA. Explained Prendergast: "We're doing a major look at the human rights violations by all sides in southern Sudan. It's a horrible quagmire: We're looking at the SPLA main faction, the splinter faction — it's exhaustive."

Prendergast's "exhaustive" report will no doubt feed into the motion for U.N. intervention. It will make the case that southern Sudan has become another Somalia. The net effect of such intervention would by necessity keep open the option of breaking the country in two.

"I don't think there is much chance of getting rid [of the government in Khartoum] anytime soon, without starting a major war in the Middle East," notes Prendergast. "I don't think the U.S. is prepared to follow through with getting involved and tangling with Iran right now. They are not going anywhere soon, unless something major happens, in terms of outside intervention."



**TESTIMONY SUBMITTED BY JOSIAH LEE AUSPITZ, DIRECTOR,  
SABRE FOUNDATION, TO THE SUBCOMMITTEE ON COMMERCE, JUSTICE  
STATE, AND JUDICIARY OF THE SENATE, APPROPRIATIONS COMMITTEE  
MAY 11, 1995**

**SUMMARY**

This submission respectfully urges Congress to make specific provision for the continuation of logistic and warehousing support to non-governmental nonprofit groups engaging in book donation in the USIA budget for FY'96. Financially, this is a small item--under \$1 million globally--but historically such USIA support has leveraged as much as 100 times its dollar costs in donated goods and services. Moreover, the contribution of donated books goes well beyond considerations of cost. Both here and abroad donated books and journals serve US policy goals in the following ways:

- as a traditionally American expression of grassroots involvement in foreign assistance
- as an unusually cost-effective service to other governmental and philanthropic programs
- as a cross-category developments tool-- prolonging the effectiveness of training, teaching and consulting programs
- as an institution-building device in the field
- as a trailblazer for trade
- as a valued form of educational and cultural outreach to intellectuals and professionals
- as a means to promote the use of English as a second language
- as an intrinsically valuable expression of American ideals of free inquiry and expression

Though the illustrations in this submission are drawn from the experience of the Sabre Foundation, other non-profit groups could, we believe, report similar achievements.

\* \* \*

*1. The preponderant US role in book donation programs*

America's longstanding idealism about book donation was reported by deTocqueville in the early 19th Century. In his famous chapter on voluntary association, he mentions distribution of books as one of the characteristic activities of America's voluntary organizations. People-to-people involvement in such programs is reinforced by provisions of the Internal Revenue Code, which encourage commercial publishers to donate new textbooks from current inventories. As a result, the United States will continue to be the preponderant international source for new, high quality donated materials on a large scale. (Significantly, the Canadian Government expends about half a million US dollars in foreign aid funds to underwrite US-based NGO sourcing for Canada's extensive book donation programs.)

*2. Growing sophistication of donation programs*

In recent years fax and e-mail communication, computerization, pioneering legal work, and systematic solicitation of specialty publishers, and modest government warehousing and logistic support, have enabled the variety and quality of donated materials to reach new levels. Prior to the opening of Eastern Europe, American donations were concentrated largely in medical texts and elementary/secondary education. Assisted by major US law firms, Sabre in 1988 succeeded in persuading major publishers to extend donations to needy recipients in such fields as economics, law, accounting, management, natural science, social science, agronomy, engineering, and other applied

fields. In the past two years, donation work has been extended to electronic publishing, with public domain materials optically scanned onto "info-disks" for distribution abroad. Overall, it is now possible to run a demand-driven program, in which recipients pre-clear donations, so that they receive only titles and quantities that they have ordered. This avoids the dumping of unwanted books, a problem that has plagued donation programs in the past. As local partner groups mature, they increasingly replicate similar demand-driven donation protocols for secondary and tertiary recipients.

### *3. The role of book donation in developmental needs*

As countries transform themselves into market-oriented democracies, training materials and specialized literature form a crucial part of the restructuring process. In the former Communist countries the dissolution of state-controlled agencies and the severe financial strains on the new democracies have disrupted purchases of books and journals from the West. During the transitional period, the vacuum is being filled by donation agencies. A recent survey of professionals in the region reports that 90% say they have benefitted personally from donated books and journals.

Such programs can serve information needs and training initiatives in several priority areas: private sector development, market reform, economic restructuring, health care and medical assistance, technical assistance, legal reform, environmental regulation, and local governance. In the former Communist countries, where English is rapidly becoming the second language of choice, the need for print and electronic information from the US is integral to the region's transition process.

Incorporating a material aid element within training, exchange and educational initiatives strengthens their developmental impact over a longer period of time. With necessary books and training materials, the leaders of NGOs, hospitals, business schools, public policy institutes and others trained by USG programs, can more effectively become the trainers of new groups of trainees. In the Eastern European and NIS regions, where the education level of the foreign aid clientele is especially high, the training of trainers in the various sectors would seem to be one of the more effective devices for increasing the long-term impact of US assistance. In the educationally more developed countries and institutions the introduction of English-track instruction programs at the university level creates a demand for donation of multiple copies of college texts.

### *4. The Role of book donation in broader policy terms*

Book donation to meet needs specifically identified by US groups is, however, only part of the rationale for this program. A demand-driven program run by indigenous NGOs performs an equally significant service by putting books directly into the hands of individuals and institutions that will never see an American exchange professor or consultant. The textbooks themselves then become valued ambassadors of American culture, technology and expertise. Typical of such uses, usually bypassing central library systems, are:

- books held by individuals and passed hand to hand
- books held in decentralized faculty, departmental and branch libraries
- medical reference shelves in clinics
- resource and reference shelves held in administrative offices of institutes
- teacher resource shelves held in high school administrative offices
- books for parliamentarians and parliamentary libraries

Widely distributed, such donations provide a blanket of good will and cultural outreach that goes well beyond any single-purpose use. They extend a personal and direct form of contact with American culture.

#### *5. Distribution agents and their protocols*

In Sabre's experience, a noteworthy feature of its sixteen country programs is the effective management of customs clearance problems and the absence of a secondary resale market, despite the fact that the price of a single hardback text is often more than the monthly salary of a full professor, lawyer or physician. This is the achievement of local partner groups, usually with distinguished local boards raising their own funds; such NGOs are well situated to make intelligent judgments to assure that donations are properly and fairly distributed. Their efforts are a significant off-budget resource of book donation programs.

#### *6. Some sample statistics from Sabre's program in CEE/NIS and elsewhere*

A concrete illustration of Sabre's experience may prove helpful. Since beginning its book donation programs in Poland and Hungary in 1986, Sabre has distributed (in round numbers) more than two million books appraised at nearly \$60 million to over 4000 institutions and countless individuals. Through FY'94 it had received a cumulative total of \$432,000 in USIA grants toward this work. Often its books are the first form of foreign assistance to reach newly democratizing countries. Its coverage of US studies centers, major research libraries, and university-level economics, and management and accounting education programs is especially extensive, though a very large portion of its books go directly into the hands of individuals, departmental libraries, clinics and high schools.

Sabre's program has grown well beyond traditional book donation activities to include technical assistance on Internet resources, in-country translation and local publication of practical business books, reduced-cost purchase programs, targeted library support, and directories of overseas institutes in specialized fields. To get a sense of the quantities involved, USIA contracts for FY'94 (and extended three months into FY'95) awarded Sabre \$197,000 in conjunction with other financial and in-kind sources to procure, ship, and distribute 219,000 books in USIA-designated categories valued at \$7.23 million to sixteen formerly Communist countries; Sabre overfulfilled its contract by delivering 300,173 books appraised at \$7.52 million. The USIA contracts covered only a portion of Sabre's activities, which totalled 471,883 volumes appraised at \$12.28 million during the same grant period. In addition, Sabre engaged in many ancillary programs, including a privately funded one for local translation and publication of how-to business books in Polish, under which 106,000 books covering ten titles were in print in 1994.

Though its focus remains in the former Soviet sphere, Sabre's capacity for rapid response and its experience in transition to democratic government has led others to call upon it for projects in other parts of the world. This month, for example, Sabre is arranging with the Peace Corps for the distribution of 640 new sets of a leading encyclopedia valued at \$357,760 to sixteen countries in sub-Saharan Africa, three in Asia, and one in the Caribbean, as well as a donation program with World Relief tailor-made to the needs of Cuban refugees in Guantanamo Bay. Previous special programs in the past months have included shipments in partnership with other NGOs to Tibetan refugee schools in Nepal, to a new American studies library in the former East Germany, and to medical clinics in Bosnia. Such activities are part of Sabre's general philanthropic mission, and not covered by USIA grants.

## 7. AID Involvement

Since 1990 Sabre's programs have benefitted both in the US and in the field from AID funding. Sabre has been a registered PVO since 1989 and has received AID Ocean Freight Reimbursement support during each of the past four years 1991-94, rising from \$15,000 to \$75,000. It has just been awarded a further modest increase by AID. Several of its partners in the field are also involved with AID initiatives, notably in Ukraine, Poland, Hungary, the Czech Republic, Slovakia, and Bulgaria. Sabre has worked with numerous other AID projects, AID field offices, and AID-supported hospitals, libraries, public policy institutes and environmental centers. Sabre has also this year received AID program funds through a Eurasia Foundation grant covering book donation in three Central Asian countries and technical assistance throughout the NIS for provision of information in electronic format.

## 8. USIA's lead agency role

Though the bulk of Sabre's financial support is private, its grants are often restricted to specific program categories and countries. As a result, a crucial anchoring role has been played by funding from USIA, whose guidelines cover more countries than any other. USIA projections of stable funding at the \$200,000 level encouraged Sabre to plan for a warehousing, inventory, and procurement that would deliver \$10 million annually throughout the region, retain a carried inventory in the \$5-10 million range, and move the more prosperous countries to purchase-oriented programs. USIA was operating on a long-term perspective in accordance with an internal memorandum signed by its Director in 1990.

Moreover, in CEE and FSU countries many USIS posts have played a similar lead agency role for the local NGOs that do the distribution work. USIS officers have taken an active role in book donation programs, personally assisting in the distribution of books (including even warehouse unpacking), publicizing donations as they arrive, selecting certain donation projects for ambassadorial and consular ceremonial visits, funding local partner organizations distribution costs, securing cooperation and support from Peace Corps, Fulbright and AID representatives, coordinating with other NGO programs (from such groups as the ABA, IREX, training programs, university exchanges and the like), and encouraging personnel involved in book donation programs to apply to USG training and exchange opportunities. In addition, the local organizations and personnel that handle book donation have been valued colleagues in other activities of importance to the posts, such as local translation and publication (Poland), American reading rooms (Ukraine), NGO development (Slovakia), library and citizen exchanges (Hungary), management of local training programs (Czech Republic), Bosnian refugee programs (Croatia), USIA higher education and public affairs programs (Bulgaria).

## 9. The USIA decision to withdraw from book donation

Now, however, USIA has drastically reversed its projections. Its current plan is to discontinue all book promotion activities in FY'96. The staff for such work has already been transferred elsewhere in the agency.

The method for reaching this decision was apparently as follows: An internal management review by USIA in 1993-94 asked posts worldwide to rank various programs by impact. These rankings were then tabulated worldwide so that the lower priority programs could be eliminated. The survey did not measure the relation of impact to cost and, by virtue of being worldwide, did not disaggregate responses for specific countries or regions.

The result of the method used was that blockbuster worldwide programs would rank high, while carefully targeted and modestly budgeted ones that might apply only selectively to given regions or countries would rank low. Book donation, which is low-budget, carried out by external contractors and concentrated in only a few regions, was of course ranked low on the list, even though its cost-effectiveness is high and its popularity with recipients undisputed. Needless to say, other worthy programs, especially those involving the printed word also suffered simply by virtue of being invisible to the posts or tailor-made to specific countries or too small to show up on a worldwide priority scale.

Because no public hearing process is used in USIA's original managerial review, no input was solicited from the natural constituencies served by the book donation program, either at home or abroad.

#### *10. Larger reasons for continuing federal support*

Book donation, as one of the oldest American philanthropic activities, predates the current tax incentives. It will be sustained by the idealism of voluntary groups in both hard copy and electronic forms well into the foreseeable future. However, governmental participation in the program has been especially important in leveraging large-scale donations from major publishers. Federal involvement provides an important reassurance to the largest commercial publishers, who donate about \$30 million of tax-advantaged materials a year to various NGOs (perhaps an equal amount comes from other smaller and non-profit sources for which tax advantages are much less relevant).

Foreign donations are only part of this activity. Within the United States large-scale book donations supply Indian Reservations (with the support of the Interior and Education Departments), prisons (with the support of state correctional departments), and an array of poverty and literacy programs. A withdrawal of government support from the foreign portion of the activity will weaken the entire system and effect domestic donations as well.

It should be emphasized that even with the current tax advantages the decision by major publishers to donate involves an important element of generosity and enlightened corporate policy; alternative inventory policies are available that can be more lucrative. A "tax expenditure" analysis will show that books which are not donated can be pulped at a slightly greater tax savings to publishers, so that tax-advantaged inventory donations of books are revenue neutral, or even positive. Modest federal participation helps to tip the balance toward donation over other forms of inventory control; it will be especially important in the next three years as firms formulate new inventory strategies and extend them to electronic media. It is not an exaggeration, therefore, to suggest that the saving to USIA of the few hundreds of thousands of dollars granted to PVOs for book donation, may cost overall US foreign policy upwards of \$50 million annually in off-budget resources, without taking into account the important role of donated books in spreading knowledge and good will, in promoting development and self-help, and in fostering an understanding of American ideals.

**STATEMENT OF  
THE AMERICAN FARM BUREAU FEDERATION  
TO THE SUBCOMMITTEE ON  
COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES  
OF THE HOUSE APPROPRIATIONS COMMITTEE  
REGARDING  
LEGAL SERVICES CORPORATION APPROPRIATIONS**

**May 24, 1995**

The American Farm Bureau Federation is the nation's largest general farm organization. State Farm Bureaus in all 50 states and Puerto Rico represent over 4 million member families. Farm Bureau's farm and ranch members grow virtually every agricultural commodity produced commercially in the United States.

In this era of \$200 billion-plus annual deficits, Congress is carefully examining federal spending in an effort to balance the budget by 2002. Farm programs have been at the top of the list. Farm Bureau submits that it is also time to take a long hard look at the Legal Services Corporation and its functions and activities. With continued deficits projected into the next century, we believe it is very difficult to argue that continued funding of the Legal Services Corporation is a critical federal function.

Farm Bureau's interest in the Legal Services Corporation program stems from the fact that, almost from its inception, farmers, particularly those that employ migrant or seasonal workers, have been the target of LSC-funded attorneys. One of the biggest problems that farmers face today is that the agricultural workplace is one of the most regulated in this country. It is also one in which good faith effort to comply with the myriad of applicable laws is meaningless to LSC-funded attorneys. The laws that apply to the agricultural workplace are strictly construed and enforced. Technical *de minimus* violations of these laws all too often offer the means for over-zealous LSC-funded "farmworker legal advocates" to literally bankrupt a farmer through the legal process and "protect" the migrant or seasonal farmworker right out of a job.

LSC-funded attorneys make no distinction between serious and trivial violations. LSC-funded attorneys pursue serious penalties in virtually all cases and almost never make any attempt to allow a grower to remedy a problem, whether the issue is a relatively trivial failure to post a sign, or a serious wage or safety violation, or a violation for which the worker is in fact responsible. And, while the farmer may find himself ordered to pay a relatively small judgment to the worker, he is often ordered to pay huge sums in attorney fees to the LSC-funded attorneys. Such attorney's fees are often recoverable despite the fact that the LSC-funded attorneys' salaries and expenses are paid by the government with tax dollars.

There are numerous horror stories throughout the U.S. about the experience of farmers with LSC-funded lawyers. LSC-funded attorneys justify their actions with their winning

record. Most of their successes, however, involve settlements made to avoid protracted and costly litigation. It is usually far less costly to settle with LSC-funded attorneys than to dispute their claims in court. Few farmers are willing to tell their story publicly for fear of retaliation. One of the most infamous cases of a farmer who did, is Phil Roth, an Adams County Pennsylvania fruit grower.

In July 1987, Roth testified before a congressional subcommittee hearing chaired by Representative William F. Goodling (R-PA). Representative Goodling's committee was conducting an oversight hearing on the Migrant and Seasonal Agricultural Worker Protection Act (MSPA). Roth, an outspoken proponent of cooperation between farmers on the one hand and farmworker advocacy groups on the other, was openly critical of the tactics employed by one such group, the Friends of Farmworkers, Inc. (FOF). Roth advocated reform of the legal rules under which FOF operated.

Shortly after his testimony, Roth became a target of a lawsuit filed in federal district court by FOF. In the lawsuit, FOF charged Roth with a long list of supposed MSPA and wage-hour law violations. Although a few minor infractions were found against Roth, the great majority of the alleged violations were found not to be true. Nonetheless, Roth was forced to expend large amounts of money in his defense of the lawsuit.

What's more, when the case was over, FOF demanded that Roth pay it approximately \$65,000 in attorney's fees, an amount more than 100 times greater than the disputed wages found to be due to the workers involved in the case. Judge Sylvia Rambo, the federal judge who decided the case, refused to grant FOF's fee demand. Instead, Judge Rambo allowed less than 15 percent of the requested fees and issued opinions sharply critical of FOF's behavior in prosecuting the case against Roth. Judge Rambo said that FOF devoted "excessive" and "inordinate" amounts of time and "prepared and prosecuted [the case] unreasonably."

After Judge Rambo refused FOF's fee demand, FOF initiated further proceedings which increased Roth's legal defense expenses. FOF appealed, unsuccessfully, all the way to the U.S. Supreme Court. What was remarkable about FOF's appeal was that it had absolutely nothing to do with the claimed rights of the farmworkers in the lawsuit. Even though FOF had lost at trial on almost all of the farmworker claims, it did not appeal any of those issues. The only loss FOF appealed was its own demand for over \$65,000 in attorney's fees -- money that would benefit only FOF, not the farmworkers. Not a single claim was raised on appeal on behalf of the farmworkers who had supposedly been so mistreated.

Roth believes that the FOF lawsuit against him had little or nothing to do with the claimed rights of the farmworkers who had worked for him. Instead, Roth believes that the suit was trumped-up by FOF attorneys to retaliate against him for his outspoken advocacy of reform in the area of farmworker regulation and enforcement. In particular, FOF targeted Roth because of his critical testimony before Representative Goodling's committee.

Roth now has his own lawsuit pending in state court against FOF for abuse of process. Meanwhile, Roth has gotten out of farming, his financial, physical and mental resources depleted. And, as a result, Phil Roth no longer employs any farmworkers.

There are other agricultural litigation targets of LSC-funded attorneys. Among the more prominent targets are farmers who employ H2A temporary foreign workers. The H2A program was exhaustively debated in Congress and approved as part of the Immigration Reform and Control Act of 1986. Nevertheless, LSC-funded attorneys have made it clear that they intend to effectively abolish the program through litigation against farmers who use H2A workers. Such litigation would seem to present a major conflict of interest for LSC-funded attorneys as they are representing the H2A workers against their employers with the ultimate purpose of eliminating the H2A workers' jobs.

Ironically, while LSC-funded attorneys disemploy agricultural workers through their concerted lawsuit campaign, they also sue to prevent growers from mechanizing in response to rising labor costs. The LSC-funded attorney response was to sue to make mechanization unlawful. This Luddite-like response to the natural consequences of their activities serves to expose their lawsuit-happy tendencies. In the classic case of a program gone awry, LSC-funded attorneys sued the University of California at Davis to prevent research on new uniform varieties of fruits and vegetables and machinery to harvest them. The suit dragged on for several years and cost taxpayers millions of dollars before it was thrown out by the court.

In California, California Rural Legal Assistance (CRLA) maintains a staff of some 50 lawyers. Each year the LSC gives the CRLA about \$7 million, which is being frittered away on an organization that seems to care less about its legal responsibilities to the rural poor than on the relentless pursuit of its own political agenda.

A glaring example of the CRLA's hypocrisy is pursuing its own self-interest at the expense of the rural poor has been its reaction to the Targeted Industries Partnership Program (TIPP). TIPP is a joint effort by the California and federal governments to pool and direct their enforcement resources against recidivist and egregious labor-law violators in California.

Before TIPP was created, the CRLA and its allies in the press had successfully painted a negative but false picture that the agricultural industry as a whole was rampant with labor-law violations, and that government agencies were either uninterested or unable to do much about them. The implementation of TIPP several years ago by the California Labor Commissioner and the U.S. Department of Labor, coupled with the support or tolerance of law-abiding agricultural employers, has been helping to rectify this unwarranted negative perception while improving labor-law compliance levels.

By fostering a level playing field among agricultural employers, TIPP has achieved a level of education and compliance in California's agricultural industry that stands as a model for the rest of the nation. But rather than supporting TIPP's multi-agency effort to ensure



employment law compliance, the CRLA has chosen instead to seek ways to thwart and destroy it. The reason of this is simple: the more successful TIPP is in correcting field sanitation and other workplace problems -- and in preventing them from occurring altogether - - the less the CRLA is needed, and there is even less of an opportunity for CRLA attorneys to file harassing lawsuits in the hope of recovering attorney's fees and costs.

The proof of this can be seen in the CRLA's own public statements: it opposes TIPP because it wants the ability to sue growers for violations committed by their farm labor contractors. So, in doggedly pursuing "deep pockets" in lawsuits for its own benefit, the CRLA tries to justify its call for the destruction of an effective multi-agency task force which stands to benefit farmworkers, taxpayers and law-abiding employers.

Another example of CRLA's noted appetite for pursuing wasteful litigation is its current class-action lawsuit against California's Labor Commissioner. In that suit, the CRLA is charging the state Labor Commissioner with failing to provide bilingual services to farm workers. The California Labor Commissioner's Office employs far more bilingual personnel and provides far more interpreters and translators in its offices, day-in and day-out, than does the CRLA. The lawsuit of course seeks to recover attorney's fees and costs. So here, we the taxpayers are being treated to the spectacle of one publicly-funded agency being sued by another publicly-funded agency, at the cost of hundreds of thousands of scarce taxpayer dollars that could and should be used for enforcement. Should not a letter suggesting improvements in bilingual services have been tried instead?

It is clear that LSC-funded attorneys have a view of their mission much different than that of Congress. Driving farmers out of business and eliminating jobs doesn't help farmworkers.

In recent years, Farm Bureau has testified before Congressional committees and the Legal Services Corporation Board regarding agricultural employers' experiences with LSC-funded attorneys. Farm Bureau has actively supported reform measures that would put accountability into the Legal Services Corporation program. Unfortunately, the Legal Services Corporation program has been allowed to operate without proper checks and balances. The Legal Services Corporation board, which is supposed to be the policy-setter and monitor of the program, has been reduced to a check-writing machine. Until 1994, the Legal Services Corporation at least tried to maintain the pretense of a monitoring program. But after the appointment of a new LSC Board of Directors, the Corporation collapsed the monitoring function in on itself. The positions of fourteen of 28 professional staff members in the Office of Program Evaluation, Analysis and Review (OPEAR) were terminated soon after the new leadership took over. Typically, more than 125 monitoring teams were sent to monitor and evaluate field programs each year; in 1994, fewer than half a dozen were sent. In place of the oversight program, LSC instituted "peer review;" a case of the foxes watching the henhouse.

Since passage of the Legal Services Corporation's enabling legislation in 1974,

Congress has enacted amendments prohibiting LSC-funded attorneys from engaging in a number of practices, including lobbying, union organizing and participating in political demonstrations. In practice, however, these statutory restraints have been largely ignored by LSC-funded attorneys who have justified their actions with the claim that they are using other non-federal funds to support such activities.

LSC-funded attorneys are increasingly benefiting from non-federal funding. These non-federal funds come from state and local governments and through private contributions, but a large measure of such funds are realized from state IOLTA programs, or Interest On Lawyer's Trust Accounts. Currently, federal LSC funding is at \$415 million which is in addition to an estimated total of \$240 million in Interest On Lawyers' Trust Accounts (IOLTA) funds, state appropriations and private funding. LSC estimated that total funding by FY 1995 would total nearly three-quarters of a billion dollars.

While criticisms of the Legal Services Corporation, especially by farmers, are viewed as being "politically incorrect" in some circles, Farm Bureau nevertheless submits that, in this era of high federal budget deficits, Congress should consider repeal and defunding of the Legal Services Corporation program. Farm Bureau is not opposed to legal services for the poor, including migrant and seasonal farmworkers. Farm Bureau does, however, believe that their interests should be represented with the best interest of the farmworker in mind and for the purpose of rectifying their true grievances and with the goal that their jobs are preserved.

As previously indicated, the LSC Board has become nothing more than a check-writing machine, and legal services for the poor are being funded, administered and controlled at ever increasing levels by state programs. The federal Legal Services Corporation has become an unnecessary and unproductive expense for the federal government. It is a body whose activities have grown far beyond those that Congress intended. Furthermore, efforts by Congress to limit or check the excessive activities by LSC-funded attorneys have been largely ignored. If, however, some continued level of federal funding is deemed necessary, such funding could be accommodated through a direct grant program with very specific delineation of permissible activities that could be performed by grantees accepting public funds.

If the Legal Services Corporation is to remain, then appropriations should be tied to reform measures that put accountability into the program to ensure that it operates and delivers the services that Congress intended.

Thank you.

WEDNESDAY, MAY 24, 1995.

## COMMISSION FOR AMERICA'S HERITAGE ABROAD

### WITNESS

HON. BENJAMIN A. GILMAN, A REPRESENTATIVE IN CONGRESS FROM  
THE STATE OF NEW YORK

Mr. ROGERS. The committee will come to order.

We are delighted to have with us this morning the Chairman of the House International Relations Committee.

Mr. GILMAN. I am still trying to learn the name myself, Mr. Chairman.

