NOMINATIONS OF EUGENE J. FRANK, KENNETH W. GIDEON, JOHN M. WALKER, Jr., JUAN A. del REAL, AND THOMAS R. DONNELLY

HEARING

BEFORE THE

COMMITTEE ON FINANCE UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

FIRST SESSION

ON

NOMINATIONS OF

EUGENE J. FRANK, TO BE COMMISSIONER, UNITED STATES INTERNATIONAL TRADE COMMISSION

KENNETH W. GIDEON, TO BE AN ASSISTANT GENERAL COUN-SEL, DEPARTMENT OF THE TREASURY

JOHN M. WALKER, JR., TO BE ASSISTANT SECRETARY, DEPART-MENT OF THE TREASURY

JUAN A. DEL REAL, TO BE GENERAL COUNSEL OF THE DEPART-MENT OF HEALTH AND HUMAN SERVICES

THOMAS R. DONNELLY, TO BE ASSISTANT SECRETARY, DE-PARTMENT OF HEALTH AND HUMAN SERVICES

JULY 29, 1981

Printed for the use of the Committee on Finance



U.S. GOVERNMENT PRINTING OFFICE WASHINGTON: 1981

84-932 0

HG 97-36

5361-77

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NOMINATIONS OF EUGENE J. FRANK, KENNETH W. GIDEON, JOHN M. WALKER, JR., JUAN A. del REAL, AND THOMAS R. DONNELLY

WEDNESDAY, JULY 29, 1981

U.S. SENATE. COMMITTEE ON FINANCE, Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 2221, Hon. John Heinz, acting chairman, presiding.

Present: Senators Heinz, Symms, Grassley, and Matsunaga. [The press releases announcing this hearing, and Senator Dole's opening statements follow]:

FINANCE COMMITTEE SCHEDULES HEARINGS ON NOMINATIONS OF EUGENE J. FRANK, TO BE COMMISSIONER, U.S. INTERNATIONAL TRADE COMMISSION, AND KENNETH W. GIDEON, TO BE AN ASSISTANT GENERAL COUNSEL, DEPARTMENT OF THE TREASURY.

Robert J. Dole, Chairman of the Committee on Finance, announced today that the committee has scheduled hearings on the nominations of Eugene J. Frank to be a Commissioner of the United States International Trade Commission, and Kenneth W. Gideon to be an Assistant General Counsel, Department of the Treasury (Chief Counsel for the Internal Revenue Service).

The hearings are scheduled for Wednesday, July 29, 1981, beginning at 10:00 a.m. It will be held in Room 2221, Dirksen Senate Office Building. Immediately following the hearings, the committee will meet in executive session to consider the nominations of Mr. Frank and Mr. Gideon.

WRITTEN TESTIMONY

The committee will be pleased to review written testimony from those persons or organizations who wish to submit statements on the nominations for the record. Statements submitted for inclusion in the record should be typewritten, not more than 25 double-spaced pages in length and mailed with five (5) copies to be received by July 28, 1981, to Robert E. Lighthizer, Committee on Finance, Room 2227, Dirksen Senate Office Building, Washington, D.C. 20510

FINANCE COMMITTEE SCHEDULES ADDITIONAL HEARINGS ON NOMINATIONS OF JOHN M. WALKER, JR., TO BE ASSISTANT SECRETARY OF TREASURY, JUAN A. DEL REAL, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND THOMAS R. DONNELLY, TO BE ASSISTANT SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Robert J. Dole, Chairman of the Committee on Finance, announced today that the committee in addition to the nomination of Eugene J. Frank to be a Commissioner of the United States International Trade Commission and Ken-neth W. Gideon to be an Assistant General Counsel, Department of the Treasury (Chief Counsel for the Internal Revenue Service), has scheduled hearings on the nominations of John M. Walker, Jr., to be Assistant Secretary for Enforcement and Operations, Department of the Treasury; Juan A. del Real, to be General

Counsel of the Department of Health and Human Services; and Thomas R. Donnelly, to be Assistant Secretary for Legislation, Department of Health and Human Services.

The hearings are scheduled for Wednesday, July 29, 1981, beginning at 10 a.m.

It will be held in Room 2221, Dirksen Senate Office Building. Immediately following the hearings, the committee will meet in executive session to consider the nominations of Mr. Frank, Mr. Gideon, Mr. Walker, Mr. del Real, and Mr. Donnelly.

WRITTEN TESTIMONY

The committee will be pleased to review written testimony from those persons or organizations who wish to submit statements on the nominations for the record. Statements submitted for inclusion in the record should be typewritten, not more than 25 double-spaced pages in length and mailed with five copies to be received by July 28, 1981, to Robert E. Lighthizer, Committee on Finance, Room 2227, Dirksen Senate Office Building, Washington, D.C. 20510.

STATEMENT OF SENATOR DOLE ON THE NOMINATION OF THOMAS R. DONNELLY, JR.

Mr. President, on July 29, 1981, The Committee on Finance held a hearing on the nomination of Thomas R. Donnelly to be Assistant Secretary of the Department of Health and Human Services for legislation. The Committee has reviewed Mr. Donnelly's financial forms, and the report of the Office of Govern-ment Ethics. We are confident that there are no problems in any of those areas.

The position to which Mr. Donnelly has been nominated is very important to the smooth functioning of the Department of Health and Human Services. The Assistant Secretary for Legislation is responsible for the day-to-day operations of the Office of Legislation and for advising the Secretary on all matters of legislative policy affecting the Department. The Office of Legislation includes divisions responsible for health, human services, appropriations and contains the Office of Congressional Liaison which is responsible for on-going interaction with the 535 Members of Congress.

Mr. Donnelly brings a broad-range of legislative and management experience to his new assignment. Prior to joining the administration, he served for 7 years as managing partner of Louis C. Kramp & Associates, a Washington based government relations counseling firm. From 1972-74 Mr. Donnelly served as an advisor to the President's Cost of Living Council and the Office of Economic Opportunity.

After 4 years service at the national headquarters of the United States Jaycees in Tulsa, Oklahoma, as the executive vice president and chief operating officer, Mr. Donnelly came to Washington in 1970 to succeed Bud Wilkinson as executive

vice president of the National Center for Voluntary Action. A graduate of Princeton University with a BSE in chemical engineering, Mr. Donnelly served 5 years in industry before joining the Jaycees national staff. A native of Steubenville, Ohio, Mr. Donnelly is married and the father of three

teen-age sons.

