

collect his prize. Another example: a Maine company showed real telemarketing creativity. For \$250, the so-called Consumer Advocate Group offered to help consumers recover money lost to fraudulent telemarketers—but it provided no services, according to Wisconsin Attorney General James Doyle, who sued the Maine firm plus four other telemarketers.

In 1996, more than 400 individuals were arrested by law-enforcement officials working on Operation Senior Sentinel. Retired law-enforcement officers and volunteers, recruited by AARP, went undercover to record sales pitches from dishonest telemarketers. Volunteers from the 2-year-long Operation Senior Sentinel discovered various telemarketing schemes. Some people were victimized by phony charities or investment schemes. Others were taken in by so-called premium promotions in which people were guaranteed one of four or five valuable prizes but were induced to buy an overpriced product in exchange for a cheap prize. One of the most vicious scams preyed on those who had already lost money. Some telemarketers charged a substantial fee to recover money for those who had been victimized previously—and proceeded to renege on the promised assistance. By the time the dust settled, it took the Justice Department, the FBI, the FTC, a dozen U.S. attorneys and state attorneys general, the Postal Service, the IRS, and the Secret Service to arrest over 400 telemarketers in five states, including my home state of Arizona.

Clearly telemarketing fraud is on the rise. It is estimated that eight out of ten households are targets for telemarketing scams that bilk us of up to \$40 billion annually. There are many seniors in my state and across the country who must be protected against this type of fraudulent activity. According to Attorney General Reno, it is not uncommon for senior citizens to receive as many as five or more high-pressure phone calls a day. Mr. President, malicious criminal activity like this must be punished appropriately.

THE HOUSE- AND SENATE-PASSED BILLS

The House and the Senate have passed bills which direct the U.S. Sentencing Commission to increase penalties for those who purposefully defraud vulnerable members of our society. The House bill, which passed by a voice vote, increases sentences by four levels for general telemarketing fraud, and by eight levels if the telemarketing fraud either victimized ten or more persons over age 55 or targeted persons over age 55.

The Senate-passed bill, which was approved unanimously, requires the Sentencing Commission to "provide for substantially increased penalties" for those convicted of telemarketing fraud offenses. I repeat: "substantially increased penalties." This language was carefully chosen; a two level increase is not substantial. The Senate-passed bill also requires the Commission to

"provide an additional appropriate sentencing enhancement if the offense involved sophisticated means, including but not limited to sophisticated concealment efforts, such as perpetrating the offense from outside the United States." Further, the Senate-passed bill requires the Commission to provide an additional appropriate sentencing enhancement for cases in which a large number of vulnerable victims . . . are affected by a fraudulent scheme or schemes." These provisions were carefully crafted to ensure that those perpetrating telemarketing scams would be severely punished.

THE SENTENCING COMMISSION'S PROPOSED ENHANCEMENTS

The United States Sentencing Commission recently issued an amendment that would increase by two offense levels—the smallest possible increase—the penalties for fraud offenses that use mass-marketing to carry out fraud. The amendment would also provide a two level enhancement in the fraud guideline if (i) the defendant relocated, or participated in relocating, a fraudulent scheme to another jurisdiction to evade law enforcement or regulatory officials; (ii) a substantial part of a fraudulent scheme was committed from outside the United States; or (iii) the offense otherwise involved sophisticated concealment.

These proposed amendments are a step in the right direction, but the step is too small. In addition to these enhancements, the Sentencing Commission should, as the Senate-passed bill says, substantially increase the penalties for telemarketing fraud.

CONCLUSION

Telemarketing fraud is a serious problem. The Sentencing Guidelines should reflect this but they do not. From the House- and Senate-passed bills, it should have been clear to the Sentencing Commission that Congress wanted significant increases in the guidelines, not the minor ones included in the Commission's proposed amendments.●

LEAGUE OF WOMEN VOTERS RETIRING PRESIDENT, BECKY CAIN

● Mr. ROCKEFELLER. Mr. President, I rise today to recognize Becky Cain as she prepares to retire from an outstanding six year term as president of the League of Women Voters. Becky Cain has shown remarkable leadership for the League and her community of Charleston, West Virginia as well as a strong dedication for the well being of the people of her state and her nation.

For generations, the League of Women Voters has had a tradition of working for campaign finance reform, defending the National Voter Registration Act, working for consumer protection legislation for health care, ensuring health care for seniors by protecting and enhancing Medicare, and protecting Clean Air standards, and strengthening the United Nations by

providing adequate funding. This is an organization of leaders, and Becky Cain is certainly a great leader among leaders.