Mr. ROGERS. We are delighted to have you, Mr. Chairman. I know you are busy on the House Floor today. We are going to recognize you forthwith here for whatever you would like to say.

Mr. GILMAN. Thank you, Mr. Chairman. I appreciate the accommodation. I do welcome the opportunity to speak on behalf of the United States Commission for the Preservation of America's Heritage Abroad's needs for fiscal year 1996. The Commission is requesting a budget of \$283,000 for fiscal year 1996.

As we are all aware, the Commission was established by legislation back in 1985 in recognition of the respect due to fundamental human rights and the need to promote understanding, tolerance, and friendship among all nations, races, and religious groups. Under Rabbi Arthur Schneier's pioneering leadership and Michael Lewan's current guidance, and Mr. Lewan is here with us today, accomplishments by the Commission include the preservation and restoration of cultural sites abroad and the creation of a central listing of needed sites throughout Central and Eastern Europe.

It is interesting to note that the listing is the first step in the Commission's long-range program for securing support for immediate and long-term protection, preservation and maintenance of sites that have been designated as having special significance, many of which include ancient cemeteries.

I have had the opportunity to call on the Commission on several occasions where it has been brought to my attention that some of the European governments have either destroyed or have not given attention to preserving some very old cemeteries, and on each occasion I found a very attentive ear and assistance by the Commission in trying to correct some of those violations of ancient burial grounds.

Furthermore, I have been informed that an increasing number of colleagues have received assistance from the Commission in addressing concerns relating to particular cultural sites that were being either eroded or destroyed. Accordingly, I am confident that the Committee will recognize the financial needs placed on the

Commission as it continues its significant and expanded work in the fulfillment of its mandate.

The Commission received its first appropriation in 1990 in the sum of \$200,000. The Commission's responsibilities have since multiplied from three countries to 24 countries. Of the 24, the Commission has secured agreements with the governments of the Czech Republic, Slovakia, and Romania. It is in the process of finalizing agreements with the governments of Hungary, Poland, Ukraine, and is pursuing contacts with another 12 governments in order to arrive at proper agreements.

While I am aware of the acute need to streamline Federal programs in order to reduce our budget, it should be noted that since its inception, the Commission had not received even an inflationary budget increase until fiscal year 1995, and that is unfortunate, since it is of the utmost importance that the Commission be able to fulfill its new expanded role to represent our Nation's interests in carrying out its responsibilities with foreign governments.

Furthermore, it is essential that the Commission receive adequate funding in order to implement the agreements of the aforementioned countries.

Accordingly, Mr. Chairman, I urge the Subcommittee to support the Commission's request for the budgetary needs for fiscal year 1996. The Commission's request for a real increase reflects the cost of negotiating and implementing additional international accords, taking inventory and disseminating information on the conditions of some of those cultural sites abroad, the administrative costs of rent, and reimbursement for the executive director and clerical support.

So I thank you, Mr. Chairman, for this opportunity to express a few words about my respect for the work that the Commission is doing and my respect for Mr. Lewan's work.

Mr. ROGERS. We thank you very much, Mr. Chairman, for being here and for giving us this very important testimony to us.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. ROGERS. And we appreciate the work of this Commission.

Mr. GILMAN. Thank you, Mr. Chairman.

[The prepared statement of Mr. Gilman follows:]

**THE UNITED STATES COMMISSION FOR THE PRESERVATION OF  
AMERICA'S HERITAGE ABROAD**

**REMARKS BY THE HONORABLE BENJAMIN A. GILMAN  
24 MAY 1995**

**THANK YOU, MR. CHAIRMAN.**

**I WELCOME THIS OPPORTUNITY TO SPEAK ON BEHALF OF THE  
UNITED STATES COMMISSION FOR THE PRESERVATION OF  
AMERICA'S HERITAGE ABROAD'S NEEDS FOR FISCAL YEAR 1996.  
THE COMMISSION REQUESTS A BUDGET OF \$283,000.00 FOR  
FISCAL YEAR 1996.**

**AS YOU ARE AWARE, THE COMMISSION WAS ESTABLISHED BY  
LEGISLATION BACK IN 1985 IN ACTIVE RECOGNITION OF THE  
RESPECT DUE TO FUNDAMENTAL HUMAN RIGHTS AND THE NEED  
TO PROMOTE UNDERSTANDING, TOLERANCE, AND FRIENDSHIP  
AMONG ALL NATIONS, RACE, AND RELIGIOUS GROUPS. UNDER  
RABBI ARTHUR SCHNEIER'S PIONEERING LEADERSHIP AND MICHAEL  
LEWAN'S CURRENT GUIDANCE, ACCOMPLISHMENTS BY THE  
COMMISSION INCLUDE THE PRESERVATION AND RESTORATION OF  
CULTURAL SITES ABROAD AND THE CREATION OF A CENTRAL**

LISTING OF NEEDED SITES THROUGHOUT CENTRAL AND EASTERN EUROPE. IT IS INTERESTING TO NOTE THAT THIS LISTING IS THE FIRST STEP IN THE COMMISSION'S LONG-RANGE PROGRAM FOR SECURING SUPPORT FOR IMMEDIATE AND LONG-TERM PROTECTION, PRESERVATION, AND MAINTENANCE OF SITES THAT HAVE BEEN DESIGNATED AS HAVING SPECIAL SIGNIFICANCE.

I, MYSELF, HAVE HAD THE OPPORTUNITY TO CALL ON THE COMMISSION ON SEVERAL OCCASIONS WHERE IT HAS BEEN BROUGHT TO MY ATTENTION THAT SOME OF THE EUROPEAN GOVERNMENTS HAVE EITHER DESTROYED OR HAVE NOT GIVEN ATTENTION TO PRESERVING SOME VERY OLD CEMETERIES. ON EACH OCCASION I FOUND A VERY ATTENTIVE EAR AND ASSISTANCE BY THE COMMISSION IN TRYING TO CORRECT SOME OF THESE VIOLATIONS OF THE ANCIENT BURIAL GROUNDS. FURTHERMORE, I HAVE BEEN INFORMED THAT AN INCREASING NUMBER OF MY COLLEAGUES HAVE RECEIVED ASSISTANCE FROM THE COMMISSION IN ADDRESSING CONCERNS RELATING TO PARTICULAR CULTURAL HERITAGE SITES. ACCORDINGLY, I AM CONFIDENT THAT THE COMMITTEE WILL RECOGNIZE THE

**FINANCIAL NEEDS PLACED UPON THE COMMISSION AS IT CONTINUES ITS SIGNIFICANT WORK IN THE FULFILLMENT OF ITS MANDATE.**

**THE COMMISSION RECEIVED ITS FIRST APPROPRIATION, \$200,000.00 IN FISCAL YEAR 1990. THE COMMISSION'S RESPONSIBILITIES HAVE SINCE MULTIPLIED FROM THREE COUNTRIES TO TWENTY-FOUR. OF THE TWENTY-FOUR, THE COMMISSION HAS SECURED AGREEMENTS WITH THE GOVERNMENTS OF THE CZECH REPUBLIC, SLOVAKIA, AND ROMANIA. IT IS FINALIZING AGREEMENTS WITH THE GOVERNMENTS OF HUNGARY, POLAND, AND UKRAINE, AND IS PURSUING CONTACTS WITH ANOTHER TWELVE GOVERNMENTS.**

**WHILE I AM AWARE OF THE ACUTE NEED TO STREAMLINE FEDERAL PROGRAMS IN ORDER TO REDUCE THE DEFICIT, IT SHOULD BE NOTED THAT, SINCE ITS INCEPTION, THE COMMISSION HAD NOT RECEIVE EVEN AN INFLATIONARY BUDGET INCREASE UNTIL FISCAL YEAR 1995. THIS IS UNFORTUNATE, SINCE IT IS OF THE UTMOST IMPORTANCE THAT THE COMMISSION BE ABLE TO FULFILL ITS**

EXPANDING ROLE TO COMPREHENSIVELY REPRESENT THE UNITED STATES GOVERNMENT'S INTERESTS IN CARRYING OUT ITS MANDATED RESPONSIBILITIES WITH FOREIGN GOVERNMENTS. FURTHERMORE, IT IS ESSENTIAL THAT THE COMMISSION RECEIVE ADEQUATE FUNDING IN ORDER TO IMPLEMENT THE AGREEMENTS IN THE AFOREMENTIONED COUNTRIES. ACCORDINGLY, I URGE THE SUBCOMMITTEE TO SUPPORT THE COMMISSION'S REQUEST FOR \$283,000.00 IN BUDGETARY NEEDS FOR FISCAL YEAR 1996. THE COMMISSION'S REQUEST FOR A REAL INCREASE REFLECT THE COST OF NEGOTIATING AND IMPLEMENTING ADDITIONAL INTERNATIONAL ACCORDS, TAKING INVENTORY AND DISSEMINATING INFORMATION ON THE CONDITIONS OF CULTURAL SITES ABROAD, THE ADMINISTRATIVE COSTS OF RENT, AND REIMBURSEMENT FOR AN EXECUTIVE DIRECTOR AND CLERICAL SUPPORT.

I THANK YOU, MR. CHAIRMAN, FOR THE OPPORTUNITY TO EXPRESS A FEW WORDS ABOUT MY DEEP RESPECT FOR THE WORK THAT THE COMMISSION IS DOING AND MY RESPECT FOR MR. LEWAN'S WORK.



WEDNESDAY, MAY 24, 1995.

**CJSJ 1996 BUDGET****WITNESS****HON. PETER BLUTE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS**

Mr. ROGERS. Mr. Blute. I recognize the gentleman from the Third District of Massachusetts.

Mr. BLUTE. Thank you very much, Mr. Chairman, and Members of this subcommittee. Thank you for providing me the opportunity to testify here today on two items of great importance to the people of my very diverse district: continued funding for the Massachusetts Biotechnology Research Institute and the inclusion of the University of Massachusetts-Dartmouth in the National Textile Center.

First, I would like to talk about our efforts in the Third District of Massachusetts to reverse the recent economic downturn through a series of public-private partnerships run by the Massachusetts Biotechnology Research Institute. These efforts have brought together local leaders, entrepreneurs, Governor Weld, and the U.S. Congress in a unique synergy.

This subcommittee for the past five years has generously provided modest funding for MBRI. I request that this critical support continue so that my constituents as well as other residents of Massachusetts, indeed other Americans, can continue to benefit from the growth of new high tech companies and new jobs.

MBRI is a 501(c)(3), not-for-profit organization located in Worcester, Massachusetts which functions as an emerging technology industry development entity. Through MBRI, a series of programs have been initiated to assist in the evaluation and commercialization of academically housed biotechnology research, the creation of new biotechnology companies, and the education and training of a current and future workforce.

Since 1988, MBRI has used approximately \$7 million in State and Federal funding to leverage approximately \$55 million in privately raised venture capital funds; started up 19 new successful biotechnology companies which have created over 2,000 new jobs; created demand for over 1 million square feet of new construction to permanently house these growing companies. Let me just end there on that particular aspect, and I will submit my testimony for the record.

The other issue I would like to talk briefly on is the merits of continuing funding for the National Textile Center and the inclusion of the University of Massachusetts at Dartmouth in the program. Since 1992, the committee has supported Federal funding for NTC which, along with four southern universities, provides assistance in researching new textile manufacturing technologies. To date, the center has been extremely successful helping to bolster the competitiveness of America's textile industry.

When many people think of textile manufacturing in the United States, they fail to recognize Massachusetts as a major center. However, Massachusetts textile and apparel companies employ more than 30,000 people and pay more than \$642 million in sala-

ries. The industry represents 7 percent of manufacturing jobs in my State; jobs that are under increasing pressure from Third World imports made with lower wages.

To offset this competitive disadvantage, American textile companies, including those in Massachusetts, must maintain a technological advantage. With the help of the NTC's resources, UMass-Dartmouth can provide that edge to Massachusetts and American textile companies.

I would like to request the Committee's support for a funding level of \$11.25 million in the fiscal year 1996 appropriations and expanding the National Textile Center to include UMass-Dartmouth.

I would like to thank the Committee and thank you, Mr. Chairman, for giving me this opportunity and I would like to submit my testimony for the record.

[The information follows:]

**Testimony of Representative Peter I. Blute (R-Mass) before the Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies of the Committee on Appropriations, United States House of Representatives. May 24, 1995.**

Mr. Chairman and distinguished Members of the Subcommittee, thank you for providing me with the opportunity to testify here today on two items of great importance to the people of my very diverse district; continued funding for the Massachusetts Biotechnology Research Institute and the inclusion of UMass-Dartmouth in the National Textile Center.

First, I would like to talk about our efforts in the Third District of Massachusetts to reverse the recent economic downturn through a series of public-private partnerships run by the Massachusetts Biotechnology Research Institute (MBRI). These efforts have brought together local leaders, entrepreneurs, Governor Weld, and the U.S. Congress in a unique synergy.

This Subcommittee, for the past five years, has generously provided modest federal funding for MBRI. I request that this critical support continue so that my constituents, as well as other residents of Massachusetts and, indeed, other Americans can continue to benefit from the growth of new, high-technology companies and new jobs.

MBRI is a 501(c)(3) not-for-profit organization located in Worcester, which functions as an emerging technology industry development entity. Through MBRI, a series of programs have been initiated to assist in the evaluation and commercialization of academically-housed biotechnology research, the creation of new biotechnology companies, and the education and training of a current and future workforce. Since 1988, MBRI has: used approximately \$7 million in state and federal funding to leverage approximately \$55 million in privately-raised venture capital funds; started-up 19 new, successful biotechnology companies which have created over 2,000 new jobs; created demand for over one million square feet of new construction to permanently house these growing companies; built a unique technology transfer office serving eight public and private universities and research institutions; trained over 400 public school teachers in new biotechnology techniques to bring back to the classroom, and helped to develop and manage new, entry-level training programs that have now placed many previously unemployed new entrants in the biotechnology industry.

Mr. Chairman, these are the hard results of the public-private partnership that this Subcommittee has supported in previous years. The new companies are real; the new jobs are real. What we have in the Third District is not a concept--it is dramatic evidence of what can happen when government and industry forge a relationship for the good of the people. Unlike so many programs we are examining in this Congress which have been proven worthless and, in many instances, counterproductive, this project stands as a jewel in the crown of good, prudent government that serves the taxpayer.

Perhaps the most dramatic example of this is the number of other states that have sought MBRI out to assist them in replicating the model including California, Colorado, Maryland, New Mexico and Pennsylvania. There will be others and we view this activity as one sure way to make certain the U.S. biotechnology industry continues to grow and maintain its world-wide dominance. This is a key reason to continue the Congressional support for MBRI.

Mr. Chairman, I urge the Subcommittee, to view this project as an investment. As we know, there are dollars that must be spent to maintain our country's infrastructure. There are programs we will not fund because they no longer serve an imaginative or legitimate purpose. But MBRI represents an opportunity to create new companies and jobs at a fraction of traditional program cost, and it comes at a time when such a cost-effective investment is pivotal in the philosophy of this new Congress. For all of this, I respectfully urge your support. It will be timely and critical.

I would also like to talk briefly on the merits of continued funding for the National Textile Center and the inclusion of the University of Massachusetts at Dartmouth in the program. Since 1992, the Committee has supported Federal funding for the NTC which, along with four southern universities, provides assistance in researching new textile manufacturing technologies. To date, the Center has been extremely successful helping to bolster the competitiveness of America's textile industry.

When many people think of textile manufacturing in the U.S., they fail to recognize Massachusetts as a major center. However, Massachusetts textile and apparel companies employ more than 30,000 people and pay more than \$642 million in salaries. The industry represents 7% of manufacturing jobs in my state; jobs that are under increasing pressure from third-world imports made with lower wages.

To offset this competitive disadvantage, American textile companies, including those in Massachusetts, must maintain a technological advantage. With the help of the NTC's resources UMass-Dartmouth can provide that edge to Massachusetts and American textile companies.

Therefore, I would like to request the Committee's support for a funding level of \$11.25 million in the FY96 appropriations and expanding the National Textile Center to include UMass-Dartmouth. While this represents a \$2.25 million increase in the NTC's budget to account for UMass-Dartmouth's inclusion in the Center, it will pay off in more jobs, greater exports and higher profits.

Also, knowing of the Subcommittee's requirement of authorizations for all its appropriations, I have been vigorously pursuing those ends through the committees of jurisdiction. I am quite certain authorizations for these requests will be forthcoming.

Thank you for the opportunity to appear here today. I will be glad to answer any questions you have.

Mr. ROGERS. Thank you very much, Mr. Blute. We appreciate you being here. It is very valuable testimony.

Mr. BLUTE. Thank you very much, Mr. Chairman.

Mr. ROGERS. Mr. Forbes, do you have any questions?

Mr. FORBES. No, sir.

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WEDNESDAY, MAY 24, 1995.

## CJSJ 1996 BUDGET

### WITNESS

HON. PETER J. VISCLOSKY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. ROGERS. Mr. Visclosky.

Mr. VISCLOSKY. Thank you, Mr. Chairman.

Mr. ROGERS. I recognize the gentleman from the First District of Indiana.

Mr. VISCLOSKY. Mr. Chairman, thank you very much and I assume that my entire statement will be entered into the record.

Mr. ROGERS. That is correct. And you may feel free to summarize it if you would like.

Mr. VISCLOSKY. Thank you, Mr. Chairman.

I would like to discuss two issues before the Subcommittee today, the first is the Judicial branch's participation in the government-wide effort to downsize, and secondly, Indiana's Coastal Zone Management program. Last year, my testimony before the Subcommittee focused on the need of the Federal judiciary to reduce its size and spending. I was and remain concerned that the legislative and executive branches of government not act alone in extensive downsizing and reinventing activities while the judicial branch sits idly by.

The bill this subcommittee produced last year recognized that the judicial branch ought to participate as an equal branch of government in our collective efforts to control Federal spending. I commend yourself, Mr. Mollohan, and the members of the Subcommittee for its attention to this issue.

I am pleased to report to you that it is my impression that in the ensuing year, the Federal courts have made significant progress in implementing proposals to reduce expenditures. The Judiciary has three initiatives underway to reduce staffing levels in the Federal courts. First is staff equalization. Prior to implementation of the staff equalization program, staffing in some court units was as high as 125 percent of formula, and in others, as low as 65 percent of formula.

Under the staff equalization program, overtarget court units must restructure their staffing to reach the target of 89 percent of formula. In real numbers, that means overstaffed units will have to be cut from 1 to 37 positions each. I am pleased to report the Judiciary is well on its way to reaching that goal.

The second is the court personnel system. The system will increase classification and pay flexibility, reduce the number of grades and broaden pay ranges; simplify and clarify job classification standards, and shift the courts from a rule and position driven system to a cost control system.

And the final is Methods Analysis program. MAP's dual focus is to one, identify efficient practices; and two, develop incentives for local courts to adopt those or similar practices.

Like the legislative and executive branches, the Judicial branch still has a way to go on the road to efficient government.

One example of additional savings is underutilized courthouses. Underutilized courthouses are facilities that are rarely used, sometimes as rarely as one or two weeks for an entire year. While some are statutorily mandated by Congress, many could be eliminated by the Judiciary. The Judicial Conference is working on this issue, but I request that report language be included in the committee's report to let the Judicial Conference know that Congress intends to closely examine whether or not any real progress is made to reduce the number of underutilized courthouses.

The Judiciary has become much more conscious of budgetary implications of its policy. Because the Judiciary has so many initiatives underway, it is difficult to assess the impact individually or collectively. Although some progress is being made, I believe that Congress and especially the Subcommittee should maintain its aggressive posture and high level of oversight.

The second issue is Indiana's Coastal Zone Management program. I am seeking an additional appropriation of \$200,000 to allow this valuable program to stay on track and on schedule. It is Indiana's hope that a coordinated effort between concerned citizens, governments, and organizations can culminate in a plan for intelligent, coordinated use and development of our shoreline. No one is proposing a massive regulatory program which has not been the intention of the Coastal Zone Management program.

Mr. Patrick Ralston, director of Indiana's Department of Natural Resources, has informed me that Indiana's program is in need of an additional two years of development funding. These funds, \$200,000 in fiscal years 1996 and 1997, will allow Indiana to fully incorporate public comments and volunteer efforts to meet coastal nonpoint pollution requirements and to establish a program which will truly have effectuated the best interests of the district which I represent.

Mr. Chairman, again, I appreciate very much the opportunity to testify before you and the subcommittee, and I appreciate your consideration of my request.

[The prepared statement of Mr. Visclosky follows:]

PETER J. VISCLOSKY  
1ST DISTRICT INDIANA

COMMITTEE ON APPROPRIATIONS  
CONGRESSIONAL STEEL CAUCUS  
EXECUTIVE COMMITTEE VICE CHAIRMAN  
NORTHEAST MIDWEST  
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**Testimony of Representative Pete Visclosky**  
**before the Subcommittee on**  
**Commerce, State, Justice and Judiciary**  
**May 24, 1995**

Chairman Rogers, Mr. Mollohan, members of the Subcommittee, thank you for giving me the opportunity to provide the Subcommittee with an update on two issues of concern to me as they relate to the Fiscal Year 1996 Commerce, State, Justice and Judiciary Appropriations bill. The first, efforts by the Judicial Branch to participate in the government-wide effort to downsize. The second, Indiana's Coastal Zone Management program.

Last year, my testimony before the Subcommittee focused on the need of the Federal judiciary to reduce its size and spending. I was, and remain, concerned that the Legislative and Executive branches of government not act alone in extensive downsizing and reinventing activities, while the Judicial branch sits by, idly watching.

The bill this Subcommittee produced for FY 1995 recognized that the Judicial branch ought to participate as an equal branch of government in our collective efforts to control Federal spending. I commend the Subcommittee for its attention to this issue.

In addition to last year's testimony before the Subcommittee, I asked the General Accounting Office (GAO) to examine cuts the Judicial branch could make without jeopardizing our judicial system. GAO was requested to address staffing practices within the Federal Judiciary; to provide an overall explanation of current staffing justifications; and, to examine whether staff reductions or reorganizations would be possible. The report should be released later this summer.



I am pleased to report to you that, in the ensuing year, the Federal courts have made significant progress in implementing proposals to reduce expenditures. I would like to take a moment to outline for the Subcommittee members some of the positive developments that have occurred in the Federal courts in the past year.

The Judiciary has three initiatives underway to reduce staffing levels in the Federal courts: 1) staff equalization, now in its second year; 2) the phase-in of the new Court Personnel System; and 3) the Methods Analysis Program (MAP).

#### STAFF EQUALIZATION

Staffing within court units is determined by a formula based upon the average time it takes one court employee to complete a certain number of tasks. Although the courts are required to limit their staff to 89 percent of the formula, court staffing levels have routinely exceeded that requirement. Prior to implementation of the staff equalization program, staffing in some court units was as high as 125 percent of formula, and in others as low as 65 percent of formula.

In studying this problem, the Administrative Office of the U.S. Courts (AOC) identified 674 "overtarget" positions in 101 separate court units. Under the staff equalization program, these "overtarget" court units must restructure their staffing to reach the target of 89 percent of formula. In real numbers, that means overstaffed units will have to be cut from 1 to 37 positions each. I am pleased to report the Judiciary is well on its way to reaching that goal.

#### COURT PERSONNEL SYSTEM

In addition to implementation of the staff equalization process, the courts are phasing in the new Court Personnel System (CPS), with 17 courts scheduled to be brought on-line this year alone. The system will increase classification and pay flexibility; reduce the number of grades and broaden pay ranges; simplify and clarify job qualification standards; and, shift the courts from a rule- and position-driven system to a cost-control system.

Under the Court Personnel System, courts will be given a personnel budget, based on the most recent staffing formula. Within that budget, they will have greater flexibility than they currently do to determine grade levels and staff mix. In simplified terms, the new system will give a court unit the freedom to hire a few individuals at high salaries, more individuals at lower salaries or a mix in the middle -- so long as it stays under its personnel budget ceiling.

#### METHODS ANALYSIS PROGRAM

The Judicial Branch is also attempting to identify efficient staffing practices within individual court units and share that information throughout the court system. The Methods Analysis Program's (MAP) is designed to address concerns that the staffing formulas, which are currently based on the average time it takes all courts -- efficient and inefficient -- to do a particular task, might not be the best way to determine office size and structure. MAP's dual focus is to 1) identify efficient practices and 2) develop incentives for local courts to adopt those or similar practices.

Like the Legislative and Executive branches, the Judicial branch still has a way to go on the road to efficient government. One example of additional savings is underutilized courthouses. Underutilized courthouses are facilities that are rarely used, sometimes as rarely as one or two weeks in an entire year. While some are statutorily mandated by Congress, many could be eliminated by the Judiciary. The Judicial Conference is working on this issue, but I request that report language be included in the Committee's report to let the Judicial Conference know that Congress intends to closely examine whether or not any real progress is made to reduce the number of underutilized courthouses.

The Judiciary has become much more conscious of the budgetary implications of its policies. Because the Judiciary has so many initiatives underway, it is difficult to assess their impact individually, or collectively. Although some progress is being made, I believe that Congress, and especially this Subcommittee, should maintain a high level of oversight of the Judiciary's budget in an attempt to improve the efficiency and cost-effectiveness of court operations.

## INDIANA'S COASTAL ZONE MANAGEMENT PROGRAM

I also wanted to bring the Subcommittee up-to-date on Indiana's Coastal Zone Management program. Indiana's efforts to craft a Coastal Management program for its portion of the Lake Michigan shoreline have been steadily advancing since the development process began in October 1993. I am seeking an additional appropriation of \$200,000 to allow this valuable program to stay on track, and on schedule.

