

107TH CONGRESS
2D SESSION

H. R. 3799

To amend title 36, United States Code, to repeal the Federal charter for Retired Enlisted Association, Incorporated.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 2002

Mr. KLECZKA (for himself, Mr. SHAW, Mr. MATSUI, Mr. BRADY of Texas, Mr. DOGGETT, Mr. SAM JOHNSON of Texas, Mr. POMEROY, Mr. RANGEL, Mr. RYAN of Wisconsin, and Mr. LAHOOD) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 36, United States Code, to repeal the Federal charter for Retired Enlisted Association, Incorporated.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Seniors Protection
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Federal charters are prestigious distinctions
2 awarded to organizations with a patriotic, charitable,
3 or educational purpose.

4 (2) Although intended as an honorific title, a
5 Federal charter implies Government support for
6 such organizations.

7 (3) In 1992, the Federal Government granted
8 a Federal charter to the Retired Enlisted Associa-
9 tion (TREA), and in 1993 TREA established the
10 TREA Senior Citizens League (TSCL).

11 (4) TREA and TSCL operate as one entity,
12 and TREA should be held accountable for TSCL's
13 actions because there is no real distinction between
14 the two organizations, except in name only.

15 (5) The interconnectedness of TREA and
16 TSCL is evidenced by the following:

17 (A) Independently conducted audit reports
18 for fiscal years 1999 and 2000 concluded that
19 TREA's and TSCL's financial statements
20 should be consolidated because their financial
21 activities are inseparable.

22 (B) Amendments to TSCL's articles of in-
23 corporation and bylaws must be ratified by a
24 majority vote of TREA's Board of Directors.

1 (C) TSCL's Board of Trustees are ap-
2 pointed or elected by TREA's National Board
3 of Directors.

4 (D) TSCL may only be dissolved by a two-
5 thirds vote of TREA's National Board of Direc-
6 tors.

7 (6) TSCL has solicited contributions from sen-
8 iors through the use of misleading tactics, and sen-
9 iors who received deceptive mailings from TSCL
10 have filed numerous complaints with the Social Se-
11 curity Administration, State Attorney General of-
12 fices, and Members of Congress requesting remedial
13 action.

14 (7) TCSL's misleading tactics include the fol-
15 lowing:

16 (A) Mailing solicitations containing rep-
17 licas of United States Government Social Secu-
18 rity Trust Fund checks written in the amount
19 of \$5,000.

20 (B) Purporting to have the authority to
21 handle distribution of Social Security payments
22 by mailing seniors an official looking "Notch
23 Registry" plastic identification card and a "Na-
24 tional Notch Victim Register" form that asks
25 seniors to specify whether they prefer their

1 \$5,000 notch payment sent to them in one
2 lump sum or in four installment payments, in
3 spite of the fact that any such payment (if of-
4 fered) would be handled exclusively by the So-
5 cial Security Administration.

6 (C) Aggressively soliciting seniors to sup-
7 port misleading activities, including requesting
8 seniors to add a bequest in their wills to TSCL,
9 along with instructions for such will prepara-
10 tion.

11 (8) TSCL's actions are clearly not patriotic,
12 charitable, or educational, and failure to revoke
13 TREA's Federal charter sends a signal to the Amer-
14 ican public that the Federal Government condones
15 such unethical and misleading behavior.

16 **SEC. 3. REPEAL OF FEDERAL CHARTER OF RETIRED EN-**
17 **LISTED ASSOCIATION, INCORPORATED.**

18 (a) REPEAL.—Chapter 1903 of title 36, United
19 States Code (relating to a Federal charter for Retired En-
20 listed Association, Incorporated), is repealed.

21 (b) CLERICAL AMENDMENT.—The analysis at the be-
22 ginning of subtitle II of title 36, United States Code, is
23 amended by striking the item relating to chapter 1903.

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