

Union Calendar No. 498

107TH CONGRESS }
2d Session

HOUSE OF REPRESENTATIVES

{ REPORT
107-797

REPORT ON THE ACTIVITIES
OF THE
COMMITTEE ON EDUCATION AND
THE WORKFORCE
DURING THE
107TH CONGRESS



JANUARY 2, 2003.—Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

19-006

WASHINGTON : 2003

COMMITTEE ON EDUCATION AND THE WORKFORCE

One Hundred Seventh Congress

JOHN A. BOEHNER, Ohio, *Chairman*

THOMAS E. PETRI, Wisconsin	GEORGE MILLER, California
MARGE ROUKEMA, New Jersey	DALE E. KILDEE, Michigan
CASS BALLENGER, North Carolina	MAJOR R. OWENS, New York
PETER HOEKSTRA, Michigan	DONALD M. PAYNE, New Jersey
HOWARD P. "BUCK" McKEON, California	PATSY T. MINK, Hawaii ⁶
MICHAEL N. CASTLE, Delaware	ROBERT E. ANDREWS, New Jersey
SAM JOHNSON, Texas	TIM ROEMER, Indiana
JAMES C. GREENWOOD, Pennsylvania	ROBERT C. "BOBBY" SCOTT, Virginia
LINDSEY O. GRAHAM, South Carolina	LYNN C. WOOLSEY, California
MARK E. SOUDER, Indiana	LYNN N. RIVERS, Michigan
CHARLIE NORWOOD, Georgia	CHAKA FATTAH, Pennsylvania ¹
BOB SCHAFFER, Colorado	RUBEN HINOJOSA, Texas
FRED UPTON, Michigan	CAROLYN MCCARTHY, New York
VAN HILLEARY, Tennessee	JOHN F. TIERNEY, Massachusetts
VERNON J. EHLERS, Michigan	RON KIND, Wisconsin
THOMAS G. TANCREDI, Colorado	LORETTA SANCHEZ, California
ERNIE FLETCHER, Kentucky ⁴	HAROLD E. FORD, JR., Tennessee
JIM DEMINT, South Carolina	DENNIS J. KUCINICH, Ohio
JOHNNY ISAKSON, Georgia	DAVID WU, Oregon
BOB GOODLATTE, Virginia ³	RUSH D. HOLT, New Jersey
JUDY BIGGERT, Illinois	HILDA L. SOLIS, California ²
TODD RUSSELL PLATTS, Pennsylvania	SUSAN DAVIS, California ²
PATRICK J. TIBERI, Ohio	BETTY MCCOLLUM, Minnesota ²
RIC KELLER, Florida	
TOM OSBORNE, Nebraska	
JOHN ABNEY CULBERSON, Texas	
JOE WILSON, South Carolina ⁵	

¹ Resigned February 8, 2001.

² Elected and seniority changes pursuant to H. Res. 33.

³ Appointed March 7, 2001.

⁴ Resigned March 20, 2002.

⁵ Appointed April 18, 2002.

⁶ Died September 28, 2002.

STANDING SUBCOMMITTEES

SUBCOMMITTEE ON EMPLOYER-EMPLOYEE RELATIONS

SAM JOHNSON, Texas, *Chairman*

JIM DEMINT, South Carolina	ROBERT E. ANDREWS, New Jersey
ERNIE FLETCHER, Kentucky ⁴	DONALD M. PAYNE, New Jersey
JOHN A. BOEHNER, Ohio	DALE E. KILDEE, Michigan
MARGE ROUKEMA, New Jersey	LYNN N. RIVERS, Michigan
CASS BALLENGER, North Carolina	CAROLYN MCCARTHY, New York
PETER HOEKSTRA, Michigan	JOHN F. TIERNEY, Massachusetts
HOWARD P. "BUCK" McKEON, California	HAROLD E. FORD, Jr., Tennessee
THOMAS G. TANCREDI, Colorado	GEORGE MILLER, California, <i>ex officio</i>
PATRICK J. TIBERI, Ohio	
JOE WILSON, South Carolina ⁵	
JOHN A. BOEHNER, Ohio, <i>ex officio</i>	

SUBCOMMITTEE ON WORKFORCE PROTECTIONS

CHARLIE NORWOOD, Georgia, *Chairman*

JUDY BIGGERT, Illinois	MAJOR R. OWENS, New York
CASS BALLENGER, North Carolina	DENNIS J. KUCINICH, Ohio
LINDSEY O. GRAHAM, South Carolina	PATSY T. MINK, Hawaii ⁶
JOHNNY ISAKSON, Georgia	LYNN C. WOOLSEY, California
BOB GOODLATTE, Virginia ³	LORETTA SANCHEZ, California
RIC KELLER, Florida	HILDA L. SOLIS, California ²
JOHN ABNEY CULBERSON, Texas	GEORGE MILLER, California, <i>ex officio</i>
JOHN A. BOEHNER, Ohio, <i>ex officio</i>	

SUBCOMMITTEE ON EDUCATION REFORM

MICHAEL N. CASTLE, Delaware, *Chairman*

BOB SCHAFFER, Colorado	DALE E. KILDEE, Michigan
THOMAS E. PETRI, Wisconsin	ROBERT C. "BOBBY" SCOTT, Virginia
MARGE ROUKEMA, New Jersey	LYNN C. WOOLSEY, California
JAMES C. GREENWOOD, Pennsylvania	RUBEN HINOJOSA, Texas
MARK E. SOUDER, Indiana	CAROLYN MCCARTHY, New York
FRED UPTON, Michigan	LORETTA SANCHEZ, California
VAN HILLEARY, Tennessee	HAROLD E. FORD, Jr., Tennessee
THOMAS G. TANCREDI, Colorado	HILDA L. SOLIS, California ²
ERNIE FLETCHER, Kentucky ⁴	SUSAN DAVIS, California ²
JIM DEMINT, South Carolina	MAJOR R. OWENS, New York
JUDY BIGGERT, Illinois	DONALD M. PAYNE, New Jersey
TODD RUSSELL PLATTS, Pennsylvania	TIM ROEMER, Indiana
RIC KELLER, Florida	RON KIND, Wisconsin
TOM OSBORNE, Nebraska	DENNIS J. KUCINICH, Ohio
JOHN ABNEY CULBERSON, Texas	GEORGE MILLER, California, <i>ex officio</i>
JOE WILSON, South Carolina ⁵	
JOHN A. BOEHNER, Ohio, <i>ex officio</i>	

IV

SUBCOMMITTEE ON SELECT EDUCATION

PETE HOEKSTRA, Michigan, *Chairman*

PATRICK J. TIBERI, Ohio	TIM ROEMER, Indiana
THOMAS E. PETRI, Wisconsin	ROBERT C. "BOBBY" SCOTT, Virginia
JAMES C. GREENWOOD, Pennsylvania	RUSH D. HOLT, New Jersey
CHARLIE NORWOOD, Georgia	SUSAN DAVIS, California
BOB SCHAFER, Colorado	BETTY MCCOLLUM, Minnesota ²
VAN HILLEARY, Tennessee	LORETTA SANCHEZ, California
TODD RUSSELL PLATTS, Pennsylvania	GEORGE MILLER, California, <i>ex officio</i>
JOHN A. BOEHNER, Ohio, <i>ex officio</i>	

SUBCOMMITTEE ON 21ST CENTURY COMPETITIVENESS

JOHNNY ISAKSON, Georgia	PATSY T. MINK, Hawaii ⁶
JOHN A. BOEHNER, Ohio	JOHN F. TIERNEY, Massachusetts
MICHAEL N. CASTLE, Delaware	RON KIND, Wisconsin
SAM JOHNSON, Texas	RUSH D. HOLT, New Jersey
LINDSEY O. GRAHAM, South Carolina	DAVID WU, Oregon
MARK E. SOUDER, Indiana	LYNN N. RIVERS, Michigan
FRED UPTON, Michigan	BETTY MCCOLLUM, Minnesota
VERNON J. EHLERS, Michigan	ROBERT E. ANDREWS, New Jersey
BOB GOODLATTE, Virginia ³	RUBEN HINOJOSA, Texas
TOM OSBORNE, Nebraska	GEORGE MILLER, California, <i>ex officio</i>
JOHN A. BOEHNER, Ohio, <i>ex officio</i>	

LETTER OF TRANSMITTAL

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION
AND THE WORKFORCE,
Washington, DC, January 2, 2003.

Hon. JEFF TRANDAHL,
Clerk of the House of Representatives,
Washington, DC.

DEAR MR. TRANDAHL: Pursuant to Rule XI, clause 1, paragraph (d) of the Rules of the U.S. House of Representatives, I am hereby transmitting the Activities Report of the Committee on Education and the Workforce for the 107th Congress. I circulated this report to all members of the Committee on December 13, 2002 and received no views before transmitting this report to the House today.

This report summarizes the activities of the Committee and its subcommittees with respect to its legislative and oversight responsibilities.

Sincerely,

JOHN A. BOEHNER, *Chairman.*

FOREWORD BY CHAIRMAN JOHN BOEHNER

DECEMBER 1, 2002.

When I assumed the chairmanship of the Committee on Education and the Workforce in January 2001, I noted that with a new president and a new atmosphere in Washington, we had a chance to enact positive reforms to improve opportunities for Americans at every stage of life. I pledged that as chairman, my goal would be to ensure we made the most of that opportunity.

I believe we were successful in meeting that goal. Over the past 22 months, the Committee on Education and the Workforce has been the scene of dramatic, and frequently bipartisan, action to secure America's future. Republicans and Democrats worked side-by-side to enact historic reforms in elementary and secondary education for disadvantaged students and schools; give communities more freedom and resources to reduce youth crime and delinquency, ending a six-year deadlock; improve the quality of education research for teachers, parents, and students; pass new protections for abused children and victims of family violence; and provide emergency grants to help displaced workers maintain health coverage, childcare assistance, and job training following the September 11, 2001 attacks.

What made these achievements possible, in part, was a renewed commitment by members on both sides of the aisle to producing results—even when it meant sharing the credit. During the 107th Congress, interaction between Democrats and Republicans on the committee was marked by respect and honesty, rather than suspicion and animosity. Heeding the President's call for a new tone in American politics, we searched for—and frequently found—common ground. The result, I believe, has been the enactment of reforms that will serve the American people well.

I'm grateful to our committee's ranking Democrat member, Representative George Miller of California, for his partnership and leadership. And I'm grateful to every member of our committee, Republican and Democrat alike, for helping to bring the Education and the Workforce committee successfully into a new era. The real winners have been the American people.

Sincerely,

JOHN BOEHNER, *Chairman*.

CONTENTS

Introduction	Page XIII
Full Committee	1
I. Summary of Activities	1
A. Accomplishments: Education Policy	2
A New Vision for Education	2
HIGHLIGHTS: Education Accomplishments, January 2001–October 2002	3
1. President Bush's No Child Left Behind Education Reforms (H.R. 1)	3
Quick highlights of the No Child Left Behind Act	7
How No Child Left Behind makes a difference	8
Accountability for results under the No Child Left Behind Act	8
New options for children in underachieving schools under the No Child Left Behind Act	9
Improving teacher quality and supporting teachers. The No Child Left Behind Act	9
Local control and flexibility. The No Child Left Behind Act ...	10
Transforming bilingual education programs. The No Child Left Behind Act	10
Reading instruction. The No Child Left Behind Act	10
Protecting home schools and private schools. The No Child Left Behind Act	11
Other highlights. The No Child Left Behind Act	11
2. Education Funding—Tied to Education Reform	14
3. Fixing and Funding Special Education	17
4. “Great IDEAs” Website	18
5. Improving Education Research	18
6. Coverdell Education Savings Accounts	19
7. Tax Relief for Teacher Classroom Expenses	19
8. Preparing Tomorrow's Teachers	19
9. Lowest Student Loan Interest Rate in History	20
10. Helping Poor Schools Attract High-Quality Teachers	20
11. Record Support for Pell Grants in Higher Education	21
12. Student Loan Relief for U.S. Military Reservists	21
13. Ensuring School Lunch Eligibility for Military Children	21
14. Support for America's Minority-Serving Institutions	22
15. Reducing Red Tape for College Students and Colleges	22
16. Ending Waste, Fraud and Abuse at the Education Department	23
17. Expanding Internet Learning Opportunities in Higher Education	23
18. More Freedom and Resources for Communities to Fight Juvenile Crime	23
19. Protections for Abused Children and Victims of Family Violence	24
20. Exploring Solutions to Rising College Costs	24
21. Overhauling AmeriCorps and Other Federal National and Community Service Programs	25
22. Building on the Success of the 1996 Welfare Reform Law	26
23. Supporting America's Libraries and Museums	26
24. Honoring the Contributions of the Late Rep. Patsy T. Mink ...	26
25. Honoring Catholic Schools	27
26. Honoring Charter Schools	27

Full Committee—Continued	
A. Accomplishments—Continued	
HIGHLIGHTS—Continued	
27. Higher Education Act (HEA) Reauthorization Website	27
28. Spanish Language Website for No Child Left Behind	28
B. Accomplishments: Workforce Policy	28
Highlights: Workforce Accomplishments, January 2001–October 2002	28
1. Enhancing Pension Security for American Workers	28
2. Giving Workers Access to Retirement Savings Investment Advice	29
3. Building on the Success of the 1996 Welfare Reform Law	29
4. Norwood-Fletcher Patients' Bill of Rights	30
5. Addressing the Rising Costs of Health Care and the Uninsured	30
6. Repeal of Flawed Ergonomics Regulations	31
7. Emergency Relief for Displaced U.S. Workers	31
8. Holding Union Leaders Accountable to Rank-and-File Members	31
9. Assessing the Economic Impact of the Western Port Labor Dispute	32
10. Protecting the Beck Rights of Union Members	32
11. Opposing Efforts to Cut Pension Protection Enforcement Funding	32
12. Examining the Federal Mental Health Parity Law	33
13. Safeguarding the Future of Retiree Health Benefits	33
14. Examining Federal and State Genetic Non-Discrimination Laws	33
15. Exploring Remedies to America's National Nursing Shortage	33
16. Bipartisan Portman-Cardin Pension Reforms	34
17. Helping Parents Balance Demands of Family and Work	34
18. Improving the Benefits Process for Black Lung Victims	34
19. Modernizing Federal Law for 21st Century Employees	34
20. Helping Workers Get Extra Pay for Extra Effort	35
21. Subcommittee Examines OSHA Rulemaking and Exposure Limits	35
C. Archiving and Live Web Streaming of All Committee Hearings	35
D. Oversight Plan and Activities During the 107th Congress	35
II. Hearings Held by the Committee	37
107th Congress, First Session	37
107th Congress, Second Session	38
III. Markups Held by the Committee	38
107th Congress, First Session	38
107th Congress, Second Session	38
IV. Legislative Activities	39
A. Legislation Enacted Into Law	39
(Bills Referred To Committee)	39
B. Legislation Enacted Into Law	42
(Bills Not Referred To Committee)	42
C. Legislation Passed the House	44
(Bills Referred To Committee)	44
D. Legislation Passed The House In Another Measure	49
E. Bills Not Referred To Committee That Passed The House	52
Containing Provisions Under The Committee's Jurisdiction	52
F. Legislation With Filed Reports	54
107th Congress, First Session	54
107th Congress, Second Session	54
Conference Reports	55
G. Legislation Ordered Reported From Full Committee	55
107th Congress, First Session	55
107th Congress, Second Session	55
H. Resolutions Passed the House	55
I. Conferences with Education and Workforce Members Appointed as Conferees	58
V. Committee on Education and the Workforce Statistics	58
Subcommittee on Employer-Employee Relations	58
I. Summary of Activities	58