Indiana's Coastal Zone Management staff have met frequently with interest groups, organizations and local units of government. Numerous public meetings have been held to keep all interested citizens updated on the program's progress and citizen response has been overwhelming. Over 100 citizens have volunteered to participate in work groups over the next three months. Four separate groups have been formed to give citizens an opportunity to identify issues along the shoreline and to suggest solutions to our problems.

It is Indiana's hope that a coordinated effort between concerned citizens, governments and organizations can culminate in a plan for intelligent coordinated use and development of the shoreline. No one is proposing a massive regulatory program -- which has not been the intention of the Coastal Zone Management program.

Mr. Patrick R. Raiston, Director of Indiana's Department of Natural Resources has informed me that Indiana's Coastal Zone Management program is in need of two additional years of development funding. These funds, \$200,000 in Fiscal Year 1996 and 1997, will allow Indiana to fully incorporate public comments and volunteer efforts, to meet coastal nonpoint pollution requirements, and to establish a program which will truly have effectuated the best interests of Northwest Indiana and its shoreline.

Chairman Rogers, Subcommittee members, thank you again for your time. I appreciate your consideration of my testimony as you craft the Fiscal Year 1996 Commerce, State, Justice and Judiciary Appropriations bill.

Mr. ROGERS. Well, we thank you for your testimony. I raised the issue of underutilized courthouses with Judge Arnold, who is the head of the Budget Committee of the Judicial Conference, when he testified a few weeks ago. And he promised to look into that and report back on whether Justice or other agencies might be able to use the space if the courts aren't going to. So I appreciate your attention to that.

Mr. VISCLOSKY. Thank you.

Mr. ROGERS. And thanks for keeping us focused on it.

Mr. VISCLOSKY. Thank you very much, Mr. Chairman.

Mr. ROGERS. Mr. Forbes.

Mr. FORBES. I have no questions. Thank you for your testimony.

Mr. ROGERS. Thanks for being here.

Mr. VISCLOSKY. Thank you, Mr. Chairman.

Mr. ROGERS. We have with us today a gentleman who is from my district, Dr. Earl Zehr from Corbin, Kentucky who is here with the Close-up Foundation for their meetings, and we are honored that he was able to come.

Dr. Zehr lives within, oh, 25 minutes of my home, and is highly respected there, and I am delighted that he is a part of our audience today. Although he will not be testifying, he can say what he wants to. We have an opening now.

Mr. ZEHR. I would rather hear than talk.

Mr. ROGERS. Well, we are happy to have you here. Has the visit been productive for you?

Mr. ZEHR. Yes, sir, it really has. Actually, the whole philosophy behind coming is that I got involved with the People To People program and I have been in China and to Russia both, and I have decided maybe it might be nice to know what my own government is like.

Mr. ROGERS. Well, I hope you didn't find any similar comparisons.

Mr. ZEHR. No.

Mr. FORBES. Not yet, right?

Mr. ZEHR. Not yet. This has been very good.

Mr. ROGERS. Well, we are glad to have you here this morning.

Mr. FORBES. Welcome.

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WEDNESDAY, MAY 24, 1995.

## NOAA

### WITNESS

HON. SAM GEJDENSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mr. ROGERS. Mr. Gejdenson, welcome.

Mr. GEJDENSON. Mr. Chairman, let me apologize for holding you up, even though this is even by my watch a minute early.

Mr. ROGERS. Well, we have already deducted the time off of your statement.

Mr. GEJDENSON. Let me say I would like to revise and extend and leave if you will give me the money.

Mr. ROGERS. We recognize Mr. Gejdenson. Your statement will be put in the record if you would like to summarize.

Mr. GEJDENSON. Thank you. I will be very brief to keep you ahead of schedule as you are apparently able to do.

I am here supporting the investment in environmental and economic health. The National Undersea Research Program [NURP] is the only program in the Nation that specializes in advanced research in our oceans and Great Lakes. The six NURP centers are conducting research on global climate change, sustaining fishery resources, maintaining ecosystem health and environmental technology. These aren't just academic subjects.

I mean, you don't have to look but to any part of the country and you see that most of these are small family-run businesses being shut down because of mismanagement of the fisheries. It seems to me that not just the United States, but worldwide, we depend in such a massive way on the nutrients and the protein that comes out of the ocean that we had better find a better, more sustainable operation. Obviously, it is tourism, it is a number of other things, but the fishing industries need this research and I would commend the Committee that this is an important program that you should sustain.

Additionally, I am here to ask for the Maritime Education and Research Center at Mystic Seaport that the Federal Government has seen fit to provide funding for the development of this national facility. Mystic Seaport is world renowned for its collection of photos, films, ships, and a number of historical artifacts. The Mystic collection of 480 boats is perhaps the most extensive in the world.

Currently these resources are stored in 16 different locations. The center, which would be a science and educational center available to the public, is the kind of thing that I think we should be investing in as a country. And I know that, you know, this is a very tough budget year without any question, but these are programs that with Federal help we have begun. They are programs, particularly Mystic Seaport, where the State and the entity itself have participated in a significant manner, and so I would hope that the committee would continue their support for these two programs.

[The prepared statement of Mr. Gejdenson follows:]

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**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

Statement of Representative  
Sam Gejdenson  
before the Subcommittee on  
Commerce, State, Justice and Judiciary

May 24, 1995

Mr. Chairman, Mr. Ranking Member and members of the Subcommittee, I appreciate the opportunity to be here today to testify on behalf of two nationally significant programs. Let me begin by saying that I truly appreciate the support the Subcommittee has provided in the past and I look forward to working with you in the future.

I would like to request your support for continuing the National Undersea Research Program (NURP) by providing level funding for this important program in fiscal year 1996. While the House rescinded funds for the program, the Senate did not. The conference report on HR 1158 restored the vast majority of funding to the program. I strongly believe that our investment in NURP pales in comparison to the environmental and economic returns it provides.

As you know, NURP is carried out by six regional Centers across the country and is the only national program which is dedicated to advanced underwater research in our oceans and the Great Lakes. Scientists from 36 states have utilized the Centers to conduct research on a myriad of topics, including global climate change, sustaining fisheries resources, maintaining ecosystem health, marine habitat degradation, aquaculture, and environmental technology development.

The importance of this research extends well beyond coastal communities which rely on fishing, tourism and general marine health for their economic survival. Marine-related economic activity is responsible for nearly one-third of our gross national product (GNP). Fishing and tourism are multi-billion dollar industries which employ more people "inland" than are employed at hotels along the coast or on fishing boats in the Atlantic or Pacific. For the United States to retain the lead in the rapidly expanding global environmental technology market, we must continue research on new processes and technologies designed to address threats to highly productive marine resources. Finally, every American clearly has a stake in accurately determining the extent and possible implications of global warming.

SAM GEJDENSON  
20 DISTRICT  
CONNECTICUT

COMMITTEE ON  
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COMMITTEE ON  
HOUSE OVERSIGHT

I firmly believe that NURP is central to the mission of the National Oceanic and Atmospheric Administration (NOAA). As detailed in its fiscal year 1996 budget request, NOAA will concentrate significant resources on rebuilding fisheries and restoring marine ecosystem health. After scanning NOAA's proposal it is clear major efforts will be made to conduct in depth assessments of these problems and devise innovative solutions. In fact, in response to questions submitted by the Resources Committee concerning this program, NOAA stated that "Most NURP research projects are directed at building sustainable fisheries and maintaining coastal and marine ecosystem health -- two important components of NOAA's strategic plan." NOAA went on to state that the elimination of NURP "... would lead inevitably to significantly less use of underwater facilities in its research programs." The NURP Centers have the experience and expertise which make them ideally-suited to contribute to these tasks.

More importantly, the Centers have unique experience with manned and unmanned undersea submersibles which provide us with new opportunities to study the complex dynamics of marine ecosystems deep below the surface where most of the problems, and the solutions, lie. I am unaware of any other entity which is capable of providing this sophisticated technology in our oceans and the Great Lakes to further these nationally significant goals. I am very concerned that NOAA will not be able to effectively carry out its mission if NURP is discontinued.

The strong regional and academic aspect of NURP represents an additional strength. More specifically, the Centers form partnerships with the academic research community that apply advanced technologies to address complex basic and applied research which is closely connected with many facets of NOAA's mission. Peer-reviewed research supported through these partnerships is addressing many issues which are vitally important to industries, state and local governments and citizens across the country. NURP is the nation's only program dedicated to advanced undersea research and has invaluable expertise with advanced underwater technologies, including submersibles, underwater robots and observatories and mixed-gas diving. I strongly believe that few federal programs provide so much return on such a small investment.

Let me comment for just a minute on the program with which I have the most familiarity. The University of Connecticut operates one of the six NURP Centers at its Avery Point campus in Groton, Connecticut. This Center is responsible for research in the Atlantic from Maine to New York and in the Great Lakes. A very small staff works hard to balance research with administrative and other duties. These are some of the most dedicated and hard-working people I have ever seen associated with a government-backed program.

The Avery Point Center is involved in research relating to some of the most important environmental and economic issues in New England and in states surrounding the Great Lakes today. As you

may know, the federal government, State of Massachusetts and the City of Boston have been working for many years to remediate severe contamination in Boston Harbor. Researchers from Avery Point have been using unmanned submersibles to conduct in depth surveys of dump sites and to take sediment and water samples for analysis. These researchers have also combined these data with information on water circulation and how contaminants move in the marine environment to assess the threat posed by certain sites and to develop innovative approaches to remediate contamination.

New England is also struggling to deal with the collapse of some of the nation's most important fisheries, including cod, haddock and yellow tail flounder. In fact, these three species are so depressed that the National Marine Fisheries Service (NMFS) has taken extraordinary steps to reduce fishing in an effort to rebuild these stocks. While overfishing is a major reason for this collapse, loss of essential habitat and contamination of the marine environment are significant factors as well. The Avery Point Center has been involved in extensive efforts to analyze the condition of fishery habitat in Long Island Sound, off George's Bank and in the Gulf of Maine. Through the use of submersibles, the researchers have been able to study the location and status of habitat in ways that are impossible using surface technologies. This research is helping fisheries managers protect vital habitat and develop policies which can mitigate adverse effects in the future.

These are just two examples of the concrete benefits provided by NURP. I firmly believe that we need to fund NURP to ensure that this type of applied research is continued. The experience that the NURP centers have amassed over the past 15 years to utilize technology to address difficult issues which can not be easily transferred to other entities. NURP provides valuable research coordination which I do not believe states or universities could equal. I believe level funding for the program is a sound investment in our environmental and economic future.

I would also like to request the Subcommittee's support for completing the federal share of funding for the American Maritime Education and Research Center at the Mystic Seaport through the National Oceanic and Atmospheric Administration (NOAA). As you may know, Mystic Seaport is world renowned for exhibits and collections chronicling the maritime history of the United States. The Seaport is visited by nearly 500,000 people each year from across the country and around the world. The Maritime Education and Research Center will allow the Seaport to make most of its vast collection of photographs, films, boats and other artifacts available to the public in a single location.

Currently, Mystic's collection includes: 1.1 million photographs, 1.5 million feet of historic and contemporary film, and 100,000 sheets of ships plans which relate to the design of between 65,000 and 70,000 different types of vessels. In addition, the Seaport has a collection of 480 boats which includes virtually



every type of watercraft ever constructed in America, including several which have the distinction of being the first model ever produced and the last version in existence. The Center will include state-of-the-art facilities to preserve the photos and films for later generations of researchers, historians and others. Finally, the Center will include extensive new interactive exhibits and facilities designed for young people. As the country continues to become more urbanized, it is especially important that we educate our children about our centuries old connection to the sea.

The State of Connecticut supports this project and has committed \$5 million to its design and construction. Furthermore, the Seaport has raised \$15 million for this project to date. I firmly believe that the State and the Seaport have demonstrated that this is truly a partnership between all entities.

This project has important economic implications as well. As you may know, Mystic lies along the coast in the southeast portion of Connecticut. For decades this part of my state has been known as the Home of Electric Boat, which makes nuclear-powered submarines. The end of the Cold War and defense cutbacks have caused Electric Boat to downsize dramatically. It is expected that employment will be cut by nearly two-thirds, from more than 25,000 employees in the late 1980's to about 7,500 by 1998. These reductions have had adverse effects on subcontractors and countless other businesses in our area which has exacerbated the economic decline.

Tourism is the one bright spot in the economy of this area and Mystic is home to two the state's most popular attractions - the Seaport and Mystic Aquarium. The Maritime Education and Research Center will help the Seaport to make its extensive collection accessible to the public in a single location. Interactive exhibits will allow people of all ages, interests and backgrounds to experience virtually any facet of our maritime history. The Center will help to draw more visitors to the area which will produce economic benefits extending well beyond Mystic itself.

I believe the federal government has a role in supporting this project. We have a responsibility to ensure that our historic legacy is protected for future generations and Mystic is the leader in the maritime arena. I also believe NOAA is the federal agency most closely connected with our oceans and it has an in depth understanding of this project.

Once again, I appreciate the opportunity to testify today. I look forward to working with you in the future.

WEDNESDAY, MAY 24, 1995.

**NORTH-SOUTH CENTER****WITNESS****HON. CARRIE P. MEEK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA**

Mr. ROGERS. Mrs. Meek, we recognize the gentlelady from the State of Florida and we are delighted to have you with us.

Mrs. MEEK. Thank you, Chairman Rogers. It is good to see you again.

Mr. ROGERS. Your written statement will be put into record, and if you would like to summarize it, please feel free to do so.

Mrs. MEEK. Thank you so much, Mr. Chairman, members of the subcommittee, Mr. Forbes. It is a pleasure to appear before you today to once again express my support for the North-South Center that is based in Miami, Florida and for the NOAA-supported project underway in our well-respected Rosenstiel School of Marine and Atmosphere Sciences, SEFCAR, our Oil Spill Research Center, our Ocean Sciences and Climate Research Center.

I brought the dean of the Rosenstiel School, Dr. Otis Brown, with me here today, as well as the director of the North-South Center to answer any questions, Mr. Chairman, that you might have. I would like to ask permission to submit my written statement and additional supporting material for the record, and then briefly summarize my testimony, if that is possible.

Mr. ROGERS. Certainly.

Mrs. MEEK. The North-South Center, as you know, Mr. Chairman, has been and still is a beacon for Western Hemispheric research and policy analysis. There is no other institution in the United States, public or private, that is as actively engaged in such a coherent scope of issues affecting north-south relations, ranging from trade to economic development. The USIA testified to this effect before the subcommittee in each of the last two years.

The North-South Center, Mr. Chairman, is a very unique resource. It is not duplicative of other entities. It is unique in itself. It is focusing on important policy issues critical to our region and the Nation in a focused and comprehensive manner. While there may be other Latin American study centers at other United States universities, the role of the North-South Center extends beyond any academic enterprise. It has the capacity of bringing together a broad range of interests, government and nongovernmental, political and technical, to focus on key problems and issues confronting Latin America.

Mr. Chairman, this particular center has shared its resources with many other universities and with more than 100 other institutions and organizations. So it has leveraged what it is doing with other resources.

The North-South Center received just \$4 million of support in fiscal year 1995. With this modest, but very critical Federal support, the center continues to share its many resources with other universities.

I urge you, Mr. Chairman, and Members of this committee, to approve in fiscal year 1996 appropriations for the North-South Center

of at least \$4 million. This level of support is crucial to the center's ability to continue to share its resources and critical to efforts and activities involving trade in this post-NAFTA era.

I also want to speak briefly, Mr. Chairman, of the well-known Rosenstiel School of Marine and Atmospheric Sciences and its work with the National Oceanic and Atmospheric Administration.

NOAA is an important and precious resource for this Nation, and it is especially important for the State of Florida. No other State has the oceanic coastline of Florida, or is as vulnerable to oil spills and environmental degradation of its features and marine life as Florida. Our very economy is based on this relationship.

In this regard, the Rosenstiel School is undertaking critical work in ensuring that the warm water fish populations that supply the entire southeastern United States, not only Florida, remain viable. Through SEFCAR, the Rosenstiel School and NOAA work together to ensure that there is a scientific foundation for fisheries management practices in the southeastern United States and Florida coastal region.

Mr. Chairman, I urge this subcommittee to provide the greatest level of resources possible to NOAA, and especially to its coastal ocean and global climate change programs as they are critical to this country. I again note, Mr. Chairman, that it is extremely important and critical that the North-South Center and SEFCAR get the kind of help from this committee as you have given them in the past. We would so hope that you would approve this funding.

And I again note that I have Dr. Brown and Dr. Rosenberg here who are available to answer any technical questions. The reason I am here is to ask you, again, to please fund—what I believe are two of the most outstanding programs that are administered by the universities in this country, and those are the North-South Center and SEFCAR.

Thank you, Mr. Chairman.

[The prepared statement of Mrs. Meek and other materials for the record follow:]

**Testimony of**  
**U.S. REP. CARRIE P. MEEK**  
**before the**  
**Subcommittee on Commerce/Justice/State**  
**of the**  
**House Committee on Appropriations**  
**May 24, 1995**

**Chairman Rogers and Members of the Subcommittee:**

It is with pleasure and pride that I appear before you today to once again express my support for the North-South Center based in Miami, Florida, and for the NOAA-supported projects underway at our well-respected Rosenstiel School of Marine and Atmospheric Sciences -- SEFCAR, our Oil Spill Research Center, our ocean sciences and climate research center. Indeed, I have brought the Dean of the Rosenstiel School, Dr. Otis Brown, to be with me here today, as well as the Deputy Director of the North-South Center, Dr. Robin Rosenberg, to answer any questions you might have.

I would speak to you first of the North-South Center. As you know, since I came to Congress I have appeared before this Subcommittee at every opportunity to endorse the work of this Center to you.

The North-South Center is a beacon for Western Hemispheric research and policy analysis. No other institution in the U.S., public or private, is as actively engaged in such a coherent scope of issues affecting North-South relations, ranging from trade to economic development. The U.S.I.A. testified to this effect before the Subcommittee in each of the last two years, indicated that the North-South Center was a unique resource, not duplicative of other entities; that it was focusing on important policy issues critical to our region and the Nation in a focused and comprehensive manner, not being done by others.

While there may be other Latin American studies centers in other U.S. universities, the role of the North-South Center extends beyond any academic enterprise. It has the capacity of bringing together a broad range of interests, governmental and non-governmental, political and technical, to focus on key problems and issues confronting Latin America and our interrelationships with this important region.

The North-South Center, while based at the University of Miami, has shared the precious resources this Subcommittee has provided it with more than 100 other institutions and organizations throughout the United States. It has strived to function as a national and international resource for the agency which oversees it and for the country.

Few other, if any other USIA grantees or agencies of this kind, can testify to this level of resource sharing. It should be noted that the North-South Center was started at the University of Miami in the mid-1980's with university resources, and that the University has provided approximately 50% of the total resources of the North-South Center in the first decade of its operation. As many of you know, this Center was brought into being under the tutelage of our former colleague, the Honorable Dante Fascell, who believed, as I do, that it was important that the federal government dedicate comparable resources to this Western Hemispheric region, as have been dedicated to the study of East-West relations.

Indeed, while over \$20-25 million per year is dedicated to the East-West Center annually, the North-South Center received just \$4 million in support in FY1995. With this modest but critical federal support, the Center continues to share its resources with other universities, to undertake a range of assignments from the USIA, and to operate a unique Latin American database utilized by a number of federal agencies, providing them with continually updated information on developments in the Latin American region.

I urge you to approve an FY1996 appropriation for the North-South Center of at least \$4 million. This level of support is crucial to the Center's ability to continue to share resources and implement critical efforts and activities involving trade in this post-NAFTA era, international drug trafficking work, strategic studies working with the region's defense ministers, and economic development activities important to this country's economy.

I would also point out that the Center is a duly authorized activity. It was authorized as part of the State-USIA authorization, and has again been recommended for continuation by the House Committee on International Relations in the bill that is before the House this very week. I am informed that the Senate authorization bill also enables the North-South Center's authority to continue. We have taken steps to ensure that the work of the Center was the subject of a full oversight hearing in the House.

I would also note that the Director of the Center, former Ambassador Ambler Moss, has presented himself before this Subcommittee annually to review the work and role of this center, and to respectfully request your support. In this regard, I would ask permission to further submit his written statement for the record as a supporting statement to mine.

I point out these facts to assure you that those of us who support the Center have taken every possible step to ensure that it is complying with its mandate and mission, and that the Center is properly authorized and reviewed.

I am, indeed, proud of the University of Miami's commitment to this North-South relationship, as I am proud of yet another of the University's commitments -- and now I speak briefly of the well-known Rosenstiel School of Marine and Atmospheric Sciences and its work with NOAA.

NOAA is an important and precious resource for this Nation, and is especially important for the State of Florida. No other state has the oceanic coastline of Florida, is as vulnerable to oil spills and environmental degradation of its beaches and marine life. Our very economy is based on this relationship with our marine and atmospheric resources.

In this regard, the Rosenstiel School is undertaking critical work in ensuring that the warmwater fish populations that supply the entire Southeastern U.S., not only Florida, remain viable. Through its SEFCAR program, the Rosenstiel School of NOAA work together to ensure that there is a scientific foundation for fisheries management practices in the Southeastern U.S. and Florida coastal region. SEFCAR carries out coordinated biological and physical field studies, using state-of-the-art technology including surface-based ocean remote sensing, to track the development of these crucial marine populations, most of which are spawned in the Gulf Stream immediately off Florida shores, but which find their way to all areas of the Southeastern U.S.

SEFCAR is a tried and true NOAA-supported project, and I urge you to continue support for it. When coupled with the work of our South Florida Oil Spill Research Center, started with Coast Guard funds, and now continued under the aegis of the Coastal Oceans Program of NOAA, the Rosenstiel School is providing this country with an invaluable and irreplaceable complement of resources.

Both of these projects are essential and will withstand any degree of examination for their contributions. Working together now with virtually all of the major universities in Florida, the University of Miami is also focusing on another of NOAA's top priorities, the significance of the phenomenon known as "El Nino." This dramatic weather pattern has the potential of affecting literally billions of dollars worth of this country's coastlines and property, facilities and structures, impacting our economy and the lives of many. We must have a better understanding of this phenomenon, and better capacity to predict its development, evolution and activity. NOAA must move forward on its plans for a targeted and focused extramural research program on El Nino.

Mr. Chairman, I would urge this Subcommittee to provide the greatest level of resources possible to NOAA, and especially to its Coastal Ocean and Global and Climate Change Programs, as they are critical to this country's well-being as well

as to our Florida-based efforts on SEFCAR, Oil Spill, and El Nino climactic and marine research efforts.

I would note, Mr. Chairman, that the Rosenstiel School has submitted full written testimony to this Subcommittee on these NOAA-funded activities in compliance with the Subcommittee's deadlines. I am respectfully resubmitting these statements for the record as well as documents which fully justify these projects as essential to NOAA's mission as supporting documents to my statement today.

I again note that I have both Dr. Brown and Dr. Rosenberg here with me to answer any questions you may have. We wanted to be absolutely certain that this Subcommittee had been presented with every opportunity to ask questions about the resources it has so generously provided these projects.

In closing, Mr. Chairman, I do thank this Subcommittee, not only for the opportunity to appear before you today, but, indeed, for the very solid support and assistance you have provided me on these projects and other matters of vital concern to Florida and our region.



**SOUTHEAST FLORIDA AND CARIBBEAN RECRUITMENT PROGRAM: SEFCAR  
Status, Achievements and Plans  
Statement Submitted for the Record  
for the Commerce/Justice/State Appropriations Subcommittee  
By**

**J. M. Prospero, Director, CIMAS  
Claes G. Rooth, SEFCAR Coordinator &  
Associate Director, CIMAS  
Rosenstiel School of Marine and Atmospheric Science  
University of Miami  
April 27, 1995**

**HISTORY**

SEFCAR is an activity carried out in cooperation between the National Oceanic and Atmospheric Administration (NOAA) Environmental Research Laboratory (ERL) and the University of Miami (UM) under the auspices of the Cooperative Institute for Marine and Atmospheric Studies (CIMAS). CIMAS is a Joint Institute with NOAA/ERL; it was established on the basis of a Memorandum of Understanding between NOAA and UM with the expressed purpose of facilitating the scientific cooperation between UM scientists and those from the various NOAA facilities located in Miami. These include the sharing of personnel expertise and physical resources at the University, the promotion of mutual research activities, and sharing access to graduate students and other education activities.

**OBJECTIVES:**

The primary objective of SEFCAR is to develop a scientific foundation for fisheries management practices in the South Florida coastal region. To this end SEFCAR carries out coordinated biological and physical field studies using state-of-the-art technology including satellite and surface-based ocean remote sensing, placing special emphasis on the coastal waters along the Florida Keys and their interactions with the larger scale current features. Although SEFCAR is fisheries-oriented, the process studies provide information relevant to many issues of concern to the Florida Keys National Marine Sanctuary (the second largest in the US) and other State and Federal protected environments in the South Florida region, including Florida Bay.

**STRATEGY:**

It has long been suspected that many physical, biological and chemical processes in the Florida Keys and other Florida coastal waters are strongly affected by the behavior of the Gulf Stream



(the Florida Current). Waters flowing through the Straits of Florida have previously passed through the Caribbean Sea and the Gulf of Mexico; thus organisms (including humans!) and chemicals from this entire region constantly pass close to our shores and, under the appropriate conditions, they can be brought into our coastal waters and deposited upon our beaches. The Florida Current/Florida Coast system is a completely unique oceanographic environment. There is no other coastal region in the world where a major ocean current passes so close to a shore under the influence of a tropical trade-wind dominated climate. The fact that this coastal shore is also a major (and rapidly growing) population center further complicates the issues.