Mr. President, I urge the Senate to approve his nomination.

STATEMENT OF SENATOR DOLE ON THE NOMINATION OF EUGENE J. FRANK

Mr. President, on July 29, 1981, the Committee on Finance held a hearing on the nomination of Eugene J. Frank to be a Commissioner of the U.S. Inter-national Trade Commission. As chairman of the committee, it is a privilege and a pleasure to report favorably on the nomination of Mr. Frank. The committee has reviewed Mr. Frank's financial statement and the report of the Office of Government Ethics. We are confident that there are no problems in any of these areas.

Mr. Frank has been nominated to fill a very important position. The U.S. International Trade Commission plays a vital role in the functioning of our fair and unfair trade practice laws. While decisions under statutes like section 201 of the Trade Act of 1974, the so-called escape clause and section 337 of the Tariff Act of 1930 are reviewable by the President, they are an important part of our industrial adjustment process. Under the countervailing duty and antidumping statute the Commission's decisions are not reviewable by the President and can result in the immediate imposition of additional duties. The Commission also serves as advisor to both the Congress and the President on the most sensitive trade issues.

Mr. President, Mr. Frank is well qualified to serve in the position to which he has been nominated.

Mr. Frank received a B.A. degree in economics from Western Maryland College and a masters degree in finance from the University of Pittsburgh. Mr. Frank taught at the Graduate School of the University of Pittsburgh and lectured at Fordham University and Robert Morris College. Mr. Frank's 30-year business career has been spent as an investment banker, economist and financial consultant and through the years he has become a recognized authority on world trade and heavy industry.

As an investment banker he primarily served as a general partner of Singer Deane & Scribner and its director of research. He also served as vice president of Shearson Hayden Stone for research and investment banking, and president of E. J. Frank Associates.

In the area of financial and economic research he has been involved in micro studies of several major industries. His work included a review of these industries' productive capabilities, inventory, research and development, availability of raw materials, competition from other materials and products, and capital requirements along with the industries' labor, energy, transportation, capital costs and its import and export position.

Mr. President, I urge the Senate to approve his nomination.

STATEMENT OF SENATOR DOLE ON THE NOMINATION OF KENNETH W. GIDEON

Mr. President, on July 29, 1981 the Committee on Finance held a hearing on the nomination of Kenneth W. Gideon to be Assistant General Counsel of the Department of the Treasury. In this position he will serve as Chief Counsel for the Interal Revenue Service. As chairman of the committee it is a privilege and a pleasure to report favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon. The committee has reported favorably on the nomination of Mr. Gideon favorably on the nominatic favorably on the nomination of Mr. Gideon fa

The position of Chief Counsel for the Internal Revenue Service is an extremely important position, demanding an individual of great expertise and ability. I believe Mr. Gideon's background, education and experience provide him with the skills necessary for this position. He is a graduate of Harvard University and Yale Law School. He is presently a partner in the law firm of Fulbright & Jaworski of Houston, Tex. He has been active in the practice of Federal and State tax law since joining that firm in 1971. He has been active in the American Bar Association, serving as chairman of the committee on court procedures of the section of taxation from 1979 to 1981. Mr. Gideon has also been active with the Texas State Bar Association.

Mr. President, I urge the Senate to approve his nomination.

STATEMENT OF SENATOR DOLE ON THE NOMINATION OF JUAN DEL REAL

Mr. President, on July 29, 1981, the Committee on Finance held a hearing on the nomination of Juan del Real to be General Counsel of the Department of Health and Human Services. As chairman of the committee it is a privilege and a pleasure to report favorably on this nomination. The committee has reviewed Mr. del Real's financial forms and the report of the Office of Government Ethics and we are confident there are no problems in this area.

Ethics and we are confident there are no problems in this area. The position to which Mr. del Real has been nominated is vital to the effective operation of the Department of Health and Human Services. The General Counsel, as chief legal officer, is responsible for providing legal advise and guidance on the entire range or programs and legal issues arising from the agencies substantive jurisdiction. I believe Mr. del Real has the requisite skills and background to carry out the functions of the position.

He graduated from St. Louis University Law School, cum laude, in 1966. After graduating from law school he practiced law in Washington, D.C., and served as special assistant to the president of the Central Aguirre Sugar Co. in Puerto Rico before returning to the practice of law in Washington, D.C. He became a partner in charge of the litigation department of Hill, Christopher & Phillips. He is married, with three children.

Mr. President, I urge the Senate to approve his nomination.

Senator HEINZ [acting chairman, presiding]. It is a great pleasure for me to welcome to the Committee on Finance, Eugene J. Frank, to be Commissioner of the U.S. International Trade Commission.

Kenneth W. Gideon, to be Assistant General Counsel, Department of the Treasury.

John M. Walker, Jr., who has been nominated to be Assistant Secretary for the Department of the Treasury.

Juan A. del Real who has been nominated to be General Counsel to the Department of Health and Human Services.

Thomas R. Donnelly who has been nominated to be Assistant Secretary for the Department of Health and Human Services.

Gentlemen, we are delighted to have all five of you here.

I believe all the members of the Finance Committee have been provided with biographical material on the nominees. The financial disclosure form of all nominees has been reviewed by the chairman, as well as the materials which they filed with the Office of Government Ethics.

The chairman has informed me that he is satisfied that there are no problems in this area.

The Director of the Office of Government Ethics has forwarded a letter to the committee approving each of these nominees' compliance with the Ethics in Government Act.

Those letters will be made a part of the record.

[The material follows:]

OFFICE OF GOVERNMENT ETHICS. Washington, D.C., July 17, 1981.

Hon. ROBERT DOLE,

Chairman, Committee on Finance.

U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Eugene J. Frank, who has been nominated by President Reagan for the position of Commissioner of the United States International Trade Commission.

We have reviewed the report and have also obtained advice from the International Trade Commission concerning any possible conflict in light of the Com-mission's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Frank is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

Enclosure.

J. JACKSON WALTER, Director.

OFFICE OF GOVERNMENT ETHICS. Washington, D.C., June 29, 1981.

Hon. ROBERT DOLE. Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Kenneth W. Gideon, who has been nominated by President Reagan for the position of Chief Counsel for the Internal Revenue Service, Department of the Treasury. We have reviewed the report and have also obtained advice from the Depart-

ment of the Treasury concerning any possible conflict in light of the Department's functions and the nominee's proposed duties.

