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Credit Union Bill Sent To President

In a major victory for consumers, Congress adopted legislation before leaving for its August recess designed to give more Americans access to credit union membership.

Background: In February, the Supreme Court ruled that a 16-year-old policy allowing credit unions to serve more than one group, as long as each of the groups had its own "common bond," was "contrary to the unambiguously expressed intent of Congress."

That decision threatened both the ability of the 20 million current credit union members who fall outside their institution's original membership group to maintain their credit union membership, and the ability of credit unions to continue to expand to serve new groups.

Credit unions, which are non-profit institutions owned by their members, generally charge fewer and lower fees than banks. Furthermore, by competing with, and serving as a yardstick for, for-profit institutions, credit unions act to restrain the prices that for-profits charge their customers and to promote truly competitive, efficient financial services markets.

The Bill: H.R. 1151 would allow credit unions to accept members from more than one group, as long as the groups have no more than 3,000 potential members and are located within "reasonable proximity" to the credit union. Current members who fall outside their institution's original group would be allowed to retain their memberships.

In addition, the bill requires the credit union administration to set new capital requirements for credit unions to ensure their safety and soundness.

Bill Status: The bill passed the House in April on a 411-8 vote. In July, the Senate followed suit on a 92-6 vote.

There was, however, one major difference between the two versions. As approved by the House, the bill would have imposed a new requirement, similar to the Community Reinvestment Act for banks, that credit unions serve members of "modest means."

That provision, which had been the subject of intense debate during Senate Banking Committee consideration, was dropped from the bill before Senate passage.

In the last week before leaving for the August recess, the House agreed on unanimous consent to adopt the Senate version, sending it to the president for his signature.

Although the White House had urged that the lending requirements to be restored to the bill in conference committee, the president was expected to sign the bill.

A Consumer Agenda for the 105th Congress

With the clock winding down on the legislative session, members of the 105th Congress have few significant accomplishments they can point to as benefitting consumers.

"Unfortunately, when it has acted on consumer issues, this Congress has focused primarily on bills that would restrain consumer rights or roll back consumer protections," said CFA Legislative Director Mary Rouleau.

Although time is running short, Congress still has an opportunity to improve on its record, she noted.

This issue provides an overview of some of the key pro-consumer bills that Congress should pass and anti-consumer bills that Congress should kill to accomplish that goal.

It is not intended as an exhaustive list of the session's bills that have significant implications, good or bad, for consumers.

Some bills – such as anti-consumer bills to deregulate the electric utility industry without adequate consumer protections or pro-consumer legislation to consolidate food safety functions in a single federal agency – are too early in the developmental process to have a realistic chance at passage this session.

Others, such as financial modernization legislation, contain consumer provisions that, while important, are largely peripheral to the industry-driven agenda of the legislation or are balanced by anti-consumer provisions in the same bill.

Instead, this issue provides a status report as of the August recess on some of the major pro- and anti-consumer bills that are most likely to determine the consumer record of the 105th Congress.

Pro-Consumer Bills Congress Should Pass

H.R. 1151 – "The Credit Union Membership Access Act"

S. 1890, H.R. 3605 – "The Patients' Bill of Rights Act"

Anti-Consumer Bills Congress Should Kill

S. 1301, H.R. 3150 – "The Consumer Bankruptcy Reform Act"

S. 1260, H.R. 1689 – "The Securities Litigation Uniform Standards Act"

S. 648 – "The Product Liability Reform Act"

S. 852, H.R. 1839 – "The National Salvage Motor Vehicle Consumer Protection Act"

H.R. 219 – "The Homeowners Insurance Availability Act"

S. 981 – "The Regulatory Improvement Act"

House Defeats Pro-Consumer Managed Care Bill

The chances for passage of pro-consumer managed care legislation this year suffered a serious set-back in July, when the House adopted a Republican alternative bill that is weak on protections and contains several provisions actually harmful to consumers.

Background: Today, three quarters of privately insured Americans are enrolled in managed care plans. However, there is no effective state or federal oversight to ensure that these plans do not compromise the quality of care as they seek to save money.