Before SEFCAR, little was known about the physical processes that controlled the long-range transport of waters to our coast and the relevance of this transport to our fisheries. To this end SEFCAR focussed on studies of the circulation processes in the region and their impact the spawning-to-recruitment life histories and survival rates of marine organisms. We developed and used the most advanced technology in these studies including satellites, satellite-tracked drifters, and the latest biological tracking and sampling technology (some of it locally developed). The UM through SEFCAR acquired and deployed an ocean surface current radar (OSCR) which allows us to map coastal currents in real time; this enables us to accurately guide research vessels to unique current features (current jets, fronts and eddies) which we believe play a dominant role in larval transport. The UM OSCR is the only instrument of this type used in the US for fisheries studies and SEFCAR pioneered in this concept.

The SEFCAR studies have focussed on selected crustaceans and fishes (e.g., lobster and snapper). These play an important economic role in Florida commercial fisheries and, perhaps most importantly, in tourism. Our studies have provided a unique picture of the physical factors that control the transport of the larval forms of these species from the larger Caribbean region to the Florida Keys. These findings are important to fisheries management issues.

Although SEFCAR is largely fisheries-oriented, its studies are relevant to larger regional issues that affect the coastal ocean environment. The coastal region in South Florida is densely populated and the population is growing rapidly. This leads to human stresses on the coastal ocean waters and to conflicts in the allocation of resources. The chemical and physical studies in SEFCAR have provided much enhanced knowledge about potential pathways for human impacts. These include nutrient transports that affect coral reef habitats and pollutants that can accumulate in marine organisms. As an example, on a field experiment during the summer of 1993, we detected the incursion of a huge plume of Mississippi River water along the Keys, an event that lasted for weeks; the plume was traced to the effects of the severe flooding in the midwestern US at the time. Incursions of low salinity river waters such as this (carrying

pesticides, herbicides, trace metals and other pollutants) could have a severe impact on the biological communities in the regions, including fisheries and coral reef communities. Although this event was very dramatic, the same type of flow continues on a day-to-day basis but at a lower level. The SEFCAR studies clearly demonstrate that these flows directly impact the near-shore communities in the Florida Keys.

#### **CURRENT STATUS:**

SEFCAR is in its sixth year of operations. It began operations in 1989 at an annual funding level of approximately \$1M; during the past few years, funding levels have been reduced to about half, reflecting a shift from field operations to data analysis and laboratory studies.

#### **FUTURE DIRECTIONS:**

The past research in SEFCAR provides a basis for developing better resource management tools. The future SEFCAR program will focus on providing specific information in support of resource management needs for long-term planning as well as for short-term reactive decision making. These will be centered around a core structure of a real-time Nowcasting-Forecasting current-modeling system which has been developed as a part of the South Florida Oil Spill Research Center (SFOSRC) at UM. Over the past few years, SEFCAR and SFOSRC have worked closely to integrate the observational program in SEFCAR with the modeling activities in SFOSRC. The model provides continually updated information regarding the current state and expected evolution of the physical environment in the South Florida coastal region on time scales of weeks to around a season. It has been successfully used to predict the transport of oil spills (and also of rafters!). The core model project will also support process assessments on the basis of historical data - for example, the variability in catch or abundance statistics for selected fisheries resources, and suspected pollution-related ecosystem transients.

The core project will serve as a common platform for special application developments which will address a number of management or regulatory agency needs. These will be developed by working interactively with the information users at the state, federal and local level. Some key applications areas are:

- \* Fisheries management and resource stewardship
- \* Oil spill response management and exposure risk prediction
- \* Man-made impacts (e.g., nutrients) on reef tract water quality along the keys
- \* Development of management strategies for the Florida Keys National Marine Sanctuary with respect to specific protection objectives
- \* Support for the multi-agency Florida Bay Impact Study project by providing critical information about externally imposed influences on the bay processes.

In addition, the establishment of the core program creates opportunities for special problem-focussed activities. These activities are not necessarily restricted to NOAA interests - many government agencies have responsibilities in this region (e.g., DOC, DOI, DOE, EPA, COE, SFWMD, DEP, etc.).

#### CONCLUSION:

The South Florida Coastal Ocean Ecosystem (SoFCOE) is emerging as one of the key study areas in the U. S. for improving methods and principles of management and protection of regional resources of national interest. SoFCOE encompasses the unique Everglades ecosystem, Florida Bay and the coral reefs of the Florida Keys; all these regions are interconnected and all are threatened by progressive degradation. Many of these regions are recognized as part of the national environmental heritage. As such, a major objective of the South Florida Ecosystem Restoration Initiative is to assure their sustainability. Indeed the economic significance of the SoFCOE to Florida is enormous:

The burgeoning South Florida community depends on the Everglades for its water supply.  
Florida Bay is a nursery for species supporting an extensive commercial and recreational fishery.  
The coral reefs and the associated recreational fisheries are keystones of an active tourist industry.

While it is generally accepted that these regions must be protected, it is also clear that we must be better able to understand and predict consequences of regulatory management actions. Our lack of understanding of how the natural system works in the SoFCOE and of the ramifications of specific regulatory and management actions are major obstacles to the implementation of restoration and protection measures and the public's acceptance of them.

At present, SEFCAR is the only program that focuses in a detailed and comprehensive manner on the coastal ocean processes in South Florida. SEFCAR's combined capabilities for modeling (with SFOSRC) and field studies is unique in this region. As such, SEFCAR will play a critical role in the South Florida Restoration Initiative, especially with regard to Florida Bay. The large-scale circulation processes (both in the ocean and the atmosphere) clearly play an important role in driving the water exchanges with the Bay. There is no other group in Florida that has the expertise and physical assets that are required to carry out such research. Furthermore, the proximity of the UM RSMAS to the Florida Keys and Florida Bay makes it the ideal base for such operations.



**TESTIMONY SUBMITTED FOR THE RECORD  
TO THE SENATE COMMERCE/JUSTICE/STATE APPROPRIATIONS  
SUBCOMMITTEE**

**BY THE UNIVERSITY OF MIAMI  
South Florida Oil Spill Research Center: SFOSRC**

**Status, Achievements, and Plans**

Christopher N.K. Mooers, OPRC Director

April 27, 1995

**HISTORY**

In June 1992, the University of Miami formed the Ocean Pollution Research Center (OPRC) for the development of R&D capability applicable to oil spills in South Florida in the aftermath of EXXON VALDEZ and OPA 90, and to ocean pollution throughout the South Florida coastal ocean and Wider Caribbean region. In July 1993, the U.S. Coast Guard awarded, in the spirit of OPA 90, a grant to develop SFOSRC as a regional center-of-excellence on oil spill R&D through a cooperative agreement with the International Oceanographic Foundation (IOF). The IOF turned to the University of Miami's OPRC to operate SFOSRC. In the summer of 1994, the Congress transferred SFOSRC from the USCG budget to NOAA Coastal Ocean Program (NCOP) (within the National Ocean Service (NOS) budget), beginning in FY95. SFOSRC has involved the participation of a few dozen scientists and engineers, mainly from RSMAS and the UM College of Engineering, but also NOVA University, FIU, FAU, USF, and ERIM.

**SCIENTIFIC GOAL AND LONG-TERM OBJECTIVES**

The goal of the SFOSRC is to develop, demonstrate, and evaluate new strategies, methodologies, and technologies that can be applied by the USCG and NOAA to oil spills; i.e., to function as a center of innovation. The locus of operations is based in South Florida and its regional subtropical/tropical environment, but it is available to participate on a national (or even international) scale.

*Specific long-term (10 yrs.) objectives are:*

1. to develop techniques and procedures for observing and characterizing the physical environment (including the surveillance of oil spills *per se*) in near-

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real-time;

1. to develop models that use real-time as well as archived data to compute oil spill trajectories in near-real-time;
2. to model and predict the physical, chemical, and biological fates of oil spills;
3. to model and predict the impacts (effects) of oil spills on the regional ecosystem;
4. to cooperate in the development of containment and clean-up equipment that is optimized for oil spills in the tropical environment, especially in shoal regions; and
5. to develop R&D contingency plans for studying the evolution and consequences of opportunistic oil spills in this region.

#### STRATEGY

##### LONG-TERM:

The SFOSRC will become a center-of-excellence in oil spill R&D, especially as it pertains to the Southeast U.S., Gulf of Mexico, and Caribbean Sea regions. It will complement the OPRC's broader concerns with generic ocean pollution research.

##### MID-TERM (first ten years):

The SFOSRC will develop a prototype oil spill information management system. This system will focus on collating and displaying the full spectrum of information germane to tactical and strategic decision-making associated with oil spills. Thus, it will provide a resource for conducting contingency planning and training (simulations) and reconstructions (hindcasts), as well as for spill response operations (nowcasts and forecasts). It will integrate environmental information from data archives, real-time data streams, and numerical (circulation, trajectory, fate, and effects) models with surveillance information about oil spills, ecological information about coastal habitats and marine ecosystems, technical information about oil spill countermeasures and response equipment, and legal information about environmental and related regulations. It will be supported by research into basic scientific questions regarding: observing and modeling circulation; oil spill surveillance; oil spill trajectories, fates, and effects; and technological questions concerning: oil spill shoreline protection and countermeasures. The techniques and simulation/forecast systems developed from this basic research will have the potential to be transferred into the operational arena for use as strategic and tactical decision aids.

This prototype system will provide a working design for regional (e.g. South Florida) high technology operational centers intended to support multi-agency groups of managers dealing with oil spill and other ocean pollution topics. It will be exercised in various field experiments and with spills-of-opportunity; its performance will serve to help set our priorities for R&D.

## CURRENT STATUS

SFOSRC is in its second year of operation. It received \$2M from the USCG in FY 93, and \$1M in FY94. Corresponding downsizing of staff, faculty, participants, and activities has occurred. SFOSRC is expecting to receive \$850K (less a \$50K management tax) from NOAA in FY 95, within a few months after the FY95 rescission of NCOP is clarified affirmatively. The agreement is for SFOSRC to provide a one-year program plan which will move its efforts in a convergent direction with SEFCAR's, and in the spirit of the outcome from the recent South Florida Coastal Ecosystem Workshop.

The *South Florida Oil Spill Research Center* (SFOSRC) brings new technology and methodology to bear on the risks that South Florida faces from major oil spills associated with tanker traffic, offshore oil production operations, and coastal power plant oil storage. Oceanic currents and atmospheric winds play a large role in these risks and impacts. SFOSRC has three ongoing research projects:

- Straits of Florida Nowcast/Forecast System (SFNFS) for oil spill trajectory prediction using real-time observations and computer models. This will allow the rapid identification of areas that would be impacted by ocean spills.
- Oil Spill Information Management System (OSIMS), for storing and visualizing relevant ecological, geological, engineering, logistical, and regulatory information (plus oceanic and atmospheric observational and model data). This will aid decision-makers in planning, training, and responding to oil spill and other pollution events.
- National Marine Oil Transportation System Model (NMOTSM), which is being developed for the Federal Interagency Oil Spill R&D Committee. This is the first quantitative description of how oil is transported in U.S. marine waters and the consequent modalities of oil spillage. This will allow risk assessments to be made and serve as the basis of establishing R&D priorities (with regard to risk amelioration) by federal R&D managers.

SFOSRC has established a prototype, real-time nowcast/forecast system (SFNFS) for the circulation of the Straits of Florida based on the Princeton Ocean Model (POM), NMC's operational (synoptic) winds, and a feature model for the Florida Current inflow. The system is fully automated: the winds are downloaded from an NMC server, SFNFS is run, graphics are generated, and graphics for subdomains off the Keys and Cuba are disseminated (to NHC and the Brothers-to-the-Rescue), all automatically. SFNFS has been active in developing the use of OSCAR; GPS-tracked, cellular phone-communicated, oil-spill-following drifters; and the acquisition and analysis of NOAA satellite SST data. SFOSRC is also developing the object-oriented Oil Spill Information Management System (OSIMS) which computerizes real-time oceanic and atmospheric observational and model output data, historical ecological and geological information, and regulatory information, plus automated

decision-support systems (DSS) for emergency response. OSIMS is fast reaching the working prototype stage. It will, in addition to real-time events, support strategic activities: contingency planning, training, and event reconstruction. OSIMS will be available to regional emergency response and environmental managers over Internet; it will also be able to assist researchers in accessing real-time and historical data and model output to support adaptive field experiments, to conduct event reconstructions through hindcasts, and to provide simulations of hypothetical scenarios. The third (and final) SFOSRC project, NMOTSM, is, in its first year, focused on developing a prototype model to describe quantitatively the transport, spillage, and coastal impact of oil in the Gulf of Mexico and Straits of Florida region. Once the prototype has been demonstrated and evaluated, it will be extended to the entire U.S. The prototype NMOTSM progress will be reviewed in July 1995 and refined and tested during FY96. Further development (beyond FY96) will depend upon the actions of the Federal Interagency Oil Spill R&D Committee, USCG, and NOS/NOAA.

#### FUTURE DIRECTIONS

On an experimental basis, it is proposed to provide South Florida marine emergency and environmental managers and researchers with a higher level of synoptic environmental and ecological information than now available to them. In effect, we aim to augment substantially the SST (sea surface temperature) information presently available through COASTWATCH (a NOAA program) by providing synoptic maps of ocean currents, etc. The experiment will include the development of user-community-interfaces and the evaluation of the impact and value of this higher level information on emergency and environmental (esp. fisheries) managers and researchers. The scientific understanding developed by SEFCAR (and various NOAA, FMRI, etc.) programs, and the environmental simulation, nowcast, and forecast and information management system development results of SFOSRC, place us on the threshold of beginning to provide environmental and ecological information in an organized, timely fashion to environmental and emergency managers and researchers. These managers and researchers face a host of problems in the marine environment of South Florida (ranging from oil spills and sewage outfalls to search-and-rescue, toxic algal blooms, sea grass die-offs, coral bleechings, fisheries management and others) for which improved environmental and ecological information would prove beneficial. Hence, it is proposed to conduct a five-year experiment in using modern observational technology, modeling methodology, and computerized information management systems to determine if a significant improvement can be made in environmental and emergency management in South Florida.

It remains to connect more broadly our knowledge base, modeling systems, observing systems, and information management systems to regional emergency and environmental managers. Such a (big) step will require developing several interfaces and will offer feedback to our research objectives as well as system developments. At a minimum, we must enhance our links to NHC (National Hurricane Center) and stronger develop links to the South Florida Contingency Planning Working Group, CUFER, SEFSC, FKNMS, USCG, MSRC, FMRI, NURP, and COASTWATCH. We envision providing them, as a minimum, with daily maps of surface currents and winds, plus interpretative analyses. Information on

tides, waves, water quality, etc. will be added in due course. We also must extend our geographical scope to encompass the West Florida Shelf to 27N (as well as the Straits of Florida to 27N) in order to provide adequate support to the Florida Bay problem set and regional fisheries issues, including the distribution of red snapper and grouper juveniles, plus shrimp. In due course, a hierarchy of linked modeling and observing systems will be established, both at the smaller scale of Florida and Biscayne Bays and the larger scale of the Intra-Americas Sea (Caribbean Sea, Gulf of Mexico, and Straits of Florida). And we must strengthen our atmospheric modeling and observational components. To accomplish this, we will need to upgrade our models, to make fuller use of operational real-time data (sea level, telephone cable, meteorological stations, NEXRAD, etc.), to deploy real-time observing systems in a research mode, and to extend our physical and ecological process understanding.

#### CONCLUSION

SFOSRC is poised to make major contributions to the prospective South Florida Coastal Ocean Ecosystem program through its real-time modeling and observing systems, and oil spill information management system, which can be generalized to address ecological (and fisheries) management issues as well as generic ocean pollution applications. Since SFOSRC has worked closely with SEFCAR on physical observations and process studies, it will be relatively straightforward to integrate our efforts over the next 18 months. In fact, the local NOAA fisheries managers at SEFSC are so enthused by our capabilities, that they have joined our efforts to develop the SFOSRC program plan (to be coordinated with SEFCAR's next plan) for NCOP. There will be a focus on synoptic (near-real-time) circulation information applied to fisheries management issues in the offings of the Florida Keys so that the fisheries managers and scientists can conduct synoptic fisheries management and research studies. This integrated effort will place South Florida in the forefront nationally in such matters.



Mr. ROGERS. We thank you for your testimony. It is very important to us always, and we know the hard work that you have put in on these two interests, and we appreciate very much your being here.

Your written statement will be put into the record.

Mrs. MEEK. Thank you, Mr. Chairman.

Mr. ROGERS. Mr. Forbes, do you have any questions?

Mr. FORBES. No, thank you, Mr. Chairman. Thank you, Mr. Chairman.

Mr. ROGERS. Mr. Taylor, any questions?

Mr. TAYLOR. Well, I just got here and I don't know anything about it, but I notice that that has not stopped Congress before. I will pass to the next witness.

Thank you, Mr. Chairman.

Mr. ROGERS. Thank you. Thank you, Mrs. Meek.

Mrs. MEEK. Thank you very much.

Mr. ROGERS. We appreciate your guests here with you as well.

Mrs. MEEK. All right. Thank you, Mr. Chairman.

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WEDNESDAY, MAY 24, 1995.

## RADIO FREE ASIA

### WITNESS

HON. JOHN EDWARD PORTER, A REPRESENTATIVE IN CONGRESS  
FROM THE STATE OF ILLINOIS

Mr. ROGERS. Mr. Porter. I recognize the gentleman from Illinois, one of our Subcommittee Chairmen. I appreciate you being here.

Your written statement will be put in the record and you may summarize if you would like.

Mr. PORTER. Mr. Chairman, Members of the Subcommittee, it is awfully good to see the word Chairman underneath your name there.

Mr. ROGERS. Thank you very much.

Mr. PORTER. And I really appreciate the opportunity to testify. I will be very brief.

I am here to urge the Subcommittee to provide funding for Radio Free Asia in the amount of \$10 million for fiscal year 1996. This is a program that, while it is new, it is in my judgment a very important foreign policy initiative for the United States where we can broadcast to North Korea, to Burma, to Vietnam, to China, to repressive regimes that are denying the basic rights of their people in Asia. It can give the same kind of hope for a better future and a better life to the people in those countries that we did through Radio Free Europe and Radio Liberty that was so important to our winning the Cold War and freeing the people of those countries from Communist oppression.

The money is a very small amount of money. It is probably the most efficient thing that we do in all of foreign policy, maybe in all of government. And the payoff is, for our society, huge. This is for people in the countries the only source, perhaps, of truth. Their only other access often is to broadcasts that are simply run by their governments and are pure propaganda. We provide, through surrogate radios, the truth by people from their own societies.

I should say in closing, Mr. Chairman, that the authorization bill that is on the Floor of the House today authorizes the program for the next two fiscal years at \$10 million. It provides some impetus to getting the program underway that has not been provided previously in the law directing the USIA director to submit a plan within 90 days to establish and operate Radio Free Asia. In other words, bypassing the board. And then also directing the USIA director to submit to Congress within 30 days and begin to implement within 120 days an interim program of broadcast by private entities to Asia that would get the concept of RFA up and running as quickly as possible.

And I might add that the people of Tibet who have suffered some of the worst oppression in Asia at the hands of the Chinese are very anxious to get this kind of broadcasting down to the people of their country and keep their hope alive for the future.

And I would commend this to the Subcommittee and urge you to put in the funding.

Mr. ROGERS. I thank the gentleman for his testimony, but I want also to say how important he has been to the establishment of Radio Free Asia at the outset, and then hammering us to try to find money for that authorization all the while, and successfully so. The gentleman has been the driving force, as far as this Member is concerned, on Radio Free Asia, and I compliment you on your hard work and your tenacity on this project.

The gentleman knows, of course, that under the current authorization under which we are operating, the United States International Broadcasting Act of 1994, no funds can be spent on Radio Free Asia until a new broadcasting board of governors is in place and has submitted a detailed plan within 90 days for the establishment and operation of Radio Free Asia.

And as of this date—I think I am correct—four members have been nominated and a fifth is USDA Director Duffey. There are still four more to be appointed that have to be confirmed and then we have the bureaucratic maze to go through before any money can be spent, unless, as you have suggested, the bill on the Floor today should become law and alter that process. So we are a little bit hampered on appropriations as you well know at this point in time.

But I compliment the gentleman for his hard work, and I am sure we will be hearing more from him about this every day of the year.

Do any of my colleagues want to—Mr. Taylor?

Mr. TAYLOR. I appreciate the gentleman's hard work that he does at committee too, and I want to question him some on his statement, but we will do that separately.

Mr. PORTER. That is another subject.

Mr. ROGERS. Mr. Forbes?

Mr. FORBES. No. Thank you, Mr. Chairman.

Mr. PORTER. Mr. Chairman, thank you for your very kind and generous comments, and this has been a very high priority with me and I think it really will make a difference. So thank you for your help on it.

Mr. ROGERS. Thank you.

WEDNESDAY, MAY 24, 1995.

## IMMIGRATION

### WITNESS

**HON. DANA ROHRABACHER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA**

**Mr. ROGERS.** Mr. Rohrabacher, the gentleman from the 45th District of California, is recognized for his statement. Your written statement will be made a part of the record and you can summarize it.

**Mr. ROHRABACHER.** All right. Well, thank you very much for this opportunity. I am here to urge this subcommittee to repeal a dangerous legislative provision that was slipped into last year's Commerce, State, Justice Appropriations conference report.

Section 506 of this bill which was authored by Senator Kennedy makes a mockery of our immigration system. This section rewards certain aliens who are in the United States illegally, let me repeat that, it rewards certain aliens that are here illegally, not legal immigrants, by allowing them to apply for permanent status and remain in the United States while their applications are pending. While waiting for their applications to be adjudicated, these illegal aliens are considered PRUCOL, permanently residing under color of law, a status that makes them eligible for several taxpayer-funded government benefits.

Furthermore, this loophole threatens the security of our Nation. People who have crossed our borders without inspection or who have overstayed their visas are now able to apply to adjust their status at the local INS office. There is an extreme danger in having INS district employees determining who will be allowed to adjust their permanent status. They do not have the training or the resources necessary to screen for possible criminal and terrorist connections as does the State Department.

Allowing some illegal aliens to apply in the United States circumvents the screening process we have so carefully established to protect our country's security. The INS tells us that their district offices are already overworked and understaffed. How will INS employees thoroughly investigate the backgrounds of those illegal aliens applying for adjustment under this provision when the aliens' records are in their native countries? Well, that is a very good question.

When I spoke out against this section, section 506, last year during the Floor consideration of the conference report, my colleagues who supported it claimed the provision would only affect a few hundred people. How many times have we heard this in the past, where something is only going to have a minor effect and we turn around and found it has a tremendous effect?

I have recently asked the GAO to look into the matter. My office was recently briefed by the GAO on numbers of illegal aliens who have already applied for permanent residency under this new provision and it isn't just a few hundred. Since October 1st, 1994 when the Kennedy amendment went into effect, until February of 1995, that is the end of February 1995, almost 80,000 illegal aliens have applied for adjustment of status using this loophole. It was just

going to be a couple hundred, right? Now it is 80,000 just in the first few months.

The INS anticipates that this number will more than double by the end of the fiscal year. INS district officials in Los Angeles, San Francisco, San Diego, and Seattle all reported that their estimated processing time for all applications had doubled and, in several offices, tripled. That means that legal immigrants who have applied for permanent residency or for naturalization will have to wait two or three times as long for their application to be processed as before the Kennedy provision became law. So here we are punishing people who have gone through the system, legal immigrants, in order to make illegal immigrants eligible for welfare programs and other government programs.

Mr. Chairman, the American people are fed up with the waves of illegal immigrants pounding our shores. The last thing we should be doing is rewarding those who have flagrantly violated our laws. Under the previous management, this subcommittee included the Kennedy provision in last year's Commerce, State, Justice Appropriations conference report without knowing the full impact this provision would have. Now that this subcommittee is under new management, of which we all applaud, and now that we know more about this particular loophole, I ask that you include a repeal of this provision in the fiscal year 1996 appropriations bill.

Mr. Chairman, this is one of those small problems that is becoming a bigger and bigger problem. We should act on it now while we are just talking about tens of thousands of illegal aliens, before we start talking about hundreds of thousands of people who will be in our country receiving benefits that they should not be receiving and illegally so. So I would ask for the repeal of section 506 to be included in the appropriations bill.

Thank you very much.

[The prepared statement of Mr. Rohrabacher follows:]

**The Honorable Dana Rohrabacher**  
**Testimony before Commerce, Justice, State, and Judiciary**  
**Subcommittee**  
**May 24, 1995**

Mr. Chairman, I thank you for the opportunity to testify before you today. I am here to urge this Subcommittee to repeal a dangerous legislative provision that was slipped into last year's Commerce, State, Justice Appropriations conference report.

Section 506 of this bill, which was authored by Senator Kennedy, makes a mockery of our immigration system! This Section rewards certain aliens who are in the United States illegally (let me repeat that, illegally) by allowing them to apply for permanent status and remain in the U.S. while their applications are pending. While waiting for their applications to be adjudicated, these illegal aliens are considered PRUCOL (Permanently Residing Under Color of Law) aliens and are eligible for several taxpayer-funded government benefits.

Furthermore, this loophole threatens the security of our nation. People who have crossed our borders without inspection or who have overstayed their visas are now able to apply to adjust their status at the local INS office. There is an extreme danger in having INS district employees determining who will be allowed to adjust to permanent status. They do not have the training or resources necessary to screen for possible criminal and terrorist connections as does the State Department. Allowing some illegal aliens to apply in the U.S. circumvents the screening process we have so carefully established to protect our country's security. The INS tells us their district offices are already overworked and understaffed. How will INS employees thoroughly investigate the backgrounds of those illegal aliens applying for adjustment under this provision when the aliens' records are in their native countries? Good question.