Mr. Gideon has agreed to recuse himself in any particular matter in which he may have participated or in which the law firm of Fulbright & Jaworski or any of its partners or associates have had, now have, or may have any connection while he serves as Chief Counsel. In a disqualification memorandum issued while serving as a consultant to the Office of the Chief Counsel, Mr. Gideon set forth other instances in which he will disqualify himself. It is our understanding that if confirmed he intends to continue this policy as Chief Counsel. We are enclosing a copy of the memorandum for your information.

Based on these commitments, we believe that Mr. Gideon will be in compliance with applicable laws and regulations governing conflicts of interest. Sincerely,

J. JACKSON WALTER, Director.

OFFICE OF GOVERNMENT ETHICS, Washington, D.C., June 11, 1981.

Hon. ROBERT DOLE, Chairman, Committee on Finance. U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by John M. Walker, Jr., whose nomination as Assistant Secretary for Enforcement and Operations,

Department of the Treasury, has been sent to you by President Reagan. We have reviewed the report and have obtained advice from the Department of the Treasury concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. In his disclosure report, Mr. Walker has indicated the existence of eight pre-

viously established trusts and has enumerated their portfolios. Mr. Walker has a one-sixth contingent remainder interest in each of these trusts. Neither Mr. Walker nor his spouse has received any property or income from the trusts during calendar year 1980 or 1981. We understand that, pursuant to accepted precedents, Mr. Walker will receive a waiver determination under 18 U.S.C. § 208(b) with

will recuse himself from dealing with any particular matter involving the assets of the proposed portfolio pending qualification of the trust by this Office.

Subject to the considerations noted above, we believe that Mr. Walker will be in compliance with applicable laws and regulations governing conflicts of interest. Sincerely,

J. JACKSON WALTER, Director,

Enclosure.

OFFICE OF GOVERNMENT ETHICS, Washington, D.C., July 23, 1981.

Hon. ROBERT DOLE, Chairman, Committee on Finance.

U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Juan A. del Real, whose nomination to the position of General Counsel of the Department of Health and Human Services has been sent to you by President Reagan.

We have reviewed the report and have also obtained advice from the Department of Health and Human Services concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. We understand that Mr. del Real has agreed to recuse himself from participating in any matter which may arise within the Department involving his former law firm, Hill, Christopher and Phillips. Based thereon, we believe that Mr. del Real is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely yours,

J. JACKSON WALTER, Director.

Enclosure.

Office of Government Ethics, Washington, D.C., July 23, 1981.

Hon. ROBERT DOLE, Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Thomas R. Donnelly, Jr., whose nomination to the position of Assistant Secretary for Legislation in the Department of Health and Human Services has been sent to you by President Reagan.

We have reviewed the report and have also obtained advice from the Department of Health and Human Services concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe Mr. Donnelly is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely.

J. JACKSON WALTER, Director.

Enclosure.

Now, in deference to Senator Warner, who has a tight schedule

this morning, we will proceed first with Mr. Thomas R. Donnelly. Senator Warner, I welcome you to the Finance Committee. I believe you would like to introduce Mr. Donnelly, if I am not mistaken.

STATEMENT OF HON. JOHN WARNER, U.S. SENATOR, STATE OF VIRGINIA

Senator WARNER. Thank you, Mr. Chairman. I am indeed pleased to introduce Thomas R. Donnelly, Jr., the President's nominee, to be Assistant Secretary for Legislation, Department of Health and Human Services.

A native of Ohio and a graduate of Princeton University, Mr. Donnelly, along with his wife and three sons, have resided in Virginia for the past 11 years.

Mr. Donnelly possesses the broad range of legislative and management expertise necessary for the position to which he has been nominated.

Mr. Donnelly served for 7 years as managing partner of Louis C. Kramp & Associates, a Washington-based government relations counseling firm, a position which enabled him to develop strong ties and working relationships with key personnel in the executive and legislative branches of Government.

Previously, he served as an adviser to the President's Cost of Living Council and the U.S. Office of Economic Opportunity.

He has long been active in the United States Jaycess, serving as the executive vice president and chief operating officer at the national headquarters in Tulsa, Okla.

Mr. Donnelly's Washington, D.C., experience began with his succession to executive vice president of the National Center for Voluntary Action in 1970.

It is with much enthusiasm, Mr. Chairman, that I welcome Mr. Donnelly's nomination and look forward to working with him in furtherance of the objectives of mutual interest to this committee and the administration.

Senator HEINZ. Senator Warner, thank you very much.

Senator WARNER. Thank you very much.

Mr. Chairman, I will have to absent myself to go to the Armed Services Committee. He is fully qualified. He is on his own.

Senator HEINZ. The record will so note.

Mr. Donnelly, do you know of any reason you are not qualified to hold the position for which you have been nominated?

STATEMENT OF THOMAS R. DONNELLY, NOMINATED TO BE AS-SISTANT SECRETARY, DEPARTMENT OF HEALTH AND HU-MAN SERVICES

Mr. DONNELLY. No, sir, Mr. Chairman, I do not.

Senator HEINZ. Have you reviewed the conflict of interest laws and regulations with the committee's chief counsel?

Mr. DONNELLY. 1 have.

Senator HEINZ. Do you have any statement you wish to make? Mr. DONNELLY. I would like to make a very short statement, Mr. Chairman, if I may.

Mr. Chairman, I appreciate the opportunity to appear before you today, to be considered for the position of Assistant Secretary for Legislation, at the Department of Health and Human Services.

I am very honored to be the President's nominee and to join the team being assembled by Secretary Schweiker at the Department.

I believe, Mr. Chairman, that any Assistant Secretary for Legislation has a very important dual responsibility.

First, he must be a spokesperson for the administration, accurately and effectively communicating the administration's views to the Members of the Congress and their staffs, in a timely fashion.

Second, I believe this responsibility requires someone who is willing and able to respond to the needs of the Members of Congress, to convey their views and concerns to the administration, and to facilitate the exchange of necessary information, the factual presentation of data and the meeting of constituent needs.

I am very conscious of the role that this presents of a responsive public servant, the role of information conduit and communicator and pledge to you that all of those on my staff will be dedicated to that objective.

Mr. Chairman, if my nomination is approved by this committee and by the Senate, I will look forward with great pleasure to continuing my work with the distinguished members of this committee and to serving your needs to the best of my ability.