Consumers report widespread problems with their health plans, including denial of access to specialists, refusal to pay for emergency room visits, lack of information about plan policies and procedures, and arbitrary limits on medical care.

The Bills: Although a number of managed care bills have been introduced in the 105th Congress, the only comprehensive set of protections is offered by companion bills H.R. 3605, introduced by Reps. John Dingell (D-MI) and Richard A. Gephardt (D-MO), and S. 1890, introduced by Sens. Thomas Daschle (D-SD) and Edward Kennedy (D-MA).

Known as the "Patients' Bill of Rights" legislation, these bills would provide access to necessary care covered under the plan, by ensuring access to specialists, for example, and requiring access to and payment for emergency room services. Gag clauses and financial incentives to deny care would be banned, and providers who advocate on behalf of their patients would be protected. The bills would also require access to prescription drugs and drug utilization programs.

Plans would be required to provide understandable information about health plan policies and procedures, and health insurance ombudsmen at the state level would assist consumers in navigating the health care system.

The bills would require provision of a fair and timely appeal process – both within the plan and to an independent external body – when health plans deny care. And health plans that make medical decisions that result in harm to the patient would be held legally accountable.

Bill Status: The president has called on Congress to pass comprehensive legislation to give patients more power in dealing with their health care plans. Republican leaders, however, have adamantly opposed the comprehensive approach taken in H.R. 3605 and S. 1890, and particularly the provision making health plans liable for their policies and decisions.

In an effort to show they are not ignoring the issue, which has broad public support, House and Senate Republicans came out with their own bills in July. Both borrow some provisions from the Patients' Bill of Rights legislation, but the protections offered are both fewer and weaker, and many contain major loopholes undermining patient rights.

Also, the House Republican bill (H.R. 4250) has been weighted down with anti-consumer provisions to cap non-economic medical malpractice damage awards and to expand use of tax-exempt medical savings accounts.

In late July, the House passed the Republican bill, H.R. 4250, on a 216-210 vote, after narrowly defeating the Patients' Bill of Right legislation (212-217). The White House announced that it would veto a narrow bill along the lines of H.R. 4250.

Meanwhile, the Senate left for the August recess without resolving how it would debate the rival bills. The key question is whether Democrats will be allowed to offer amendments to the Republican measure, a move that is strongly opposed by Senate Majority Leader Trent Lott (R-MS).

Just before leaving for the August recess, Sen. John Chafee (R-RI) and a handful of other senators from both parties introduced an alternative bill designed to break the impasse. Although it is considered an improvement over the Republican measure, that bill still does not go far enough, particularly in the area of allowing consumers to sue their health plans when the plan denies care.

Bill To Limit Bankruptcies Slows In Senate

After racing through the House, legislation to restrict the ability of financially strapped debtors to make a fresh start has slowed in the Senate, which left for August recess without acting on the issue.

Background: Abusive credit card marketing practices have driven personal bankruptcies to record levels in recent years. In an effort to avoid paying the consequences of their irresponsible lending practices, creditors are lobbying hard for legislation to force bankrupts to pay back more of their debts.

The Bills: Bills have been introduced in both the House (H.R. 3150) and the Senate (S. 1301) to place new limits on access to Chapter 7 bankruptcy, in which debtors are able to discharge their debts and make a fresh start. Both would force more debtors into Chapter 13 bankruptcy, in which they must repay as much of their debt as possible over a three- to five-year period, despite the fact that the current failure rate for voluntary Chapter 13 cases is two-thirds.

The Senate bill would make it easier for judges to dismiss Chapter 7 cases outright or to force at least a partial repayment of debts. It would also allow creditors to mount legal challenges to the process. Families who make less than the median income would not be subjected to a creditor's motion to dismiss.

The House bill would set up a screening mechanism for debtors filing for Chapter 7 bankruptcy. Those with income equal at least to the median income would be subject to a test, using uniform average figures, to determine whether the debtor could pay at least 20 percent of his or her unsecured debt over a five-year period. If that test is met, the debtor would be forced to file for Chapter 13 bankruptcy unless he or she could prove "extraordinary circumstances."

