

signed into law by the President. S. 493 is the first in a series of anticrime initiatives I introduced that are aimed at modernizing U.S. law to reflect changes in technology.

It is estimated that the cellular telecommunications industry lost \$650 million due to fraud in 1995, much of it as a result of cloning. Cloned phones are popular among the most vicious criminal element. The feature story from the July/August edition of *Time* Digital, "Lethal Weapon: How Your Cell Phone Became Gangland's Favorite Gadget" quotes James Kallstrom, head of the FBI's New York office as describing cloners as "hard-core criminals, child pornographers and pedophiles \* \* \* violent criminals who use technology to avoid the law."

On September 11, Representative BILL MCCOLLUM, chairman of the House Judiciary Crime Subcommittee, held a very useful hearing on cellular phone cloning. The hearing discussed legislative proposals to combat cellular phone fraud. Representatives of the Secret Service, FBI, and DEA all testified that legislation resembling S. 493 would be helpful in thwarting cell phone cloning.

The hearing revealed that cloned phones have become a staple of the major drug trafficking organizations. Anthony R. Bocchichio, of the DEA stated that, "[International drug trafficking organizations] utilize their virtually unlimited wealth to purchase the most sophisticated electronic equipment available on the market to facilitate their illegal activities. We have begun to see that this includes widespread use of cloned cellular telephones."

The Secret Service—the Federal agency charged with investigating cloning offenses—has doubled the number of arrests in the area of wireless telecommunications fraud every year since 1991, with 800 individuals charged for their part in the cloning of cellular phones last year. While the cell phone law (18 U.S.C. 1029) has been useful in prosecuting some cloners, the statute has not functioned well in stopping those who manufacture and distribute cloning devices.

In testimony before Mr. MCCOLLUM's Crime Subcommittee, Michael C. Stenger of the U.S. Secret Service stressed the need to revise our current cell phone statute:

Due to the fact that the statute presently requires the proof of "intent to defraud" to charge the violation, the distributors of the cloning equipment have become elusive targets. These distributors utilize disclaimers in their advertising mechanisms aimed at avoiding a finding of fraudulent intent. This allows for the continued distribution of the equipment permitting all elements of the criminal arena to equip themselves with free, anonymous phone service.

Consistent with Mr. Stenger's recommendation, the Cellular Telephone Protection Act provides that—except for law enforcement and telecommunications carriers—there is no lawful purpose for which to possess, produce,

or sell the "copycat boxes" for cloning a wireless telephone or its electronic serial number.

For S. 493 to apply, a prosecutor would need to prove that an individual "knowingly uses, produces, traffics in, has control or custody of, or possesses hardware or software, knowing it has been configured for altering or modifying a telecommunications instrument so that such instrument may be used to obtain unauthorized access to telecommunications services." Someone who does not know that a telecommunications device has been altered to modify a telecommunications instrument would not be criminally liable under this section.

To be clear, except for law enforcement and telecommunication carriers, there is no legitimate purpose for which to possess equipment used to modify cellular phones. Representatives from the Secret Service, DEA, and FBI testified to this point at the cellular fraud hearing. As Special Agent Stenger put it, "There is no legitimate use for the equipment such as that designed to alter the electronic serial numbers in wireless telephones."

The removal of the "intent to defraud" language in 18 U.S.C. 1029 only applies to the possession and use of the hardware and software configured to alter telecommunications instruments. This narrowly targeted proposal does not apply to those who are in the possession of cloned phones. Nor does it apply to those in the possession of scanning receivers, which do have some legitimate uses.

The Senate bill enjoys broad bipartisan support. Senators CLELAND, DEWINE, DORGAN, DURBIN, GORTON, HELMS, LOTT, MIKULSKI, and THURMOND have cosponsored S. 493. And a bipartisan House companion bill (H.R. 2460) has been introduced by Representatives SAM JOHNSON, BILL MCCOLLUM, and CHARLES SCHUMER.

I am hopeful that my colleagues will join in supporting this important piece of legislation.

#### LAW ENFORCEMENT TECHNOLOGY ADVERTISEMENT CLARIFICATION ACT OF 1997

Mr. LOTT. Mr. President, I ask unanimous consent the Judiciary Committee be discharged from further consideration of H.R. 1840 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1840) to provide a law enforcement exception to the prohibition on the advertising of certain electronic devices.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I ask unanimous consent the bill be considered read a third time and passed, the mo-

tion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1840) was considered read the third time and passed.

#### ALLOWING REVISION OF VETERANS BENEFITS DECISIONS BASED ON CLEAR AND UNMISTAKABLE ERROR

Mr. LOTT. I ask unanimous consent that the Veterans Committee be discharged from further consideration of H.R. 1090, and, further, the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1090) to amend title 38, United States Code, to allow the revision of Veterans benefits decisions based on clear and unmistakable error.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mrs. MURRAY. Mr. President, I rise to encourage the Senate to adopt H.R. 1090. This legislation is identical to my bill, S. 464, to address the issue of clear and unmistakable error. S. 464 was unanimously reported by the Veterans' Affairs Committee on which I proudly serve. I want to extend my thanks to both the chairman and ranking member of our committee for moving this important legislation in a timely and bipartisan manner.

Importantly, this legislation has been adopted by the House in three consecutive Congresses. Congressman LANE EVANS has long championed this legislation; I commend him for his persistent and determined leadership. This legislation has also long been a priority issue to the Disabled American Veterans. It has been a pleasure for me to work with the DAV here in Washington, DC and with local DAV representatives in Washington State.

Clear and unmistakable errors are errors that have deprived and continue to deprive veterans of benefits for which their entitlement is undeniable. The status quo denies benefits to a small number of veterans who are legally entitled to the benefits in question. To deny a veteran a legally entitled benefit due to a bureaucratic error or other mistake is beyond comprehension in my mind.

In recent months, I've handled several cases with the Department of Veterans Affairs that directly involved clear and unmistakable error. In one case, a veteran with a serious shoulder injury dating back to the Vietnam war was rated incorrectly for more than 20 years. In another case, a veteran with PTSD also dating to service in Vietnam was misdiagnosed for a lengthy period affecting his disability rating and benefits and the treatment he received. My legislation seeks to correct