	Page
Subcommittee on Employer-Employee Relations—Continued	
Enhancing Pension Security for American Workers	61
Giving Workers Access to Retirement Savings Investment Advice	63
Enacting Portman-Cardin Retirement Security Reforms	65
Opposing Efforts to Cut Pension Enforcement Funding	66
Addressing the Rising Costs of Health Care and the Uninsured	67
Norwood-Fletcher Patients' Bill of Rights	70
Examining the Federal Mental Health Parity Law	70
Safeguarding the Future of Retiree Health Benefits	71
Assessing Federal and State Laws on Genetic Non-Discrimination	73
Providing Emergency Relief for Displaced U.S. Workers	74
Examining How Workplace Violence Threatens Safety of U.S. Workers	76
Holding Union Leaders Accountable to Rank-and-File Members	76
Assessing the Economic Impact of the Western Port Labor Dispute	79
II. Hearings Held by the Subcommittee	80
107th Congress, First Session	80
107th Congress, Second Session	80
III. Markups Held by the Subcommittee	80
107th Congress, First Session	80
107th Congress, Second Session	81
IV. Subcommittee Statistics	81
Subcommittee on Workforce Protections	81
I. Summary of Activities	81
Repealing the Flawed, Clinton-Era Ergonomics Regulation	83
Improving the Benefits Process for Black Lung Victims	83
Protecting the Beck Rights of Union Members	84
Holding Union Leaders Accountable to Rank-and-File Union Members	85
Helping Parents Balance Demands of Family and Work	86
Modernizing Federal Law for 21st Century Employees	87
Helping Workers Get Extra Pay for Extra Effort	87
Examining OSHA Rulemaking and Permissible Exposure Limits	88
Exploring Remedies to America's National Nursing Shortage	89
II. Hearings Held by the Subcommittee	89
107th Congress, First Session	89
107th Congress, Second Session	90
III. Markups Held by the Subcommittee	90
107th Congress, First Session	90
IV. Subcommittee Statistics	90
Subcommittee on Selection Education	90
I. Summary of Activities	90
Protections for Abused Children & Victims of Family Violence	93
Overhauling AmeriCorps and other Federal National & Community Service Programs	94
Ending Waste, Fraud & Abuse at the Education Department	97
Outreach to Historically Black Colleges and Hispanic-Serving Institutions	97
Supporting America's Libraries and Museums	98
Homeland Security: Tracking International Students in Higher Education	100
II. Hearings Held by the Subcommittee	101
107th Congress, First Session	101
107th Congress, Second Session	101
III. Markups Held by the Subcommittee	102
107th Congress, First Session	102
107th Congress, Second Session	102
IV. Subcommittee Statistics	102
Subcommittee on 21st Century Competitiveness	102
I. Summary of Activities	102
Strengthening the 1996 Welfare Reform Law	104
Removing Barriers to Higher Education by Reducing Federal Red Tape for Colleges	109
Lowest Student Loan Interest Rate in History	110
Expanding Access to Distance Education	111
Outreach to Historically Black Colleges and Hispanic-Serving Institutions	112

XII

	Page
Subcommittee on 21st Century Competitiveness—Continued	
Homeland Security: Tracking International Students in Higher Education	112
Improving Access to Assistive Technology for Individuals with Disabilities	113
Improving America's Investment in Workforce Preparation	114
Emergency Relief for Displaced U.S. Workers	115
Ensuring Accreditation Process Reflects Student Achievement	116
Ensuring the Quality of America's Teachers	117
Student Loan Relief for U.S. Military Reservists	118
II. Hearings Held by the Subcommittee	118
107th Congress, First Session	118
107th Congress, Second Session	119
III. Markups Held by the Subcommittee	119
107th Congress, First Session	119
107th Congress, Second Session	119
IV. Subcommittee Statistics	119
Subcommittee on Education Reform	120
I. Summary of Activities	120
Strengthening Special Education	121
Strengthening Special Education Through the No Child Left Behind Act (H.R. 1)	121
Reforming and Strengthening the Individuals with Disabilities Education Act (IDEA)	124
Improving Education Research	125
Promoting Greater Accountability and Flexibility in Early Childhood Education	126
Promoting Literacy as the First Step	127
Flexibility and Choice Emphasized as Essential to Reform	128
Providing Support to School Districts Impacted by a Military Base	129
Ensuring Educational Opportunities for Minority Children	129
Ensuring School Lunch Eligibility for Military Children	130
II. Hearings Held by the Subcommittee	130
107th Congress, First Session	130
107th Congress, Second Session	130
III. Markups Held by the Subcommittee	131
107th Congress, Second Session	131
IV. Subcommittee Statistics	131

INTRODUCTION

REPORT ON THE ACTIVITIES OF THE COMMITTEE ON EDUCATION AND THE WORKFORCE DURING THE 107TH CONGRESS

President George W. Bush and the 107th Congress have delivered a host of accomplishments that have helped to ensure a secure and prosperous future for American families. Members of the House Committee on Education and the Workforce played a major role in many of these historic achievements.

In just 22 months, members of the House Education and the Workforce committee:

- Enacted a sweeping reform of federal education programs to close the achievement gap between disadvantaged students and their peers and improve academic results for all children.

- Passed pension reform legislation to help workers diversify and protect their 401(k) retirement savings from abuse.

- Passed legislation to strengthen the successful 1996 welfare reform law to help millions more Americans move from welfare to work.

- Passed a patients' bill of rights to ensure health care quality for all HMO patients, with a cap on trial lawyers' ability to profit from patients' misfortunes.

- Passed legislation fixing outdated laws to give workers access to professional advice about their 401(k)s and investments.

- Reformed federal education research efforts by emphasizing sound science, high standards, and accountability for results.

- Revamped juvenile justice programs to give communities more freedom and resources to reduce youth crime and delinquency—breaking a six-year deadlock.

- Saw the lowest student loan rate in history take effect, and enacted legislation to keep the rate at this historic low for years to come.

- Passed new protections for abused children and victims of family violence.

- Provided more than \$500 million in emergency grants to help displaced workers maintain health coverage, childcare assistance, and job training during economic slowdown.

- Gave new options to parents with children in dangerous or chronically underachieving public schools, allowing them to transfer to better, safer public or charter schools.

- Provided student loan relief for U.S. military reservists called to active duty, relieving them from making payments while they serve our nation.

- Ensured children of military personnel do not lose their eligibility for free or reduced-priced meals if a family's military housing is privatized.

Held hearings on efforts to improve the international student visa system to improve homeland safety and security.

Held hearings on efforts to promote union democracy and protect the democratic rights of rank-and-file union members

Enacted legislation to improve the federal benefits process for victims of Black Lung illness from dust exposure in mines.

The following is a summary of the major achievements of the House Committee on Education and the Workforce during the 107th Congress.

Union Calendar No. 498

107TH CONGRESS } 2d Session }	HOUSE OF REPRESENTATIVES {	REPORT 107-797
----------------------------------	----------------------------	-------------------

REPORT ON THE ACTIVITIES OF THE COMMITTEE ON EDUCATION AND THE WORKFORCE

JANUARY 2, 2003.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. BOEHNER, from the Committee on Education and the
Workforce, submitted the following

R E P O R T

FULL COMMITTEE

I. SUMMARY OF ACTIVITIES

A. ACCOMPLISHMENTS: EDUCATION POLICY

Education has been President Bush's top domestic policy priority and a focal point of the congressional agenda during the 107th Congress. From enactment of President Bush's historic, bipartisan No Child Left Behind education reforms to legislation giving new tools to school teachers and parents, President Bush and members of the House Committee on Education and the Workforce have led the drive to improve education and ensure every child learns.

For 35 years, Washington spent billions on education without insisting on results for our children. Billions upon billions were spent, yet the achievement gap between students rich and poor, white and minority remains wide. President Bush and the 107th Congress brought that era to an end in bipartisan fashion. The federal government will no longer fund failure and false hope in education. Federal education funds now come with a simple demand: get results.

Across the nation, reform-minded parents, teachers and principals have swung into action, leading by example in putting the new resources—and new attitude—of No Child Left Behind to work on behalf of students. President Bush, Education Secretary Rod Paige, and Members of Congress have reached out to families and communities during the 107th Congress in an ongoing partnership aimed at putting the new law fully into effect. These efforts have been bolstered by further action in Congress to support school-

teachers, give parents new options, and improve education for all students at all stages of life.

A new vision for education

Led by President Bush, the 107th Congress has focused on bringing high standards and accountability for results to federal education policy. Policy changes have reflected the President's desire to ensure every child reads by the third grade, and give parents more information and options about their children's education. Congress has also focused on the classroom, responding to the President's call to help states and schools give every child the chance to learn from a highly qualified teacher, and give teachers and principals the tools to meet the unique needs of every child.

The Education and the Workforce Committee was the engine behind these bipartisan education reforms in the 107th Congress. In just 22 months, with the support of members of the Education and the Workforce Committee, President Bush and the 107th Congress:

- Gave parents report cards on school performance.

- Gave teachers tax relief for out-of-pocket classroom expenses.

- Sent more dollars to the classroom, with fewer strings attached.

- Reformed federal K-12 education programs, requiring accountability for results through annual testing in reading and math in grades 3-8 to ensure all children are learning.

- Provided extra help for schools identified as underachieving.

- Shielded teachers, principals and school board members from frivolous lawsuits.

- Gave new options to parents with children in dangerous or chronically underachieving public schools.

- Streamlined federal K-12 education programs from 55 to 45.

- Transformed bilingual education programs to focus on helping Limited English Proficient (LEP) children learn English.

- Tripled funding for reading programs proven to work.

- Increased federal teacher quality aid by 35 percent over the previous administration's final budget.

- Gave educators new tools by improving education research and emphasizing results, through legislation authored by Rep. Mike Castle (R-DE).

- Boosted aid to Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs).

- Dramatically increased funding for special education.

- Raised the maximum Pell Grant award to \$4,000 per student, the highest level ever.

- Saw the lowest student loan interest rate in history take effect, produced by a GOP Congress.

- Expanded education savings accounts (Coverdell accounts) to allow parents to save up to \$2,000 a year tax-free for K-12 expenses.

- Worked with Education Secretary Rod Paige to clean up waste & abuse at the U.S. Department of Education.

- Provided more than \$200 million to help start nearly 700 new charter schools and assist more than 1,000 existing ones.

Several other major education bills were passed by the Education and the Workforce Committee and the full House, but not acted on by the Senate. These measures, both of which were passed by the

committee with bipartisan support, include legislation by Rep. Lindsey Graham (R–SC) to boost federal student loan forgiveness from \$5,000 to \$17,500 for Americans who become schoolteachers, and legislation by 21st Century Competitiveness Subcommittee Vice Chairman Johnny Isakson (R–GA) to expand Internet-based education opportunities for students in higher education.

Despite significant cooperation between Republicans and Democrats on education reform during the 107th Congress, a number of important education initiatives fell victim to election-year disagreements. These include a measure authored by Education Reform Subcommittee Vice Chairman Bob Schaffer (R–CO) to give low-income parents an above-the-line tax deduction for K–12 educational expenses, and legislation by 21st Century Competitiveness Subcommittee Chairman Howard “Buck” McKeon (R–CA), co-authored by the late Rep. Patsy Mink (D–HI), to reduce red tape in higher education for students and colleges. Regrettably, the House Democrat leadership worked successfully to keep both measures from passing the House.

Highlights: Education accomplishments, January 2001–October 2002

Following is a summary of the education achievements of the 107th Congress (January 2001–October 2002):

1. President Bush’s No Child Left Behind Education Reforms (H.R. 1)

On December 13, 2001, by an overwhelming bipartisan vote of 381–41, the House approved President George W. Bush’s education reform legislation, the No Child Left Behind Act (H.R. 1). The measure is a comprehensive overhaul of the 1965 Elementary and Secondary Education Act (ESEA) built on principles of accountability for results; local control and flexibility; expanded parental choice; and funding for what works.

President Bush, joined by Secretary of Education Rod Paige, Education and the Workforce Committee Chairman John Boehner (R–OH), and ranking Democrat member George Miller (D–CA), signed H.R. 1 into law during a ceremony at Hamilton High School in Hamilton, Ohio on January 8, 2002.

“[W]e owe the children of America a good education. And today begins a new era, a new time in public education in our country. As of this hour, America’s schools will be on a new path of reform, and a new path of results,” the President said before signing the historic bill. “Our schools will have higher expectations. We believe every child can learn. Our schools will have greater resources to help meet those goals. Parents will have more information about the schools, and more say in how their children are educated. From this day forward, all students will have a better chance to learn, to excel, and to live out their dreams.”

The signing of H.R. 1 was the culmination of nearly a year of bipartisan work by committee members and staff. During his first week in office, President Bush unveiled his education reform blueprint, entitled “No Child Left Behind,” and urged Congress to work in a bipartisan fashion to pass it. The Republican leadership in the House set aside the designation “H.R. 1” for the President’s edu-

cation plan to symbolize the priority status the No Child Left Behind reforms was being given.