I would be happy to respond to any questions you may have. Senator HEINZ. Mr. Donnelly, thank you very much. I have no questions. At the conclusion of the hearings on the five, the committee will then act on the nominations, if it sees fit.

You are excused for now.

Mr. DONNELLY. Thank you very much. Senator HEINZ. I would now like to call Mr. Eugene J. Frank. The Chair would note, the Chair is totally objective in the case of Mr. Frank, he being a resident of Pittsburgh, Pa., as is the Chair.

Mr. Frank, I will ask you three questions.

Do you know of any reason you are not qualified to hold the position for which you have been nominated?

STATEMENT OF EUGENE J. FRANK, NOMINATED TO BE COMMIS-SIONER, U.S. INTERNATIONAL TRADE COMMISSION

Mr. FRANK. No, I do not.

Senator HEINZ. Have you reviewed the conflict of interest laws and regulations with the committee's chief counsel?

Mr. FRANK. I have.

Senator HEINZ. Do you have any statement?

Mr. FRANK. I do not have a statement. I would like to say it is an honor and a privilege to be considered as a Commissioner of the U.S. International Trade Commission. I am humbled by the responsibility of the office.

I want to thank those who put their faith in me to carry out those responsibilities. I look forward to serving my country, again, and intend to make a positive contribution to its well-being and its future.

Senator HEINZ. Well, if I may say so, Gene, it is a pleasure to see you here. We look forward to seeing a lot of you, not to prejudge the vote of the committee, but we look forward to seeing a lot of you at the ITC, and of course, I am very proud and pleased that the President has nominated you to this position.

Mr. FRANK. Thank you very much.

Senator HEINZ. Thank you.

I have no further questions.

Would Mr. Kenneth W. Gideon please come forward.

STATEMENT OF KENNETH W. GIDEON, NOMINATED TO BE ASSISTANT GENERAL COUNSEL, DEPARTMENT OF THE TREASURY

Mr. GIDEON. Mr. Chairman.

Senator HEINZ. Mr. Gideon, you have been nominated to be Assistant General Counsel of the Department of Treasury, in fact, Chief Counsel for the Internal Bouenue Service is that correct?

Chief Counsel for the Internal Revenue Service; is that correct? Mr. GIDEON. Yes, sir.

Senator HEINZ. Do you know of any reason why you are not qualified to hold the position to which you have been nominated?

Mr. GIDEON. No, sir.

Senator HEINZ. Have you reviewed the conflict of interest laws and regulations with the committee's chief counsel?

Mr. GIDEON. I have.

Senator HEINZ. Do you have any statement?

Mr. GIDEON. I would like to make a very brief statement, Mr. Chairman.

Senator HEINZ. Please proceed.

Mr. GIDEON. I am honored to be here today, and very honored to be the administration's nominee for this post.

I pledge to the committee, as I have pledged to the administration, that to the best of my ability, I will assist the Commissioner in the fair and vigorous enforcement of our Internal Revenue Laws.

Thank you.

Senator HEINZ. Well, the Chair has no questions, but would observe that as Chief Counsel to the IRS, you are going to have your hands full.

Mr. GIDEON. Yes, sir. That is already apparent.

Thank you.

Senator HEINZ. Thank you.

The Chair would call Mr. John M. Walker, Jr.

STATEMENT OF JOHN M. WALKER, JR., NOMINATED TO BE ASSISTANT SECRETARY, DEPARTMENT OF THE TREASURY

Mr. WALKER. Thank you, Mr. Chairman.

Senator HEINZ. Mr. Walker, you have been nominated to be Assistant Secretary of Enforcement and Operations of the Department of the Treasury.

Do you know of any reason you are not qualified to hold the position for which you have been nominated?

Mr. WALKER. No, Mr. Chairman.

Senator HEINZ. Have you reviewed the conflict-of-interest laws and regulations with the committee's chief counsel?

Mr. WALKER. Yes; I have.

Senator HEINZ. Do you have any statement?

Mr. WALKER. I have no prepared statement. I would simply like to thank the committee and the chairman for the opportunity to appear here.

I too, am humbled and honored to be considered for this nomination, for Assistant Secretary for Enforcement and Operations of the Treasury.

I look forward to working with Secretary Regan, on his team, and with the entire administration team, as we move forward in the years ahead.

I would like again, to thank the committee, for the opportunity to appear here.

Senator HEINZ. Mr. Walker, I have no questions, but Senator Danforth, of Missouri, has a question for you that he will submit to you for the record. I know he would appreciate as promptly as possible, a written response to that question.

Mr. WALKER. Very well. I will be happy to answer it.

Senator HEINZ. Mr. WALKER, thank you very much.

Mr. WALKER. Thank you.

Senator HEINZ. Our last nominee is Mr. Juan A. del Real.

Mr. del Real, you are nominated to be General Counsel for the Department of Health and Human Services.

Do you know of any reason you are not qualified to hold the position for which you have been nominated?

STATEMENT OF JUAN A. del REAL, NOMINATED TO BE GENERAL COUNSEL, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. DEL REAL. I do not, Mr. Chairman.

Senator HEINZ. Have you reviewed the conflict-of-interest laws and regulations with the committee's chief counsel?

Mr. DEL REAL. I have, sir.

Senator HEINZ. Do you have any statement?

Mr. DEL REAL. A very brief one.

Mr. Chairman, I am deeply honored to appear before you this morning as President Reagan's nominee for the position of General Counsel of the Department of Health and Human Services.

As the Nation's principal agency for health and the delivery of social services, HHS will be at the forefront of issues vital to the administration and to the country as a whole. I look forward to participating in the analysis and resolution of those issues, and assisting the administration to achieve its overall goal of providing efficient and timely health care and social services to our citizens while preserving the integrity of the Federal budget.

Under the leadership of the President and Secretary Schweiker, together with the Congress, I am confident that this goal can and will be achieved.

I hope that I can contribute to that process.

That concludes my statement, Mr. Chairman.

Senator HEINZ. Very well, Mr. del Real.

The Chair has no questions. Unless any other member of the committee has any questions, the hearing will recess. We will recess temporarily at the call of the Chair, to go into executive session to consider your nominations.

We cannot go into executive session to consider your nominations until there are at least two people of different parties present here. We expect to have another qualifying Senator here very shortly.

So, those of you who have family and friends, which I imagine constitutes the vast majority of the audience out there, I don't think it will be too long.