When I spoke out against Section 506 last year during floor consideration of the conference report, my colleagues who supported it claimed the provision would only affect a few hundred people. I knew that was nonsense and asked the General Accounting Office to look into this matter. My office was recently briefed by the GAO on numbers of illegal aliens who have already applied for permanent residency under this provision and it certainly isn't just "a few hundred." Since October 1, 1994 when the Kennedy Amendment went into effect, until the end of February, 1995, almost 80,000 illegal aliens applied for adjustment of status using this loophole. The INS anticipates this number will more than double by the end of this fiscal year. INS district officials in Los Angeles, San Francisco, San Diego and Seattle all reported their estimated processing time for all applications had doubled and in several offices, tripled. That means that legal immigrants who have applied for permanent residency or for naturalization will have to wait two to three

times as long as they would for their application to be processed before the Kennedy provision became law.

Mr. Chairman, the American people are fed up with the waves of illegal aliens pounding our shores. The last thing we should be doing is rewarding those who have flagrantly violated our laws. Under the previous management, this subcommittee included the Kennedy provision in last year's Commerce, State, Justice Appropriations conference report without knowing the full impact this provision would have. Now that this subcommittee is under new management, and now that we know more about this loophole, I ask that you include a repeal of this provision in the Fiscal Year 1996 Appropriations bill.

Mr. ROGERS. We thank you, Mr. Rohrabacher.

You have been tenacious on this subject. I remember the debate last year on the Floor when you were so active, and as you say, this was a new process, or new provision, and we have had time, a little time to observe it. Now we have before us right now a very large reprogramming request that would add resources to allow these applications to be more expeditiously handled. And we will be taking that reprogramming up before the Subcommittee very soon.

And we are also requiring—I am requiring a report on these applications on a monthly basis now, thanks to your tenacity on this, so that we get a better idea of how it is going.

Mr. ROHRABACHER. But even with more money, let me just note—

Mr. ROGERS. Yes.

Mr. ROHRABACHER [continuing]. If we have a national security problem, we have a terrorism problem in the United States. When people come into this country, their papers are still in the other country. You know, their papers are still over there, and how are they going to prove this or that when our people are going to have to wait until their papers are transferred from another country.

It has worked well by saying, if you have overstayed your visa and thus you are here legally, you go back and get that fixed up, rather than having the people stay here. I don't have to tell you, the people who bombed the World Trade Center in New York, these people were here illegally and should have been stopped at the border, they should have been caught. And with the new process, they never would have been caught.

So there is not only a cost factor in terms of the best way to handle it and in terms of the most efficient way, but there is also the security factor, and then there is a double cost factor in that we are making these people, thousands of them, tens of thousands of them, eligible for government benefits. And every single dollar we spend on those benefits is coming right out of the pockets and right out of the programs that we use to basically provide for our own people. So it is a serious issue.

Mr. ROGERS. Well, I know it is, and that is why you have been tenacious and why we are going to keep a close eye on it. We appreciate very much your testimony.

Mr. ROHRABACHER. Thank you, Mr. Chairman.

Mr. ROGERS. Mr. Taylor?

Mr. TAYLOR. You know, the right of citizenship is something that is very dearly precious and I welcome immigrants to this country who follow the legal process. But I think we have been far overboard in the other direction and we need to, for both fairness to those people who go through the process and do all of the legal functions necessary, we need to tighten up the rules. And I share a lot of Mr. Rohrabacher's feeling.

Mr. ROHRABACHER. And in this case, we are actually penalizing those people following the rules, because it is taking so much longer to process those who didn't follow the rules.

Mr. TAYLOR. We do that in every aspect of pandering to illegal immigration. We penalize those people that are waiting.

Mr. ROGERS. We thank you, Mr. Rohrabacher.

Mr. ROHRABACHER. Yes, sir. Thank you.

WEDNESDAY, MAY 24, 1995.

## CJSJ 1996 BUDGET

### WITNESS

HON. BILL RICHARDSON, A REPRESENTATIVE IN CONGRESS FROM  
THE STATE OF NEW MEXICO

Mr. ROGERS. Mr. Richardson. We are delighted to have the Third District of New Mexico represented here today in the name of Bill Richardson. Your written statement will be placed in the record and you can summarize it if you would like.

Mr. RICHARDSON. Mr. Chairman, thank you very much, you and Mr. Taylor. First, my condolences to you, Mr. Chairman.

Mr. ROGERS. Thank you.

Mr. RICHARDSON. I would like to briefly summarize three projects in my congressional district. It is a very modest request, as the Chair will note, consistent with my requests to the Appropriations Committee.

Mr. Chairman, first, the Santa Fe Boys and Girls Club in New Mexico. Teenage crime and gang activity is a very prevalent problem in the community. I am respectfully requesting \$150,000 for this Boys and Girls Club which deals primarily with Hispanic and Native American children to help expand this successful program to help the youth in Santa Fe and northern New Mexico by providing more opportunities for them.

Second, Mr. Chairman, in Taos, New Mexico, the Mable, Dodge, Lujan Foundation also has a successful teenage gang initiative. The foundation works with community educators, police, public housing authorities, and local citizens to provide anti-crime programs for students ages 5 through 18. I would respectfully request \$50,000 for the Mable, Dodge, Lujan Foundation, an anti-crime program for teens in Taos.

Mr. Chairman, I am also asking for \$60,000 for a full-time officer/community service worker that would deal with gang violence in Tucumcari, New Mexico.

And lastly, just in general, I would hope that this committee continues to fund the \$75 million appropriation for the small business development centers. Parts of the west, including Indian reservations and areas where small businesses thrive, need some start-up funds that these training programs, these small business development centers, provide and I ask that they continue to be funded.

Let me also thank and welcome Mr. Forbes.

So that is it, Mr. Chairman.

[The prepared statement of Mr. Richardson follows:]



**CONGRESSMAN BILL RICHARDSON  
SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE, AND JUDICIARY  
HOUSE COMMITTEE ON APPROPRIATIONS  
May 24, 1995**

Thank you Mr. Chairman and Members of the Subcommittee, for the opportunity to testify today on several projects of the utmost importance to my Congressional district in New Mexico.

**SANTA FE BOYS & GIRLS CLUB**

The Santa Fe Boys & Girls Club needs assistance with preventing teenage crime and gang activity in the Santa Fe community. Effective crime prevention mandates that we reach thousands of low income boys and girls in Santa Fe who are out on our streets unsupervised after school. The 52 year history of the Santa Fe Boys & Girls Club as the primary provider of after school and summer activities for low-income youth has demonstrated that PREVENTION WORKS. The Santa Fe Boys & Girls Club created Branch Clubs in low-income Santa Fe County housing projects that have a membership of over 200 low-income boys and girls. Santa Fe Sheriff Montano has stated that one month after the Branch Clubs were established, "Sheriff's Department calls to those areas have dropped considerably."

Furthermore, the Club's Teen Program organized a Gang Summit that resulted in a gang truce between the city's three largest gangs. The Santa Fe community--city and county--has now realized what a valuable resource the Santa Fe Boys & Girls Club is to deal with our youth problems, and it is experiencing an explosion of demand for its own services.

I respectfully request \$150,000 for the Santa Fe Boys & Girls Club to help expand this successful program to help the youth in New Mexico find opportunities for success.

**MABLE DODGE LUJAN FOUNDATION**

The Mable Dodge Lujan Foundation is in need of assistance with assisting teenagers in Taos, New Mexico. The Foundation consists of providing local residents and community agencies with the tools needed to promote before and after school programs for teens in Taos, New Mexico. These programs are for students age 5-18 and provide supervised sports and academic programs, including tutoring and mentoring. Community participants include educators, religious groups, police, public housing authorities and active citizens.

I respectfully request \$50,000 for the Mable Dodge Lujan Foundation to provide anti-crime programs for teens in Taos, New Mexico.

**CROWNPOINT INSTITUTE OF TECHNOLOGY**

The Crownpoint Institute of Technology (CIT) is in need of a facility to house its building and trades vocational education and training programs. The CIT was established and chartered by the Navajo Nation to prepare Navajos and other students with a quality vocational education, associate degrees or community education in a higher learning, nondiscriminatory environment. The original Administration and Training Complex (ATC)

building for CIT was demolished after being declared unsafe for human occupancy. The new structure will house all 16 of the present and planned trades programs and the administrative offices of CIT.

The lack of an ATC building has seriously impaired the operations of CIT and seriously impeded the attainment of the enrollment, training, and placement goals of the institute due to the lack of sufficient training space. This funding will be a wise investment of Federal dollars in both the short and long term. CIT has a record setting retention and job placement rate among its students at well over 90% over several years.

I respectfully request \$2.5 million to rebuild the Crownpoint Institute of Technology Building.

#### NORTHWEST NEW MEXICO

##### --REGIONAL MULTIPURPOSE JUVENILE FACILITY PROJECT

The Counties of Cibola, McKinley and San Juan in northwest New Mexico, in partnership with the neighboring municipal and tribal jurisdictions, seek Federal funding in support of the operation of a regional juvenile services facility to be located in Gallup, New Mexico.

Current juvenile detention facilities in Cibola, McKinley and San Juan Counties are out of compliance with federal and state standards. A regional facility is needed to replace existing detention facilities, thereby alleviating current compliance problems, while at the same time expanding non-secure alternatives to detention through community-based programming. Detention, supervisory, rehabilitative, and counseling services to juvenile offenders are lacking in the three counties, requiring development of a system of responses, facilities and programs. These communities are in need of transportation systems for inter-community and inter-agency transport of juveniles within the region. Finally, the abuse of alcohol and/or other drugs is connected either causally or incidentally to a vast majority of juvenile offenses, and prevention, intervention, and treatment of services must be greatly expanded and enhanced to attack this primary component of juvenile delinquency.

I respectfully request \$500,000 for the Northwest New Mexico Regional Juvenile Center to provide a building that is safe and secure, and that provides juveniles with help to re-enter their communities successfully.

#### CLOVIS POLICE DEPARTMENT

The Clovis Police Department needs assistance to purchase a much needed dispatch console and an upgrade of its Computer Aided dispatch software. The Department also is ~~also~~ in need of assistance to put computers in each patrol vehicle with Automatic Vehicle Locating (A.V.L.) devices.

I respectfully request \$250,000 for the communication system that will serve Curry County which has approximately forty seven thousand (47,000) residents.

#### TUCUMCARI GANG VIOLENCE TASK FORCE

The Tucumcari Gang Violence Task Force requests funding for a full-time officer-community service worker. This officer would be assigned as a full-time officer at the

various schools and would be responsible for tracking down students who were absent from school since many homes in Tucumcari do not have access to telephones. The officer would be a liaison between the students, the schools and the courts. For example, the officer would supervise community service sentences given to students in the area. Tucumcari is in need of such an individual since the juvenile crime rate for Tucumcari has doubled in the last two and a half years.

I respectfully request \$60,000 for a full-time officer-community service worker for Tucumcari. The money will be used to pay the salary, vehicle, and related costs for the phone officer.

#### SMALL BUSINESS DEVELOPMENT CENTERS

I would like to bring to the Committee's attention the important work that the New Mexico Small Business Development Centers (SBDC) undertake. New Mexico's SBDCs have been a resource for ideas, business opportunity and job creation. The SBDC program has won the confidence and praise of small business owners throughout the country. Federal funding acts as the foundation in New Mexico, where state funds exceed the matching grant by providing a four-to-one ratio of operating finances for SBDCs. The counselling and development assistance provided by these entities are key to business growth in New Mexico. SBDCs will also play an increasingly important role in technology transfer, manufacturing assistance, business outreach and training, and developing trade opportunities.

I respectfully request that the Committee maintain or increase the \$75 million appropriation for the Small Business Development Centers.

#### COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

The Community Development Financial Institutions (CDFI) are private sector financial intermediaries that lend and/or invest in distressed urban, rural and reservation-based communities. CDFIs fill diverse niches that conventional financial institutions either cannot or do not serve, bridging the gap in distressed communities across the country by linking unconventional borrowers to conventional institutions. CDFIs play a significant role in New Mexico by providing small businesses and community service programs across the state financing and technical support. The role of government to stimulate, facilitate, and coordinate public/private sector cooperation is critical.

I respectfully request that the Committee increase the \$144 million appropriation for Community Development Financial Institutions.

#### LEGAL SERVICES CORPORATION

The Legal Services Corporation has provided grants to Local Non-profit Legal Aid Programs which help low-income people receive proper help for civil legal programs. I have received letters from prominent judges and attorneys who believe that without the Legal Services, the rights of indigents to due process and representation under our system of government would be drastically affected. They further believe that if Legal Services did not assist poor people in landlord disputes and domestic strife, help the indigent and elderly obtain Social Security and other entitlements, represent the homeless, mentally handicapped,

migrant workers, and Native Americans, the resulting impact upon society would be devastating.

I respectfully request the Committee to keep funding for the Legal Service Corporations to provide due process through proper representation for the poor.

Mr. ROGERS. Well, we thank you for your testimony. And you have brought some very important issues to our attention and we appreciate your hard work on behalf of those.

Mr. Taylor?

Mr. TAYLOR. I agree. I think—I appreciate this information and we will look into this and hopefully we can answer many of the needs. You know, it is a tough year all the way. But thank you very much for bringing it to your attention.

Mr. ROGERS. Mr. Forbes?

Mr. FORBES. I just echo those comments and thank you.

Mr. ROGERS. Thank you very much.

Mr. RICHARDSON. Thank you, Mr. Chairman.

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WEDNESDAY, MAY 24, 1995.

## NOAA

### WITNESS

#### HON. PETER DEUTSCH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. ROGERS. We welcome Mr. Deutsch, representing the 20th District of Florida and we appreciate you being here. Your written statement will be placed in the record, and we would be delighted to hear your summary, if you would care to.

Mr. DEUTSCH. Thank you, Mr. Chairman. I appreciate that. I appreciate the Subcommittee's time.

As you might be aware, I testified in front of the Subcommittee previously. My district is the extreme southeast part of Florida, and within the borders of my district are the Florida Keys National Marine Sanctuary. So my focus this morning is really on the Sanctuary program.

I know the Sanctuary program—hopefully each of you has a relatively detailed knowledge of what the program does in the sense the program, I think, really sells itself; it really is in a sense almost a paradigm of what the Federal Government should be doing. There is no other entity that can be involved in providing resources in terms of a marine sanctuary area, and in fact, this is also an area of the Federal Government that really is a success story.

We have seen dramatic, actually quantifiable improvements in the condition of the reef off of South Florida. And without the resources through the NOAA program, that progress would end, in fact deteriorate, and so I really urge the Subcommittee's continued support of that program.

I would be happy to answer any questions if there are any, and I invite each of you to the marine sanctuary to visit, because it is not very deep and you don't have to be a scuba diver to see it.

[The prepared statement of Mr. Deutsch follows:]

PETER DEUTSCH  
20TH DISTRICT, FLORIDA

COMMITTEE ON COMMERCE

SUBCOMMITTEE ON HEALTH  
AND ENVIRONMENT

SUBCOMMITTEE ON ENERGY  
AND POWER

SUBCOMMITTEE ON COMMERCE  
TRADE AND HAZARDOUS MATERIALS

ICE CHAIRMAN  
FLORIDA DELEGATION

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**TESTIMONY OF REPRESENTATIVE PETER DEUTSCH**  
**BEFORE THE HOUSE APPROPRIATIONS COMMITTEE**  
**SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE AND JUDICIARY**

May 24, 1995

Good morning Mr. Chairman and members of the committee. It is a pleasure to appear before you today to discuss my priorities for Florida's Twentieth Congressional District. My district includes portions of Broward and Dade Counties, and all of Monroe County. Our community is highly dependent on a healthy marine ecosystem to promote tourism, commercial fishing, and maritime commerce. Accordingly, I have a number of priorities within this committee's jurisdiction that are vital to continued development of tourism and commerce in South Florida.

**FLORIDA KEYS NATIONAL MARINE SANCTUARY (FKNMS)**

Request: \$12,300,000

Agency: NOAA

The Florida Keys Sanctuary was designated by the Florida Keys National Marine Sanctuary Act in November 1990. Spanning over 2,800 square nautical miles, the FKNMS is the largest and the most unique sanctuary on the East Coast. It contains North America's only living coral reef, supports a rich diversity of marine life, and has an unusually large concentration of shipwrecks that represent 500 years of European presence in the Americas.

The FKNMS is one of the largest protected marine areas in the U.S., but it is also the most heavily used and threatened. The Florida Keys are subject to an intense level of human use due to their proximity to the Miami metropolitan area and their popularity as a vacation spot. Tourism, recreational uses ranging from fishing to diving to boating, commercial fishing and shellfishing, military activities, research, and treasure salvaging compete for natural resources that are reduced in both quantity and quality as the population increases. In short, the Keys aren't suffering from lack of attention. -- They're actually being loved to death.

To address these threats to our marine resources, the

**Testimony of Representative Peter Deutsch  
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sanctuary is in the process of developing a comprehensive management plan that seeks to promote effective and responsible use of our resources. Recently completed in draft form, the management plan proposes a strategy in ten different areas, ranging from research and education, to zoning and enforcement. Once completed, the sanctuary plan must balance the needs of local residents with the need for long-term protection and management of the Florida Keys' natural resources. I am hopeful our community will shape a plan that promotes our collective interest in a healthy environment and economy.

But the FKNMS needs continued support from Congress to continue its vital function. Adequate funding for the sanctuary will support needed research ensuring that our community can base management decisions on the best available scientific information. It will also support water quality protection programs and education initiatives -- identified as one of the most efficient and effective management tools available.

The Administration proposes an FY'96 appropriation of \$12.3 million for the National Marine Sanctuary Program, which is consistent with the amount committed from the federal treasury last year. I also want to emphasize that funding for sanctuary also enjoys broad public support. As you know, Mr. Chairman, Mayor Shirley Freeman of Monroe County recently wrote you regarding the need for funding, referencing two county board resolutions supporting sanctuary funding. As she said in her letter to you, "Our economy and health depend on your appropriation." I support an appropriation of \$12.3 million for the National Marine Sanctuary Program.

**SOUTHEAST FISHERIES AND POLLUTION CENTER (SEFCAR)**

Request: \$2.0M

Agency: NOAA

In addition to supporting full funding for NOAA's research and education activities at the FKNMS, I strongly encourage the committee to fund the Southeast-Caribbean Fisheries Research Project (SEFCAR). SEFCAR is a multi-disciplinary investigation of the environmental factors that impact on the supply of mature tropical and subtropical reef fishes and spiny lobsters. SEFCAR is unique in that it incorporates a wide spectrum of disciplines in the marine sciences: physical oceanography, microzooplankton, larval fishes, biochemical genetics, and modelling.

This initiative has evolved from the longstanding Southeast/Caribbean Fisheries project and the South Florida Oil Spill Research Center (SFOSRC). Because of NOAA's strong desire to coordinate and ultimately integrate programs, and based upon

**Testimony of Representative Peter Deutsch**  
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the separate research findings of SEFCAR and SFOSRC, it is clear to scientists at the University of Miami's Rosenstiel School of Marine and Atmospheric Science that a merger of the entities into the Southeast Fisheries and Pollution Center would result in a more focused effort which would serve as a model for NOAA-coordinated and other regional studies.

**INTERNATIONAL RESEARCH INSTITUTE FOR SEASONAL-TO-INTERANNUAL  
 CLIMATE PREDICTION (EL NINO)**

**Request: \$6.0-8.0M**

**Agency: NOAA**

NOAA recently issued an Announcement of Opportunity which invited interested institutions to submit letters of intent and proposals for a multinational network of research centers for the Seasonal-to-Interannual Prediction Program. The University of Miami is joining Florida State University, the University of Florida, and the University of South Florida in a letter of intent to establish the core facility in Tallahassee with auxiliary applied research facilities in Miami, Gainesville, and St. Petersburg. NOAA has budgeted \$6.0-8.0 million in FY'96 for the core program. Preservation of this part of the NOAA budget is critical to ensuring the viability of this new initiative.

**SEA GRANT PROGRAM**

**Request: \$49,400,000**

**Agency: NOAA**

Sea Grant is a truly effective partnership between academia, government, and the private sector. It is a model for conducting top-quality science to solve basic problems, and then providing a way for the public to access the scientific results for use in real world settings. Sea Grant supported faculty and students have amassed a remarkable record of accomplishments. Florida work includes such efforts as trying to solve the critical problem of *Vibrio vulnificus* in oysters (which causes death in high risk consumers), developing genetic tags for hatchery released fish as a way to track them to see if stocking programs are cost effective, studying ways to prevent beach erosion and save millions in beach renourishment projects, and learning how algal blooms affect our valuable coral reefs. Sea Grant activities focused on critical issues such as these occur at fourteen Florida colleges and universities and in each of the twenty-nine Sea Grant programs nationwide covering all the coastal and Great Lakes states. Nearly half the cost of Sea Grant comes from state and local governments, industry, and citizens. I support the Administration's request of \$49.4 million.



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**May 24, 1995**

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**NATIONAL UNDERSEA RESEARCH PROGRAM**

**Request: \$18,000**

**Agency: NOAA**

The National Undersea Research Program (NURP) is the nation's only program dedicated to advanced underwater research in the coastal areas and Great Lakes. NURP is performing a major role in the nation's research effort, promoting the sustainable development of living and nonliving resources. NURP's mission is to increase knowledge essential for the wise use of oceanic, coastal, and large lake resources through advanced undersea exploration, sampling, observation, and experimentation. Such new approaches to provide data over a broad range of scales, in both space and time, are needed to make today's difficult resource management decisions.

The NURP center in my community works closely with the Florida Keys National Marine Sanctuary to ensure that relevant research is supported that meets important management needs. Before NURP initiated specialized research in 1991, little coordinated, purposeful coral reef research was conducted in the Keys, partly due to logistical constraints, but also due to the fact that U.S. researchers found it easier to secure funding to work outside the country. NURP effectively channels focused coral reef science back to an important U.S. taxpayer interest, coral reefs and other nearshore ecosystems in Florida.

Regrettably, the Administration proposes elimination of the program in FY'96. Due to the overwhelming importance of the program to the health of our delicate marine resources, I believe NURP is well worth last year's investment of \$19 million.

**NORTH-SOUTH CENTER**

**Request: \$10,000,000**

**Agency: USIA**

The North-South Center is the only research, public policy and information resource center of its kind dedicated exclusively to finding solutions to a wide range of contemporary problems confronting the nations of the Western Hemisphere. It is dedicated to promoting better relations among the United States, Canada, Latin America and the Caribbean, and focuses on high priority agenda issues such as trade; investment, debt, and economic development; the environment; drug trafficking; social change and democratization.

The Center is permanently authorized through an Act of Congress, approved on a bipartisan and bicameral basis. Since its inception at the University of Miami, at least 50% of the resources supporting the Center have been non-federal sources.

**Testimony of Representative Peter Deutsch  
May 24, 1995**

5

When testifying before Congress on the effectiveness and need for the Center, USIA stated that the Center was indeed a unique resource serving important needs. The Center was approved for support by Congress in 1987, and each year thereafter. The Administration's budget does not request continued support for the Center's operation and for federal government involvement. But during this era of increasing complexity in trade and hemispheric affairs, I believe a federal investment in the North-South Center is critical to the future of the United States.

Mr. Chairman and members of the committee, I appreciate this opportunity to discuss these needs with you. I look forward to continuing our work together to address these needs as well as the challenge we face in balancing the budget.

Mr. ROGERS. How soon can we leave?

Mr. DEUTSCH. I am going down there tomorrow, Mr. Chairman. You are welcome to join us.

Mr. ROGERS. Well, you certainly represent a beautiful part of our country, and we appreciate your attention to this very important program, and we appreciate your concern for the sanctuary and all that it represents to all of us.

Mr. Taylor.

Mr. TAYLOR. I share those remarks, Mr. Chairman. Appreciate your coming.

Mr. ROGERS. Mr. Forbes.

Mr. FORBES. Thank you.

Mr. ROGERS. Thank you very much. We appreciate you being here.

Mr. DEUTSCH. Thank you very much.

WEDNESDAY, MAY 24, 1995.

## CJSJ 1996 BUDGET

### WITNESS

HON. NANCY PELOSI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. ROGERS. Ms. Pelosi.

Ms. PELOSI. Thank you, Mr. Chairman.

Mr. ROGERS. We recognize the gentlelady from the Eighth District of California. Your written statement will be placed in the record and you may summarize it if you care to.

Ms. PELOSI. Thank you very much, Mr. Chairman. As a former member of this subcommittee, it feels like coming home. Of course I was in a chair that was added over at the end.

Mr. ROGERS. You were a very valuable member of the subcommittee. We are delighted to have you back with us today.

Ms. PELOSI. Thank you, Mr. Chairman. Thank you for the opportunity to be here. I will be brief because I know that the time is short and so is the money.

I have come in to talk about two issues, one that Mr. Rogers has heard me talk about many times before and another that I know members of the committee are familiar with. I am talking about the Asia Foundation. I am respectfully requesting an appropriation of at least the administration's request of \$10 million for this important program, with a higher level of funding if at all possible.

The fiscal year 1995 appropriation is \$15 million, a decrease of \$2 million from the year before. The \$10 million appropriation represents a one-third cut in the Asia Foundation's funding from this year and would require the closing of several field offices, the suspension of programs in a number of countries and the elimination or scaling back of some efforts to promote transition to more open, political, and economic systems in Asia. Current initiatives to downsize the government and shift government functions to the private sector are enhanced by continued funding for the Asia Foundation.

The Foundation plays an important role in pursuing U.S. interests in Asia and encourages and strengthens democratic institu-

tions, helps with the development of open markets, and supports improved U.S. relations with a number of Asian countries. The Asian Pacific region, as you know, is critically important to the future of our Nation.

