

# CAPITOL HILL UPDATE

REP. JIM GERLACH (PA-06)

Friday, May 27, 2005

[www.gerlach.house.gov](http://www.gerlach.house.gov)



## Financial Services Committee Adopts Gerlach Amendment

**WASHINGTON** -- During the mark-up of the Federal Housing Finance Reform Act (H.R. 1461) Wednesday afternoon, the House Financial Services Committee overwhelmingly adopted and included an amendment introduced by Congressman Jim Gerlach. Congressman Gerlach's amendment would look at the ability of a long-term care facility to address its future housing needs. The bill now heads to the full House for consideration.

"This is an important issue that was brought to my attention by several long-term care providers in my district," Rep. Gerlach said. "These providers, companies like Genesis Health Ventures, Beverly Health Care and Manor Care, all expressed concerns over the difficulties they're having in accessing the financial capital they need to build the next generation of long-term care facilities. My amendment to this important legislation takes the first step toward addressing this problem."

*Story Continued pg 3*

## BERKS COUNTY STUDENTS IN WASHINGTON



**THURSDAY AFTERNOON, CONGRESSMAN GERLACH MET WITH 8TH GRADE STUDENTS FROM ST. FRANCIS ACADEMY IN BALLY, BERKS COUNTY. THE STUDENTS WERE ON THEIR CLASS TRIP PRIOR TO GRADUATING FOR THE YEAR.**

## GERLACH LEGISLATION WOULD REGULATE COMMERCIAL ANIMAL BREEDERS

**WASHINGTON** -- Congressman Jim Gerlach introduced legislation this week calling for the regulation of breeders who deal in the large-scale, direct distribution of pets. Too often, these unregulated breeders operate facilities that are far-below the acceptable standard of care for pets. Congressman Gerlach's legislation would address this problem.

"This is a horrendous situation that has gone unresolved for far too long," Congressman Jim Gerlach said. "These large-scale breeders and distributors need to abide by the same safety standards and levels of decency that other breeders abide by. This is a tremendous problem in Pennsylvania, and I'm hopeful that this legislation will see a speedy approval process

in the House and in the Senate where Sen. Rick Santorum has introduced identical legislation."

The Animal Welfare Act (AWA) contains provisions that distinguish between those who sell at retail and those who sell at wholesale, regulating only those who sell at wholesale. In the past this regulatory construct was sufficient because large

*Story Continued -- Pg 2*

# CAPITOL HILL UPDATE

REP. JIM GERLACH (PA-06)

Friday, May 27, 2005

[www.gerlach.house.gov](http://www.gerlach.house.gov)



## Update on the Economy

The Bureau of Economic Analysis this week reported advance estimates showing real gross domestic product (GDP) grew at a 3.1 percent annual rate in the first quarter of this year. *This is the 14 consecutive quarter of real growth and the 8 straight quarter above 3 percent. Since the end of the recession in 2001 the expanding economy has averaged 3.4 percent real growth at an annual rate.*

Separately, the Department of Labor reported that the four week moving average of unemployment insurance claims fell by 8,000 to 323,000 for the week ending April 23, a level indicating continued strength in the labor market.

## Gerlach Introduces Puppy Mill Regulation Bill

commercial breeders and dealers could only sell their animals by selling them wholesale, which meant they were subject to the AWA. Commercial retailers at that time were small and subject to consumer scrutiny because consumers could inspect the premises when they purchased the dog or cat.

The advent of the Internet and mass marketing techniques however has changed forever the consumers' ability to "know" what he or she is actually purchasing from a large scale operation. The absence of regulatory oversight has allowed too many of these large direct sellers to operate facilities that are far below the acceptable standard of care

*Story Continued -- Pg. 3*

"Far better it is to dare mighty things, to win glorious triumphs even though checkered by failure, than to rank with those poor spirits who neither enjoy nor suffer much because they live in the gray twilight that knows neither victory nor defeat."

Those words famously uttered by Teddy Roosevelt attest to the true nature of the American spirit, the determination of our nation's people, and will of our country to be great.

It's been said that history is written by those that win. Our nation has enjoyed many glorious victories over the years, wins that have defined our country's past and set our course for the future. The stories of these wins, and those of our defeats, must be shared with our children if we are to carry on the memories of the brave men and women who have sacrificed everything to secure for us the safe, free and prosperous democracy we enjoy today.