[A short recess was taken.]

Senator HEINZ. For the record.

Before we go into executive session to consider these nominations, I would like to note the participation of Senator Matsunaga—thanks to his participation, we will be able to proceed very shortly into executive session—and Senator Symms.

Senator Symms is here particularly because he has a question he would like to put to Mr. Walker.

So, I would ask that Mr. Walker please come back to the committee. We will proceed with the hearing.

Mr. WALKER. Good morning.

Senator HEINZ. Let me now-I would now yield to Senator Symms.

Senator SYMMS. Go ahead. I have some questions. OK. Mr. Walker, welcome to the committee. I apologize. I was late. I was upstairs. We were trying to get a quorum to confirm some other nominees in the Environment and Public Works Committee. I was standing by there. I didn't realize how rapid our distinguished chairman ran the hearing this morning, but he is on the ball, as we all know.

What my concern is, we discussed this with you earlier this year, in a meeting with some other Senators, in Senator Stevens' office, I think privately we have discussed it.

If you had a chance now since that time to give your careful scrutiny to the McClure-Volkmer bill, which would reform the 1968 Gun Control Act and repeal certain sections of it.

If you feel you would be able to give your endorsement of that in your new position as an administration position.

Mr. WALKER. Senator, I have some time ago examined the bill and I informed Senator McClure that I fully supported the intent and purpose of the McClure-Volkmer bill as I understood it and as he explained it to me.

I have since that time spoken to various law enforcement officials who would be involved in administering the Firearms Act as reformed by the McClure-Volkmer bill and in general, I believe that the bill can be effectively enforced while at the same time protecting the rights of citizens against perhaps arbitrary or ill-advised actions by law enforcement officers which has been a problem in the past.

I do not at this time have, and I do not come today prepared to say with regard to each and every detail and paragraph, I could support it. But I am quite sure, and I told Senator McClure this, that I can get my staff and his staff together and we can work out whatever differences there might be between us.

Senator SYMMS. Well, I appreciate that answer very much. In other words, what we could anticipate then from you and your people would be there would most certainly not be opposition to the conceptual idea of it and there might be a technical detail or a difference here or there that you would want to work out some differences.

Mr. WALKER. There may be some technical details. I mean, for instance, broadly speaking, there are certain violations now in the Firearms Act which do not require willfulness. The McClure-Volkmer bill wants to make them willful violations under the law so that people know where they stand and that truly criminal abuse of firearms is prosecuted and not innocent abuse.

I wholly support that concept. That is one area.

There are other areas of a technical nature that I think are important to reform the Firearms Act. I think that the act needs reforming.

With regard to each and every detail, as I say, I cannot speak, but I certainly support the intent of it.

Senator SYMMS. Thank you very much. I appreciate that very much. That is my primary question.

Senator MATSUNAGA. One question, it is not a question or a request, I have no doubts, Mr. Walker that you will be confirmed. But as one in charge of the operations of U.S. Customs, I will make this request that you will go to Honolulu personally, yourself, and stand in line with the tourists who come in from the Orient and wait there in line for your turn to go through that gate. You will spend as much as 4 hours while your loved ones will be waiting on the outside.

I wish something could be done.

Mr. WALKER. Senator, I look forward to visiting Hawaii for this purpose. I look forward perhaps even to going to the Orient to be able to make the appropriate entry at some point.

I can say that Customs is working very hard now to expedite passenger processing. There are two tests in plan for this summer; one in Miami and one in Los Angeles which should vastly expedite passenger processing at the major terminals.

We would certainly expect, if these tests are successful, to expand them to Hawaii.

In the meantime, I will personally look into the situation as it exists now in Hawaii, and make sure we can do things, whatever we can under the existing situation this year so that we can reduce delays.

Senator MATSUNAGA. Thank you very much. I would appreciate it.

Senator HEINZ. Senator Grassley, do you have a particular witness you had a question for?

Senator GRASSLEY. No, thank you, Mr. Chairman.

Senator HEINZ. Very well. We will move right along then and see if we can conclude our markup.

Let me call Mr. del Real, if I may. Mr. Walker, you are excused.

Mr. WALKER. Thank you, Senator.

Senator HEINZ. I believe Senator Matsunaga, Mr. del Real, has a question for you.

Mr. DEL REAL. Yes, sir. Good morning, Senator.

Senator MATSUNAGA. How do you do.

Thank you, Mr. Chairman. I am certainly happy to be able to sit in a position where I am assisting to confirm your nomination.

Looking over your biography, I find that your's is another true story of the American dream come true, that this is the land, regardless where one's parents come from or where one himself comes from, rise to the top.

I am truly amazed that in the short time, that you have been an American citizen, that you are up here being heard for your confirmation as appointment to a high Federal Government position. I want to congratulate you.

Mr. DEL REAL. Thank you very much, Senator. I very much appreciate your comments.

Senator HEINZ. Mr. del Real, if there are no further questions, you are excused.

Senator SYMMS. Mr. Chairman, for the record, I may want to put one question to Mr. Walker that we don't have to do right now. I can submit it in writing. I know you want to vote here.

Senator HEINZ. Without objection, we will submit it. I indicated to all witnesses that such questions would be entertained and submitted and answered in writing.

Senator SYMMS. Thank you.

Mr. WALKER Certain questions have been submitted to me in writing. I am prepared to answer these questions. I will read the questions and then supply the answer.

The first question is a rather lengthy one from Senator Danforth. The question is as follows: I know you are aware by now the issue surrounding the petition—I know you are aware by now the issues surrounding the petition filed by the Industrial Fasteners Institute, in June 1978, to remove nuts, bolts, and rivets from the J list.

Customs, in August 1979, published a notice in the Federal Register proposing to remove these items from the J list and ask for comments.

The industry, 2 years later, is still waiting for a decision.

During the hearings on the Customs Procedural Reform and Simplification Act, H.R. 8149, before the International Trade Subcommittee of the Senate Finance Committee, in February 1978, I indicated that I was going to propose an amendment requiring Treasury to revise the J list within 120 days on the basis of a proposal to define the phrase, "substantial quantities," in the relevant statute to be important quantities in excess of 5 percent of domestic production during the base period.

Pursuant to 19 U.S.C. section 1304, articles which were imported during the base period—1932-36—in "substantial quantities" were not required to be marked with their country of origin and would be placed on the J list.