As Congress acts to trim the State Department's budget and our official governmental foreign policy initiatives, we must ensure that activities promoting our interests abroad continue. The Asia Foundation represents an important way to do so. I urge your support for its funding at an adequate level to allow its programs to continue.

You are aware of the ongoing support this committee has had for the Asia Foundation, and I hope that you will continue to support it, at least at the level of the President's request.

I have another request, Mr. Chairman, and this is a new one for the San Francisco Criminal Justice Technology Network Initiative. Briefly, I am requesting the Subcommittee's assistance in obtaining a \$5 million appropriation for the City of San Francisco's Criminal Justice Technology Network Initiative.

This innovative program is designed to use state-of-the-art technology to improve the effectiveness of the city's criminal justice and emergency response system. The network would tie together more efficiently parts of the city's police, fire, paramedic staff, sheriff and court services.

In the past, the Subcommittee has included language recommending projects for the Bureau of Justice Assistance's discretionary program. Should the Subcommittee do so again this year, I respectfully request that this project, which would increase the safety of the city's citizens, be listed as a recommended project. I believe it could serve as a model.

Thank you for your consideration of my request, Mr. Chairman, Members of the Subcommittee. I would be pleased to provide any additional information or answer any questions you may have.

[The prepared statement of Ms. Pelosi follows:]

Representative Nancy Pelosi  
Subcommittee on Commerce-Justice-State Appropriations

May 24, 1995

Mr. Chairman: Thank you for the opportunity to testify before your Subcommittee today. I understand that time and money are both limited, so I will keep my remarks brief.

The Asia Foundation

I am respectfully requesting an appropriation of at least the Administration's request of \$10 million for this important program, with a higher level of funding if at all possible. The FY'95 appropriation is \$15 million, a decrease of nearly \$2 million since FY'93. A \$10 million appropriation represents a one-third cut in the Asia Foundation's funding from this year and would require the closing of several field offices, the suspension of programs in a number of countries, and the elimination or scaling-back of some efforts to promote the transition to more open political and economic systems in Asia.

Current initiatives to downsize the government and shift government functions to the private sector are enhanced by continued funding for the Asia Foundation. The Foundation plays an important role in pursuing U.S. interests in Asia. It encourages and strengthens democratic institutions, helps with the development of open markets and supports improved U.S. relations with a number of Asian countries.

The Asian-Pacific region is critically important to the future of our nation. As Congress acts to trim the State Department's budget and our official governmental foreign policy initiatives, we must ensure that activities promoting our interests abroad continue. The Asia Foundation is one such way

to do so, and I urge your support for funding it at an adequate level to allow its programs to continue.

San Francisco Criminal Justice Technology Network Initiative

I am also requesting the Subcommittee's assistance in obtaining a \$5 million appropriation for the City of San Francisco's Criminal Justice Technology Network Initiative. This innovative program is designed to use state-of-the-art technology to improve the effectiveness of the City's criminal justice and emergency response system. The network would tie together more efficiently parts of the City's police, fire, paramedic, sheriff, and court services. In the past, the Subcommittee has included language recommending projects for the Bureau of Justice Assistance's discretionary program. Should the Subcommittee do so again this year, I respectfully request that this project, which would increase the safety of the City's citizens, be listed as a recommended project.

Thank you for your consideration of my requests, Mr. Chairman and Members of the Subcommittee. I would be pleased to provide additional information or answer any questions you may have.

Mr. ROGERS. We appreciate your testimony, excellently done, on two very important aspects of our work on the Subcommittee. And I assure you, we are going to do all that we can to comb through the requests that we have with severely limited money this year.

It is going to be the most difficult job that certainly I have ever had on the Subcommittee in my 12 years up here, and so we appreciate your strong testimony on these two very important matters.

Ms. PELOSI. Thank you very much, Mr. Chairman.

Mr. ROGERS. Mr. Taylor?

Mr. TAYLOR. The Asia Foundation and the Asian Bank or Development Bank, which is the more important?

Ms. PELOSI. Well, Mr. Taylor, I serve on the Foreign Operations Committee, and in my letter to our Chairman on that important subcommittee, I have placed Asian Development Bank as a priority because it, too, is an important initiative.

They perform—the functions that they perform are different, one, in terms of supporting loans, et cetera, for development in Asia, which is very important, but the Asia Foundation's focus is more in developing the establishment of institutions which promote democracy and freedom in these countries.

Strong judicial system, free and fair elections, that list goes on and on, while the other one is more geared toward economic development. The economic development can, in some instances has, led to freer society, but we have to—there is no guarantee of that, and two initiatives are both important to have free people as well as free markets. So if you are asking which is more important, I think that they are both very, very important.

Fortunately, this subcommittee doesn't have to make that choice, of course we will at the full committee as we do our final bill. But we would take those bills separately, as you know, coming from different subcommittees.

Mr. ROGERS. Mr. Forbes.

Mr. FORBES. No questions, Mr. Chairman.

Mr. ROGERS. Thank you so much.

Ms. PELOSI. Thank you, Mr. Forbes.

Thank you, Mr. Taylor.

Mr. Chairman, it is always nice to see you.

Mr. ROGERS. Thank you.

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WEDNESDAY, MAY 24, 1995.

## CHILDREN'S ADVOCACY PROGRAMS

### WITNESS

HON. ROBERT E. (BUD) CRAMER, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA

Mr. ROGERS. Mr. Cramer. We recognize the gentleman from the Fifth District of Alabama. Mr. Cramer, your written statement will be placed in the record, and if you would like to summarize, you may.

Mr. CRAMER. Thank you, Mr. Chairman. I will in fact do that. Thank you and the Members for the opportunity to testify and bring you up to date on the National Children's Advocacy program network. We are a program that was created as part of the Victims

of Child Abuse Act of 1990. We currently have benefited from a \$3 million appropriation.

What I would like to do is bring you up to date with regard to what has happened in the last year of the existence of our program. Last year, we had 41 full member programs, today we have almost 80 full member programs. We will have almost 100 full member programs by the end of this year.

Mr. Chairman, this program was created when I was the elected district attorney. We consider this to be a prosecution-fronted program. Children that are abused, that turn to the criminal justice system for help, have been interviewed in a variety of settings, police agencies, Department of Human Resources, office areas, hospital waiting rooms.

What our program does is create a place on the frontline for police, social workers, prosecutors, doctors, mental health practitioners, who join together to learn the truth about what the child is saying happened to them. Resources then are cleared at that frontline.

At a time when our frontline agencies can barely do what they are charged with doing, particularly the Department of Human Resources agencies or child welfare agencies, these programs are nurtured, come into existence and then exist mainly through private sector funding. That private sector funding creates the place or funds the place, funds the personnel where these programs that enable the children and the families to be treated in the way that I have described.

So we think more important than ever is the fact that we are a clearinghouse for these programs. When I said, Mr. Chairman, that we would be at almost 100 programs by the end of this year, that is 100 full member programs.

In Kentucky, for example, we have programs in Lexington and Louisville. In Lexington, Kentucky the program is called the Children's Advocacy Center of the Bluegrass, Incorporated. Through the funding of this network, this coming August, August the 2nd through the 4th, they will conduct a training that will benefit 400 to 500 people, mainly from that region of the country, mainly from Kentucky, but from Ohio, West Virginia, and other areas around there as well.

For our colleague from North Carolina, Mr. Taylor, we have 14 programs in North Carolina that are in various stages of developing. Two in his district, one in Spindale, North Carolina and one in Franklin, North Carolina, the Kids Place in North Carolina and the Wanda Paul Children's Center in Spindale, North Carolina.

Often these frontline programs take the name of people that have in fact endowed the programs or helped the programs to exist. In New York also, for example, we have 12 programs that are in the process of developing. In New York City, Buffalo, and in Brooklyn as well.

Our national network office opened within the past year. With me is Nancy Chandler who started the program in Memphis, Tennessee, a program that took a few years to develop there, but finally opened. In Tennessee there is a network of Children's Advocacy Center programs. Nancy is the executive director of the pro-



gram. Consequently, she acts as a clearinghouse for the members of the program.

Mr. Chairman, as I said, we have benefited from a \$3 million appropriation; 500,000 of that \$3 million will support the national network office here in Washington and the balance of that money goes out to the field, much like in the case of Kentucky that I just described in Lexington where they are conducting the training there. We now have four regional Children's Advocacy Center resource centers that will act as the hubs for different regions of the country.

But again, Mr. Chairman, the final point that I want to emphasize is that this national network is a clearinghouse for the member programs; it helps to nurture those member programs, helps them get created so that they can exist mainly from the private sector. If it weren't for the existence of this program, people offending against children, people that are hurting children, committing crimes would not be successfully prosecuted and then the families would not be successfully helped.

So I think even though you have a tough job in funding the various programs that ask for your help, I certainly think that we have proven our worth and that we should be considered—we are not asking for more money because we realize that it is a tough time for everyone, but we would ask you to consider refunding us at the \$3 million level.

I thank the Chairman.

[The prepared statement of Mr. Cramer and other materials for the record follow:]

**BUD CRAMER**  
5TH DISTRICT, ALABAMA

236 CANNON BUILDING  
WASHINGTON, D.C. 20515-0105  
(202) 352-4091

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MONTGOMERY, AL 36101  
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737 EAST AVENUE AVENUE  
MUSCLE SHOALS, AL 35661  
(205) 361-3450

MORGAN COUNTY COURTHOUSE  
BOX 640  
DECATUR, AL 35602  
(205) 355-9400



UNITED STATES  
HOUSE OF REPRESENTATIVES

COMMITTEE ON  
TRANSPORTATION AND  
INFRASTRUCTURE  
COMMITTEE ON SCIENCE  
REGIONAL WHIP

TESTIMONY OF THE HONORABLE BUD CRAMER  
BEFORE THE SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE AND JUDICIARY  
MAY 24, 1995

Mr. Chairman, thank you for the opportunity to come before your subcommittee to testify in support of the Children's Advocacy Center Program that is part of the Victims of Child Abuse Act of 1990.

This Subcommittee under the chairmanships of Neal Smith, my good friend Alan Mollohan and now you Chairman Rogers has understood the significance of this program in the lives of children and the assistance it provides to communities across the country.

As the former Madison County, Alabama District Attorney I can tell you that this program is an effective tool for prosecutors. After I implemented this program in my community -- and this is a local community empowerment initiative -- I saw prosecutions go up because the investigation and management of such cases are coordinated among the prosecutor, police and child protective services. As a result, abuse is substantiated earlier, evidence gained from victims and witnesses is deemed more credible and cases against offenders are more tightly constructed. In fact, confessions are often elicited when accused abusers view videotaped interviews of their victims. For example, in 1991 the program in Burlington, New Jersey during its first year of operation reported a 90 percent increase in investigations, 35 percent increase in arrests, and a 160 percent increase in indictments. That center reports maintaining that level of productivity over the past four years.

A second immediate benefit of the children's advocacy center program is the minimization of post-abuse trauma to the child victim. The post-abuse trauma to the child victim is lessened by reducing the number of times children are interviewed during investigation -- many jurisdictions allow taped interviews to be used as evidence during trial -- and by accelerating the progress of the case through the court. Both of these measures have the added advantage of not causing the child to appear rehearsed during testimony and minimizing any account contradictions resulting from the time lag between abuse and court testimony. Children's Advocacy Centers also enhance support given to child victims and their families.

Two longer term benefits include abuse prevention and collaborative efforts. Abuse prevention is strengthened as residents' awareness and understanding of child abuse is heightened. Communities with formal collaboration among key local government agencies are better able to cooperatively address a multitude of local juvenile justice and human services issues.

Mr. Chairman, I am including as part of my testimony a copy of a letter of support for the children's advocacy center program from the Administrator of the Office of Juvenile Justice and Delinquency Prevention. The Administrator discusses the importance of this program to address the national crisis of child abuse and neglect.

Additionally, Mr. Chairman, I would like to highlight some of the local communities that have benefited from the children's advocacy center program. There are two Children's Advocacy Centers in Kentucky. Children First in Louisville, represented by our colleague Mike Ward, received an award. Importantly, a portion of these funds are used to maintain a full-time professional therapist whose duties include clinical interventions with child sexual abuse victims and families, coordination and collaboration with law enforcement, medical, prosecution, and protective service staff on behalf of families.

Also, the Children's Advocacy Center of the Bluegrass, Inc. in Lexington, represented by our colleague Scotty Baesler was awarded funds to do a training for 400-500 people in August 2-4, 1995. The conference will last 2 1/2 days and it will cover all areas related to the prevention and intervention of child sexual abuse. This Center was also awarded a Technical Assistance grant which will pay for the expenses of a site visit in preparation of becoming a Full Member in the National Network of Children's Advocacy Centers. A similar grant also was awarded to the Northern Kentucky Children's Advocacy Center located in Bellevue represented by our colleague Jim Bunning.

Last year I testified about the work of the Child Advocacy Office in Huntington, West Virginia represented by our friend Nick Joe Rahall. This center received a grant for two on-site workshops: Interviewing and Investigating Techniques, and How to Start a Children's Center.

Further, the Wanda Paul Children's Center in Spindale, North Carolina represented by our colleague and a member of this subcommittee Charles Taylor received a training grant to host a symposium dealing with issues such as child abuse in Appalachia, interviewing perpetrators, and treating the adolescent and his/her family. Also in Mr. Taylor's district is Kids Place located in Franklin, North Carolina. Kids Place received a Technical Assistance grant. The Rape Crisis Alliance of Alamance County in Burlington received a Technical Assistance grant to cover the cost of a mentoring relationship with an established center that is a member of the National Network of Children's Advocacy Centers.

The Children's Network of Stark County in Canton, Ohio received a grant to send 10 team members to Huntsville, Alabama for the 11th Annual Symposium on Child Sexual Abuse. The Network in Chillicothe, Ohio received a Technical Assistance grant to cover the cost of an on-site consultation. Also, the Lucas County Child Sexual Abuse Task Force Family and Child Abuse Prevention Center received a Technical Assistance grant to cover the cost of a mentoring relationship with an established center that is a member of the National Network of Children's Advocacy Centers.

There are three award recipients in New York -- New York City, Buffalo and Brooklyn. The Columbia Presbyterian Medical Center/Division of General Pediatrics received a Technical Assistance grant to cover the cost of a mentoring relationship with an

established center that is a member of the Network. The Children's Advocacy Center in Buffalo received a Program Development grant and a training grant to address the needs of disabled child abuse victims, enhance interviewing skills, and to train child advocates and mental health personnel regarding legal process issues related to Family and Criminal Court. Brooklyn is in the process of establishing a Children's Advocacy Center.

The Children's Advocacy Center for the Pike's Peak Region located in Colorado Springs, Colorado received an award to conduct a state-wide conference to address several issues related to the successful prosecution of child abuse cases. The Boulder Child and Family Advocacy Program in Boulder, Colorado received an award which will be used for training events in Colorado for 50 team members. Further, Pueblo is home to the Western Regional Children's Advocacy Center. It serves 13 western states. It is sponsoring a regional training on June 1-2, 1995 at which staff from programs in those states will be present.

Both the Children's Center of the Antelope Valley in Lancaster, California and the Santa Cruz County Multi-Disciplinary Interview Center in Scotts Valley, California received assistance to improve their respective communities' response to child abuse.

Mr. Chairman, these are illustrative of the type of work that is being carried out throughout the country. I have received several letters from District Attorneys, State Judges and law enforcement personnel requesting that Congress continues to fund this program as it has in the past. I am including some of the letters in my materials for the subcommittee's review. Folks on the frontlines, and I have been there, understand that the framework of the Children's Advocacy Center program is effective and cost-efficient. Further, individuals in the field support OJJDP's role. OJJDP provides a centralized point of accountability in promoting a uniformity of standards and practices and in forging a consensus of priorities, especially related to program services among localities across the nation.

For Fiscal Year 1995, this program received an appropriation of \$3 million. The need is great enough for an increase. However, I am fully aware of the budgetary constraints facing the subcommittee. Therefore, I respectfully request funding at the 1995 level of \$3 million. This request is also contained in the Administration's budget.

Mr. Chairman, I thank you and the members of the subcommittee for the consideration of my request in support of funding for the Children's Advocacy Center program.



## U.S. Department of Justice

Office of Justice Programs

*Office of Juvenile Justice and  
Delinquency Prevention*

Office of the Administrator

Washington, D.C. 20531

MAY 08 1995

The Honorable Robert E. Cramer, Jr.  
236 Cannon House Office Building  
Washington, D.C. 20515

Dear Congressman Cramer:

It is conservatively estimated that 2,000 children die each year from abuse and neglect. This amounts to five children per day. The recent report of the U.S. Advisory Board on Child Abuse and Neglect: A Nation's Shame: Fatal Child Abuse and Neglect in the United States also reports that 18,000 children are permanently disabled every year by abuse and neglect.

In light of these horrifying and heartbreaking statistics the importance of children's advocacy centers is greater than ever. As a former Assistant State Attorney in Miami, I know first hand the critical role a center plays in the successful prosecution of child abuse and neglect cases. In addition, the child-focused, multidisciplinary case management approach is invaluable in minimizing the potential trauma to the child.

While in Miami, I participated in the development of our local center. Important relationships were forged between local law enforcement, social, educational and health services, and the judicial system, to create our children's advocacy center. These relationships formed a strong infrastructure which was invaluable in meeting the needs of victims of child abuse and their families, while at the same time enhancing the possibility of a successful prosecution.

The continuation of the excellent work of the National Network of Children's Advocacy Centers and the regional and local centers will be critical in addressing this national crisis. I urge your continued strong support of these centers and pledge my continued efforts to seek creative and effective ways to combat abuse and neglect of our most vulnerable citizens -- our children.

Sincerely,

Shay Bilchik  
Administrator

COURT ADMIN'S OFFICE

ID:502-595-3270

MAY 09'95

11:17 No.004 P.02



STEVE MERSHON, JUDGE  
THIRTEENTH JUDICIAL DISTRICT

COMMONWEALTH OF KENTUCKY  
JEFFERSON FAMILY COURT  
SIXTH DIVISION  
JEFFERSON HALL OF JUSTICE  
LOUISVILLE, KENTUCKY 40202

TELEPHONE:  
(502) 595-4969  
FAX  
(502) 595-3270

May 9, 1995

U. S. Representative Bud Cramer

Re: Child Advocacy Centers

Dear Representative Cramer:

I am writing to urge your support for continued funding for child advocacy centers across the United States.

I have been a judge in Kentucky's only Family Court since its beginning in the spring of 1991. I was also the founding chairperson of the board of Children First, our child advocacy center. Both of these positions give me a unique perspective on the need for the services which Children First provides.

Children First provides an array of professional services during the critical period of time when sexual abuse or serious physical abuse of a child is first suspected. Children First brings together many professionals and crisis services necessary to evaluate and treat the abused child and the family. Children First's unique approach of providing a collaborative effort among law enforcement, social services, the court system and the community provides an essential service for abused children and their families.

Needless to say, Children First and other child advocacy centers cannot provide services to all of the children who need them and the number of services that can be provided is directly related to funding resources.

Please continue funding for these important programs.

Sincerely,

Handwritten signature of Steve Mershon.

STEVE MERSHON, JUDGE  
Jefferson Family Court

SKM:mm

cc: Ms. Jean Tanner Kimberlin

NATL NTW CAC

TEL:202-639-0511

May 16 '95 14:57 No.012 P.04



**RAY LARSON**  
**FAVETTE COMMONWEALTH'S ATTORNEY**  
 116 N. UPPER STREET, SUITE 300  
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 BRIAN U. BLAIR  
 PERRY B. BAYLOR  
 CHASE M. PARR

**VICTIM SERVICES DIRECTOR**  
**ONE A. WEST**

**VICTIM ADVOCATES**  
 KAREY A. DONAHUE  
 ROBERT S. PERRY  
 MELANIE J. CHAMBERS

May 9, 1995

**Representative Robert Cramer**  
**C/O National Network of Children's Advocacy Centers**  
**1319 F Street, N.W., Suite 1001**  
**Washington, D.C. 20004**

**Dear Representative Cramer:**

We stand behind you as you testify before the United States Congress on Wednesday regarding continued funding for the National Network of Children's Advocacy Centers and the Children's Advocacy Centers across this country.

In Lexington the Children's Advocacy Center of the Bluegrass, which is a member of the National Network, provides services related to the investigation and prosecution of child sexual abuse. The response to this approach has been overwhelming. It has been praised by victims and their families, as well as the professionals that use the Center. Investigation and prosecution have been enhanced through the use of the Center, but more importantly, the impact of the system on the victim has been made a little more gentle, a lot less traumatic.

Funding is critical to the continued success the Advocacy Center approach: funding for the Centers as well as the National Network. Please let members of Congress know that while local communities support us financially, we cannot do it without help. Thank you.

Very truly yours,

*Ray Larson*

**Ray Larson**  
**Commonwealth's Attorney**

**RL:rc**  
**cc: Rep. Hal Rogers**

MAY- 8-95 MON 15:12

CAMP. CL. COMM. ATTY.

FAX NO. 2828488

P. 02



**LOUIS A. BALL**  
**CAMPBELL COUNTY COMMONWEALTH'S ATTORNEY**  
 17TH JUDICIAL DISTRICT OF KENTUCKY  
 COURT HOUSE  
 NEWPORT, KENTUCKY 41071  
 AREA CODE 808  
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 COMMONWEALTH'S DETECTIVE  
 HAROLD GUCKIAN

VICTIM / ASSISTANCE OFFICE  
 SUE E. GILKEY  
 COORDINATOR

AREA CODE 808  
 TELEPHONE 282-4483

May 8, 1995

Congressman Bud Cramer  
 1319 F Street - NW  
 Suite 1001  
 Washington, D.C. 20004

Dear Congressman Cramer:

This letter is to express my support for the continuation for funding for Children Advocacy Centers nationwide.

The Northern Kentucky Children's Advocacy Center was founded in July, 1994. My office has worked with the advocacy center staff to implement multi-disciplinary review teams and to design standards for interviewing child sexual assault victims.

The interviewing component of our advocacy center has been of great assistance to our local law enforcement agencies. This component has improved the investigation process and will ultimately improve the prosecution of these very difficult cases.

Please consider this letter as resounding support for the advocacy center concept.

Very truly yours,

  
 LOUIS A. BALL  
 Commonwealth's Attorney

LAB/seg



05-08-95 12:23 PM FROM CHILD ADVOCACY SNOW TO 202 639 0511

P02

**Child Advocacy Center**

May 8, 1995

Congressman Bud Cramer  
736 Cannon  
Washington, DC  
20515

Dear Congressman Cramer:

I am writing in support of the Sangamon County Child Advocacy Center and the National Network of Children's Advocacy Centers. In 1987, as Sangamon County State's Attorney, I chaired a task force that worked to develop our Child Advocacy Center, modeled after your center in Huntsville. The center opened in 1989 and for five years I served as the chairman of the Advisory Board before being elected Circuit Judge.

As a State's Attorney my goals for the center included improved coordination of investigations and increased prosecutions. In the six years that the center has been open both of those goals have been met and surpassed. Cases that would have languished in the system are now carefully monitored and prosecuted by a highly skilled prosecutor with over fifteen years of experience. Children who disclose sexual abuse no longer feel re-traumatized by the system as a result of the sensitive handling of these cases by the multidisciplinary team at the center. The National Network continues to provide excellent training for these team members and it is our hope that this training will be available for new team members in the future.

The Sangamon County Child Advocacy Center has been a Full Member of the National Network since 1992. The benefits of that membership are numerous; most notably are the opportunities for sharing experiences and insights. Without the guidance and direction provided by the National Network it would be extremely difficult for new centers to develop and for established centers to thrive. We are very grateful for your support and hope that we can build on our relationship in the future.

Sincerely,

*Donald M. Craggin*  
Judge Donald M. Craggin

**OFFICE OF THE PROSECUTOR  
COUNTY OF BURLINGTON, NEW JERSEY**

**MICHAEL E. RILEY**  
FIRST ASSISTANT PROSECUTOR

**WALTER J. CORTER**  
CHIEF  
DETECTIVE DIVISION

**KATHY S. MORRISSEY**  
ADMINISTRATIVE ASSISTANT PROSECUTOR

**STEPHEN G. RAYMOND**  
PROSECUTOR

**JAMES J. CERROW JR.**  
EXECUTIVE ASSISTANT PROSECUTOR

**FRANK J. HUGHES JR.**  
DEPUTY FIRST ASSISTANT PROSECUTOR  
GRAND JURY SECTION

**JAMES A. RONCA**  
DEPUTY FIRST ASSISTANT PROSECUTOR  
LITIGATION SECTION

May 9, 1995

Honorable E. Bud Cramer  
236 Commons House Office Building  
Washington, D.C. 20515

RE: Support of Child Advocacy Centers

Dear Rep. Cramer:

I am writing to you to strongly support the work of Child Advocacy Centers. Following the model first established in Huntsville, Alabama, we opened our Center in 1991.

During the first year of operation, our case statistics increased significantly:

Investigations:	90% increase
Arrests:	35% increase
Indictments:	160% increase

The increased numbers have remained constant up to this point. Changes initiated through the Center have also resulted in more expeditious plea dispositions, longer sentences for offenders, and increased services for the child victims.

My Office supports the work accomplished by our Child Advocacy Center and the mission of the Network of Children's Advocacy Centers. If I can assist you with further information, please do not hesitate to contact me at (609) 265-5034.

Very truly yours,

  
STEPHEN G. RAYMOND  
Prosecutor

SGR:rth



**TIM MORGAN**  
 DISTRICT ATTORNEY  
 State of Alabama  
 Twenty-Third Judicial Circuit

MA: 1 - 1995

The Honorable Robert E. Cramer, Jr.  
 U.S. House of Representatives  
 236 Cannon HOB  
 Washington, D.C. 20515

Dear Representative Cramer: *Beal*

I am writing to lend my support to your efforts on behalf of the National Network of Children's Advocacy Centers. As a prosecutor myself, I know first-hand how important the work performed by each of these centers is to the children they service. Not only do they support and encourage the children who have been abused, they also lend their resources and support to the parents and families of these innocent victims. From a prosecutor's standpoint, the work performed by these centers also greatly enhances the likelihood that the perpetrators of this horrendous crime will be held accountable.