To lay the groundwork for H.R. 1, the committee embarked on a quick, focused series of field hearings around the nation. Full committee field hearings were conducted at schools in Bradenton, Florida; Marietta, Georgia; and Chicago, Illinois. Hearings were also conducted in Washington, D.C. Education Secretary Rod Paige, Pennsylvania Governor Tom Ridge (R), Georgia Governor Roy Barnes (D), and U.S. Senator Thomas Carper (D), a former governor of Delaware, were among those who testified before the committee through this process.

Meanwhile, Republican congressional members and staff set about the task of drafting the legislation, which would be a comprehensive, five-year reauthorization of the Elementary and Secondary Education Act. Among those involved in drafting the original version of the legislation were full committee chairman Boehner; Rep. Castle, chairman of the Education Reform Subcommittee; Rep. McKeon, chairman of the 21st Century Competitiveness Subcommittee; and Rep. Schaffer, vice chairman of the Education Reform Subcommittee.

On March 22, 2001, the No Child Left Behind Act was formally introduced in the House and given the “H.R. 1” designation. In unveiling the bill, Chairman Boehner said the President’s reforms would “give students a chance, parents a choice, and schools a charge to be the best in the world.” Among those present to unveil the historic legislation were Reps. Castle, McKeon, Isakson, Sam Johnson (R-TX), Cass Ballenger (R-NC), Vern Ehlers (R-MI), Judy Biggert (R-IL), John Culberson (R-TX), Ric Keller (R-FL), and Patrick Tiberi (R-OH).

Congressional support for H.R. 1 received a boost during the spring of 2001 from a public opinion survey conducted by the Winston Group showing Americans strongly supported President Bush’s plan to ask states to design and implement annual math and reading tests for students in grades three through eight. The poll showed the President’s accountability plan was strong across the ideological spectrum, but was particularly favored by conservatives, 80 percent of whom indicated support.

Full committee action on the No Child Left Behind Act began in early May 2002 and concluded on May 9, 2001, as H.R. 1 was reported out by the Education and the Workforce Committee with bipartisan support. The committee reported bill successfully included a “safety valve” for students in underachieving schools—including immediate public school choice and a supplemental services component allowing federal Title I money to “follow the child” (portability) to private tutors, including those with religious affiliations. But Chairman Boehner expressed disappointment that there were insufficient votes on both sides of the aisle to retain the private school choice provision supported by President Bush, and vowed to continue the drive to give students this option when the bill went to the House floor. Boehner also said Republicans would move to pass an amendment on the floor to give states significant new flexibility in exchange for better results for students.

Two weeks later, the House passed H.R. 1 by an overwhelming and bipartisan vote of 384–45. The House approved an amendment by Education and the Workforce Committee members Mike Castle

(R-DE) and Patrick Tiberi (R-OH) to further expand local flexibility in the bill by allowing up to 100 local school districts to receive a virtual waiver from requirements attached to most federal education funds. The House also successfully added an amendment shielding teachers, principals, and school board members from frivolous lawsuits. Boehner, joined by House Majority Leader Dick Armey (R-TX) and Republican Conference Chairman J.C. Watts (R-OK), urged members to support amendments to create private school options for students in underachieving schools to reinforce the other parental choice provisions in H.R. 1. Despite that support, however, the amendments were defeated.

On July 18, 2001, following Senate passage of S. 1 (the Better Education for Students and Teachers Act), the Senate bill to reauthorize the Elementary and Secondary Education Act, the House moved to go to conference with the Senate on the President's education reform plan. As conference deliberations began, Boehner noted that the bills passed by the two chambers had much in common, but also left some important differences to be resolved. The Senate bill, according to the Congressional Research Service, dramatically expanded the overall number of federal education programs, increasing the number of ESEA programs from 55 to 89. The House bill, by contrast, streamlined bureaucracy and targeted resources to the nation's most disadvantaged students.

Senate conferees on the House-Senate Conference on H.R. 1 were Democrat Sens. Edward Kennedy, Christopher Dodd, Tom Harkin, Barbara Mikulski, Jeff Bingaman, Paul Wellstone, Patty Murray, Jake Reed, John Edwards, Hillary Rodham Clinton, Joe Lieberman, and Evan Bayh; Republican Sens. Judd Gregg, Bill Frist, Mike Enzi, Tim Hutchinson, John Warner, Christopher Bond, Pat Roberts, Susan Collins, Jeff Sessions, Mike DeWine, Wayne Allard, and John Ensign; and independent Sen. James Jeffords. House conferees were Republican Reps. Boehner, Tom Petri, Marge Roukema, Buck McKeon, Mike Castle, Van Hilleary, Lindsey Graham, and Johnny Isakson; (Democratic) Reps. George Miller, Dale Kildee, Major Owens, Rob Andrews, the late Patsy Mink, and Tim Roemer.

Boehner was elected to chair the House-Senate conference on H.R. 1 at the panel's first meeting on July 19, 2001. Boehner welcomed Sen. Ted Kennedy (D-MA), Sen. Judd Gregg (R-NH) and other Senate education leaders to the final talks, pledging to sustain the bipartisan momentum behind the bills and deliver a final product to the President as soon as possible.

"What has brought us together is a common concern for the children who represent the future of our nation," Boehner said. "We know our children deserve better. And we know our children are more important than our politics."

On August 1, 2001, hours after remarks by President Bush again urging Congress to continue work on the No Child Left Behind Act, the House-Senate conference ratified a series of preliminary agreements on topics such as migrant student education and comprehensive school reform that paved the way for intensive staff negotiations on larger issues during Congress's August district work period. Conferees also agreed the final legislation would be a six-year reauthorization of the ESEA.

Conference deliberations resumed at the member level after Labor Day, but hopes for quick resolution of remaining issues were dashed in tragic fashion on September 11, 2001, when terrorists attacked New York City and Washington, D.C. and killed thousands of innocent Americans. Unbowed, House and Senate education conference leaders issued a joint statement on September 12, 2001, vowing to forge ahead with final work on the No Child Left Behind Act in an effort to deliver a bill for the President to sign in the coming weeks. Bipartisan momentum behind President Bush's education reform plan resumed September 25, 2001 as conferees ratified another series of agreements, including approval of the President's ambitious Reading First and Early Reading First initiatives, meant to help states ensure every child reads by the third grade.

Another tragic obstacle was thrown in the path of the H.R. 1 deliberations in October 2001, when parcels containing lethal anthrax powder were mailed to Senate and House office buildings, prompting the evacuation of hundreds of Capitol Hill offices for several weeks for decontamination. Work on the No Child Left Behind Act continued, however. At one point, emergency office space for staff working on the conference was provided by Education Secretary Rod Paige and the Department of Education, ensuring work on the reform legislation continued.

On October 3, 2001, conservative education reform leaders sent a joint memo to President Bush and H.R. 1 conference leaders that had a significant impact on congressional efforts to shape the final version of the No Child Left Behind Act. Signed by Empower America's William J. Bennett, the Education Leader Council's Lisa Graham Keegan, Chester E. Finn, Jr. of the Thomas B. Fordham Foundation, and Krista Kafer of the Heritage Foundation, the memo urged that the final conference report's accountability system emphasize "sunshine," or the light of public scrutiny and pressure, to hold education systems accountable for their performance rather than imposing penalties such as withholding funds from schools that underachieve. The memo also urged that the final bill utilize the National Assessment of Educational Progress (NAEP) exclusively as an independent benchmark to ensure the comparability of test results from state to state. "While states need the flexibility to develop their own assessments, there must also be an external benchmark against which to compare the rigor of their standards, tests and accountability systems," the four leaders wrote. "The National Assessment of Educational Progress (NAEP) provides such a marker. Comparing NAEP results to the results of a state test might reveal, for example, that, while students appeared to be making gains on the state assessment, their NAEP scores remained flat. This may indicate that something is amiss in the state assessment system and help educators adjust their standards and assessments accordingly." Both recommendations, as well as others in the memo, were later incorporated into the final conference report.

The conference took its next step on October 30, 2001. Settling some of the most complex issues confronting the panel, bipartisan negotiators agreed to provisions that would safeguard constitutionally-protected prayer in public schools and deny funds to state agencies or local school districts that discriminate against the Boy Scouts of America. Conferees also agreed to consolidate and

streamline a number of existing programs dealing with technology and Native American education; to allow religious organizations and other community groups to receive funds under the Safe and Drug Free Schools Act; and to help teachers by asking schools to develop policies that allow teachers to maintain control of their classrooms. Conferees also considered a provision to give military recruiters the same access to high school students and their contact information as college recruiters and job recruiters currently have.

On November 30, 2002, the House-Senate conference approved two of the No Child Left Behind Act's most sweeping reforms: an overhaul of federal bilingual education programs, transforming them into a single program that helps limited-English proficient students learn English instead of keeping them trapped in classes taught in their native language; and a requirement that states have a highly qualified schoolteacher in every public classroom by 2005. Conferees also dealt with the controversial issue of special education. Senate Democrats on the conference rejected an amendment by Chairman Boehner (R-OH) that called for the federal government to pay its full share of the cost for special education while keeping it as a discretionary spending program, keeping the pressure on for much-needed reforms to reduce misidentification of students for special education and improve results for children with special needs. House Republican conferees supported the Boehner amendment and successfully defeated a rival measure by Sen. Tom Harkin (D-IA) that sought to make the Individuals with Disabilities Education Act (IDEA) a new federal entitlement spending program, a change Republicans said would jeopardize efforts to improve IDEA for children with special needs as well as parents and teachers.

On December 11, 2001, the 39-member panel approved the remaining No Child Left Behind reforms, including provisions dealing with accountability for results and parental choice. Members of the panel then ratified and signed the final conference report. The House approved the H.R. 1 conference report on December 13, 2001. The Senate followed suit on December 18, 2001, clearing the way for President Bush to sign the most significant federal education reforms in a generation.

Quick highlights of the No Child Left Behind Act:

- Gives parents report cards on school performance.

- Gives teachers tax relief for out-of-pocket classroom expenses.

- Sends more dollars to the classroom, with fewer strings attached.

- Reforms federal K-12 education programs, requiring accountability for results through annual testing to ensure all children are learning.

- Provides extra help for schools identified as underachieving.

- Shields teachers, principals and school board members from frivolous lawsuits.

- Gives new options to parents with children in dangerous or chronically underachieving public schools.

- Streamlines federal K-12 education programs from 55 to 45.

- Transforms bilingual education programs to focus on helping Limited English Proficient (LEP) children learn English.

Triples funding for reading programs proven to work.
Increases federal teacher quality aid by 35 percent over last Clinton budget.

How No Child Left Behind makes a difference:

Empowers parents, voters, and taxpayers with data about public schools—allowing “sunshine” into the public education system and increasing accountability for results.

Provides immediate new options for parents of students in thousands of underachieving and/or dangerous public schools across America.

Streamlines the number of federal K–12 education programs from 55 to 45 and requires that 95 percent of all federal funds authorized under the No Child Left Behind Act reach the local level.

Expands local control and gives all 50 states and every local school district new freedom and flexibility in the use of federal education dollars.

Requires accountability for results through annual testing of students in federally-funded public schools in reading and math in grades 3–8.

Focuses on effective, proven methods of reading instruction backed by scientific research.

Calls for states to have a highly-qualified teacher in every public classroom by 2005.

Strengthens special education by giving new tools to parents of children with special needs, along with new resources to help schools recruit qualified special education teachers and improve early reading instruction.

Accountability for results Under the No Child Left Behind Act:

Schools that accept federal funds must demonstrate that they are making “adequate yearly progress” (AYP)—in other words, that they’re meeting state standards each year for student achievement. This is accomplished through annual testing of public school students in reading and math in grades 3–8.

Schools identified as underachieving immediately qualify for extra help. Parents with children attending these schools, including children with special needs, immediately qualify for new options. (More below.)

Allows states to design and implement their annual tests.

Explicitly prohibits federally sponsored national testing or federally controlled curricula.

Exempts home schools, home school students, private schools, and private school students from all testing requirements.

Requires that test data be disaggregated and reported by race, income, and other criteria to demonstrate not just that overall student achievement is improving, but also that achievement gaps are closing between disadvantaged students and other students.

Creates a “safe harbor” for schools that can demonstrate they are making significant progress toward proficiency but

have not technically met AYP. This provision is intended to help prevent over-identification of underachieving schools.

Requires a small sample of students in each state to participate in the fourth and eighth grade National Assessment of Educational Progress (NAEP) in reading and math every other year as a means of verifying the results of the statewide assessments all students take.

Extra help for underachieving schools under the No Child Left Behind Act:

Underachieving schools are not “punished”; they qualify immediately for extra help, including emergency funding and technical assistance. The words “failing schools” do not appear in the No Child Left Behind law.

Such schools immediately qualify to receive extra help, including additional federal funding for school improvement, as well as technical assistance in developing a plan to turn the school around.

Schools that continue to underachieve—even after years of extra help—are required to change dramatically. After four years, schools that do not improve after a period of intensive assistance and extra help will be required to implement significant corrective actions to improve the school, such as replacing certain staff. After five years, such schools can be transformed dramatically through measures such as reconstitution, State takeover, the hiring of a private management contractor, conversion to a charter school, or significant staff restructuring.

New options for children in underachieving schools under the No Child Left Behind Act:

Parents with children in underachieving schools are given the right to obtain private tutoring and other supplemental services for their children through their child’s share of federal Title I funds.

Parents with children in underachieving schools are given the right to transfer their child to a better or safer public school, with the district paying for transportation costs.

Pressure on struggling schools is eased by providing some relief until improvements can be made.

Improving teacher quality and supporting teachers. The No Child Left Behind Act:

Makes major increases in federal teacher quality funding. As a result of No Child Left Behind, federal funding for teacher programs is increased 38 percent (by \$787 million—to \$2.85 billion) in FY2002 to help states train, recruit, and retain quality teachers—an amount far greater than provided in the past. The President’s FY2003 Budget, and the budget resolution passed in March 2002 by House Republicans, maintains this historic level of support.

Calls for states to have a highly qualified teacher in every public classroom by the end of the 2005–2006 school year.

Shields teachers and school officials, including school board members, from frivolous lawsuits.

Prohibits national teacher testing and certification.

Local control and flexibility. The No Child Left Behind Act:

Expands local control of schools by providing new freedom and decision-making authority to every local school district in America.

Applies “Dollars to the Classroom” principles to federal formula grant programs, so that 95 percent of federal education funds are spent at the local level.