By allowing creditors to tie up the bankruptcy process in litigation, both bills would drive up the cost of bankruptcy not only for debtors, but also for taxpayers, through increased administrative burden on the courts. Furthermore, neither bill addresses one of the root causes of the increase in bankruptcy filings – abusive marketing practices by creditors.

Bill Status: In May, the House approved its version of the legislation on a 306-118 vote. Efforts to incorporate provisions from H.R. 3146, introduced by Reps. Jerrold Nadler (D-NY) and John Conyers (D-MI), to reign in abusive credit practices were turned aside during committee and floor consideration.The Senate Judiciary Committee reported out its bill on a 15-2 vote in May. However, it had not yet been brought to the floor for a vote when the Senate left for its August recess.

Increasingly, questions were being raised by the White House and by key senators regarding the role of the credit card industry in contributing to the rise in bankruptcies and the failure of the legislation to address that issue.

White House Endorses Regulatory "Reform"

In July, the White House announced that it would withdraw its opposition to anti-consumer regulatory "reform" legislation if certain improvements to the bill are made, reinvigorating legislation that had appeared to be stalled.

Background: A key goal of the Republican "Contract with America" was to overhaul the regulatory process in order to make it more difficult for federal agencies to adopt new regulations, particularly health and safety regulations. A high-profile effort in the last Congress to pass sweeping regulatory overhaul legislation failed. Proponents of regulatory "reform" have renewed their efforts in this Congress.

The Bill: Sen. Fred Thompson (R-TN) joined with Sen. Carl Levin (D-MI) to draft regulatory reform legislation (S. 981) that they hoped could attract bipartisan support. Although less extreme than the version considered in the previous session, the bill would nonetheless impose substantial new burdens on agencies seeking to protect the public.

The bill would require agencies to perform a complex cost-benefit analysis for all "major" rules, including an analysis of the costs and benefits of alternative rule proposals.

For rules addressing health, safety, or environmental risks, the agency would have to prepare an extensive risk assessment. Risk assessments would be subject to "peer" review by panels that would be free to operate in secret, with no rules against participation by those with ties to the regulated industry.

In addition, agencies would be required to re-review certain existing rules, putting a severe strain on limited agency resources.

Finally, at virtually every step of the process, opportunities exist to challenge proposed rules in court, potentially tying up the rule-making process for years.

Bill Status: The bill was approved by the Government Affairs Committee in March on an 8-4 vote.

Just days before the mark-up, however, Senate Majority Leader Trent Lott (R-MI) introduced a rival bill, S. 1728, that would go even further in tying the hands of federal regulatory agencies. Meanwhile, the White House had expressed its opposition to the Thompson-Levin bill on the grounds that it would create "unwarranted costs to taxpayers" and impose "needless burdens on agencies acting to protect human health, safety, or the environment."

With opposition from both the right and the left, the bill appeared to be stalled. Bill sponsors continued, however, to look for a compromise that could win Senate passage and administration support.

In July, as a result of those negotiations, the White House sent a letter to bill sponsors withdrawing administration opposition if certain changes to the bill are made. Although the proposed changes would ameliorate some of the bill's most egregious provisions – regarding judicial review, for example, and the re-review of existing regulations – the basic thrust of the legislation is unchanged.

The net effect of the legislation would still be to further delay an already slow rulemaking process, to give industry cost considerations priority over strong public health protections, to strain already limited agency resources, and to make the rulemaking process less, rather than more, democratic.

Despite the shift in the administration's position, the bill was not brought to the Senate floor for a vote before the August recess.

Bill To Limit Fraud Suits Sent To Conference

The House and Senate have passed similar bills to restrict the ability of defrauded investors to recover their losses in state court, almost assuring that this anti-investor measure will be enacted this year.

Background: In 1995, Congress passed legislation making it more difficult for the victims of securities fraud to recover their losses in federal court. The legislation – the Private Securities Litigation Reform Act – was opposed by both the Securities and Exchange Commission and state securities regulators on the grounds it threatened the ability of defrauded investors to recover their losses.

Now, a coalition of the high tech, securities, and accounting industries is seeking to cut off securities fraud victims' access to state courts. Most state laws offer important investor protections absent from the federal law.