This week, we celebrate Memorial Day and remember all of the Americans who have fought so valiantly for our nation in the fight for freedom. The celebration this year takes on additional significance as it falls on the same month in which we mark the 60th anniversary of the Allied victory in World War II. Millions of our nation's finest men and women have died to protect

our country and our way of life, and it's imperative that we remember them, cherish their memories and honor their sacrifices during this and every month.

We as a nation must also give our unwavering support to our current soldiers and the fine men and women protecting our communities here at home. In recent months, I'm proud to have been

## MEMORIAL DAY MESSAGE

part of a Congress that has appropriated the dollars for our troops in the field to have the equipment necessary to continue fighting the War on Terror. It's essential that we also give our nation's first responders the tools, equipment and access to training necessary to protect our communities. Legislation recently passed by the House will make sure homeland security dollars are distributed to our most vulnerable towns and cities first, while providing all our emergency support personnel with access to significantly more funding.

We must never forget that standing up for something, working hard for someone and fighting on for a common belief we all share as Americans is a noble calling. And we must ensure that our men and women on the frontlines have what they need to continue this fight. So I ask you, as we celebrate this Memorial Day holiday to join me in remembering all the fine individuals who gave the greatest sacrifice to our nation, those people who dared to be great and were.

# CAPITOL HILL UPDATE

REP. JIM GERLACH (PA-06)

Friday, May 27, 2005

[www.gerlach.house.gov](http://www.gerlach.house.gov)

## GERLACH INTRODUCES PUPPY MILL REGULATION LEGISLATION

for pets.

Congressman Gerlach's legislation would address this problem by regulating these large commercial direct sale operations. P.A.W.S. would:

- require a United States Department of Agriculture license for breeders who breed seven or more litters of dogs or cats a year;
- regulate dealers, including those operating through the Internet, who sell more than 25 dogs or cats a year;
- regulate anyone who imports dogs or cats, including retail pet stores, the exception being individuals who import the animals for their own use and enjoyment;
- force retail pet stores to make source records available to the Secre-



*Sen. Santorum and Rep. Gerlach sit with Baby, a dog scarred by the malicious breeding practices of a large commercial breeder.*

tary of the USDA upon request, giving

the USDA the ability to identify entities that should be licensed;

- extend the temporary suspension period from 21 to 60 days so the USDA has more time to act;
- provide the USDA Secretary

with the authority to seek injunctions in the United States District Court to have USDA attorneys represent the Secretary in court; and,

- Give the USDA Secretary the authority to seek an injunction for entities that should be licensed but are not – currently the Secretary can only seek an injunction if the entity is dealing in stolen animals or is placing the health of animals in serious danger.

“This legislation is about placing the proper restrictions and regulations on an industry that is now seriously lacking,” Rep. Gerlach said. “This is not about regulating the hobbyists and pet owners who treat their pets with respect. This is about the breeders in this business whose only motivation is profit.”

## Gerlach Amendment Overwhelmingly Adopted by House Financial Services Committee

Congressman Gerlach read the following statement at the Financial Services Committee hearing when introducing the amendment:

“Thank you, Mr. Chairman, for allowing me to offer this amendment.

Nearly 80% of long term care residents are Medicare or Medicaid beneficiaries. According to the American Health Care Association, in 2002, the average Medicaid rate for

nursing home care was an average of \$5.17 an hour.

Low reimbursement rates result

in extremely small margins for these facilities, which in turn make it extremely difficult for them to access capital for rehabilitation or expansion of their buildings

As our population ages, more and more individuals will need to



take advantage of long term care services. I have already seen this in my home state of Pennsylvania, which ranks third in the nation in the proportion of residents aged 65 and over. However, if these facilities cannot afford to expand, they will not be able

to meet the needs of our older constituents.

The Federal Home Loan Banks have already worked with several long term care facilities for low- and moderate-income families to construct and rehabilitate buildings. My amendment would direct the General Accounting Office to conduct a study of the Affordable Housing Program and its ability to assist long term

care facilities. The report would be made available to Congress and the Director of the Federal Housing Finance Agency within a year of enactment of this legislation and should be considered when setting up the Fannie Mae/Freddie Mac affordable housing fund.

It is vital that we ensure that, as our population ages, long term care facilities have the capacity to meet the needs of America's seniors.”