Provides local communities with more flexibility and more control over how federal education funds are used.

Gives every local school district in the country the freedom to use up to half of its non-Title I federal education funds as it sees fit, instead of following strict Washington rules.

Allows state and local flexibility “demonstration projects” to be established across the nation to demonstrate the effectiveness of state and local control in improving student achievement. Seven states across the nation will be granted additional flexibility in the use of federal funds, receiving a waiver from federal education requirements relating to a variety of federal education programs.

In addition, up to 150 local school districts nationwide can apply to receive such a waiver, through a provision authored by House Education Reform Subcommittee Chairman Mike Castle (R-DE) and Select Education Subcommittee Vice Chairman Rep. Patrick Tiberi (R-OH). The Tiberi-Castle amendment passed on the House floor during consideration of the committee-reported version of H.R. 1. Conferees later expanded the provision to apply to 150 local school districts, up from the original 100.

Transforming bilingual education programs. The No Child Left Behind Act:

Completely changes the focus of bilingual education programs from programs teaching limited English proficient (LEP) children primarily in their native languages to programs focused on helping LEP children learn English.

Consolidates the former Bilingual Education and Immigrant Education programs into a single flexible program with a totally new focus on helping limited English proficient (LEP) students learn English.

Requires accountability for results in teaching LEP children English. Requires that LEP students be tested for reading and language arts in English after they have attended school in the United States for three consecutive years.

Requires that all teachers in a language instruction class for LEP children be fluent in English, including written and oral communication skills, and any other language used by the program.

Requires that parents be notified when a limited English proficient child is in need of English language instruction.

Reading instruction. The No Child Left Behind Act:

Provides new resources and a focus on results to help states ensure all children are skilled readers by the end of third grade.

Tripled federal funding for states that implement scientifically based reading instruction programs that are proven to work. (Reading First)

Establishes a companion initiative for early reading instruction (Early Reading First) to enhance reading readiness for children in high poverty areas, and where there are high numbers of students who are not reading at grade level.

Protecting home schools and private schools. The No Child Left Behind Act:

Provides an exemption from all federal testing requirements for home schools and home schooled-students.

Provides an exemption from all federal testing requirements for any private school or private school student that does not receive federal Elementary and Secondary Education Act (ESEA) funds or services.

Prohibits federal control over private, religious, and home schools, while clarifying that such schools are not barred from participating voluntarily in ESEA programs or services.

Requires states receiving federal ESEA funds to have a procedure in place to transfer student disciplinary records (such as records of a suspension or expulsion) from local school districts to private or public schools when a student transfers to a new school.

Other highlights. The No Child Left Behind Act:

Provides hundreds of millions in federal “seed money” to help establish nearly 700 new charter schools and provides additional assistance for more than 1,000 existing ones.

Prohibits federal funding for schools that unlawfully restrict constitutionally protected student prayer, through a provision supported by Reps. Sam Johnson (R-TX) and Van Hilleary (R-TN).

Lets states design and implement their statewide assessments and allows states to build on their existing tests rather than starting from scratch, through language backed by Rep. Lindsey Graham (R-SC) and other members.

Provides greater fairness and special help for rural school districts by giving local school officials greater say in how federal funds are used, through provisions authored individually by Reps. Tom Osborne (R-NE) and Van Hilleary (R-TN).

Allows community-based organizations—including religious organizations and other public entities and private organizations—that provide safety and drug abuse prevention programs to apply for federal funds under the Safe and Drug-Free Schools Act.

Includes a majority of the provisions from H.R. 1995, the Teacher Empowerment Act, of the 106th Congress, as supported by Rep. Buck McKeon (R-CA) and ranking Democrat member George Miller (D-CA).

Includes special education teachers in Reading First, through language backed by Rep. Ric Keller (R-FL).

Includes language in the Troops to Teachers section to allow military members currently eligible for retirement to begin training to become teachers upon their retirement or discharge

from the military, through a provision supported by Rep. Thomas Petri (R-WI).

Includes comprehensive regional assistance centers in Title I, Part A support teams, as supported by Rep. Buck McKeon (R-CA).

Includes civic education provisions, supported by Rep. Mike Castle (R-DE).

Includes Charter School per-pupil aid provisions and Charter School Facility Financing Demo, as supported by Rep. Mike Castle (R-DE).

Includes a provision to support elementary and secondary school counseling, authored by Rep. Marge Roukema (R-NJ).

Removes all references to Goals 2000, outcome-based education, School-to-Work, Workforce Investment Act, and “higher order thinking skills” from the Elementary and Secondary Education Act, per the recommendations of Reps. Bob Schaffer (R-CO) and Pete Hoekstra (R-MI).

Includes a provision ensuring every public school parent will be given notice before a child is subjected to surveys and medical exams, backed by Reps. Lindsey Graham (R-SC) and Todd Tiahrt (R-KS).

Includes provisions related to teaching that the illegal use of drugs is wrong, supported by Rep. Mark Souder (R-IN).

Includes entrepreneurial education programs in the 21st Century Community Learning Centers and Innovative Programs, through provisions supported by Rep. Mark Souder (R-IN).

Includes language, supported by Rep. Mark Souder (R-IN), ensuring that individual test results, which become a part of a student’s education records, are protected from disclosure to third parties.

Includes language, supported by Reps. Johnny Isakson (R-GA) and Vern Ehlers (R-MI), requiring that 25 percent of local technology funds be spent on professional development to train teachers in technology.

Places specific prohibitions on the U.S. Department of Education as safeguards against any form of federal control over state or local curriculum, through a provision authored by Rep. Bob Schaffer (R-CO).

Requires states receiving ESEA funds to have a procedure in place to transfer student disciplinary records, such as records of a suspension or expulsion, from local school districts to private or public schools when a student transfers to a new school, as supported by Select Education Subcommittee Chairman Pete Hoekstra (R-MI).

Specifies that states can change their state standards without first obtaining permission or approval from the federal government, through a provision authored by Rep. Bob Schaffer (R-CO).

Includes a “testing trigger” stating that unless federal appropriations reach a sufficient level each year, states are not required to utilize annual tests in grades 3–8 in reading and math. The provision is based on an amendment offered by Rep. Pete Hoekstra (R-MI) during House consideration of the No Child Left Behind Act.

Maintains Internet Filtering requirements that became law in 2000 through a provision supported by Rep. Jim DeMint (R-SC). Under the requirement, schools that purchase computers, Internet access or related services with federal ESEA technology funds are required to use technology to filter or block obscenity, child pornography, and material that is harmful to minors. Local officials are given the latitude to disable filtering or blocking technology for legitimate research and other lawful purposes. Funds made available under the technology state grant may be used to purchase filtering or blocking software.

Includes language in the Title I formula, supported by Rep. James Greenwood (R-PA), to allow districts that once met the 15 percent poverty threshold for concentration grants (but no longer meet the 15 percent requirement) to continue to receive such grants, but have them phased out over time.

Reduces the Title I school-wide threshold from 50 percent poverty and above to 40 percent poverty and above (as opposed to 25 percent and above), through a provision supported by Reps. Bob Schaffer (R-CO) and Van Hilleary (R-TN).

Includes support for Parental Assistance Programs, through provisions supported by Rep. Fred Upton (R-MI).

Includes character education, as supported by Rep. Ernie Fletcher (R-KY).

Includes provisions supported by Rep. Vern Ehlers (R-MI) requiring states to develop science standards by the 2005–2006 school year and implement science assessments by the 2007–2008 school year in one grade in each grade span of 3–5, 6–9, and 10–12. Language supported by Rep. Thomas Petri (R-WI) is also included in the conference report to clarify that a quality science education should help students understand the full range of views on controversial topics being taught, such as biological evolution.

Includes provisions establishing and maintaining school safety hotlines in Safe and Drug-Free Schools, as supported by Rep. Tom Tancredo (R-CO).

Includes changes to Impact Aid, supported by Rep. James Greenwood (R-PA), to provide an additional year of eligibility as “federal property” at a reduced payment level for school districts where the federal government has transferred property to non-federal status.

Includes language, supported by Rep. Bob Schaffer (R-CO), allowing parents to opt their children out of Safe and Drug-Free School programs.

Includes language specifying that tests cannot evaluate or assess personal or family beliefs and attitudes or publicly disclose personally identifiable information. This restriction applies to both statewide assessments and the “confirming test” (NAEP). This provision is based on language originally authored by Rep. Todd Akin (R-MO), with only slight clarifications.

Includes language, supported by Rep. Ernie Fletcher (R-KY), allowing seniors to mentor children in after school programs as a use of funds in 21st Century Community Learning Centers.

Includes mentoring under the Safe and Drug-Free Schools national authority, as supported by Rep. Tom Osborne (R-NE).

Includes a provision supported by Rep. Johnny Isakson (R-GA) that allows local educational agencies to provide instructional services designed to help immigrant children and youth achieve in elementary and secondary schools, such as programs of introduction to the educational system and civics education, and to provide coordinated activities to assist parents of immigrant students by offering comprehensive community services.

Includes Math/Science partnerships, including providing technology training software and instructional materials to teachers, as supported by Rep. Vern Ehlers (R-MI).

Includes provisions to assist homeless children and youth, supported by Rep. Judy Biggert (R-IL).

Includes language from H.R. 4141 (106th Congress) protecting against a national database of information on students, applied to NAEP, supported by Rep. Van Hilleary (R-TN).

Requires that scientifically based research be the basis of all federal ESEA programs with the exception of technology, which is changing too rapidly to permit the development of applicable scientific research, as recommended by Reps. Bob Schaffer (R-CO) and Pete Hoekstra (R-MI).

Uses the term “academic standards” and “academic assessments” instead of “standards” and “assessments” throughout the bill, per the recommendations of Reps. Pete Hoekstra (R-MI), Van Hilleary (R-TN), and Bob Schaffer (R-CO).

Includes language, supported by Rep. Bob Schaffer (R-CO), requiring all educational services, as well as NAEP, to be secular, neutral and non-ideological.

2. Education Funding—Tied to Education Reform

Research and opinion polls show Americans believe the most important factor in improving America’s schools is not just funding, but high standards and accountability for results.

The 107th Congress, under the leadership of President Bush, provided both the resources and the reforms Americans sought in education. President Bush and Congress worked together during much of this time to provide the resources for education reform while funding a nation at war. As a result of the No Child Left Behind Act (H.R. 1), public schools in the U.S. stand to benefit from the largest amount of federal funding ever provided for elementary and secondary education. Never in the history of the United States has the federal government invested so much in the nation’s schools. The No Child Left Behind reforms were accompanied by the largest single-year increase in history for federal elementary and secondary education funding—a 27 percent increase (\$4.8 billion).

Despite the twin challenges of war and economic uncertainty, President Bush’s FY2003 budget request provides even further support for education. According to an independent analysis by National Journal, funding for Elementary, Secondary, & Vocational education is increased by 41 percent over the next five years under President Bush’s budget—making it the third largest growth category in the President’s entire budget, second only to Medicare and federal correctional activities (Cannon, Baumann, Zeller; “Winners & Losers,” National Journal, 2/9/02). This 41 percent increase for Elementary, Secondary and Vocational education is significantly

larger than increases being provided for national defense (27 percent) and federal law enforcement (29 percent). The 41 percent figure does not include federal funding for higher education programs, which are also increased by the President's budget.

Title I Aid for Disadvantaged Schools & Students—Federal aid to disadvantaged students and schools is being increased dramatically as a result of the No Child Left Behind Act, and the President's FY2003 Budget continues that commitment. The President's FY2003 Budget provides a \$1 billion increase in Title I grants next year—on top of the \$1.6 billion increase provided this year—focusing resources on the highest-poverty school districts. Under the first two years of President Bush's presidency, we will have seen greater increases in Title I funding than in the previous seven years combined under the previous administration.

Reading First—As a result of the No Child Left Behind Act, hundreds of millions of additional federal dollars are flowing to states and school districts to improve reading instruction using proven methods based on scientific research. Federal funding for reading this year has been more than tripled since the last budget signed by President Clinton, from \$300 million in FY2001 to \$900 million this year. President Bush's FY2003 Budget, and the budget resolution approved by the House, provides this funding again next year—along with another \$100 million increase, bringing next year's total to more than \$1 billion for states and school districts for proven reading instruction.

Accountability Systems—The No Child Left Behind Act is not an unfunded mandate. To help states cover the costs of the reform law's annual testing requirement, more than \$385 million is being provided in 2002 for states to use in designing their accountability systems. This funding is maintained in the President's FY2003 Budget. The independent National Center for Policy Analysis recently pointed to a comprehensive study showing that in proportion to the cost of other education programs, the cost of accountability is quite small. The study, by the National Bureau of Economic Research, finds state education expenditures range from a low of \$1.79 per student in 2001 (South Carolina) to a high of \$34.02 (Delaware)—while Arizona's comprehensive accountability system costs \$8.72 per pupil. Annual testing should cost no more than \$4 per student, which is less than 0.05 percent (5 one-hundredths of 1 percent) of U.S. school spending per pupil, the study also concludes. (Source: Matt Nesvisky, "The Low Cost of Accountability," NBER Digest, September 2002; based on Caroline Hoxby, "The Cost of Accountability," NBER Working Paper No. 8855, March 2002, National Bureau of Economic Research) "[A]ccountability is so cheap compared to other educational reforms that almost any cost-benefit analysis will favor it over other reforms," NCPA observed.

Teacher Quality—As a result of President Bush's reforms, federal funding for teacher quality programs is being increased 38 percent (by \$787 million—to \$2.85 billion) this year to help states train, recruit, and retain quality teachers. This historic level of support is maintained in the President's FY2003 Budg-

et and the budget resolution passed in the spring of 2002 by House Republicans.

Troops to Teachers/Transition to Teaching—No Child Left Behind helps eligible members of the armed forces and mid-career professionals obtain certification as elementary and secondary school teachers as well as vocational teachers through the “Troops to Teachers” and “Transition to Teaching” programs. As a result of No Child Left Behind, a record \$88 million was appropriated for FY2002 for Transition to Teaching and the Troops to Teachers programs.

Bilingual and Immigrant Education—The No Child Left Behind Act dramatically transforms the federal bilingual education and immigrant education programs, changing them from programs focused on teaching limited English proficient children in their native languages to a single new program focused on ensuring such children learn English. As a result of No Child Left Behind, \$665 million was provided for bilingual and immigrant education for FY2002. This strong support was maintained in the President’s FY2003 budget request as well as the FY2003 budget resolution passed in the spring of 2002 by House Republicans.