Nuts, bolts, and rivets appear on the J list, notwithstanding that their import level during the base period was less than .1 percent of domestic production. The proposed amendment would have necessitated Treasury's granting the IFI's request.

I was asked in 1978, by the Department of Treasury, not to propose the amendment as it would possibly jeopardize passage of an otherwise noncontroversial bill. I agreed to drop the amendment on Treasury's commitment to review, on the merits, any petition to revise the J list.

I believe Treasury is committed to honoring that agreement, a decision on the merits.

Further, it would seem to me that Treasury, on behalf of the Reagan administration, would want to review the matter as soon as possible since industry has waited long enough for an answer to its request.

My question is: When can we expect a Treasury decision on whether to remove nuts, bolts, and rivets from the J list?

Senator, the answer I can give to that is that Treasury's decision sho ld be made within 45 to 60 days from today. We ought to be able to announce our decision within that period.

The next question is from Senator Symms. Senator Symms asks: What is your understanding of civil rights abuses under the Gun Control Act of 1968, by agents of the Bureau of Alcohol, Tobacco, and Firearms?

My answer is that I am aware of allegations that have been made of abuses, by agents of the Bureau of Alcohol, Tobacco, and Firearms.

I have conducted an inquiry during the past few months, into such allegations by collecting all of the materials that are available on this subject, from relevant agencies that would have information on this subject.

These allegations include the use of "strawman" techniques to bring about convictions of firearms dealers who would otherwise have no intent to break the law.

The allegations also include the seizure and forfeiture of guns which were not involved in any criminal acts and the arrest of persons for violations, after those persons had received assurances or had been informed that the conduct involved did not involve violations of the law.

Now, without getting into the truth or falsity of each of these allegations in particular cases, which I would not think would be appropriate, I have taken certain steps and will take certain steps to make sure that the possibility of future abuses are drastically reduced, if not entirely eliminated.

First of all, I will insist and have insisted on accountability for the use of the "strawman" technique in investigations. Under present procedures which have been adopted at my request, the Director of the Bureau of Alcohol, Tobacco, and Firearms must personally approve the use of any strawman technique and then only against persons whose criminality has been established.

The agent in the field may not utilize that technique without appropriate guidance from headquarters.

In any such case, when the technique is employed, the Director is required, after he approves the use of it, to inform my office of its use, so that our office can monitor its use.

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Second, it will be a policy of this administration to focus the law enforcement resources in the firearms area on criminal misuse which is centered largely in urban areas and away from the more rural areas where criminal firearms trafficking is less of a problem.

We will be vigilant, to investigate and urge the prosecution of the criminal misuse of firearms.

The Bureau of Alcohol, Tobacco, and Firearms will not seek to make technical cases against individuals as to whom there is no reasonable belief that they are engaged in any criminal conduct.

A further policy that will be implemented under this administration if I am confirmed will be to require the prompt return of firearms to dealers who have been tried and acquitted, and not to continue to hold their firearms after they have been acquitted of charges.

In the past, as I understand it, there have been incidents or allegations of incidents where seizures have occurred of firearms which were lawfully held by the individual, who may have committed violations with respect to other firearms. Such practices will not occur under this administration. Firearms which are lawfully possessed, and held by dealer or individual, would not be the subject of seizure if violations with respect to other firearms have occurred. That will be contained in written directives and policies.

Finally, my office will continue to carefully analyze and respond to allegations of any abuses, and this goes not only for the Bureau of Alcohol, Tobacco, and Firearms, but every law enforcement agency that comes within the purview of the Assistant Secretary of Enforcement and Operations. I will insist, where necessary, on written procedures to correct any such abuses which might arise.

Having said that, I would like to say that the law enforcement efforts of Treasury will be conducted fairly, but by the same token, we intend to vigorously pursue violations of law, by criminals, and pursue the criminal misuse of firearms when such violations appear.

Thank you very much.

A further question was asked here, and that is what specific steps do you plan to take to prevent further abuses. I believe I have answered that question in the context of my previous answer.

[Whereupon, at 10:35 a.m., the hearing adjourned, subject to the call of the Chair.]

[Additional material for the record follows:]

BIOGRAPHICAL SKETCH, THOMAS R. DONNELLY, JR.

On June 27, 1981, Thomas R. Donnelly, Jr. was named Acting Assistant Secretary for Legislation by Secretary Richard S. Schweiker. Mr. Donnelly was sworn in on March 2, 1981, and had been serving as Deputy Assistant Secretary for Legislation (Special Projects). In his new assignment, Mr. Donnelly is responsible for the day-to-day operations of the Office of Legislation and for advising the Secretary on all matters of legislative policy affecting the Department. The Office of Legislation includes divisions responsible for Health, Human Services, Appropriations and contains the office of Congressional Liaison which is responsible for on-going interaction with the 535 members of Congress.

for on-going interaction with the 535 members of Congress. Mr. Donnelly brings a broad range of legislative and management experience to his new assignment. Prior to joining the Administration, he served for seven years as managing partner of Louis C. Kramp and Associates, a Washington based Government Relations Counseling firm. From 1972-74 Mr. Donnelly served as an advisor to the Presidents' Cost of Living Council and the Office of Economic Opportunity. Officer, Mr. Donnelly came to Washington in 1970 to succeed Bud Wilkinson as Executive Vice President of the National Center for Voluntary Action. A graduate of Princeton University with a BSE in Chemical Engineering, Mr. Donnelly served five years in industry before joining the Jaycees National staff. A native of Steubenville, Ohio, Mr. Donnelly is married and the father of three teenage sons.

Resume, Eugene J. FRANK

Mr. Frank received a B.A. degree in Economics from Western Maryland College and a Masters Degree in Finance from the University of Pittsburgh. Mr. Frank has taught at the Graduate School of the University of Pittsburgh and has lectured at Fordham University and Robert Morris College. Major sub-jects taught included Business Forecasting, International Trade, Government Monetary and Fiscal Policy, Advanced Economic Theory and Capital Formation.

EXPERIENCE

Mr. Frank's thirty year business career has been spent as an Investment Banker, Economist and Financial Consultant and through the years he has become a recognized authority on World Trade and Heavy Industry.

As an Investment Banker he primarily served as a General Partner of Singer Deane & Scribner and its director of Research (now Butcher Singer), also Vice President of Shearson Hayden Stone for Research and Investment Banking, and President of E. J. Frank Associates.