The Bills: Both S. 1260 and H.R. 1689 would require securities fraud class action lawsuits involving securities traded on a national exchange to be brought in federal court under the federal law.

Bill Status: The Senate adopted S. 1260 in May on a 79-21 vote. In July, the House passed its bill on a vote of 340 to 83. A conference committee is expected to be convened in September to work out the differences between the two versions.

One significant difference remaining has to do, not with the bill itself, but with the legislative history interpreting the PSLRA's effect on recklessness as a basis for securities fraud claims. Although the PSLRA was passed over the president's veto, the administration withdrew its opposition to the state preemption legislation in return for some minor revisions, including report language clarifying that the PSLRA was not intended to remove reckless misconduct as a basis for securities fraud lawsuits.

That was included in the Senate report. A House colloquy on the issue was somewhat ambiguous, however, and Rep. Christopher Cox (R-CA) has inserted contradictory language in the record. As a result, restoring strong legislative history on recklessness may be among the most important issues to be resolved by a conference committee.

Auto Salvage Bill On Hold

Key senators placed holds on auto salvage legislation in late July, delaying action at least until after the August recess and offering an opportunity to amend the bill to provide adequate consumer protections.

Background: Each year, more than 2.2 million vehicles are wrecked and declared a total loss. More than a million of them are then bought at auction, refurbished to conceal the prior damage, and sold to unsuspecting consumers without safety inspections or disclosure of their prior history.

Claiming to address these problems, bills have been introduced in both the House and Senate that would actually increase the likelihood that consumers who unknowingly purchase such vehicles would have no recourse against the unscrupulous sellers.

The Bills: Companion bills were introduced in the House and Senate (H.R. 1839, S. 852) that would: make safety inspections of rebuilt salvage vehicles optional; exempt sellers of most cars over six model years old from salvage title labeling requirements; make no provision for junking cars that are so badly damaged they should never be rebuilt; and set a damage threshold for when a vehicle is declared salvage of 80 percent, higher than many states now use. Furthermore, the bills contain no private right of action and would preempt stronger state laws.

Bill Status: In November of 1997, the House passed its bill on a 336-72 vote, and the Senate bill was reported out of the Senate Commerce Committee on a 16-4 vote. Efforts to rush the bill to the Senate floor before the end of the 1997 session were stymied, however, and mounting opposition forced bill sponsors to look for ways to strengthen the bill's consumer protections.

In June, the administration warned that it would oppose the legislation in its current form on the grounds that it would not be effective. In the wake of that announcement, bill sponsor Sen. Trent Lott (R-MS) and Sen. Slade Gorton (R-WA) announced that they had reached a compromise that would, among other things, lower the damage threshold slightly for labeling cars as salvaged and give attorneys general the right to sue on behalf of consumers when someone sells them a damaged vehicle without disclosing the damage.

While these changes made modest improvements in the bill, they did not go far enough. Among other things, the bill would still apply only to salvaged cars less than six years old and worth more than $7,500, effectively denying its protections to low income consumers. Also, it would not permit consumers to sue for damages when someone sells them a car with undisclosed damage, and it lacks criminal penalties for salvage vehicle fraud.

In late July, Sens. Edward Kennedy (D-MA) and Paul Wellstone (D-MN) put holds on the bill, delaying action at least until after the August recess.

Product Liability Legislation Fails Once Again

Just as it appeared that a compromise had been reached that would finally give proponents of product liability legislation a victory in their decades-long battle to restrict the rights of injured consumers, the deal fell apart, and the bill was pulled from consideration for the year.

Background: For nearly two decades, manufacturers and other business groups have sought legislation limiting the ability of consumers injured by dangerous products to receive reasonable compensation for their injuries.

Pushed as part of the Republican "Contract with America," product liability legislation came closest to enactment in 1996, when it passed the Congress but was vetoed by President Clinton.

The Bill: Legislation was introduced in the Senate in 1997 (S. 648) that was virtually identical to the bill vetoed by President Clinton in 1996. Among other things, it would limit non-economic damages, cap punitive damages, and limit the statute of repose.