House and Senate Republican education leaders John Boehner (R-OH) and Judd Gregg (R-NH), ranking Republican on the Senate Committee on Health, Education, Labor & Pensions, in July 2002 released a joint committee analysis, entitled *“Resources for Reform: New Hope for America’s Most Disadvantaged Public Schools.”* The report showed the nation’s most disadvantaged public school districts will receive a dramatic increase in federal education funds as a result of President Bush’s No Child Left Behind reform legislation.

Using Congressional Research Service (CRS) data, the Boehner-Gregg committee report noted, a congressional staff analysis of 125 of America’s most disadvantaged urban school districts indicated all would receive a dramatic boost in federal education funding beginning July 1, 2002 as a result of No Child Left Behind. These 125 school districts will receive a historic average increase of 26.4 percent in federal Title I funding in 2002 as a result of the President’s reforms. The report also examines the positive impact of the reforms for 50 of America’s rural school districts, which will also receive historic federal funding increases as a result of No Child Left Behind.

The Boehner-Gregg committee report noted that as a result of President Bush’s education reforms, parents and taxpayers began providing the largest increase in federal K–12 education spending in our nation’s history, along with unprecedented new local control over those funds. In exchange, the system must begin delivering better results for our nation’s children, Boehner and Gregg noted. The analysis noted President Bush’s reforms are linked to the largest single-year increase in history for federal elementary and secondary education funding—a 27 percent increase (\$4.8 billion). President Bush’s reforms have made possible the largest increase in the history of the federal Title I program (\$1.5 billion), which provides aid to states and school districts for the education of disadvantaged students. The new funds began flowing to schools on July 1, 2002—and despite the war, the President’s budget includes

another \$1 billion increase in Title I for next year. The report also noted districts being asked to provide new options to parents with children in underachieving schools, including public school choice and supplemental educational services such as private tutoring in reading and math, are also most likely to be receiving an enormous increase in federal funds.

Some of the nation's most disadvantaged public school districts can expect an enormous boost in federal Title I education aid as a result of the No Child Left Behind Act, the report indicated. For example, according to Congressional Research Service estimates for the current fiscal year:

NEW YORK. New York City schools can expect to receive a 28.7 percent increase in Title I money, from \$492.1 million to \$633.5 million.

LOS ANGELES. The Los Angeles Unified School District can expect to receive a 36.2 percent increase, from \$222.3 million to \$302.9 million.

PHILADELPHIA. The Philadelphia school district can expect to receive a 27.2 percent increase in funding for low-income students, from \$90.1 million in FY 2001 and \$114.6 million in FY 2002.

CHICAGO. The city of Chicago school district can expect to receive a 27.4 percent increase, from \$170 million to \$216.5 million.

HOUSTON. The Houston Independent school district can expect to receive a 24.5 percent increase, from \$61.8 million to \$77 million.

DADE COUNTY, FLA. The Dade County school district—which includes the cities of Miami and Hialeah—can expect to receive a 20.8 percent increase in Title I money, from \$80.7 million to \$97.6 million.

In addition, the President's reforms are also accompanied by historic increases in federal funding for teacher quality, proven reading instruction programs based on scientific research, programs to help limited English proficient children learn English, and other education priorities, the Boehner-Gregg report noted.

3. Fixing and Funding Special Education

Laying the groundwork for much-needed reform to improve results for children with special needs, President Bush and Congress for FY2002 provided a historic increase of \$1.2 billion in grants to states and communities under the Individuals with Disabilities Education Act (IDEA), ensuring that the federal government is now paying a larger share (16.5 percent) of the cost of special education than at any other time since 1975. On top of this increase, the President's FY2003 Budget calls for another \$1 billion increase for IDEA grants to states and communities, which would increase the federal government's share to 18 percent. The budget resolution passed by the House in spring 2002 includes the \$1 billion increase requested by the President and calls for full funding of IDEA within 10 years. Members of the House Education and the Workforce Committee worked closely with appropriators and the Bush Administration during the 107th Congress to ensure this strong support for children with special needs.

Members of the House Education and the Workforce Committee also joined Education Secretary Rod Paige in drawing attention to chronic problems in the current IDEA system that have caused countless children to be wrongly placed in special education classes, a problem that particularly affects minority children. House Republicans on the committee also led successful efforts to defeat a proposal that would have indefinitely delayed reform of IDEA by turning special education into a new federal entitlement spending program.

House Republicans, led by Education Reform Subcommittee Chairman Mike Castle (R-DE), in June 2002 unveiled a series of principles committee Republicans believe should guide reauthorization of the Individuals with Disabilities Education Act (IDEA). The GOP principles include:

- Increasing accountability and improving education results for students with disabilities.
- Reducing the paperwork burden.
- Improving early intervention strategies.
- Reducing over-identification/misidentification of non-disabled children, including minority youth.
- Encouraging innovative approaches to parental involvement and parental choice.
- Supporting general education and special education teachers.
- Rewarding innovation and improved education results.
- Restoring trust and reducing litigation.
- Ensuring school safety.
- Reforming special education finance and funding.

Committee Republicans hope to work with committee Democrats in the 108th Congress to reauthorize IDEA in a comprehensive manner that reflects these reform principles and will bring about stronger results for parents, teachers, and children with special needs.

4. *“Great IDEAs” Website*

To facilitate reform and reauthorization of IDEA, Subcommittee Chairman Castle launched the “Great IDEAs” website to gather input from teachers, parents, students and others involved in special education. The website can be accessed at the following link: <http://edworkforce.house.gov/issues/107th/education/idea/ideacomment/index.htm>. Further details about the Great IDEAs website project are provided later in this report in the section summarizing the activities of the Education Reform subcommittee.

5. *Improving Education Research*

On April 30, 2002, the House approved bipartisan legislation authored by Education Reform Subcommittee Chairman Mike Castle (R-DE) to help more students learn reading, mathematics and other essential skills and help educators implement the No Child Left Behind reforms by improving the quality of critical education research while basing it on proven scientific methods. The final version of the Education Sciences Reform Act (H.R. 3801) was signed into law by President Bush on November 5, 2002.

Enactment of the legislation, which overhauls the U.S. Department of Education’s Office of Educational Research and Improvement (OERI), capped years of work by Chairman Castle and other

members to improve the quality of federal education research to ensure findings are based on sound science and proven results, rather than politics or fads. The legislation, which enjoys strong bipartisan support, will give educators additional tools to meet the high standards called for in the No Child Left Behind Act.

A more detailed summary of the Education Sciences Reform Act and related legislative efforts is included later in this report in the summary of actions by the Education Reform subcommittee.

6. Coverdell Education Savings Accounts

The tax relief package signed into law by President Bush in June 2001 included expanded Education Savings Accounts (ESAs), championed by the late Sen. Paul Coverdell (R-GA), that allow parents to save up to \$2,000 annually for their children's K-12 education in special tax-free savings accounts. Similar to an education IRA, ESAs for K-12 education were vetoed by former President Clinton but included in the original No Child Left Behind proposal and signed into law by President Bush on behalf of parents. They were the first part of the President's original No Child Left Behind blueprint to be enacted into law. Members of the House Education and the Workforce Committee strongly supported this expansion of parental choice and affordability in education.

7. Tax Relief for Teacher Classroom Expenses

Many schoolteachers pay hundreds of dollars a year out of their own pockets for classroom materials such as books, crayons and other items that enrich their students' learning experiences. President Bush and Congress took action in 2002, supported by members of the House Education and the Workforce Committee, to provide relief and fairness for these teachers. H.R. 3090, the Job Creation and Worker Assistance Act of 2002, created an above-the-line tax deduction for schoolteachers to help relieve the cost of out-of-pocket classroom expenses. The deduction (unofficially dubbed the "Crayola credit") covers up to \$250 of out-of-pocket expenses. These expenses include books, supplies, computer equipment, supplementary materials and other equipment used by the teacher in the classroom. Anyone who serves as a K-12 teacher, instructor, counselor, principal or aide for at least 900 hours during a school year is eligible. Teachers at public, private, religious and home schools all qualify as long as the school meets the State's definition of a school.

8. Preparing Tomorrow's Teachers

First Lady Laura Bush traveled to Capitol Hill on March 14, 2002, to brief members of the House Committee on Education and the Workforce on her recent White House conference on Preparing Tomorrow's Teachers. The briefing was the latest in a series of public appearances by President and Mrs. Bush to raise awareness of the fact that American schools will need more than 2 million new teachers over the course of the next decade. The No Child Left Behind Act calls on states to have a highly qualified teacher in every public classroom by 2005.

In her remarks before the committee, Mrs. Bush praised committee members for their bipartisan work in passing the No Child

Left Behind Act and urged that Congress build on its reforms by continuing to provide full support for America's school teachers.

"Our brand new education reforms ask a lot of America's teachers—and we owe them something in return," Mrs. Bush said. "We owe them our respect for the professionals they are. We owe them our support. And we owe them the training and tools to succeed."

Mrs. Bush noted the President's proposed FY2003 budget called for \$4 billion dollars overall for teacher recruitment, training, and staff development. She urged members to continue with their efforts to support teachers by focusing on three broad objectives: doing more to attract America's "best and brightest" to the teaching profession—and then, providing incentives to keep them in the classroom; strengthening teacher standards and the quality of teacher education programs; and turning out more graduates who are well-versed in the liberal arts and solidly educated in the subject they plan to teach so they are ready for the academic rigors of the classroom.

"Our obligation to America's teachers is as clear and strong as our obligation to America's children," Mrs. Bush said. "Teachers are the heart and soul of our schools and they deserve our support. And children deserve the quality education that comes from excellent teachers. This is their birthright."

9. Lowest Student Loan Interest Rate in History

As a result of changes negotiated by Rep. Buck McKeon (R-CA) in 1998, federal student loan interest rates dropped to their lowest level in U.S. history on July 1, 2002. Reflecting continuing congressional efforts to make higher education more affordable and accessible, the new rates will result in significant savings for students. On July 1, 2002, interest rates on federal Stafford loans issued on or after July 1, 1998, fell to 4.06 percent, down from a previous level of 5.99 percent. In addition, interest rates on Parent Loans for Undergraduate Students (PLUS) dropped from 6.79 percent to 4.86 percent—the lowest rate ever for PLUS loans. McKeon and other members of the House Education and the Workforce Committee worked during the 107th Congress to bring further attention to the problem of rising college prices, laying the groundwork for the committee to take further steps to maximize college affordability and quality through the upcoming reauthorization of the Higher Education Act.

On January 24, 2002, with overwhelming bipartisan support, the House passed a bill (S. 1762) backed by Rep. McKeon and other Education and the Workforce committee members to ensure the availability of affordable student loans. Under the measure, the changes negotiated in 1998 are extended to 2006 to ensure the ongoing availability of affordable student loans for Americans aspiring to attend college. Interest rates for student loans disbursed on or after July 1, 2006, are fixed at 6.8 percent, and parent loan interest rates are at 7.9 percent. The bill, which was approved by the Senate on December 14, 2001, was signed into law by President Bush on February 8, 2002.

10. Helping Poor Schools Attract High-Quality Teachers

On October 1, 2002, the House approved H.R. 5091, the "Canceling Loans to Allow School Systems to Attract Classroom

Teachers Act (CLASS ACT),” a bill authored by Rep. Lindsey Graham (R-SC) to address the nation’s growing shortage of qualified teachers by dramatically increasing the maximum federal student loan forgiveness amount for Americans who enter the teaching profession and teach in disadvantaged schools. The Graham legislation will help schools in disadvantaged communities recruit highly qualified teachers, providing them with additional support in meeting the objectives of the No Child Left Behind Act. The bill increases the maximum level of federal student loan forgiveness for teachers from the current maximum of \$5,000 to a new level of \$17,500. The bill places a priority for providing loan forgiveness to those teaching special education, mathematics, or science, or those teaching in disadvantaged schools that need help in recruiting highly qualified teachers. The Senate did not act on the Graham legislation before November 2002, meaning the bill may return as a congressional priority in the 108th Congress.

11. Record Support for Pell Grants in Higher Education

In August 2002, President Bush signed an emergency spending bill supported by members of the House Education and the Workforce Committee that includes an additional \$1 billion in funding for Pell Grants, the federal program that helps make it possible for 4.4 million low-income U.S. students to realize the dream of a higher education. The Pell Grant program in 2002 faced a significant funding shortfall, which Education and the Workforce committee members called for congressional action to address. The wartime budget proposed by President Bush for FY2003 maintains the maximum Pell Grant at an historic high of \$4,000.

12. Student Loan Relief for U.S. Military Reservists

In October 2001, the House passed the Higher Education Relief Opportunities for Students (HEROES) Act (H.R. 3086) by a vote of 415–0. The Senate passed its version (S. 1793) of the measure by unanimous consent on December 14; the House passed S. 1793 by voice vote on December 19, 2001, and President Bush signed the bill into law shortly thereafter. The bill, authored by Rep. Buck McKeon (R-CA), gives the Education Secretary the authority to grant waivers to military reservists who have been called up for active duty, relieving them from making federal student loan payments while they serve the nation’s Armed Forces. Similar authority was granted to the Education Secretary during the Persian Gulf War in the early 1990s.

13. Ensuring School Lunch Eligibility for Military Children

In December 2001, the House passed a bill (H.R. 3216) introduced by Rep. Mike Castle (R-DE) that modifies the National School Lunch Act to ensure that children of military personnel don’t lose their eligibility for free or reduced-priced meals if their military housing is privatized. Because of an accounting quirk in current law, housing allowances for private housing could be considered income, jeopardizing military children’s school lunch eligibility. The bill ensures these children will be able to continue participating in the school lunch program. H.R. 3216 was signed into law as part of a larger bill by President Bush on May 13, 2001.

14. Support for America's Minority-Serving Institutions

Rep. Peter Hoekstra (R-MI), Rep. Buck McKeon (R-CA), and other members of the Select Education and 21st Century Competitiveness subcommittees reached out to Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs) and other minority-serving schools during the 107th Congress, laying the groundwork for President Bush's plans to boost aid to these key institutions. Successful field hearings were held at Oklahoma's Langston University and Ohio's Wilberforce University, and the House passed resolutions in the fall of 2002 honoring the contributions of America's HBCUs and HSIs.

