

News from Senator

BOB DOLE

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DOLE'S ANTI-FRAUDULENT ADOPTION PRACTICES ACT IS INTRODUCED TREASURY SECRETARY ENCOURAGES INVESTIGATION

WASHINGTON -- Kansas Senator Bob Dole today formally introduced legislation designed to protect prospective parents in their dealings with interstate and international adoption services.

Senator Dole's "Anti-Fraudulent Adoption Practices Act" was cosponsored by Senators Charles Grassley (R-IA), Jeremiah Denton (R-AL), Lloyd Bentsen (D-TX), Roger Jepsen (R-IA), and Orrin Hatch (R-UT).

"The need for this legislation lies in a national tragedy which only recently came to my attention," said Senator Dole. "It is a tragedy of people who prey on the emotions and frustrations of couples longing for children, of confused and distraught unwed mothers, and who do so with complete disregard for the welfare of the children who are the subject of adoption efforts. While some children were actually made available, as promised, early in the activities of this organization, the majority of the couples from whom money was obtained were left with neither their hopes fulfilled nor their money returned."

"Information brought to my attention by victims and law enforcement officers in a number of states indicated that these fraudulent adoption activities may have been carried on in as many as twenty-two states, and involved over 100 couples. I and other Senators who join with me on this bill have requested that the FBI, INS, and IRS conduct a coordinated investigation to determine the precise extent of the problem," said Dole.

"The purpose of the legislation that is being introduced today is to provide additional statutory protections to those who might be victimized by a fraud of this type. In our examination of the laws governing adoptions, it has become apparent to us that a significant gap exists in the law's ability to prevent abuses of this type occurring. That gap occurs when the parties who operate so-called "gray market" adoption rings operate across state lines and in foreign commerce. The reason for this is quite simple: the states have only that degree of authority that can be exercised within their own boundaries. While one state may have laws that may be aggressively used to prosecute or prevent such acts, a neighboring state may not; and thus, the control of interstate adoption rings that operate nationwide is of necessity a federal responsibility."

"The bill would accomplish three primary objectives: it would create a series of new federal criminal statutes that are designed to 1) prohibit fraudulent acts in connection with the offer or performance of adoption services; 2) prohibit the payment of compensation over and above expenses for adoption services performed, by limiting such compensation to fees of a state licensed adoption service, attorneys, and doctors providing professional assistance in connection with an adoption; and 3) provide for civil remedies in the United States District Courts for adoptive parents and birth mothers who are defrauded."

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"This bill is not intended to usurp the legitimate authority of the states to regulate adoption practices within the state as they see fit. What it is intended to accomplish is to provide uniform, national penalties and remedies for persons who are victimized by fraudulent adoption rings operating in interstate and foreign commerce," said Dole.

"Finally, I wish to make it clear that the bill is not meant, in any way, to prohibit or even discourage the availability of adoption services outside of the community of state licensed adoption agencies. The bill specifically excludes agreements between adoptive parents and birth mothers which may involve the payment of legitimate fees to professionals who perform valid services incident to the adoption from the reach of its provisions."

Senator Dole also today announced that he has received a response from Treasury Secretary Donald Regan to his inquiry about the feasibility of forming a federal interdepartmental task force that would coordinate various investigations currently underway. In his letter to Dole, Regan called the alleged scam a "serious matter (that) should be thoroughly investigated."

"I have asked Commissioner of Internal Revenue Roscoe Egger to look into the matter as to the possible tax ramifications. In doing this, IRS will be in touch with your office to review information that you already have and to secure the identity of authorities who are already investigating this matter. As you suggested, consideration will be given to a coordinated investigation with applicable federal law enforcement agencies," Regan told Dole.

Dole said today that he hopes to hold Senate hearings by mid-March on the legislation.