Bill Status: The bill was approved by the Senate Commerce Committee in May of 1997 on a party-line vote. Rather than continue to pursue legislation that faced a certain presidential veto, however, sponsors began to look for a compromise that could win White House support.

In June, Sens. John D. Rockefeller IV (D-WV) and Slade Gorton (R-WA) announced that they had reached a compromise on legislation that they expected the president to support.

Although narrower than the original Senate bill, their version still contained a number of anti-consumer provisions, including a cap on punitive damages against small businesses, limitations on the availability of punitive damages, and an 18-year statute of repose for products used in the workplace.

Just as it was to be brought up for a vote, however, Senate Democrats withdrew their support, when the Republican leadership refused to allow Democratic amendments to be offered. As a result, the bill was pulled from consideration for the year.

Product Liability "Reform" Unwarranted

In June, as manufacturers appeared to be gaining ground in their push for product liability "reform" legislation, CFA released a report clearly demonstrating that such legislation is unwarranted.

The report, by CFA Director of Insurance J. Robert Hunter, found that the cost of product liability insurance is remarkably small and declining sharply.

"During 19 years in the Senate, I heard the high-priced industry lobbyists crying wolf – saying we had to change the product liability laws in this country to save American business," said CFA Chairman Sen. Howard Metzenbaum (Ret.). "This study proves conclusively that they were crying crocodile tears."

Advocates of legislation to limit the ability of injured consumers to recover their losses have argued for years that multi-million dollar judgments and frivolous claims are driving up product costs and inhibiting innovation.

CFA's report found, however, that, over the decade from 1987 to 1996, product liability insurance has cost manufacturers only 24 cents on average for each $100 of product sales in America.

Furthermore, the cost in 1996 was a mere 16 cents per $100 of product sales, having fallen by 56 percent in actual dollars over the decade. Adjusted for inflation, the costs have fallen by about 75 percent, the study found.

"Product liability insurance in America is not in any sort of crisis," Hunter said. "It has costs that are so small you can't chart them, and even these minute costs are in steep decline."

The study also found that less than half (46 percent) of the 2.8 million claimants whose claims closed over the last ten years got any payment at all. For those who got a payment, the average payment was under $12,000.

"This low average cost shows that, although million dollar verdicts occur, the vast number of claims are small claims," Hunter explained.

"The product liability system is not only not broke, it is an amazing system with remarkably low cost considering it takes care of all people hurt by products in our nation," he said. "Congress should leave this system alone."

As CFA's study was being released, however, Sens. Slade Gorton (R-WA) and John D. Rockefeller IV (D-WV) announced that they had developed a compromise bill that President Clinton would sign.

Sen. Metzenbaum wrote to the president in June acquainting him with the findings of the CFA study and urging him to reconsider his position "in view of the new figures showing how little the cost is for product liability insurance."

Disaster Insurance Bill Advances In House

The House Banking Committee approved legislation in July that would provide federal backing to the insurance industry in the event of catastrophic natural disasters without ensuring consumers access to insurance and without doing enough to reduce the costs of disasters.

Background: In the wake of huge natural disasters, such as Hurricane Andrew and the Northridge earthquake, the insurance industry has begun a campaign to limit its liability.

In many cases, companies have sharply cut back coverage and raised premiums for disaster insurance. The industry has also successfully pushed certain states to develop state pools, such as the California Earthquake Authority, to relieve them of responsibility for providing insurance.

Now, the industry is pressing Congress to provide federal financial assistance when catastrophic disasters occur.

The Bill: H.R. 219, "The Homeowners Insurance Availability Act," introduced by Rep. Rick Lazio (R-NY), would establish a federal reinsurance program for state catastrophe pools and private insurers. The program would cover up to $25 billion a year in residential property losses from hurricanes, tsunamis, and earthquakes and ensuing fires. It would be permitted to borrow funds from the federal treasury to cover insufficiencies.

The bill exposes taxpayers to potentially enormous costs without requiring insurance companies to provide consumers the coverage they need and without taking preventive steps to reduce the costs of disasters. Furthermore, although estimates of the insurance industry's capacity to cover a major disaster range from $25 to $40 billion, the bill could shift disaster losses as low as $2 billion to the taxpayer.