President Bush and the 107th Congress provided significant increases in aid for minority-serving institutions, supported by Chairman Hoekstra, Chairman McKeon, and other committee members. Federal aid for Historically Black Colleges and Universities increased from \$185 million in FY2001, the last fiscal year of the Clinton Administration, to \$206 million in FY2002, the first fiscal year of President George W. Bush's administration. Federal aid to Hispanic Serving Institutions increased from \$68.5 million in FY2001 to \$86 million in FY2002. Federal aid to Historically Black Graduate Institutions increased from \$45 million in FY2001 to \$49 million in FY2002.

15. Reducing Red Tape for College Students and Colleges

In May 2001, Rep. Buck McKeon (R-CA) and the late Rep. Patsy Mink (D-HI) launched the FED UP project (short for "Upping the Effectiveness of Our Federal Student Aid Programs"), using the Internet to identify and simplify burdensome regulations in the Higher Education Act that work against college students and personnel. The project received approximately 3,000 responses from college officials, administrators, and other personnel who operate America's institutions of higher learning, laying the groundwork for reauthorization of the Higher Education Act in the 108th Congress. The website can be accessed at <http://edworkforce.house.gov/issues/107th/education/fedup/index.htm>.

Bipartisan legislation (H.R. 4866, the FED UP Technical Amendments Act of 2002) was introduced by Reps. McKeon and Mink in June 2002, reflecting many of the changes recommended to congressional leaders through FED UP. Unfortunately, the legislation was opposed by the House Democrat leadership and failed to pass on the House floor when it came to a vote in July 2002.

In November 2002, Education Secretary Rod Paige and the U.S. Department of Education announced a series of regulatory reforms to reduce federal red tape in student aid programs. The reforms were based on recommendations collected through the FED UP project that did not require legislative action by Congress to implement. Secretary Paige and his staff were enthusiastic partners in the FED UP process, and committee members hope to pass legislation addressing the FED UP project's unfinished legislative business prior to or during reauthorization of the Higher Education Act in the 108th Congress.

16. Ending Waste, Fraud & Abuse at the Education Department

Oversight hearings by Select Education Subcommittee Chairman Pete Hoekstra (R-MI) during the spring of 2001 revealed that the U.S. Department of Education experienced at least \$450 million in waste, fraud and abuse during the last three years of the Clinton Administration while failing three consecutive department-wide audits. Hoekstra and other House Republicans pushed forcefully during the 107th Congress for accountability at the Department, and new Education Secretary Rod Paige acted swiftly and decisively to develop guidelines to combat the waste, fraud, and abuse that occurred at the agency under the previous administration. In October 2001, Paige announced a comprehensive action plan for putting the U.S. Department of Education's management and financial house in order based on more than 600 separate recommendations. The initiative sought to restore the confidence of Congress and the public in the Department of Education and to ensure that the department became a responsible steward of taxpayers' funds, the Secretary noted.

On October 31, 2002, Secretary Paige issued a status report on the sweeping management improvements that have been made at the U.S. Department of Education under his leadership. The Department's efforts, Paige said, have helped the agency focus on its core mission of raising the quality of education at all levels for all children and adults.

"The management improvements we have implemented will help the department move toward becoming a model agency of management and program excellence," said Deputy Education Secretary Bill Hansen, who leads the department's management improvement efforts.

17. Expanding Internet Learning Opportunities in Higher Education

In October 2001, the House approved the bipartisan Internet Equity and Education Act (H.R. 1992), legislation authored by Rep. Johnny Isakson (R-GA) that expands Internet-based and non-standard term educational opportunities for postsecondary students, while maintaining the integrity of the federal student aid programs. The measure, which was passed in the House by a vote of 354-70, would allow all learners to take full advantage of what the newest technologies can provide for their education. Despite bipartisan support for the legislation in the House, the measure was not acted upon by the Senate.

18. More Freedom & Resources for Communities to Fight Juvenile Crime

Ending six years of congressional gridlock on efforts to reauthorize federal juvenile justice programs, the House in October 2002 passed legislation by Rep. Jim Greenwood (R-PA) to give states and local governments more freedom to reduce juvenile crime. President Bush signed the bill into law on November 2, 2002. The Greenwood legislation, which was developed in conjunction with Rep. Bobby Scott (D-VA) and received bipartisan support, consolidates a number of existing juvenile justice programs into a single, flexible juvenile crime and delinquency prevention block grant for

states and local communities. The measure was passed in 2001 by the House Select Education Subcommittee, chaired by Rep. Pete Hoekstra (R-MI), and later passed by the full House Education and the Workforce Committee.

19. Protections for Abused Children & Victims of Family Violence

On October 11, 2002, the House passed legislation, authored by Select Education Subcommittee Chairman Pete Hoekstra (R-MI), to prevent child abuse and family violence and protect and treat abused and neglected children. The Hoekstra legislation reauthorizes the Child Abuse Prevention and Treatment Act (CAPTA), last reauthorized in 1996. The legislation, the Keeping Children and Families Safe Act (H.R. 5601), resulted from an agreement reached by House and Senate negotiators. An earlier version of Rep. Hoekstra's bill was approved by the subcommittee and full committee and passed the full House on April 23, 2002.

H.R. 5601 builds upon changes made during the last CAPTA reauthorization to ensure states have the necessary resources and flexibility to properly address the prevention of child abuse and neglect and family violence. It promotes partnerships between child protective services and private and community-based organizations to ensure assistance is provided in the most effective manner for children caught in abusive situations. In addition, the bill eliminates barriers to permanent adoption and provides support to programs that place older children in adoptive families. The bill authorizes \$285 million for FY2003.

In addition to H.R. 5601, the House passed a resolution offered by Education Reform Subcommittee Chairman Mike Castle (R-DE) recognizing the importance of child safety and promoting federal, state, and local partnerships to prevent the victimization of children in the United States. The resolution was approved by voice vote on October 1, 2002.

20. Exploring Solutions to Rising College Costs

The House Education & the Workforce Committee held bipartisan hearings in 2002 on the alarming rate at which college costs have risen in recent years, focusing in part on a disturbing report by the Advisory Committee on Student Financial Assistance entitled *Empty Promises: The Myth of College Access in America*. According to the report, due to financial barriers, nearly one-half of all college-qualified, low- and moderate-income high school graduates fully prepared to attend a four-year college will be unable to do so, and 170,000 of these students will attend no college at all.

Rep. Buck McKeon (R-CA), chairman of the 21st Century Competitiveness Subcommittee, and other Education and the Workforce Committee members are using the information gathered through this process to lay the groundwork for reauthorization of the Higher Education Act, which is expected to focus in part on expanding access to college for all Americans. Many of these efforts are detailed later in this report in the section summarizing the activities of the 21st Century Competitiveness Subcommittee.

The full committee held a hearing on October 3, 2002 to examine the effects the increasing cost of a postsecondary education has on students and families.

“As we approach the upcoming reauthorization of the Higher Education Act, it is important for every member of this committee to understand what is really happening with tuition prices, what factors influence tuition increases, and what we can do at the federal level to try to keep college affordable for students across the country,” Chairman Boehner said at the hearing. “It concerns me that at a time when we make available far in excess of \$50 billion a year in federal student financial assistance, not to mention the billions of dollars spent by states, philanthropies, and colleges and universities themselves, parents and students are afraid they won’t be able to pay for college.”

While highlighting for the committee the various factors that drive the cost of tuition—such as the amount of state appropriations for public schools, salaries, technology investments, and other factors—each of the witnesses at the October 3, 2002 hearing expressed a commitment to working to keep college accessible and affordable to every American.

Dr. Richard M. Freeland, the President of Northeastern University in Boston, Massachusetts, told committee members: “I regard access to quality higher education for young people from all walks of life as a central value of American democracy.”

Dr. C.D. Mote, Jr., the President of the University of Maryland, added, “Education leaders and policy-makers at the state and federal levels must do everything in their power to ensure that higher education, and the opportunity for a better life, is financially accessible to all potential students.”

21. Overhauling AmeriCorps and Other Federal National & Community Service Programs

On April 9, 2002, President Bush released a blueprint for reforming and strengthening federal national and community service programs. The principles outlined in this plan sought to bring new accountability and state and local control to service programs, and will help to sustain the post-September 11 civic spirit into the future. Select Education Subcommittee Chairman Pete Hoekstra (R-MI) introduced the President’s plan.

The Citizen Service Act (H.R. 4854), introduced by Chairman Hoekstra on May 24, 2002, requires the Corporation for National and Community Service (CNCS), which oversees AmeriCorps and Senior Corps, to develop uniform procedures under national service laws governing suspension or termination of assistance to grantees, grievance procedures for AmeriCorps members, and procedures governing disputes about displacement of members. It also prohibits CNCS from making grants to federal agencies.

A top priority for the Bush Administration, the Citizen Service Act also would ensure 80 percent of AmeriCorps funds are administered at the state level through state formula and state competitive grants. The remaining 20 percent would be held at the federal level for national direct grants for organizations such as Habitat for Humanity and Boys and Girls Clubs.

The bill also makes changes to the VISTA (Volunteers in Service to America) program to expand the types of organizations recognized in the program to include civic, community and educational organizations. It ends VISTA operation as a federally conducted program and makes changes to reflect that sponsoring organiza-

tions will be responsible for recruiting and selecting VISTA members, with support from CNCS. It also includes provisions for communities-served to provide greater input on the design and implementation of projects in their area.

On July 16, 2002, all 50 state governors sent a letter to House and Senate leaders endorsing H.R. 4854. The Select Education Subcommittee held two hearings on the national service issue. The bipartisan bill, introduced with Select Education Subcommittee Ranking Member Tim Roemer (D-IN) as an original cosponsor, passed through the Select Education Subcommittee by voice vote on June 5, 2002. The full Education & the Workforce Committee passed the bill by voice vote on June 12, 2002.

22. Building on the Success of the 1996 Welfare Reform Law

In May 2002, the House passed the Personal Responsibility, Work, and Family Promotion Act, which renews the landmark 1996 welfare reform law. The Education & the Workforce Committee earlier in the year passed welfare reform legislation, sponsored by Subcommittee Chairman Buck McKeon (R-CA), that was later incorporated into the comprehensive welfare reform bill that passed the House. Based on President Bush's blueprint, the measure strengthens current work requirements and increases child care funding. It also marks the second phase of welfare reform that will help even more Americans find productive jobs. One of the most successful reform laws ever enacted, the 1996 reforms have transformed the lives of millions of American families and helped them achieve self-sufficiency. Unfortunately, the Senate did not pass welfare reform reauthorizing legislation, making it likely the issue will have to be taken up again by the 108th Congress before the needed changes can be enacted into law.

23. Supporting America's Libraries and Museums

The Museum and Library Services Act (MLSA), introduced by Select Education Subcommittee Chairman Pete Hoekstra (R-MI) and Rep. Tim Roemer (D-IN) on February 26, 2002, modifies and streamlines current law to strengthen museum and library services.

The legislation provides federal support for libraries and museums across America in coordination with state, local, and private efforts. The bill also ensures library services are coordinated with activities under the No Child Left Behind Act that President Bush signed into law on January 8, 2002.

The Select Education Subcommittee passed the bill by voice vote on March 6, 2002. The full committee approved the bill by voice vote on March 20, 2002.

24. Honoring the Contributions of the Late Rep. Patsy T. Mink

On September 28, 2002, members of the Education and the Workforce committee were saddened to learn of the death of a long-time colleague, Rep. Patsy Mink (D-HI). At the time of her passing, Rep. Mink was serving as the ranking Democrat member of the Subcommittee on 21st Century Competitiveness. She had worked closely with members of both parties during the 107th Congress on important topics such as welfare reform, reducing federal

red tape higher education, and the elementary and secondary education reforms in the No Child Left Behind Act (H.R. 1).

In a statement issued the morning following her death, Chairman Boehner remembered Rep. Mink as “a vibrant, passionate, and effective voice for the principles she believed in.”

Rep. Mink spent most of her life serving her beloved state of Hawaii and the people of the United States, Boehner noted. Her service to the nation as a member of the House came in two chapters: she first served there from January 1965 to January 1977; then she returned more than a decade later, in 1990, to resume her work on behalf of her constituents.

On October 2, 2002, the full committee unanimously passed a resolution (H.J. Res. 113) offered by Rep. George Miller (D-CA), the committee’s ranking Democrat member, honoring Rep. Mink’s lifetime of service by naming Title IX of the Education Amendments of 1972, which is intended to prohibit women and men from being discriminated against in public education on the basis of gender, in her honor. The House approved the resolution on October 9, 2002; the Senate followed suit on October 11, 2002. President Bush signed the resolution into law on October 29, 2002.

“I believe Mr. Miller’s resolution is an appropriate tribute to our former colleague and the legacy she leaves behind,” Chairman Boehner said. “Patsy Mink’s passing is a significant loss for our committee, the people of Hawaii, and the people of the United States * * * She will be greatly missed.”

25. Honoring Catholic Schools

On January 29, 2002, the House passed a resolution authored by Rep. Bob Schaffer (R-CO) to recognize and honor the contributions of America’s Catholic schools. For the 1999–2000 academic year, Catholic schools enrolled more than 2.6 million children in more than 8,000 Catholic schools across the country. The typical student-teacher ratio is 17 to 1.

26. Honoring Charter Schools

On April 30, 2002, the House approved a resolution by Rep. Ric Keller (R-FL) honoring the 10th anniversary of the opening of the nation’s first charter school in Minnesota, and recognizing the contributions charter schools have made to strengthen America’s public school system. The resolution, passed in honor of National Charter Schools Week, recognizes that charter schools have proven to be successful by giving parents the right to choose the best education possible for their children and providing innovative practices with proven results.

27. Higher Education Act (HEA) Reauthorization Website

In late 2002, to prepare for the upcoming reauthorization of the Higher Education Act (HEA), the committee launched a HEA reauthorization website to solicit input from students, teachers, parents, administrators, legislators, community leaders, and others concerned about improving access and quality in higher education. The website is modeled on the successful FED UP and “Great IDEAs” websites launched earlier by committee members during the 107th Congress.

28. Spanish Language Website for No Child Left Behind

A key goal of the No Child Left Behind Act (H.R. 1) is transforming federal bilingual education programs to focus on helping limited English proficient children learn English. Some Hispanic American parents may not be fluent in English themselves, but still want their children to have the chance to learn and master English early in their educational development. To help such parents learn about the new options they receive from President Bush's education reforms, the committee in 2001 launched a Spanish language version of its No Child Left Behind website. In doing so, the House Education and the Workforce Committee became the first congressional committee to launch a Spanish language website.