As the volunteer head of the League of Women Voters, Becky Cain has been an articulate and committed spokesperson for citizens' interest in government. Under her direction, the League has been the leader in the passage of the National Voter Registration Act and has been stalwart in continuing efforts to preserve and strengthen this important legislation.

Under her leadership one of the priorities of the League has been a comprehensive, nationwide campaign entitled, "Making Democracy Work." This effort, involving different branches of the League and civic leaders in over 1,000 communities across the nation, is a long term effort to engage citizens in the important issues affecting them, to strengthen our democracy at the community level as well as bringing a diverse group of citizens together to face a larger challenge that faces us as a nation.

Finally, I would like to thank Becky Cain and volunteers like her who give of themselves so selflessly for the good of their community, their state, and our nation.●

RUTHERFORD ELEMENTARY SCHOOL

● Mr. SANTORUM. Mr. President, on May 30, the Rutherford Elementary School Memorial Committee commemorated the history of the Rutherford Elementary School. I rise today to mark the closing of this building.

The community of Rutherford has been served for 89 years by the current elementary school, which is scheduled for demolition. Amidst music, civic organizational displays, and food vendors, students past and present gathered to reflect on their childhood experiences. Members of Rutherford's first class still fondly reminisce about the "good old days."

Mr. President, the Rutherford Elementary School symbolizes strength and continuity in education. I ask my colleagues to join me in acknowledging this memorial.●

TENTH ANNIVERSARY OF GREENWICH SCHOOL AGED CHILD CARE, INC.

● Mr. DODD. Mr. President, I rise to today in honor of the tenth anniversary of the founding of Greenwich School Age Child Care in my home state of Connecticut.

As you know, child care has been a top legislative priority for me during my tenure in the Senate. After numerous hearings, debates, forums, and even passage of the Child Care and Development Block Grant (CCDBG) Act that I authored in 1990, I know that our country's working families continue to struggle with the issue of child care. Thousands of low-income children are

on waiting lists for affordable child care, and much of what is available is of poor quality. Every day, parents face tough decisions about how their children will be cared for when they can't be with them.

Ten years ago, in response to the child care needs expressed by the community, Greenwich School Age Child Care was created by a small, dedicated group of parents who understood the importance of safe, high quality child care services. At that time, there were no available services for before- and after-school child care within the community's schools. Since that time, the effort has grown from one school-age child care program in North Mianus Elementary School, to programs in all 10 public elementary schools. All of these programs accept children in grades kindergarten through fifth grade, in most instances offer both before- and after-school programs, and are open for the entire school year. This enables working parents to leave their child at 7:30 a.m. and return up to 6:00 p.m., knowing that their child will receive healthy snacks and loving care in a stimulating environment right in the school.

I share the belief of Greenwich School Age Child Care that quality child care should be available to all low income and disadvantaged families who need it. Greenwich School Age Child Care is to be commended for their innovative efforts to make available quality child care affordable. The scholarship fund they established through the Board of Education, private donations, and CCDBG dollars is critical for low-income families who otherwise could not afford a safe and educational environment for their children.

I am proud to be a member of the Greenwich School Age Child Care advisory board. I cannot emphasize strongly enough that their investment in quality child care pays off many times over, in terms of both the employment productivity of parents and the safety and well-being of children. I congratulate Greenwich School Age Child Care on the huge success of their first ten years, and wish them continued, long lasting success in the years to come.●

CONSUMERS REAP THE BENEFITS OF OPEN COMPETITION

● Mr. ASHCROFT. Mr. President, the economist Milton Friedman once wrote: 'Underlying most arguments against a free market is a lack of belief in freedom itself.' Demonstrating its belief in freedom the 104th Congress passed the pro-competition Telecommunications Act of 1996. The Hudson Institute has recently released a study of the cable industry since the new law has taken effect. The study has found what those of us that believe in a free market have always known: consumers reap the benefits of open competition. I submit it for the RECORD a copy of the executive sum-

mary for review. It is a pleasure to deliver further affirmation of the free market system.