In short, the concept of "children's advocacy centers" has revolutionized society's approach to dealing with the problems posed by this crime. I applaud and support your efforts in the ongoing effort to fund them on a level commensurate with their contribution to the communities they serve.

Sincerely,

*Tim*

Tim Morgan  
 District Attorney

TM:ms



## HINDS COUNTY SHERIFF'S DEPARTMENT

P. O. BOX 1482 • JACKSON, MISSISSIPPI 39219-1482 • PHONE (601) 968-6600

Malcolm E. McMillin  
Sheriff

May 10, 1995

The Honorable Bud Cramer  
United States Congress  
U. S. House of Representatives  
Washington, D.C. 20001

RE: The Children's Advocacy Center

Dear Congressman Cramer:

I would like to take this opportunity to offer my support and commitment on behalf of The Children's Advocacy Center.

As Sheriff of Hinds County, I am reminded, on a daily basis, the dire need for a center of this type that works within our community to help stop child abuse. The Hinds County Sheriff's Office has committed two (2) juvenile officers to assist and cooperate in any way with The Children's Advocacy Center. The Center has offered immeasurable care and concern for the children of Hinds County and without their untiring efforts these children would continue to be the victims of horrendous abuse.

Please accept this letter as our commitment of personnel and resources. Should you have any questions or need additional information, please do not hesitate to contact my office.

Yours for Better Law Enforcement,

*Malcolm E. McMillin*  
Malcolm E. McMillin  
Sheriff

MEM/ug

## OFFICE OF THE DISTRICT ATTORNEY GENERAL

VICTOR S. JOHNSON III  
District Attorney General

May 11, 1995

Representative Bud Cramer  
236 Cannon House Office Building  
Washington, D.C. 20515


Dear Representative Cramer:

This letter is written in support of the Children's Advocacy Centers across the nation and the National Network of Children's Advocacy Centers.

As Chairperson of the Board of Directors of the Nashville Child Advocacy Center, I am quite familiar with the work of the Center in our area. This Center provides a child-friendly location for interviewing the young victims of sexual abuse. The quality of the interviews conducted by the investigative team is enhanced when the child is relaxed and comfortable in his or her surroundings. In addition, the Center provides invaluable assistance in coordinating the activities of our multi-disciplinary investigative team. The Center hosts and supports the staffing meetings where cases are discussed; provides a case tracking system; conducts a court preparation group for victims who might have to testify and holds sessions for non-offending parents.

Child advocacy centers are a vital part of the process of the investigation and prosecution of child sexual abuse cases and are most deserving of funding. I appreciate your efforts on behalf of these worthwhile projects across the country. If I can answer any questions or be of any other assistance, please do not hesitate to contact me.

Yours truly,



Victor S. Johnson III  
District Attorney General

VSJ/ja

CRIMINAL DIVISION • 20TH JUDICIAL DISTRICT • DAVIDSON COUNTY

Washington Square, Suite 500 • 222 2nd Avenue North • Nashville, TN 37201-1649 • Tel. 615 862-5500 • Fax 615 862-5999

OFFICE OF THE STATE ATTORNEY  
SEVENTH JUDICIAL CIRCUIT OF FLORIDA  
VOLUSIA, FLAGLER, PUTNAM & ST. JOHNS COUNTIES

Steve Alexander  
STATE ATTORNEY



251 North Ridgewood Avenue  
Daytona Beach, FL 32114-7506  
(904) 296-7710  
SUNCOM 877-7710

May 8, 1995

Congressman Bud Cramer  
United States House of Representatives  
The Capitol  
Washington, D.C. 20515

Re: Children's Advocacy Center

Dear Congressman Cramer:

It has come to my attention that the United States Congress is in the process of appropriating funds for the National Network of Children's Advocacy Centers for the next fiscal year.

I am taking this opportunity to write you because of the commitment of our office to the concept of Children's Advocacy Centers in general and, specifically, to I-CARE here in Volusia County, Florida. The assistance provided to our prosecutors by I-CARE's Child Protection Team has been most valuable.

As I am sure you are aware, there are few crimes more heinous than the sexual and physical abuse of our children. I-CARE's Child Protection Team has provided a most valuable service to our prosecution through the interviewing and counselling of children who have been the victims of abuse. My staff has been impressed with the professionalism of their work.

I have been advised that the good work of the Child Protection Team is due in large part to grants that I-CARE has received through the National Network of Children's Advocacy Centers for training and equipment. It is my belief that this money has been very well spent.

Please include my office as supporting continued funding for this worthy organization.

Sincerely,

  
STEVE ALEXANDER  
State Attorney

SA:pv

cc: Ben Murray, I-CARE

Mr. ROGERS. Well, I thank the gentleman for his testimony, which is very powerful and moving. I am a former prosecutor myself, and I know of the need for these types of interventions, especially now, it seems, as we are seeing more and more child abuse cases come to the prosecution, whether or not there is an increase of the incidence of that crime. Certainly there are more being prosecuted. So I compliment you for your advocacy.

As you suggest, we are in terrible straits money-wise up here this year, more than we have ever been. We don't know yet what kind of an allocation that the Subcommittee is going to have with the funds on many good programs, but certainly this one is going to be in the mix, and certainly because of the gentleman's advocacy for this cause. So we appreciate you being here.

Mr. CRAMER. I have an ARC region there in north Alabama and we have had quite a struggle there as well. But thank you for your time today.

Mr. ROGERS. We have our work cut out for us on both counts.

Mr. CRAMER. We sure do. Thank you.

Mr. ROGERS. We are going to take a short recess as we await the next witness. I am told she is on her way. She is the last witness, Representative Lynn Woolsey. So we will be in recess for a few minutes.

[Recess.]

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WEDNESDAY, MAY 24, 1995.

## CJSJ 1996 BUDGET

### WITNESS

HON. LYNN C. WOOLSEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. ROGERS. We are happy to have with us today the representative of the Sixth District of California, Ms. Woolsey, and we will insert your written statement in the record. If you would like to summarize, feel free.

Ms. WOOLSEY. Thank you, Mr. Rogers. Thank you for chairing this very, very necessary panel so that I can tell you how important the Coastal Management program funding is to my district, particularly the National Marine Sanctuary program.

These programs are of great importance to my district as well as other coastal districts and the Nation as a whole. And I feel very privileged to represent 140 miles of coast in Marin and Sonoma counties and those are the two counties north of the Golden Gate Bridge, north of San Francisco.

Each year, many, many visitors come to Marin and Sonoma to see one of our Nation's most picturesque scenes, our coast, and it is hard for visitors when they get there to realize and even imagine that there could be any troubled waters off our beautiful coasts, but there are and that is due to extensive recreational and commercial use. Because of that, a serious toll has been taken which threatens the health of our marine resources and our coastal economies.

If California's coast is to be utilized by future generations by our kids' kids and their kids as it is today, we must be protecting it now.

Mr. Chairman, the National Marine Sanctuary program affords tremendous potential for conserving America's most outstanding marine resources. The program has already achieved considerable success, but it remains limited because of inadequate funding. As the only Federal program specifically designed to comprehensively protect our most significant and sensitive marine ecosystem, the program is of great value, not only to the coastal districts, but to the Nation as a whole.

Last year, the Subcommittee took an important step to address this historically inadequate funding by increasing funds for the Sanctuary program to \$12 million, or 80 percent of the authorized funding level of \$15 million. For fiscal year 1996, the authorized funding level is \$20 million. In keeping with the Subcommittee's previous action, I urge that you provide the Sanctuary program funding with at least 80 percent of the authorized level or \$16 million.

Mr. Chairman, I would also like to express my support for the highest possible funding for Coastal Zone Management programs. Because Congress expanded the CZM's responsibilities a few years ago and coastal resources have declined, the CZM programs have been under growing pressure to meet more demands with fewer dollars. It is crucial that the CZM programs are provided with sufficient funding since they are vital to the health of our Nation's coasts also.

I recognize that you are operating under extreme budgetary constraints, and there are many, many projects worthy of funding. However, coastal programs have proven to be cost-effective because coast regions play a significant role in the economic well-being of the United States, and the Nation as a whole benefits from the programs to protect them.

To that end, I would like to encourage you to support another favorite of mine and another important program and that is the funding of weather data buoys off the coast of California. These buoys provide fishermen with critical information about weather conditions. Generations of families have made their living fishing in the coastal waters off Sonoma and Marin and the weather buoys stationed in these waters are relied upon by the fishermen and their families to ensure their safe and successful journeys.

Mr. Chairman, my testimony today is concentrated on programs that I believe are imperative to the future well-being of coastal waters and coastal economies of California and the Nation: The National Marine Sanctuary program, the Coastal Zone Management program, and the weather data buoys.

I respectfully request that you forgive my long testimony and that you support the highest possible funding for these programs, and I thank you very much for your consideration. I tried very hard to get here earlier, but we are in a markup, and they are recessing for just a few minutes so that made it possible to run over.

[The prepared statement of Ms. Woolsey follows:]



REP. LYNN WOOLSEY  
TESTIMONY  
COMMERCE, JUSTICE, STATE, & JUDICIARY  
May 24, 1995

MR. CHAIRMAN, I WOULD LIKE TO THANK YOU FOR THE OPPORTUNITY TO TESTIFY TODAY.

I AM HERE TO EXPRESS MY SUPPORT FOR FUNDING FOR COASTAL MANAGEMENT PROGRAMS, SPECIFICALLY, THE NATIONAL MARINE SANCTUARY PROGRAM (NMSP). THESE PROGRAMS ARE OF GREAT IMPORTANCE TO MY DISTRICT, AS WELL AS OTHER COASTAL DISTRICTS AND THE NATION.

I AM PRIVILEGED TO REPRESENT 140 MILES OF COAST IN MARIN AND SONOMA COUNTIES--THE TWO COUNTIES NORTH OF SAN FRANCISCO, ACROSS THE GOLDEN GATE BRIDGE. EACH YEAR, NUMEROUS VISITORS COME TO MARIN AND SONOMA COUNTIES TO SEE ONE OF OUR NATION'S MOST PICTURESQUE SCENES--OUR COASTS. IT'S HARD FOR OUR VISITORS TO IMAGINE THAT THERE ARE TROUBLED WATERS OFF OUR BEAUTIFUL COAST, BUT THERE ARE. DUE TO EXTENSIVE RECREATIONAL AND COMMERCIAL USE, A SERIOUS TOLL HAS BEEN TAKEN ON OUR COAST WHICH THREATENS THE HEALTH OF OUR MARINE RESOURCES AND OUR COASTAL ECONOMIES. IF CALIFORNIA'S COAST IS TO BE UTILIZED BY FUTURE GENERATIONS AS IT IS TODAY, IT MUST HAVE STRONG PROTECTION NOW.

THE NATIONAL MARINE SANCTUARY PROGRAM AFFORDS TREMENDOUS POTENTIAL FOR CONSERVING AMERICA'S MOST OUTSTANDING MARINE RESOURCES. THE PROGRAM HAS ALREADY ACHIEVED CONSIDERABLE SUCCESS, BUT IT REMAINS LIMITED BY INADEQUATE FUNDING. AS THE ONLY FEDERAL PROGRAM SPECIFICALLY DESIGNED TO COMPREHENSIVELY PROTECT OUR MOST SIGNIFICANT AND SENSITIVE MARINE ECOSYSTEMS, THE NATIONAL MARINE SANCTUARY PROGRAM IS OF GREAT VALUE NOT ONLY TO COASTAL DISTRICTS, BUT TO THE NATION AS A WHOLE.

RECOGNIZING THAT THERE IS A REAL THREAT TO MARINE RESOURCES AND THE ECONOMIES WHICH DEPEND ON THEM, CONGRESS EXPANDED THE NUMBER AND SIZE OF DESIGNATED SANCTUARIES IN RECENT YEARS. YET, CONGRESS HAS FAILED TO ENSURE THAT FUNDING FOR THE PROGRAM KEEPS PACE WITH ITS EXTENSIVE GROWTH.

LAST YEAR, THE SUBCOMMITTEE TOOK AN IMPORTANT STEP TO ADDRESS THE HISTORICALLY INADEQUATE FUNDING BY INCREASING FUNDING FOR THE SANCTUARY PROGRAM TO 12 MILLION DOLLARS, OR 80 PERCENT OF THE AUTHORIZED FUNDING LEVEL OF 15 MILLION DOLLARS. FOR FISCAL YEAR 96, THE AUTHORIZED FUNDING LEVEL IS 20 MILLION DOLLARS. IN KEEPING WITH THE SUBCOMMITTEE'S PREVIOUS ACTION, I URGE YOU TO PROVIDE THE SANCTUARY PROGRAM WITH FUNDING IN FY 96 OF AT LEAST 80 PERCENT OF THE AUTHORIZED LEVEL, OR 16 MILLION DOLLARS.

IT IS CRUCIAL THAT THE NATIONAL MARINE SANCTUARY PROGRAM IS PROVIDED WITH THE HIGHEST LEVEL OF FUNDING POSSIBLE. WITHOUT SUFFICIENT FUNDING, NEWLY-DESIGNATED SANCTUARIES WILL CONTINUE TO

COMPETE WITH EXISTING SITES WITH THE RESULT THAT NONE WILL BE PROPERLY FUNDED, AND THE PROGRAM'S EFFECTIVENESS WILL CONTINUE TO SUFFER. I URGE THE SUBCOMMITTEE TO TAKE OUR COMMITMENT TO THE SANCTUARY PROGRAM SERIOUSLY AND PROVIDE THE FUNDING THAT IS NEEDED TO MAKE THIS PROGRAM WORK.

MR. CHAIRMAN, I WOULD ALSO LIKE TO EXPRESS MY SUPPORT FOR THE HIGHEST POSSIBLE FUNDING COASTAL ZONE MANAGEMENT (CZM) PROGRAMS.

BECAUSE CONGRESS EXPANDED CZM'S RESPONSIBILITIES A FEW YEARS AGO AND COASTAL RESOURCES HAVE DECLINED, THE CZM PROGRAMS HAVE BEEN UNDER GROWING PRESSURE TO MEET MORE DEMANDS WITH FEWER DOLLARS. IT IS CRUCIAL THAT THE CZM PROGRAMS ARE PROVIDED WITH SUFFICIENT FUNDING SINCE THEY ARE VITAL TO THE HEALTH OF OUR NATION'S COASTS.

MR. CHAIRMAN, I RECOGNIZE THAT YOU ARE OPERATING UNDER EXTREME BUDGETARY CONSTRAINTS AND THAT THERE ARE MANY PROJECTS WORTHY OF FUNDING. HOWEVER, COASTAL PROGRAMS HAVE PROVEN TO BE VERY COST-EFFECTIVE. BECAUSE COASTAL REGIONS PLAY A SIGNIFICANT ROLE IN THE ECONOMIC WELL-BEING OF THE UNITED STATES, THE NATION AS A WHOLE BENEFITS FROM THE PROGRAMS THAT PROTECT THEM.

FINALLY, I WOULD LIKE TO ENCOURAGE YOU TO SUPPORT CONTINUED FUNDING OF WEATHER DATA BUOYS OFF THE COAST OF CALIFORNIA. THESE BUOYS PROVIDE FISHERMEN WITH CRITICAL INFORMATION ABOUT WEATHER CONDITIONS. GENERATIONS OF FAMILIES HAVE MADE THEIR LIVING FISHING IN THE COASTAL WATERS OFF SONOMA AND MARIN COUNTIES, AND THE WEATHER BUOYS STATIONED IN THESE WATERS ARE RELIED UPON BY THE FISHERMEN AND THEIR FAMILIES TO ENSURE SAFE AND SUCCESSFUL JOURNEYS.

MR. CHAIRMAN, MY TESTIMONY TODAY HAS CONCENTRATED ON PROGRAMS THAT I BELIEVE ARE IMPERATIVE TO THE FUTURE WELL-BEING OF THE COASTAL WATERS AND COASTAL ECONOMIES OF CALIFORNIA AND THE NATION -- THE NATIONAL MARINE SANCTUARY PROGRAM, THE COASTAL ZONE MANAGEMENT PROGRAM, AND THE WEATHER DATA BUOYS PROGRAM. I RESPECTFULLY REQUEST THAT YOU SUPPORT THE HIGHEST POSSIBLE FUNDING FOR THESE PROGRAMS.

THANK YOU FOR YOUR CONSIDERATION, AND FOR PERMITTING ME TO TESTIFY TODAY.

Mr. ROGERS. We appreciate your testimony very much and we are delighted to have you here. You make a very strong argument for these three interests.

I might point out that the \$12 million that we provided for the marine sanctuaries for 1995 assumed that user fees would be generated to the extent of \$3 million to offset a portion of that, and those fees have apparently not materialized. And NOAA seems to be abandoning any effort to pursue those user fees for the marine sanctuaries, even as we impose fees, for example, by the Corps of Engineers, in certain recreation areas.

So do you have any thoughts about the user fee question?

Ms. WOOLSEY. Well, I can tell you in some of the coastal—the State parks along the coast in my district when user fees were recommended, the public went berserk. So they truly, truly believe that they pay their taxes so that these are their parks and they deserve access. So whether we need to look at that or not in cutting to 80 percent in an effort to force these steps may not be going in the wrong direction, but I would hope we could get at least 80 percent of what we have requested.

Mr. ROGERS. Well, thank you very much.

Ms. WOOLSEY. You are welcome.

Mr. ROGERS. The committee stands in recess until 2:00 p.m.

[The following Members submitted statements for the record subsequent to the hearing:]

**JAMES A. TRAFICANT, JR.**  
17th DISTRICT OHIO

COMMITTEE  
TRANSPORTATION AND  
INFRASTRUCTURE  
SUBCOMMITTEES  
HONORING DEMOCRAT THE COAST GUARD  
AND MARITIME TRANSPORTATION  
PUBLIC BUILDINGS AND ECONOMIC  
DEVELOPMENT

COMMITTEE  
SCIENCE  
SUBCOMMITTEE  
SPACE

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-3517**

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109 WEST 3RD STREET  
EAST LIVERPOOL, OH 43826  
(216) 395-5571

**STATEMENT OF THE HONORABLE JAMES A. TRAFICANT, JR. OF OHIO**  
**BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON COMMERCE, STATE,**  
**THE JUDICIARY AND RELATED AGENCIES**  
**ON**  
**THE MARITIME ADMINISTRATION'S AND**  
**THE FEDERAL MARITIME COMMISSION'S**  
**FISCAL YEAR 1996 BUDGET REQUEST**  
**MARCH 10, 1995**

Mr. Chairman, I want to thank you for affording me the opportunity to submit testimony to the Subcommittee on the Maritime Administration's and the Federal Maritime Commission's budget request for fiscal year 1996. As the ranking member on the Transportation and Infrastructure Subcommittee on the Coast Guard and Maritime Transportation, I am very interested in the fiscal year 1996 appropriation levels for MARAD and the FMC.

I strongly support MARAD's budget request for fiscal year 1996. The Clinton Administration has presented the Congress with a far-reaching and common sense approach to MARAD's future. I'd like to focus on several items of MARAD's request that I feel are of particular importance.

MARAD is requesting \$175 million in fiscal year 1996 to fund a new Maritime Security Program (MSP) that would maintain a modern merchant fleet, provide sealift for

Page Two

national emergencies, and ensure that America remains a player in ocean transportation and commerce. The MSP is a ten year program that will, in the long run, provide for a viable U.S. maritime industry able to provide America with the maritime services necessary to respond to a national security crisis -- such as a war in the Persian Gulf or the Korean Peninsula. I want to note to the subcommittee that the MSP will provide this service at a program cost significantly less than the current Operating Differential Subsidy (ODS) Program. As you know, MARAD is requesting \$162.6 million in fiscal year 1996 to cover existing contracts and commitments made in the expiring ODS program.

MARAD's fiscal year 1996 budget request also includes \$52 million in Department of Transportation funds for MARAD's Title XI program which provides federal loan guarantees to buyers who build vessels in American shipyards. The \$52 million appropriation request will ultimately generate \$1 billion in U.S. shipbuilding projects. I would note that for every American shipyard job that is created, ten jobs are created in related industries throughout the country. Title XI is a successful and necessary program. To fully appreciate the urgent necessity of this program one must fully understand the real world of commercial ship building. The international ship building industry is highly competitive and dominated by nations that heavily subsidize their ship building industries. The Title XI program, time and time again, allows ship building projects in this country to go forward -- projects that normally never would have happened without Title XI.

At a time when some \$20 billion of U.S. taxpayer is being used to bail-out Mexico, it would be a travesty and a tragedy to cut or eliminate federal funding for a modest program like Title XI that creates American jobs and secures our national security. I strongly urge the subcommittee to fully fund MARAD's request for Title XI.

Page Three

In addition, I feel that MARAD's request of \$81.6 million for Operations and Training is a modest amount that, once again, pays great dividends for our nation. In order to ensure that American has a viable merchant marine and maritime fleet -- able to respond to national security crises -- Congress needs to ensure adequate funding for the U.S. Merchant Marine Academy, the six state maritime academies, and other maritime programs. We cannot, in good conscience, leave the future of these vital national security programs to the vagaries of the market place. We cannot relinquish such a vital national security responsibility to the private sector. Again, I respectfully urge the subcommittee to honor MARAD's request for Operations and Training.

Mr. Chairman, I'd like to make a few general statements about MARAD and the programs it administers. At the present time there is great pressure on the Congress to cut federal spending. I agree that Congress, and especially the Appropriations Committee, should closely review each and every program of the federal government. MARAD has presented a responsible and fiscally sound budget request. There are certain responsibilities that the federal government cannot shirk or shortchange. National security is one of them.

MARAD fosters a working and effective partnership with the private sector by utilizing existing industries to provide cost effective sealift and a modern and efficient marine transportation system. The maintenance of a viable and efficient maritime industry is an essential component of ensuring national security. To cut or eliminate MARAD programs would seriously compromise our national security by compromising the U.S. military's ability to move troops and material to any point on the globe where our interests might be threatened.

Napoleon once said that an army lives on its stomach. That maxim is as true in the high-tech battlefield of 1995 as it was in the 19th century. Modern-day armies need

Page Four

to eat, they need to be transported and they need logistic support to function and to fight. I, for one, do not want to rely on foreign maritime fleets and crews to feed, clothe and equip American troops during a crisis. That's why we need to adequately fund MARAD and the programs it so ably administers.

Finally, Mr. Chairman, I'd like to say a few words about the Federal Maritime Commission. In my capacity as the ranking Member on the Coast Guard and Maritime Transportation Subcommittee, I am currently working on bi-partisan legislation to reform the Shipping Act of 1984. Many inside and outside of Congress have called for the elimination of the FMC. I am not among them.

The United States has a trade deficit of more than \$150 billion. The trade deficit is one of the main factors driving down the value of the U.S. dollar. Over the years this country has been lied to, swindled, hoodwinked and ripped off by our so-called trading partners. Countries like China, Japan, Germany, and South Korea continue to violate U.S. and international trade laws, and the spirit of trade agreements. The result has been a growing and dangerous trade deficit.

While the United States government has had a poor record of fighting the illegal and restrictive trade practices of our trading partners, there has been one perennial winner in the trade wars: the FMC. As an independent regulatory body, the FMC has been able to effectively use the threat of sanctions to ensure that foreign companies and countries do not engage in restrictive, illegal or unfair practices harmful to U.S. shipping. I agree that in terms of regulation, the Shipping Act needs to be amended to provide shippers and carriers with more flexibility when entering into service contracts. I believe that the staff of the FMC should be cut 15 to 20 percent over the next two fiscal years, and that FMC should be directed to focus the bulk of its resources on fighting illegal and restrictive foreign trade practices. I urge the subcommittee to not

Page Five

eliminate funding for the FMC, but streamline the agency and ensure that it has the resources to continue fighting on behalf of the U.S. shipping industry.

Once again, thank you for affording me the opportunity to submit this written testimony for the record. I would hope that the members of the subcommittee keep the points and concerns I have outlined in mind when considering MARAD's and the FMC's fiscal year 1996 appropriation level.

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Testimony of the Honorable Bart Stupak before  
the Subcommittee on Commerce, State, and Justice  
May 24, 1995

DEAR MR. CHAIRMAN:

THANK YOU FOR PROVIDING ME WITH THE OPPORTUNITY TO TESTIFY BEFORE YOUR SUBCOMMITTEE TODAY. I AM HERE TO EXPRESS MY SUPPORT FOR THE BYRNE FORMULA GRANT PROGRAM AND TO ARGUE FOR ITS CONTINUED FUNDING IN THE FY 1996 BUDGET, AS WELL AS TO TALK ABOUT SOME ISSUES THAT AFFECT THE GREAT LAKES.

THE BYRNE FORMULA GRANT PROGRAM HAS BEEN A TREMENDOUS SUCCESS, AND ITS CONTINUED FUNDING IS HIGHLY ESSENTIAL IN ORDER TO ASSIST STATE AND LOCAL DRUG LAW ENFORCEMENT EFFORTS.