B. ACCOMPLISHMENTS: WORKFORCE POLICY

Tremendous energy and attention was devoted during the 107th Congress to the needs of American workers and their families. President Bush and members of the House Education and the Workforce Committee worked successfully on multiple fronts to modernize federal labor laws and help working families meet the challenges they face in the modern economy—from strengthening pension security and improving health care to building upon the success of the 1996 welfare reforms and providing emergency relief for workers displaced by the September 11 attacks.

Highlights: Workforce accomplishments, January 2001–October 2002

A quick summary of some of the major actions taken by President Bush and the House Education and the Workforce Committee during the 107th Congress to help the American worker:

1. Enhancing Pension Security for American Workers

In his 2002 State of the Union Address, President Bush called on Congress to enact important new safeguards to protect the pensions of millions of American workers in the wake of the Enron collapse. Led by the House Committee on Education and the Workforce, the House responded quickly and decisively to the President's call, taking action to restore investor confidence in the nation's pension system. The House passed the bipartisan Pension Security Act (H.R. 3762), authored by Reps. John Boehner (R-OH) and Sam Johnson (R-TX), on April 11, 2002. Forty-six House Democrats joined Republicans in voting to pass the bill.

The Pension Security Act would give workers unprecedented new retirement security protections and would have helped to protect thousands of Enron and WorldCom employees who lost their savings during their companies' collapses had it been law. The Pension Security Act includes new safeguards and options to give workers new freedoms to diversify their retirement savings within three years; expand worker access to investment advice to help them manage their retirement accounts; empower workers to hold company insiders accountable for abuses; and give workers better information about their pensions.

In July 2002, President Bush signed into law two Pension Security Act provisions as part of the bipartisan Sarbanes-Oxley cor-

porate accountability law. The provisions bar company insiders from selling their own stock during blackout periods when workers can't make changes to their 401(k)s, and require pension plan administrators to notify workers 30 days before the start of any blackout period.

Unfortunately, the remaining provisions of the Pension Security Act—including provisions allowing workers to diversify their savings within three years—were not acted upon by the Senate. Congressional leaders have signaled pension reform will be a top priority for the 108th Congress if the Pension Security Act is not sent to President Bush in 2002.

2. Giving Workers Access to Retirement Savings Investment Advice

Even before the Enron collapse, the Education & the Workforce Committee was looking at ways to give workers more tools to protect and enhance their retirement savings. On November 15, 2001, the House passed the Retirement Security Advice Act (H.R. 2269), with the strong support of 64 Democrats. The measure was later passed again by the House as part of the Pension Security Act, H.R. 3762.

The bill, authored by Rep. John Boehner (R-OH), would modernize federal pension law to encourage employers to provide rank-and-file workers with access to professional investment advice regarding their 401(k) and pension savings accounts. Boehner noted corporate executives can afford to hire professional investment advisors to help manage their retirement savings, but few working families can afford such a luxury. The 1974 Employee Retirement Income Security Act (ERISA) creates barriers that currently prevent employers and investment advisers from providing individualized investment advice to workers. As a result, many rank-and-file workers have to fend for themselves in a sea of confusing and conflicting investment information. H.R. 2269 gives rank-and-file workers the same type of quality investment advice that corporate insiders already receive. The bill allows employers to provide their workers with access to professional investment advice as long as advisers meet strict disclosure requirements and adhere to new fiduciary safeguards to ensure workers receive advice solely in their best interests.

3. Building on the Success of the 1996 Welfare Reform Law

In May 2002, the House passed the Personal Responsibility, Work, and Family Promotion Act, which renews the landmark 1996 welfare reform law. The Education & the Workforce Committee earlier in the year passed welfare reform legislation, sponsored by Subcommittee Chairman Buck McKeon (R-CA), that was later incorporated into the comprehensive welfare reform bill that passed the House. Based on President Bush's blueprint, the measure strengthens current work requirements and increases child care funding. It also marks the second phase of welfare reform that will help even more Americans find productive jobs. One of the most successful reform laws ever enacted, the 1996 reforms have transformed the lives of millions of American families and helped them achieve self-sufficiency. Unfortunately, the Senate did not pass welfare reform reauthorizing legislation before November 2002, mak-

ing it likely the issue will have to be taken up again by the 108th Congress before the needed changes can be enacted into law.

4. Norwood-Fletcher Patients' Bill of Rights

Ending six years of congressional gridlock on the difficult issue of HMO patient protection, in August 2001 the House approved a compromise patients' bill of rights negotiated by President Bush and two members of the House Education & the Workforce Committee, Dr. Charlie Norwood (R-GA) and Dr. Ernie Fletcher (R-KY). The House-passed patients' bill of rights would hold health plans accountable while preventing frivolous, unlimited lawsuits against employers and unions who voluntarily provide health coverage to families. The measure would also give patients a rapid medical review process for disputed denials of care, ensuring medical decisions will be made by independent doctors and physicians, not lawyers or HMO bureaucrats.

Unfortunately, congressional leaders were unable to agree on a final compromise that would send the White House-Norwood-Fletcher legislation to the President's desk. At issue, in large part, was the fact that the Norwood-Fletcher bill passed by the House included a reasonable cap on trial lawyers' ability to profit from multi-million dollar health care lawsuit. The cap was a priority for members of Congress concerned about rising health costs, which would be driven higher by unlimited lawsuits, further increasing the number of Americans without health coverage.

5. Addressing the Rising Costs of Health Care and the Uninsured

The House Employer-Employee Relations Subcommittee, chaired by Rep. Sam Johnson (R-TX), held a series of hearings during the 107th Congress on how employers and employees are responding to rising health care costs, which rose 13 percent in 2001, and how those costs have contributed to the decline in health care coverage. According to figures released by the U.S. Census Bureau, the number of Americans who have no health insurance increased to 41.2 million Americans in 2001, an increase of 1.4 million people. The statistics also show the share of the population covered by employer-sponsored health care coverage declined from 64 to 63 percent.

Chairman Johnson and other committee members argued forcefully that instead of focusing on new mandates on employers or health care providers, Congress should focus on real solutions that make it easier for small employers to offer more benefits, and creating new options that expand consumer choice. One solution highlighted was the Small Business Health Fairness Act (H.R. 1774), a bill sponsored by Rep. Ernie Fletcher (R-KY) to create association health plans (AHPs) to allow small businesses to pool their resources to purchase health insurance. Small firms, advocates argued, deserve the opportunity to obtain high quality health insurance that is competitively priced. Giving consumers more choice and more control, and better information to help them make the choices that are right for them, will help to create a more affordable, more efficient, and more desirable health system for employers and employees. The EER Subcommittee hearings laid the groundwork for what could be significant legislative action in the

next Congress to expand access to quality health care for millions of Americans.

6. Repeal of Flawed Ergonomics Regulations

In March 2001, Congress and President Bush took action to help employees and employers alike by repealing the flawed “ergonomics safety” rule that was imposed in November 2000 as one of the Clinton Administration’s parting acts. The regulation—one of the most complex, burdensome, and questionable rules in the 30-year history of the Occupational Safety and Health Administration (OSHA)—would have saddled six million employers and 93 million employees with restrictive new rules at a time when America’s economy was already showing signs of a slowdown. The repeal of this unworkable, one-size-fits-all regulation allowed the Labor Department to begin development of a responsible and comprehensive approach that truly protects the interests of workers and employers.

7. Emergency Relief for Displaced U.S. Workers

On August 6, 2002, President Bush signed into law the Trade Promotion Authority and Trade Adjustment Assistance Act, which incorporated key elements of his “Back-to-Work” proposal, first offered during the fall of 2001 to expand the federal safety net for workers displaced by the September 11 attacks and its economic aftershocks. The Back to Work plan authorizes and appropriates \$510 million in special National Emergency Grants (NEGs), administered by the Secretary of Labor, to help displaced workers maintain health coverage, obtain childcare assistance, and receive job training as the economy recovers from its current slowdown. It also appropriates \$60 million for these grants in the first year. The Back to Work Act (H.R. 3112) was originally introduced by Reps. John Boehner (R-OH), Sam Johnson (R-TX), and Buck McKeon (R-CA), in October 2001. The full committee also held hearings on the topic, including one with Labor Secretary Elaine Chao, to emphasize the need to utilize existing programs to help displaced workers instead of creating new bureaucracies.

8. Holding Union Leaders Accountable to Rank-and-File Members

As hearings by the Employer-Employee Relations Subcommittee revealed during the 107th Congress, many labor unions fail to notify their members of their democratic rights guaranteed them under the 1959 Labor Management Reporting and Disclosure Act (LMRDA), undermining accountability and leaving rank-and-file union members in the dark about their rights under the law. Federal labor law is intended to ensure that rank-and-file union members have a full, equal, and democratic voice in union affairs. Armed with knowledge, union members will have better tools to elect leaders who work in their best interest—and to hold accountable union officials who serve their own interests.

To bolster this effort, the Employer-Employee Relations Subcommittee, chaired by Rep. Sam Johnson (R-TX), passed three bills designed to ensure the rights of rank-and-file union members are protected. The Labor Management Accountability Act (H.R. 4054) for the first time allows the Labor Secretary to assess civil penalties on unions and employers that either file late, or fail to file

altogether, financial disclosure reports that give union members vital information about how union leaders spend their dues. The Union Members' Right to Know Act (H.R. 5374) clarifies unions must disclose to union members certain information about their rights, such as member dues, membership rights, disciplinary procedures, the election and removal of union officers, and other democratic rights. Finally, the Union Member Information Enforcement Act (H.R. 5373) authorizes the Labor Secretary to investigate union member complaints of a union's failure to meet these disclosure requirements and bring suit on their behalf to enforce the law.

9. Assessing the Economic Impact of the Western Port Labor Dispute

The Employer-Employee Relations Subcommittee, chaired by Rep. Sam Johnson (R-TX), held a hearing in October 2002 focusing on the economic impact of the Western port labor dispute between the International Longshore and Warehouse Union and the Pacific Maritime Association. The work stoppage had a damaging impact on all sectors of the nation's economy. Some experts say it cost the U.S. economy \$2 billion each day the ports remain closed. The committee heard from a mass retailer and manufacturer to assess the impact of the labor dispute. President Bush later invoked the Taft-Hartley Act to institute an 80-day "cooling off" period and reopen the ports. The President's decision sided with America's workers so that the work stoppage would not further damage the economy.

10. Protecting the Beck Rights of Union Members

More than a dozen years have passed since the U.S. Supreme Court's ruling in *Communication Workers v. Beck* that should protect union members from being forced to see their dues money used to support political causes with which they genuinely disagree. But in practice, the *Beck* decision is rarely enforced, and individual workers still find themselves unable to freely exercise their rights. Workforce Protections Subcommittee Chairman Charles Norwood (R-GA) held several hearings during the 107th Congress on the enforcement (or lack of enforcement) of worker rights under the *Beck* decision.

11. Opposing Efforts To Cut Pension Protection Enforcement Funding

Pension protection enforcement became a key issue during the 107th Congress in the wake of corporate collapses in which thousands of workers lost their pensions and retirement savings. In July 2002, Senate appropriators passed legislation cutting \$3 million in pension enforcement funding from the Department of Labor's Pension & Welfare Benefits Administration (PWBA) to create a new, vaguely defined "participant advocacy" office. Education and the Workforce Committee members noted these cuts would undermine ongoing Department efforts to safeguard the retirement savings of millions of American workers, and vowed to work with House appropriators to stop the cuts. Assistant Secretary of Labor Ann Combs warned before the House Employer-Employee Relations Subcommittee that DOL enforcement efforts could be compromised if critical resources were siphoned off to create a new, duplicative regulatory office. Committee members worked aggres-

sively to maintain this funding so DOL could effectively safeguard pension and retirement plans.

12. Examining the Federal Mental Health Parity Law

The Employer-Employee Relations Subcommittee, chaired by Rep. Sam Johnson (R-TX), held a hearing in 2002 to examine the current federal mental health parity law, state laws that impact the issue, and the implications of expanding federal mental health parity for both employers as payers and employees as patients. Members were able to hear concerns by both advocates pushing for additional mandates as well as employers who are concerned about increasing the costs of health care, thereby jeopardizing workers' existing benefits. Members agreed legislative efforts to address the mental health parity issue must not discourage employers from voluntarily providing health care benefits to their employees.

13. Safeguarding the Future of Retiree Health Benefits

Led by chairman Sam Johnson (R-TX), the Employer-Employee Relations Subcommittee held a series of hearings during the 107th Congress to examine the issue of health care coverage for retirees. With the changing nature of the workforce and the retiree population, it is becoming increasingly more difficult for employers to meet the health or long-term care needs of their workers while remaining competitive at the global level. Retiree health costs impose a growing burden on various industries, and the Subcommittee examined how some employers are implementing innovative solutions to balance their employees' retiree health needs with today's financial realities.

14. Examining Federal and State Genetic Non-Discrimination Laws

The House Education & the Workforce Committee took an extensive look at current laws and regulations, federal and state, that protect employees from genetic discrimination and govern the use of genetic information in employer-sponsored health plans. The committee examined efforts already being taken by employers to ban genetic discrimination, and learned about the effectiveness of current laws. Witnesses urged Congress to proceed cautiously before crafting any new mandates.

15. Exploring Remedies to America's National Nursing Shortage

Exploring an important issue that gained new attention in the wake of the September 11 attacks, the Education and the Workforce Committee held a full committee hearing in 2001 to examine the causes and impact of the national nursing shortage as well as possible remedies for Congress to consider. Hospitals are facing a growing shortage of qualified, experienced nursing professionals, and are increasingly challenged to find new ways to recruit and retain nurses. The House later passed the Energy & Commerce Committee-reported bill, the Nurse Reinvestment Act (H.R. 3487), which addresses the nation's nursing shortage through nursing education and recruitment programs. President Bush signed the measure into law on August 1, 2002.

16. Bipartisan Portman-Cardin Pension Reforms

In 2001, even before the Enron collapse, Congress overwhelmingly approved an important retirement security and pension reform bill authored by Reps. Rob Portman (R-OH) and Ben Cardin (D-MD). The measure, passed by the House Education & the Workforce Committee and signed into law by President Bush, makes it easier for American workers to save more for retirement. Highlights of the legislation include increasing IRA contribution limits, faster vesting for employer matching contributions, enhancing pension portability, providing additional catch-up contributions for workers over age 50, and encouraging small business to offer pension plans. The House also voted to make the bipartisan Portman-Cardin reforms permanent, but the Senate did not act on the measure.