In the area of financial and economic research he was involved in micro studies of all major industries. An in-depth study of each industry included: Market studies on a historical, current and forecast basis, a review of the industries' pro-ductive capabilities, inventory, research and development, availability of raw materials, competition from other materials and products, and capital require-ments were analyzed along with the industries' labor, energy, transportation,

capital costs and its import and export position. For certain industries with intense foreign competition studies were under-taken to develop a comparison of the domestic industry with its foreign competitors. Several industries were compared with their foreign counterparts on a constructed cost basis as well as a pricing basis. Factors taken into consideration include the degree of Government subsidation and/or ownership, tax policy, depreciation policy, financial arrangements and key cost factors such as labor, energy and transportation.

As a result of his in-depth analysis of offshore industries Mr. Frank was asked to participate in the Landmark Gilmore Steel Antidumping Case against Japanese steel plate producers. Mr. Frank's team provided the Gilmore Steel Company with the documented data and the formula to use that data to establish constructed Japanese steel manufacturing costs. The Gilmore Steel Case resulted in a finding of "dumping" against the Japanese plate producers. The Gilmore formula for constructed costs were used in part by the Department of the Treasury in the development of the Trigger Price Mechanism.

Mr. Frank and his staff prepared an "Analysis of the Trigger Price Mech-ism" for the United Steel Workers of America. The conclusions of the analysis anism' proved to be accurate.

For industries with severe import problems additional studies were undertaken to determine if imports may have impacted domestic capabilities and what effect the loss of domestic capability had on other domestic industries and the national economy as a whole.

Through his involvement in trade issues and the study of the trade practices of the trading of the United States, Mr. Frank became a recognized authority in the area and was invited to present his statement at a hearing before the Subcommittee on International Finance of the Committee on Banking, Housing and Urban Affairs—United States Senate on March 9, 1978. Mr. Frank discussed the role of the Japanese Government in the business of that country and explained the operations of Japanese Trading Companies. He urged the United States Government to act in response to this challenge and establish counter actions to ensure the stability and growth of its own basic industrial capabilities which are rapidly deteriorating. He also urged that this nation become more practical in its export policy and stated that the United States can only accomplish its trade objectives if we fully understand the import-export strategies and techniques of our trading partners.

Mr. Frank organized and was Chairman of five regional committees for "Fair Trade". The committees were in Pennsylvania, New York, Maryland, Utah and Alabama. Each committee included the state's governor, senators, key congressmen, local political officials, industry and labor leaders and numerous other interested parties. The committees sponsored information meetings and stressed the need for positive trade policy to prevent the slide of the United States toward becoming a second rate industrial power.

Through these meetings Mr. Frank became involved in the problems of many industries such as automobiles, textiles, televisions, fasteners and steel to name a few.

Mr. Frank is a recognized authority on World Trade issues and because of his recognized expertise on heavy industry was invited to testify on numerous occasions before the Congressional Steel Caucus and for three years has consulted its executive committee. He constantly apprised key members of the executive committee of the dangers facing the economy due to numerous problems impacting basic industries, such as steel, automobile, metal fabrication and metal distribution in the United States. He urged immediate action in the areas of tax reform, trade and government regulation.

Through the years Mr. Frank has undertaken a wide variety of financial and economic studies for numerous companies and financial institutions. He has been involved in mergers and acquisitions, private placement underwritings and the investment of millions of dollars.

As an Economic and Financial Consultant, Mr. Frank has participated in a number of studies for various agencies of the government in addition to his work with individual companies. The most interesting government project undertaken was the study and computer simulation on the Turkish Steel Industry for AID— Department of State. The end purpose of the study was to develop strategies to remove from the portfolio of AID a questionable loan of \$380,000,000 and endeavor to roll it over in the European financial community.

PUBLICATIONS

Mr. Frank has published numerous articles and papers on a variety of economic and financial subjects. The most recent of which was a summary of his studies of the domestic steel industry titled, "The Decade for Decision." This summary was prepared for the Senate Steel Caucus and was read into the Congressional Record. Mr. Frank is an active public speaker and is frequently called upon by a variety of trade organizations. His analyses and comments on the economy are often carried by all forms of the media.

Mr. Frank also has an extensive managerial background in the field of computer technology. He was the founder of World Systems Laboratories. Dym, Frank & Company and BRC Associates, Inc. World System Laboratories is now a subsidiary of Pennsylvania Engineering. Dym, Frank & Company is now an affiliate of Pittsburgh National Bank. BRC Associates Inc. continues to operate independently. Although he is no longer affiliated with these companies, under his guidance they developed and now have excellent capabilities. Through the years, they have been involved in successful projects ranging from simulations of major companies such as Esmark through computer control of manufacturing facilities, developing advanced forecasting capabilities, economic modeling to assembling the data base and preparing the software for the Multilateral Trade Negotiations.

POLITICAL ACTIVITIES

Through the firm of M. Waddell and Towne, Inc., where he currently serves as a consultant, Mr. Frank was involved with the Republican Senatorial Inner Circle. He also was active in the Reagan-Bush Campaign.

OTHER ACTIVITIES

Mr. Frank is an avid sports fan. He earned four varsity letters in football and played fullback on the championship bowl winning University of Georgia team of the mid 1940's. He was invited to Pittsburgh, Pennsylvania to try out with the Pittsburgh Steelers but a leg injury ended his career. Mr. Frank does not belong to any social clubs, trade or professional organizations but for the past ten years has been a Little League baseball manager.

Residence address and telephone: 326 Knipp, Houston, Tex. 77024 (713) 468-1509.

Office address and telephone: 800 Bank of the Southwest Building, Houston, Tex. 77002 (713) 651-5380.

Tex. 17002 (115) 051-5380.
Employment: Partner, Fulbright & Jaworski, Attorneys at Law, Houston, Tex. (associated with firm 1971, became partner 1978).
Age, place of birth: 34, born Lubbock, Tex. July 25, 1946.
Family data: Married, Carol Almack Gideon, June 2, 1968; Christopher, born September 15, 1971; Kevin, born February 10, 1974; Timothy, born March 27, 1079.

27, 1978. Education: J.D. 1971, Yale Law School, New Haven, Conn.; B.A. 1968, Harvard University, Cambridge, Mass.; Preparatory education in Lubbock public schools.