I COME BEFORE YOU TODAY TO ASK FOR A LEVEL OF FUNDING THAT WILL MAINTAIN THE PROGRAM, AS HAS BEEN PROPOSED BY THE CLINTON ADMINISTRATION. THESE MUCH NEEDED FUNDS ARE

NECESSARY TO WAGE THE WAR AGAINST DRUGS. TIME AND TIME AGAIN, LAW ENFORCEMENT OFFICIALS FROM ACROSS THIS COUNTRY HAVE CONVEYED TO MY COLLEAGUES AND ME THE NEED FOR THIS FUNDING. THOSE FIGHTING THE WAR ON DRUGS SAY THAT THE BYRNE PROGRAM WORKS. FOLLOWING THE FORMATION OF FIVE MULTIJURISDICTIONAL DRUG TASK-FORCES PURSUANT TO THE BYRNE PROGRAM, DRUG-RELATED CONVICTIONS INCREASED 400 PERCENT IN NORTHERN MICHIGAN. MR. CHAIRMAN, THIS PROGRAM IS NOT BROKEN -- IT DOES NOT NEED FIXING. WHAT IT NEEDS IS SUFFICIENT FUNDING.

AS YOU KNOW, LAST YEAR MR. FAZIO AND I OFFERED AN AMENDMENT TO THE CRIME BILL, WHICH WAS ADOPTED BY THE HOUSE. THIS AMENDMENT EXPRESSED THE SENSE OF THE CONGRESS THAT THE FORMULA PORTION OF THE BYRNE MEMORIAL GRANT BE MAINTAINED AT ITS FY 1994 LEVEL.

THIS AMENDMENT WAS ADOPTED EN BLOC LAST YEAR AS A NON-CONTROVERSIAL PROVISION. MANY MEMBERS OF THE HOUSE

SUPPORTED THIS AMENDMENT, INCLUDING MR. SCHUMER OF NEW YORK AND MR. BROOKS OF TEXAS, THE FORMER CHAIRMAN OF THE JUDICIARY COMMITTEE. THE AMENDMENT'S ADOPTION DEMONSTRATES THE PROGRAM'S IMPORTANCE AND EFFECTIVENESS, AND THEREFORE I URGE THAT IT BE FUNDED AT ITS FISCAL YEAR 1995 LEVEL. AS YOU MAY KNOW, A TOTAL OF \$512 MILLION IN COMBINED DISCRETIONARY AND BLOCK GRANT FUNDS WERE PROVIDED TO STATES AND LOCALITIES IN FY95. BECAUSE IT IS CLEARLY THE SENSE OF THE CONGRESS THAT THESE FUNDS BE MAINTAINED. I ASK YOU TO FUND THE BYRNE MEMORIAL GRANT AT ITS CURRENT LEVEL.

ADDITIONALLY, I WOULD LIKE TO ENCOURAGE THE SUBCOMMITTEE TO FAVORABLY CONSIDER FUNDING REQUESTS FOR PROGRAMS TO CONTROL THE INFESTATION OF NUISANCE SPECIES IN THE GREAT LAKES. SUCH FUNDING IS VITAL SO THAT WORK MAY CONTINUE IN THE GREAT LAKES REGION ON THE SEVERAL IMPORTANT ISSUES.

THOSE ISSUES INCLUDE SEA LAMPREY CONTROL, THE INFESTATION

OF THE ZEBRA MUSSELS (WHICH I MIGHT ADD IS NO LONGER CONFINED TO THE GREAT LAKES, BUT CONTINUES TO SPREAD THROUGHOUT THE MISSISSIPPI RIVER VALLEY AND THROUGHOUT THE FRESH WATER ESTUARIES IN THE UNITED STATES), THE PROLIFERATION OF THE EUROPEAN RUFFE, AND THE CONSEQUENT DECLINE OF ONCE POPULAR NATIVE SPECIES, SUCH AS WHITEFISH AND LAKE TROUT.

THERE ARE FOUR PROGRAMS WHICH COME UNDER THE JURISDICTION OF THE SUBCOMMITTEE THAT ARE IMPORTANT IN CONTROLLING THE INFESTATION PROBLEM:

--FIRST, SEA GRANT RESEARCH ON EXOTIC SPECIES, A NOAA PROGRAM, WAS AUTHORIZED IN SECTION 1202(f) OF PL 101-646. IT DIRECTS FUNDS TO THE NATIONAL SEA GRANT COLLEGE PROGRAM FOR AQUATIC NUISANCE RESEARCH. THE AUTHORIZATION FOR THIS SECTION DIRECTED THAT \$2.5 MILLION BE AWARDED IN GRANTS FOR THE GREAT LAKES REGION. WHILE THE AUTHORIZATION WAS FOR RESEARCH OF AQUATIC NUISANCE SPECIES GENERALLY, MOST OF

THIS MONEY HAS GONE TO ZEBRA MUSSEL RESEARCH. I ADVOCATE FUNDING OF \$3.375 MILLION FOR THIS PROGRAM, AND I URGE THAT THE BULK OF THIS FUNDING BE SPECIFICALLY DEVOTED TO THE GREAT LAKES REGION. THIS FUNDING COULD STEM THE CONTINUED ENTRY INTO THE REGION OF AQUATIC NUISANCES, AND THUS ELIMINATE SUBSEQUENT PROBLEMS CAUSED BY AQUATIC NUISANCES.

AS YOU MAY KNOW, THE ZEBRA MUSSEL AND OTHER NUISANCE SPECIES HAVE DISRUPTED NATIVE ECOSYSTEMS AND CAUSED SUBSTANTIAL DAMAGE TO WATER INFRASTRUCTURE SYSTEMS. A RECENT STUDY BY THE OFFICE OF TECHNOLOGY ASSESSMENT ESTIMATES THAT THE POWER INDUSTRY ALONE MAY SPEND MORE THAN \$3 BILLION OVER THE NEXT TEN YEARS JUST TO CONTROL ZEBRA MUSSEL INFESTATION IN WATER INTAKE SYSTEMS.

-- SECOND, EXOTIC SPECIES RESEARCH AT THE GREAT LAKES ENVIRONMENTAL RESEARCH LABORATORY (GLERL), ANOTHER NOAA

PROGRAM, IS AUTHORIZED TO DO RESEARCH ON EXOTIC SPECIES. ANY CUTS IN THIS FUNDING WILL RESULT IN INCOMPLETE RESEARCH ON ZEBRA MUSSELS SPECIFICALLY AND EXOTIC SPECIES IN GENERAL. THEREFORE, I SUPPORT--AT A MINIMUM-- \$900,000 FOR ZEBRA MUSSEL RESEARCH THROUGH GLERL.

-- THIRD, THE NATIONAL AQUATIC NUISANCE SPECIES TASK FORCE, AGAIN A NOAA PROGRAM, WAS ESTABLISHED PURSUANT TO SECTION 1201(d) OF PL 101-646. ALTHOUGH THIS PROGRAM WAS AUTHORIZED AT THE LEVEL OF \$5 MILLION, I WOULD SUPPORT AN APPROPRIATION OF JUST \$2 MILLION. EVEN AT A LOWER LEVEL, THIS FUNDING WOULD PROVIDE FOR THE CONTINUED EXISTENCE OF THE TASK FORCE AND BE OF SOME VALUE IN THE FIGHT AGAINST NUISANCE SPECIES.

--FOURTH, THE GREAT LAKES FISHERY COMMISSION, A STATE DEPARTMENT PROGRAM, ADMINISTERS THE SEA LAMPREY CONTROL PROGRAM IN THE GREAT LAKES REGION. THE COMMISSION HAS, OVER THE YEARS, FACED A FUNDING CRISIS, FORCING IT TO CUT

BACK ON TREATMENT IN SOME LAKES AND TO REFRAIN FROM PURCHASING THE CHEMICAL LAMPRICIDE (TFM). CUTS IN THIS PROGRAM MEAN LAMPREY CONTROL EFFORTS WITH TFM WILL BE REDUCED, AND, MOST SIGNIFICANTLY, NO NEW CONTROL TECHNOLOGIES WILL BE DEPLOYED OR INVESTIGATED. I SUGGEST AN APPROPRIATION OF \$10.3 MILLION SO THAT TFM LAMPREY CONTROL CAN CONTINUE AT ITS CURRENT FUNDING LEVEL AND NEW TECHNOLOGIES CAN BE RESEARCHED AND DEPLOYED.

ANOTHER PROGRAM THAT IS OF VITAL IMPORTANCE IS THE COASTAL ZONE MANAGEMENT (CZM) PROGRAM. OF THE 35 STATES AND TERRITORIES ELIGIBLE TO PARTICIPATE IN THIS PROGRAM, 29 STATES AND TERRITORIES, INCLUDING MICHIGAN, ACTIVELY PARTICIPATE IN THE NATIONAL CZM PROGRAM. AN ADDITIONAL FIVE STATES ARE IN THE PROCESS OF DEVELOPING A CZM PROGRAM, WITH TEXAS, OHIO AND OTHER STATES ENTERING THE PROGRAM DURING THIS FISCAL YEAR. WITHOUT INCREASED FUNDING FOR THE PROGRAM, THE PARTICIPATION OF THESE ADDITIONAL STATES WILL CAUSE A DECREASE IN THE FUNDING SHARE FOR THE OTHER

STATES. IN ADDITION, STATES WHICH ARE PARTICIPATING IN THE PROGRAM ARE BEING ASKED TO DO MORE AND MORE WITH EXISTING FUNDS.

MICHIGAN IS CONSIDERED A "MAXIMUM" STATE, MEANING THAT EVEN AS FUNDING FOR AND RESPONSIBILITIES UNDER THE PROGRAM INCREASE, MICHIGAN'S CZM GRANT, AND THAT OF EIGHT OTHER STATES, IS STILL LIMITED TO \$2.0 MILLION. THIS SITUATION CAN BE ADDRESSED BY EQUITABLY INCREASING THE MAXIMUM IMPOSED ON STATE CZM GRANTS AS APPROPRIATIONS INCREASE. THE COASTAL STATES ORGANIZATION AND THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION HAVE AGREED ON A METHODOLOGY TO EQUITABLY INCREASE STATE CZM GRANTS, AND THE SUBCOMMITTEE SHOULD FOLLOW THOSE RECOMMENDATIONS.

IN CONCLUSION, I THANK THE CHAIRMAN AND THE SUBCOMMITTEE FOR ITS TIME AND ATTENTION TO THESE ISSUES WHICH ARE SO IMPORTANT TO THE GREAT LAKES REGION AND THE ENVIRONMENTAL "HEALTH" OF THIS COUNTRY AS A WHOLE.



Statement of the Honorable Gerry E. Studds  
before the Subcommittee on Commerce, Justice, State, and the Judiciary  
House Committee on Appropriations

May 24, 1995

Good morning Mr. Chairman and Members of the Subcommittee. Thank you for the opportunity to present my views on appropriations for Fiscal Year 1996 for the National Oceanic and Atmospheric Administration and the Maritime Administration.

First, I would like to address several aspects of NOAA's environmental stewardship mission. Within the Resources Committee, we are making good progress toward reauthorizing the Magnuson Act, which authorizes the bulk of NOAA's fisheries programs and provides the basis for marine fisheries management in U.S. waters. The Committee is addressing problems with the Act that have contributed to the decline of a number of fisheries.

As we tackle these problems, it is essential that fisheries programs be funded at a level that will allow us to restore and properly manage these valuable resources. Commercial and recreational fishing contribute tens of billions of dollars to the economy annually. NOAA estimates that rebuilding U.S. fish stocks will increase the value of fisheries by billions annually, generating thousands of jobs in the process. Equally as important, fishing is an integral part of the culture along our coasts that is threatened if we do not begin to fish sustainably.

I support the President's requested increases of \$17.5 million within the National Marine Fisheries Service to build sustainable fisheries. I believe that these increases are a very modest investment, given the potential benefits. For the Regional Fishery Management Councils to practice sound management, it is important that they receive accurate, defensible information from NOAA on the status of fish stocks. To accomplish this, increased funding is needed for the collection, processing, and analysis of data on fish stocks. Accurate information is particularly important in restoring New England groundfish because stocks are so low that there is little margin for error. In addition, priority should be given to reducing overcapitalization within the fishing industry and reducing bycatch nationwide.

The recovery of protected species is vital, not only to maintain a healthy marine environment, but also to restore valuable salmon fisheries and promote tourism along our coasts. I support the President's request for an increase of \$19.9 million for the recovery of protected species. The de-listing of the gray whale proves that the Endangered Species Act can work well for marine species. What is needed most is more money to implement recovery plans so that other marine mammals, as well as threatened salmon stocks can be restored. I also request that you continue--and increase if possible--funding for reducing marine mammal entanglement in fishing gear. This is particularly important for the recovery of the harbor porpoise in New England.

There are three programs that I believe are vital to attaining NOAA's goal of maintaining coastal ecosystems health. Firstly, I support the request of \$58.85 million for coastal zone management. Included in that request is increased funding for NOAA's portion of the coastal nonpoint pollution control program, which was the subject of considerable debate when the Clean Water Act amendments were on the floor. If H.R. 961 is enacted, NOAA may no longer have a direct role in that program. However, unless and until that happens, the coastal states are required by law to develop and implement coastal nonpoint pollution control plans. Either way, this very modest investment will not go to waste because the states will have used it to develop workable plans to control the greatest remaining threat to water quality in this country.

Secondly, I strongly support continued funding for the National Sea Grant College Program. Sea Grant funding is highly leveraged--about half of its funding comes from non-federal sources. It supports competitive, merit-reviewed science and it translates that research into information that the public can--and does--use. In short, Mr. Chairman, this is the kind of program that Congress should support because it gives substantial autonomy to state-run programs and nourishes a 30-year partnership among government, universities, and business. With bipartisan support, the Resources Committee recently reported a bill reauthorizing Sea Grant through Fiscal Year 1998.

Lastly, I encourage you to continue to support the National Marine Sanctuaries Program. This is the only national program that provides direct protection for marine habitat. Although the authorizing legislation gives NOAA broad authority to protect nationally-significant marine resources, the program seeks consensus when user conflicts arise and attempts to facilitate all compatible uses of sanctuary resources. This unique program has long enjoyed broad bipartisan support and is well-deserving of its modest budget.

I would also like to bring two programs administered by the Maritime Administration to your attention. I request that you support the Administration's request for \$50 million in title XI loan guarantees. As you know, this program leverages private funds for commercial shipbuilding in the United States. This year, these funds are particularly important to help the U.S. shipbuilding industry make the transition into a subsidy-free global market under the terms of the OECD agreement on shipbuilding.

In addition, I ask your support for the Administration's request to implement the Maritime Security Program, which passed the House with bipartisan support last Congress. If we do not continue to provide operating subsidies to U.S. flag vessels, there will soon no longer be U.S. ships in the international trade. In addition to the short-term economic loss, this will result in substantially greater overall costs when commercial vessels are required to support any substantial U.S. military operation overseas, as occurred during the Persian Gulf War. I want to emphasize that, if history is any guide, this really is only a question of when not if.

Thank you again for the opportunity to testify and I would be happy to answer any questions that you may have.

TESTIMONY OF  
REPRESENTATIVE FRANK PALLONE, JR.  
OF THE  
SIXTH DISTRICT OF NEW JERSEY

Submitted to  
Committee on Appropriations  
Subcommittee on Commerce, Justice, State, and Judiciary

May 26, 1995

Mr. Chairman, thank you for this opportunity to submit testimony to the Subcommittee. I am requesting appropriations for fiscal year 1996 that are critical to the protection of the coastal environment as well as those people that are living in the coastal region of New Jersey. Such appropriations would also have a beneficial impact on scientific literacy, development of environmental technology, and in turn on the coastal and national economies as a whole.

Specifically, I am requesting continued appropriations for the National Sea Grant College Program, of which the New Jersey Marine Sciences Consortium is a participant, the National Marine Fisheries Service (NMFS), and the Coastal Zone Management Act.

#### THE NATIONAL SEA GRANT COLLEGE PROGRAM

The National Sea Grant College Program is a relevant marine science and technology program linking research, education, and advisory services to meet the needs of coastal communities and business interests nationwide. Through 26 Sea Grant Colleges and Consortia and 3 institutional programs, the Sea Grant Program plays a leading role in the conservation of marine resources and water quality. From kindergarten to the graduate school level, scientific literacy has been vastly improved through the Sea Grant Program - not to mention the informal education of the general public. The program also provides significant economic benefits through environmental technology development, technology transfer to industry, technical advice and creation of jobs. Overall, through research, education, and advisory services, Sea Grant assists approximately 55 million people nationwide.

New Jersey Sea Grant, as managed by the New Jersey Marine Sciences Consortium, currently supports 11 research projects and 15 Marine Advisory Services projects staffed by Marine Extension Agents. Having been a Marine Extension Agent myself, I fully appreciate and support the assistance provided by these agents. Such agents are particularly active in my district, the 6th District, in the development of Management Systems for Marine Recreational Fishing, an annual Aquaculture Conference, vessel safety workshops, and an alternative building materials conference. Overall, public contact with New Jersey Sea Grant within the state in 1994 was almost 4 million people, or 49 percent of the total population of New Jersey.

For several years now, my office has also benefitted from having a Sea Grant Fellow. Each year, the National Sea Grant Federal Fellows program brings graduate students in a variety of marine disciplines to Washington to work for a year in Congress or a Federal agency. The Fellows Program provides sponsor offices with highly-educated assistants while also providing the fellows with an invaluable opportunity to expand their educational experience in marine issues.

For nearly three decades, the National Sea Grant Program has provided an extraordinary return on a rather small federal investment. I appreciate your support for this valuable program in the past. As a strong supporter of the National Sea Grant Program and a co-sponsor of H.R. 1175, the Marine Resources Revitalization Act of 1995, I strongly urge that the National Sea Grant College Program receive your serious consideration while moving forward with an appropriations bill. I request that FY 1996 appropriations for the Sea Grant program be at least equivalent to such funds as are authorized in H.R. 1175: \$50.6 million for grants, contracts, and fellowships and \$2.7 million for administrative purposes.

#### THE NATIONAL MARINE FISHERIES SERVICE

The National Marine Fisheries Service's mission is the conservation and sustainable use of the Nation's living marine resources and their habitat to benefit the Nation on a sustainable basis.

The science, research and data collection activities conducted by NMFS form the basis for conservation and management decisions under the Magnuson Fishery Conservation and Management Act (MFCMA), the Marine Mammal Protection Act (MMPA), and the Endangered Species Act (ESA) as well as habitat protection and seafood safety actions.

In light of the disturbing condition of our nation's marine fisheries and the number of people dependent on our marine resources, it is essential that we provide the necessary funding for information collection and analysis under the President's FY 1996 budget request for NMFS. This budget sub-activity provides for the activities necessary to assess the status of fish, shellfish, marine mammal, and sea turtle populations, including their social and economic importance.

For FY 1996, the President has requested an increase of \$22.7 million for NMFS to collect appropriate data to meet statutory and strategic plan requirements. I request that the Subcommittee support full funding in the FY 1996 appropriations for NMFS including an increase in funding for information collection and analysis.

#### THE COASTAL ZONE MANAGEMENT ACT

Although the coastal zone only makes up 18 percent of the area of the United States, 53 percent of the U.S. population lives in these coastal areas. In fact, the shore is experiencing the most rapid rate of population growth in the country. This overwhelming desire to live near the shore is an example of how much citizens value our nation's coasts.

The shore area is not only popular real estate, but also a

vital environmental and economic resource. Commercial fishing contributes \$17 billion a year to the U.S. economy, while recreational fishing contributes an additional \$13.5 billion. Coastal tourism on a whole generates between \$8 and \$12 billion annually. Ninety-five percent of America's trade moves by ship, in and out of our nation's ports and harbors. The Port of New York/New Jersey alone receives approximately 4000 ships a year carrying 41 million long tons of commercial goods and fuel. The New York City Passenger Slip Terminal brings in \$100 million a year in vacation cruise traffic. In addition, the Port also provides for 180,000 jobs worth \$20 billion.

Such extensive use of the coastal zone creates competing pressures which in turn pose a serious threat to the coastal environment, the habitat it provides, and the businesses it supports. Through the Coastal Zone Management Act and the Federal, State, and local partnership it has established, New Jersey and other states are successfully working to ameliorate these pressures. Although a voluntary program, 29 of the 35 coastal States, Territories, and Commonwealths have approved programs, protecting 94% of our nation's shoreline. Again, this level of participation shows our appreciation of our coastal resources and the overwhelming support for this most valuable program.

In New Jersey, the Coastal Zone Management Program has curbed coastal wetlands destruction, improved public access to coastal waters, and provided special protection status to coastal resources such as dunes, beaches, threatened and endangered species, shellfish growing areas, shallow water habitats, and submerged vegetation.

Representing a coastal district in New Jersey whose people and economy are wholly dependent on the continued protection and use of its coastal resources, I fully support the continuation of the Coastal Zone Management program. I therefore request this Subcommittee's support for sufficient funding to continue state and federal activities under the Coastal Zone Management Act and thank you for your support for this valuable program in the past.

Appropriations Subcommittee  
Commerce, Justice, State and the Judiciary  
May 24, 1995

Testimony  
of  
Congressman José E. Serrano  
The Need for Naturalization Initiatives

Mr. Chairman and Members of the Subcommittee, I am pleased to submit this testimony before the House Subcommittee on Commerce, Justice, State and the Judiciary in order to highlight the need to increase funding for naturalization initiatives.

While it is the obligation of our government to secure our borders against illegal immigration, it is equally our responsibility to protect the rights of legal immigrants who are now on our soil, working for our economy, contributing to our tax base and enriching our community. To this end, I believe we must be aggressive in assisting these hard-working immigrants to become citizens and enjoy all of the privileges that citizenship confers. We must do more to ensure that these people receive the assistance that they deserve in order to become citizens of the United States.

In these past few months much attention has been given to federal initiatives to strengthen the border and stem the tide of illegal immigration. I fully support these proposals. However, I believe that a very basic and important part of our immigration policy is being neglected: naturalization initiatives. Although naturalization is considered a priority by the Administration, I feel that there is more to be accomplished in this area. Those who came to our country legally and have followed the rules, paid taxes, served in the military and generally supported our values have every right to become full-fledged members of this nation. It is the responsibility of the federal government to facilitate the process of naturalization.

Unfortunately, the situation at present is less than encouraging. Due to a climate of fear created by hateful anti-immigrant rhetoric and threats to federal benefits, applications for naturalization have skyrocketed. According to the Immigration and Naturalization Service, from October 1994 through January of this year, the first four months of the Federal fiscal year, applications for citizenship rose to 232,850, about 80 percent above the same period a year before. These applications only add to an enormous backlog of cases. At the end of FY 1994, 338,445 naturalization cases were pending and the time lag between filing a petition and obtaining citizenship now ranges from months to years in some INS district offices.

The FY 1996 budget request for the Immigration and Naturalization Service fails to address this escalating problem.

Simply stated, the INS lacks the resources and personnel to remedy this situation. Currently, the INS is working to streamline and automate the naturalization process as well as



increase the number of examiners. The Department of Justice has submitted a Reprogramming Request to provide additional resources for these initiatives. I fully support their request. However, I believe that we can and must do more to decrease the backlog and disseminate information to the immigrant communities about their rights as legal immigrants of the United States.

In addition to the overwhelming backlog of applications, there are other obstacles to naturalization. Legal immigrants need access to information about the naturalization process and instruction in English and civics. There are no existing federal programs targeted to the educational needs of immigrants wishing to naturalize.

These facts point to one of the great ironies of the current mood in our country. While there is strong sentiment to restrict the rights of legal immigrants, to deny federal benefits, and to prohibit the use of their native languages, there is little impetus to help these very same taxpayers in their quest to become citizens.

The current mood neglects the fact that immigrants have contributed greatly to the wealth and status of our nation. In John F. Kennedy's 1958 book "A Nation of Immigrants", he stated: "There is no part of our nation that has not been touched by our immigrant background; everywhere immigrants have enriched and strengthened the fabric of American life". They add to our society in innumerable ways and deserve the attention of the federal government to make a smooth transition into this democratic society.

I would like to submit the following facts and figures which were compiled by the National Immigration Forum as an indication of the contributions made by the immigrant population:

**Income and tax base:**

Households headed by immigrants who entered the U.S. before 1980 have average incomes of about \$40,900, almost 10% greater than the \$37,300 earned by native-born American households.

**Welfare:**

Among working-age immigrants (excluding refugees) who entered the U.S. during the 1980s, 2.0% receive welfare, compared with 3.7% of working-age native-born Americans.

**Immigrant business:**

In Los Angeles, Koreans are three times more likely to be self-employed than the overall population.

In Miami, the number of Cuban-owned businesses has grown from 919 in 1967 to 8,000 in 1976 to 28,000 in 1990.

On Jefferson Boulevard in Dallas, first- and second-generation immigrants own three-fourths of the area's 800 businesses.

Korean immigrants in New York City represent only 3% of the city's more than seven million people, but they run 1,100 delicatessens, liquor stores and grocery stores; 1,300 dry cleaners; 100 import companies; 250 garment manufacturers; 700 general merchandising stores; 600-700 fish markets; and more than 400 nail salons.

**Homeowners:**

Immigrants and native-born members of minority groups have doubled their home ownership rate over the past decade. In 1980, about 25% of all immigrants between 25 and 34 years old owned homes, but now nearly 55% are owners. The largest jumps in the immigrants home-owning population were among Latinos and Asians.

It is evident that the immigrant population has done much to improve communities across the country, particularly in urban areas. They merit at least the attention of the federal government so that their contributions do not go unrewarded.

It is time for us to recognize the special needs of this community and their unique contributions to our society. To that end, I am working on legislation to expand the federal programs for naturalization. My proposal would increase the number of examiners, improve the exam process, provide public outreach campaigns to inform eligible immigrants about the naturalization process, and provide grants to community-based organizations offering English and civics classes.

I seek your support for my bill when it is introduced, for the pending INS Reprogramming Request, for increased funding in FY 1996 for naturalization activities, and for any initiatives which would assist the hard-working and law-abiding immigrant community. They deserve federal support as they seek to become citizens of the United States.

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