Bill Status: In July, the House Banking Committee adopted the bill on a 33-12 vote.

During its mark-up of the bill, the committee rejected a pro-consumer proposal by Rep. Maurice Hinchey (R-NY) that would have required any insurance company benefitting from the federal program to provide insurance coverage to consumers.

However, the committee did adopt a pro-consumer amendment by Reps. John LaFalce (D-NY) and John McCollum (R-FL) to require state pools to provide adequate insurance protection for consumers, provide seats for citizen representation on the board, and ensure that building codes meeting national standards are in place in order to be eligible for federal funds. Although the amendment strengthens the bill, it does not resolve consumer groups' strong objections to the legislation.

The bill was not brought to the floor for a vote before the August recess. With no companion measure in the Senate, the legislation is not expected to be enacted this year. However, proponents are expected to renew their efforts in the next Congress.

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FTC: Online Privacy Protections Inadequate

In a major victory for consumers, the Federal Trade Commission has acknowledged what consumer and privacy advocates have maintained for several years – that industry self-regulation of online privacy is not providing consumers with adequate privacy protections.

Based on a three-year study of more than 1,400 Web sites, the FTC has concluded that consumers currently receive little privacy protection on the Internet and has called for immediate legislation to protect children's privacy online. The agency promised further recommendations to address online privacy protection for adults later in the summer.

CFA General Counsel Mary Ellen Fise supported the agency's call for immediate congressional action to "put parents in control of information that is collected from their kids."

"Self-regulation is not working, which is why we've asked for mandated protection for children's privacy for over two years," Fise said. "Clearly, kids need safety belts on the information superhighway."

Such legislation should prohibit the collection of personally identifiable information from children without verifiable parental consent, she said.

The FTC report provides strong backing for such an approach.

Of the 212 children's sites surveyed:

- 89 percent collected personally identifiable information directly from children;
- only 54 percent disclosed their information collection practices; and
- fewer than 10 percent provided for some form of parental control over the collection of information from their children.

The report found similarly poor protections on sites aimed at adults.

Nearly all (92 percent) of the sample reflecting all U.S. commercial web sites collected personal information, while only 14 percent provided any notice of their information collection practices, and fewer still, about two percent, provided a comprehensive privacy policy.

Based on these findings, the FTC has concluded that "industry's efforts to encourage voluntary adoption of the most basic fair information practices have fallen short of what is needed to protect consumers."

Meanwhile, the Department of Commerce convened a two-day summit in June to explore issues related to electronic commerce.

A number of privacy advocates, including CFA, wrote to Commerce Secretary William M. Daley in June urging him to use the conference "as the jumping-off point for the administration's effort to develop a coherent national policy on privacy."

"Such a policy must provide for the adoption and implementation of substantive policies that protect privacy throughout the private sector, the creation of legally enforceable privacy rights for individuals, the establishment of a national infrastructure to develop and oversee privacy policy, and support for privacy-enhancing technologies," the groups wrote.

Playgrounds Still Place Children At Risk

Dangerous conditions in a majority of public playgrounds still pose hidden threats to our nation's youngsters, according to the fourth nationwide survey of playground safety released in June by CFA and U.S. Public Interest Research Group.

"Parents still need to be wary about their local playgrounds," said CFA General Counsel Mary Ellen Fise, co-author of "Playing It Safe: A Fourth Nationwide Safety Survey of Public Playgrounds."

The survey of 760 playgrounds in 24 states and Washington, D.C. focused on the most serious playground injuries – falls, impact with moving swings, entanglement, and head entrapment.

"We easily located many unsafe playground surfaces and equipment that can lead to injuries and deaths," Fise said.

According to the Consumer Product Safety Commission, nearly 150,000 children require hospital emergency treatment each year as a result of injuries sustained on public playground equipment, and an average of 15 children die in playground-related incidents each year.

"While our surveyors around the country noted improvements, public action by parents and playground operators is critically needed to improve playground safety," said U.S. PIRG Consumer Program Director Ed Mierzwinski.