The material follows:

EXECUTIVE SUMMARY—THE ROLE OF COMPETITION AND REGULATION IN TODAY'S CABLE TV MARKET

In late 1997 and early 1998, concerns have been raised among regulators, members of Congress, and consumer groups regarding cable television rates. This study analyzes the rationale for new efforts by the FCC to limit rates or impose other regulations on the cable television industry in response to such concerns. It examines the historical record of cable regulation, takes a new look at the state of competition for multichannel video programming, reviews the important capital investment in new digital services by the industry, and assesses the possible impact of new price controls on competition in the wider telecommunications market, including Internet access, telephony, and video programming.

The study finds that, despite current market share of around 85.6 percent (falling to around 75 percent by 2002); dynamic services offered by Direct Broadcast Satellite (DBS), broadcast television, and other multichannel video delivery systems provide substantial and growing competition for cable television. More than 65 percent of households can receive six or more broadcast channels with a suitable antenna. For many households, DBS offers greater levels of service at prices comparable to, or lower than, cable's. DBS appears to provide a good substitute for cable even after accounting for up-front equipment costs. Competing cable systems (overbuilds and Satellite Master Antenna TV) have become cost-effective and are growing rapidly, especially in the Midwest and Northeast.

The study also finds that past cable regulation, especially rate controls, provided little or no benefit to consumers, and in fact harmed consumers by inducing lower quality of service. On the other hand, periods of less regulation, such as the years between 1984 and 1990, stimulated production of greater quality and wider choice of programming for consumers, produced steady increases in demand for cable, and produced net consumer welfare gains of \$3 billion to \$6.5 billion per year.

Finally, the evidence shows that the cable industry is in the midst of investing up to \$28 billion to improve its infrastructure, including over \$1 billion per year to convert to interactive digital services. The entry of cable firms into new businesses such as telephony, Internet, and digital video is improving consumer choice and reducing prices for these services, especially to residential customers; spurring a competitive response from the telephone industry to upgrade its data transmission capabilities; and giving a boost to the introduction of digital television and to competition in the Internet business. An imposition of rate controls similar to those of 1993 and 1994 would undermine the financial basis for the cable industry to enter these new businesses in the near term, and hence weaken competition in the wider telecommunications market place.●

LUCILLE SMITH WATKINS

● Mr. ROCKEFELLER. Mr. President, I would like to take a moment to recognize an outstanding teacher, mentor, and West Virginian—Ms. Lucille Smith Watkins. For almost 50 years, Lucille has taught at Logan County Elementary School with unmatched enthu-

siasm. At 73, she is still fiercely committed to teaching and harbors no intention of quitting, saying "I like getting up and going to teach every day. The children seem to do real well. When I feel like I'm not helping them anymore, I'll retire."

Lucille credits her family for instilling an early appreciation and love for education—influenced by the sacrifices and efforts that they exerted in order to make higher education a possibility for herself and her six brothers and sisters. Her early love of education blossomed into a consuming lifelong passion of service to the school as she has often found herself cooking and buying groceries for the school along with teaching.

Her outstanding commitment to teaching hasn't gone unnoticed in the state. On May 5, she received the very first Lucille Smith Watkins Award, an award in her honor presented annually by her school to the county's outstanding educator. On May 8, she won the Mary L. Williams black educator award during a West Virginia Education Association conference in Charleston. Yet, these awards and honors cannot match her smiles and pride for the achievements of her students. Beaming with pride about her student's recent Young Writer's Award and her students' trophy for perfect attendance in her classroom, Lucille is a testament to her own love of teaching, and most importantly her love of her students.

There is no better way to make a profoundly lasting impact upon the future than through nurturing the mind of a young child. Lucille is a refreshing example of the strength and endurance of one woman's attempt to make a difference. Speaking for the citizens of West Virginia, I am proud to have such an outstanding woman in our state and challenge others to strive to affect and mold the lives of children as successfully as she has.●

TRIBUTE TO MR. HERMAN C. WRICE

● Mr. SANTORUM. Mr. President, I rise today to recognize the outstanding drug and crime fighting efforts of Mr. Herman C. Wrice.

Mr. Wrice, once called the "John Wayne of Philadelphia" by President Bush, is one of today's most effective non-violent community activists. His grassroots approach to cracking down on drugs and crime has been successful in cities, towns, and Indian reservations across the country. Herman's career as a social activist began in the late 1960's after a personal tragedy; his wife, Jean, was caught in gang cross-fire at a local supermarket.

Mr. Wrice's organization, Turn Around America, unites ordinary citizens and police who are determined to take back their neighborhoods. They organize street marches and all-night vigils at identified drug houses to separate drug dealers from their customers.