Professional experience and affiliations: Active practice in Federal and State taxation since 1971 (including substantial tax litigation and controversy work); chairman, Committee on Court Procedure, American Bar Association Section of Taxation, 1979-81; vice chairman, 1977-79, subcommittee chairman 1975-77; responsibility in these capacities for development of legislative recommendations, congressional hearing testimony, comments on regulations, and meetings with members of the Treasury Department, Internal Revenue Service, congressional staff personnel, and members of the judiciary. Chairman, Committee on Administrative Practice and Liaison with the Comp-

troller of Public Accounts, Taxation Section, State Bar of Texas, 1979 to present; responsibility in this capacity for liaison between the bar and the office of the Comptroller (chief state tax official), including liaison meetings, clearance of State bar legislative programs with the comptroller, and preparation of State legislative recommendations; speaker at national, State and local professional education and trade association programs in taxation, particularly tax litigation; chairman, Subcommittee on Capital and Financial Structure, Legal, Tax and Accounting Committee, National Council of Farmer Cooperatives, 1980; Houston Bar Association, Section of Taxation, Chairman, Positions Committee, 1979. Member of: American Bar Association, 1971 to present; Section of Taxation, 1972 to present; Section of Litigation, 1979 to present; Tax Litigation Committee; Section of Urban, State and Local Government Law, 1979 to present; State Bar of Texas, 1971 to present; Section of Taxation, 1971 to present; Houston Bar Association, 1971 to present; Houston Bar Association, 1972 to present; Section of Urban, State and Local Government Law, 1979 to present; State Bar of Texas, 1971 to present; Section of Taxation, 1971 to present; Greater Houston Tax Forum, 1973 to present; President, 1978.
Admitted to practice by: United States Court of Appeals for the Fifth Circuit, 1972; United States Court of Claims, 1972; United States District Court for the Southern District of Texas, 1972; United States Tax Court, 1971; Supreme Court of Texas, 1971; one of two student editorial assistants for Bittker & Eustice, Federal Income Taxation of Corporations and Shareholders (3d Edition, 1971), 1970-71. comptroller (chief state tax official), including liaison meetings, clearance of

1971), 1970-71.

Community activities: Deputy Police Commissioner, City of Bunker Hill Village, 1981; City Councilman, Police Commissioner, City of Spring Valley, 1978-79; Chapelwood United Methodist Church, Administrative Board, 1978-1980; Houston Chamber of Commerce, Agribusiness Committee, 1979 to present.

BIOGRAPHY, JOHN M. WALKER, JR.

John M. Walker, Jr. is Assistant Secretary of the Treasury-Designate (En-forcement and Operations). In this capacity, Mr. Walker is responsible for super-vising the following Treasury Bureaus: U.S. Customs Service; U.S. Secret Service. U.S. Federal Law Enforcement Training Center; and Bureau of Alcohol, Tobacco and Firearms. He coordinates Treasury-wide enforcement policy. In addition, he supervises the Office of Foreign Assets Control and regulation of customs and the elected to be additioned for the supervises of the supervises of the office of the supervises of the office of the supervises of t

alcohol, tobacco and firearms industries. Mr. Walker was born December 26, 1940, in New York City and was raised in the New York area. He received a Bachelor's degree from Yale University in 1962. In 1963 he enlisted in the United States Marine Corps Reserves. In 1966 he received the Juris Doctor degree from the University of Michigan Law School. Following law school, he was awarded an Africa-Asia Public Service Fellowship and served, on assignment, as a State Counsel to the Republic of Botswana. where he was in charge of criminal prosecutions.

Beginning in 1970, after a period of private practice of law in New York City, Mr. Walker served as an Assistant U.S. Attorney for the Southern District of New York in the Criminal Division, where he specialized in narcotics and business fraud investigations and prosecutions. From 1975 to 1981, Mr. Walker was as-sociated with a partner of Carter, Ledyard & Milburn, a New York City law firm, where he specialized in litigation.

Mr. Walker is a Member of the Bars of New York State, the U.S. District Court (SDNY), the Second Circuit Court of Appeals and the U.S. Supreme Court as well as the Bar Association of New York City and the American Bar Association.

Mr. Walker is married to the former Cristy West and resides in the District of Columbia.

BIOGRAPHY, JUAN A. DEL REAL

Born: Nobember 4, 1939.

Married to Ellen Doud Moore, 3 children.

Born a Cuban citizen. Due to political conditions then prevalent in Cuba, left that country on November 4, 1960 and have continuously resided in the United States since that time. Became a U.S. citizen on January 5, 1967.

Bilingual-English and Spanish.

1. Department of Health and Human Services, April 1980 to present, 330 Independence Avenue, S.W., Washington, D.C.

Position: Assistant General Counsel, Health Care Financing and Human Development Services Divisions.

Responsibilities: Responsible for providing legal services to the Health Care Financing Administration ("HCFA") and the Office of the Secretary with respect to the Medicare and Medicaid programs. My functions include: (1) counsellor to HCFA's Administrator and Deputy Administrator in the development and imple-mentation of HCFA policy; (2) issuance of General Counsel opinions respecting legal issues arising under Titles XVIII and XIX of the Social Security Act; (3) formal legal clearance of all regulations and other Federal Register material pro-mulgated by HCFA in connection with its administration of Medicare and Medicaid programs; (4) coordination, control and supervision of all HCFA litigation pending before administrative tribunals and federal courts throughout the country. Also responsible for providing similar legal services to the Assistant Secretary for Human Development Services respecting social services programs under Title XX of the Social Security Act. 2. Hill, Christopher & Phillips, P.C., April 1968 to April 1980. 1900 M Street, N.W., Washington, D.C. Position. Portage in charge of Literation Department

Position: Partner in charge of Litigation Department.

Responsibilities: Hill, Christopher and Phillips is a firm of thirty-five lawyers (15 members and 20 associates), engaged in the general practice of law. As the Partner in charge of the firm's Litigation Department, I was responsible for all litigation matters within the firm, with a heavy emphasis on complex civil corporate and commercial cases, including, among others, cases involving alleged violations of federal securities laws, trade secret litigation, contractual disputes, enforcement of covenants not to compete, products liability claims, False Claims Act cases, Miller Act cases, and suits challenging the authority of various Federal Home Loan Banks to engage in certain activities claimed to be unauthorized by Congress. Because many of the firm's clients were located outside of Washington, D.C., I appeared before various courts, primarily federal courts, throughout the country, both at the trial and appellate level. My responsibilities also included the training, development and supervision of legal and paralegal personnel assigned to the Litigation Department.