Inadequate Surfacing Still Prevalent

Most frequent problems found related to inadequate protective surfaces under and around play equipment. This is the most critical factor in playground safety, because 75 percent of all injuries are caused by falls.

Among playgrounds surveyed, 87 percent lacked adequate protective surfaces.

The survey also found that:

- equipment is too high; 62 percent contained climbers and 37 percent of playgrounds contained slides at heights above six feet.
- 58 percent had swing spacing hazards or too many swings per bay.
- 42 percent had head entrapment hazards that could lead to strangulation, down from 55 percent in 1994 and 46 percent in 1996.
- 40 percent had gaps, protrusions, and other features that could entangle a child's clothing and lead to strangulation, down from 47 percent in 1996.
- peeling, chipping, or cracked paint was present on at least some playground surface on 44 percent of playgrounds, though surveyors did not check for the presence of lead paint. (A recent Consumer Product Safety Commission survey of 26 playgrounds found lead in 62 percent of the playgrounds surveyed.)

Although the number of playgrounds lacking adequate protective surfacing (87 percent) was about the same as in 1996 (85 percent), the groups were encouraged by an increase from 15 percent to 22 percent of playgrounds with mixed hard and soft surfaces.

"This suggests that playground operators are gradually replacing older worn grass and asphalt surfacing with soft loose fill and synthetic surfaces," Fise said. "While that progress is encouraging, more needs to be done."

Updated Model Law, Parent Checklist Also Released

In conjunction with the release of the survey, CFA also released two updated documents designed to help improve playground safety:

- The third edition of CFA's "Report and Model Law on Public Play Equipment and Areas," which contains detailed provisions addressing safety and design for all play equipment and areas as well as separate requirements specifically intended for equipment for pre-school age children and for school age children. First published in 1992, the new edition contains a detailed cross-comparison with the CPSC voluntary guidelines for public play equipment.
- CFA's free "Parent Checklist: How Safe Is Your Local Playground?" This checklist sets out 12 important factors to examine in assessing your local playground. It also includes an explanation of what is recommended for safer playgrounds.

"The CFA Model Law is a blueprint for safe playgrounds. It goes beyond the voluntary guidelines, giving legislators the child development rationale for critical safety measures," Fise explained.

CFA encourages state and local jurisdictions to adopt these requirements and use them when purchasing new equipment or when refurbishing, remodeling, or maintaining existing playgrounds.

In addition, parents and others concerned about playground safety can use the free checklist to detect hazards in their local playgrounds and to press for safety improvements, Fise noted.

"Most deaths and serious injuries could be avoided if playgrounds were designed with safety in mind," she said.

CFA also released a new publication, "Home Play Equipment: Tips for Buying and Using." The brand new fact sheet addresses the safety of backyard play sets and offers tips for selecting and using home play sets.

According to the CPSC, approximately 50,000 children are injured seriously enough to require hospital emergency treatment, and four children die on home play equipment each year.

Copies of the Playing It Safe survey report are available for $20 prepaid by writing to Playground Survey, Consumer Federation of America, 1424 16th Street, N.W., Suite 604, Washington, D.C. 20036. Copies of the Report and Model Law are available for $40 prepaid by writing to Playground Model Law at the same address.

To receive a copy of the Parent Checklist, send a self-addressed stamped envelope to Playground Checklist, P.O. Box 12099, Washington, D.C. 20005-0999. For a copy of the home play equipment fact sheet, send a self-addressed stamped envelope to Home Play Equipment at the same address.

28th Annual Awards Dinner

Sen. Thomas A. Daschle

Rep. Marcy Kaptur

Richard L. D. Morse

Bill Moyers

The Consumer Federation of America honored distinguished consumer service at its 28th Annual Awards Dinner in June.

Sen. Thomas A. Daschle (D-SD) and Rep. Marcy Kaptur (D-OH) received Philip Hart Public Service Awards.

The Esther Peterson Consumer Service Award was presented to Richard L. D. Morse, Professor Emeritus of Family Economics at Kansas State University.

Bill Moyers, head of Public Affairs Television, Inc., received the Betty Furness Consumer Media Service Award.

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