17. Helping Parents Balance Demands of Family and Work

Rep. Judy Biggert (R-IL) introduced the Working Families Flexibility Act (H.R. 1982) to give working men and women more power and control over their lives by allowing them, through an agreement with their employer, to choose paid time off as compensation for working overtime hours. This flexible working arrangement, known as ‘comp time,’ is designed to help working men and women achieve a greater balance between family and work obligations. The House Workforce Protections Subcommittee, chaired by Rep. Charlie Norwood (R-GA), held hearings during the 107th Congress on the benefits of compensatory time. The hearings revealed that current federal law doesn’t meet the needs of today’s workforce and showed that the benefits of various flexible work schedules, already available to public sector employees, could easily be extended to their private sector counterparts. The Biggert legislation and Workforce Protections hearings laid the groundwork for what could be significant legislative action by the House Education & the Workforce committee in the next Congress to help Americans balance the competing demands of home and the workplace.

18. Improving the Benefits Process for Black Lung Victims

On October 9, 2002, the House unanimously passed the Black Lung Consolidation of Administrative Responsibilities Act (H.R. 5542)—sponsored by Rep. Melissa Hart (R-PA)—which consolidates the administration of Black Lung workers’ compensation benefits within the Department of Labor (DOL), allowing the department to provide medical benefits to former miners more efficiently and effectively. The measure, which passed the House by a vote of 404–0, was signed into law by President Bush on November 2, 2002. By streamlining bureaucracy, DOL can devote more resources to making prompt claims decisions and timely benefit payments to beneficiaries. This common sense solution improves the administration of benefits while ensuring that Black Lung victims continue to receive a high level of customer service.

19. Modernizing Federal Law for 21st Century Employees

The Subcommittee on Workforce Protections on June 27, 2001 approved H.R. 2070, the Sales Incentive Compensation Act, introduced by Rep. Patrick Tiberi (R-OH) and Rep. Robert E. Andrews (D-NJ). H.R. 2070 addresses the problem of fitting 21st Century

salespeople into a law crafted for a 1938 workforce by amending the Fair Labor Standards Act (FLSA) to provide a new exemption under the law for certain types of salespeople, enabling them to be more efficient, effective, and productive.

Since many of these employees are now covered by a 40-hour workweek, current law has the unintended effect of placing a ceiling on their income because they do not have the flexibility or the choice to work additional hours in order to generate more sales and earn more commissions.

20. Helping Workers Get Extra Pay for Extra Effort

Rep. Cass Ballenger (R-NC) in 2001 introduced the Rewarding Performance in Compensation Act (H.R. 1602), a bill to encourage employers to offer bonus pay to their workers. Employers have found that rewarding workers for high quality work improves performance and the ability of the company to compete. A hearing by the Workforce Protections Subcommittee, presided over by subcommittee vice-chair Judy Biggert (R-IL), revealed that while the Fair Labor Standards Act (FLSA) does not prohibit employers from providing these types of rewards, it makes it difficult and confusing to do so.

21. Subcommittee Examines OSHA Rulemaking and Exposure Limits

The Workforce Protections Subcommittee, chaired by Rep. Charlie Norwood (R-GA), held a series of hearings during the 107th Congress on the strengths and weaknesses of the Occupational Safety & Health Administration (OSHA)'s current rulemaking procedures. The subcommittee took a more specific look at how private consensus standard setting organizations may be better able to work with OSHA, both in OSHA's rulemaking process and also in providing their technical expertise in partnerships with OSHA. Chairman Norwood's panel also explored ways to build consensus on updating federal rules on employee exposure to airborne contaminants and the process that determines those rules. Called permissible exposure levels, or PELs, these workplace standards are governed by OSHA. Current PELs were adopted in 1971 and haven't been updated since.

C. ARCHIVING & LIVE WEB STREAMING OF ALL COMMITTEE HEARINGS

In an effort to improve public access to committee activities and resources, the Education and the Workforce Committee began live webstreaming of all committee hearings during the 107th Congress, including education-related hearings. As a result of this innovation, anyone with a web browser and an audio-video equipped home or office computer can follow committee hearings live over the Internet. Video archiving of committee hearings has also begun as a result of this new technology.

D. OVERSIGHT PLAN AND ACTIVITIES DURING THE 107TH CONGRESS

Pursuant to House Rule XI, Clause 1, the following specifies the oversight plan activities and are discussed within the body of this report. Under House Rule X 2(d)(1), each standing committee of the U.S. House of Representatives is required to formally adopt an

oversight plan at the beginning of each session of Congress. Specifically, Rule X, 2(d)(1) states in part:

“Not later than February 15 of the first session of a Congress, each standing committee of the House shall, in a meeting that is open to the public and with a quorum present, adopt its oversight plan for that Congress. Such plan shall be submitted simultaneously to the Committee on Government Reform and to the Committee on House Administration.”

Under Rule X of the Rules of the House, the Committee on Education and the Workforce (Committee) is vested with jurisdiction over issues dealing with students, education, workers, and workplace policy, including, but not limited to:

1. Child Labor.
2. Gallaudet University and Howard University and Hospital.
3. Convict labor and the entry of goods made by convicts into interstate commerce. Food programs for children in schools.
4. Labor standards and statistics.
5. Education or labor generally.
6. Mediation and arbitration of labor disputes.
7. Regulation or prevention of importation of foreign laborers under contract.
8. Workers' compensation.
9. Vocational rehabilitation.
10. Wages and hours of labor.
11. Welfare of miners.
12. Work incentive program.

Accordingly, the Committee is responsible for overseeing approximately 24,000 federal employees and more than \$125 billion in annual spending. More importantly, it is charged with evaluating whether federal education programs are contributing favorably to our children's education, whether we are creating a process of life-long learning, and whether we are developing workplace policies that encourage the most productive and competitive workplaces in the world.

3. General Oversight Responsibilities

According to House Rule X 2(a):

The various standing committees shall have general oversight responsibilities as provided in paragraph (b) in order to assist the House in—(1) its analysis, appraisal, and evaluation of—

(A) the application, administration, execution, and effectiveness of Federal laws; and

(B) conditions and circumstances that may indicate the necessity or desirability of enacting new or additional legislation; and

(2) its formulation, consideration, and enactment of changes in Federal laws, and of such additional legislation as may be necessary or appropriate. (b)(1) In order to determine whether laws and programs addressing subjects within the jurisdiction of a committee are being implemented and carried out in accordance with the intent of Congress and whether they should be continued, curtailed, or eliminated, each standing committee

(other than the Committee on Appropriations) shall review and study on a continuing basis—

(A) the application, administration, execution, and effectiveness of laws and programs addressing subjects within its jurisdiction;

(B) the organization and operation of Federal agencies and entities having responsibilities for the administration and execution of laws and programs addressing subjects within its jurisdiction.

4. Exercise of Oversight Responsibilities

The Committee has taken seriously its responsibility to conduct oversight and investigations. The Committee, in its commitment to ensuring that government agencies, departments and programs within in its jurisdiction:

Focused on an appropriate federal mission;

Worked in an effective and efficient manner; and,

Consistently followed Congressional intent in their respective activities and operations.

Accordingly and in keeping with the Rules of the House and the principles of oversight and investigations, the Committee identified six major projects for the 107th Congress. These projects adopted in the Committee's oversight plan were:

Financial Management in the Department of Education

Department of Labor Issues

Twenty-First Century Workforce Issues

Welfare Reform

Elementary and Secondary Education Reform

Higher Education

II. HEARINGS HELD BY THE COMMITTEE

107th Congress, First Session

February 16, 2001—Hearing on “Flexibility, Accountability, and Quality Education” in Bradenton, Florida (107–1).

February 20, 2001—Hearing on “Reading and Accountability: Improving 21st Century Schools” in Marietta, Georgia (107–2).

March 1, 2001—Hearing on “State Leadership in Education Reform” (107–3).

March 2, 2001—Hearing on “Improving Academic Achievement with Freedom and Accountability” in Chicago, Illinois (107–4).

March 7, 2001—Hearing on “Leave No Child Behind” (107–5).

March 28, 2001—Members’ Day hearing on “No Child Left Behind” (107–9).

March 29, 2001—Hearing on H.R. 1, H.R. 340 and H.R. 345, “Transforming the Federal Role in Education for the 21st Century” (107–10).

September 25, 2001—Hearing on “The Nursing Shortage: Causes, Impact, and Innovative Remedies” (107–31).

October 4, 2001—Hearing on “Overidentification Issues Within the Individuals with Disabilities Education Act and the Need for Reform” (107–32).

October 16, 2001—Hearing on “Economic Recovery and Assistance to Workers” (107–34).

November 13, 2001—Hearing on “Closing the Achievement Gap by Improving Reading Instruction” in Orlando Florida (107–41).

November 14, 2001—Hearing on Economic Recovery and Assistance to Workers—Minority Day (107–40).

107th Congress, Second Session

February 6, 2002—Hearing on “The Enron Collapse and Its Implications for Worker Retirement Security, Part (107–42).

February 7, 2002—Hearing on “The Enron Collapse and Its Implications for Worker Retirement Security, Part II (107–42).

April 9, 2002—Hearing on “Working Toward Independence: the Administration’s Plan to Build upon the Successes of Welfare Reform” (107–54).

April 16, 2002—Hearing on “Equal Educational Choices for Parents” (107–58).

June 25, 2002—Hearing on “The First Tee: Building Character Education” (107–68).

July 10, 2002—Hearing on “Reforming the Individuals with Disabilities Education Act: Recommendations from the President’s Commission on Excellence in Special Education” (107–70).

July 16, 2002—Hearing on “Access to Higher Education for Low-Income Students: A Review of the Advisory Committee on Student Financial Assistance Report on College Access” (107–71).

July 23, 2002—Hearing on “What’s Next for School Choice?” (107–73).

July 24, 2002—Hearing on Implementation of the “No Child Left Behind Act” (107–75).

October 3, 2002—Hearing on “The Rising Price of a Quality Post-secondary Education: Fact or Fiction” (107–83).

III. MARKUPS HELD BY THE COMMITTEE

107th Congress, First Session

February 7, 2001—Organizational Markup. Committee Rules for the 107th Congress were adopted by a vote of 24–20. Announcement of Subcommittee Assignments.

March 21, 2001—Committee Oversight Plan for the 107th Congress and an amendment to the Committee Rules were each adopted by unanimous consent.

April 26, 2001—H.R. 10, Comprehensive Retirement Security and Pension Reform Act of 2001—ordered favorably reported as amended by voice vote.

May 2, 3, 9, 2001—H.R. 1, No Child Left Behind Act of 2001—ordered favorably reported amended by a vote of 41–7.

August 1, 2001—H.R. 1992, Internet Equity and Education Act of 2001—ordered favorably reported as amended by a vote of 31–10. H.R. 1900, Juvenile Crime Control and Delinquency Prevention Act of 2001—ordered favorably reported as amended by a vote of 41–2.

October 3, 2001—H.R. 2269, Retirement Security Advice Act of 2001—ordered favorably reported as amended by a vote of 29–17.

107th Congress, Second Session

March 20, 2002—H.R. 3762, Pension Security Act of 2002—ordered favorably reported, as amended by a vote of 28–19. H.R.

3784, Museum and Libraries Services Act of 2002—ordered favorably reported, as amended by voice vote. H.R. 3801, Education Sciences Reform Act of 2002—ordered favorably reported, as amended by voice vote. H.R. 3839, Keeping Children and Families Safe Act of 2002—ordered favorably reported, as amended by voice vote.

May 1, 2, 2002—H.R. 4092—Working Toward Independence Act of 2002—ordered favorably reported, as amended by a vote of 25–20.

June 12, 2002—H.R. 4854—Citizen Service Act of 2002—ordered favorably reported, as amended by voice vote.

September 5, 2002.—H.R. 5091, “Canceling Loans to Allow School Systems to Attract Classroom Teachers Act” was ordered favorably reported, as amended to the House by voice vote.

October 2, 2002—H.J. Res. 113—Recognizing the Contributions of Pasty Mink—ordered favorably reported by Unanimous Consent.

IV. LEGISLATIVE ACTIVITIES

A. LEGISLATION ENACTED INTO LAW

(BILLS REFERRED TO COMMITTEE)

H.R. 1 (P.L. 107–110) To close the achievement gap with accountability, flexibility, and choice, so that no child is left behind. Sponsor: Rep. Boehner, John A.

Provisions of the following bills (H.R. 59 through H.R. 1163) were enacted as part of H.R. 1 (P.L. 107–110):

H.R. 59: To establish a program of grants for supplemental assistance for elementary and secondary school students of limited English proficiency to ensure that they rapidly develop proficiency in English while not falling behind in their academic studies. Sponsor: Rep. Dreier, David.

H.R. 61: To promote youth financial education. Sponsor: Rep. Dreier, David.

H.R. 100: To establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes. Sponsor: Rep. Ehlers, Vernon J.

H.R. 101: To amend the Elementary and Secondary Education Act of 1965 to establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes. Sponsor: Rep. Ehlers, Vernon J.

H.R. 116: To establish a program to promote child literacy by making books available through early learning and other child care programs, and for other purposes. Sponsor: Rep. Holt, Rush D.

H.R. 117: To improve the quality and scope of science and mathematics education. Sponsor: Rep. Holt, Rush D.

H.R. 228: To improve character education programs. Sponsor: Rep. Bob Ethridge.

H.R. 385: To amend the Elementary and Secondary Education Act of 1965 to provide for parental notification and consent prior to enrollment of a child in a bilingual education program or a special alternative instructional program for limited English proficient students. Sponsor: Rep. Thomas G. Tancredo.

H.R. 490: To give gifted and talented students the opportunity to develop their capabilities. Sponsor: Rep. Gallegely, Elton.

H.R. 573: To provide grants to State educational agencies and local educational agencies for the provision of classroom-related technology training for elementary and secondary school teachers. Sponsor: Rep. Capps, Lois.

H.R. 611: To amend part F of the Title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes. Sponsor: Rep. Kildee, Dale E.

H.R. 613: To provide a grant to develop initiatives and disseminate information about character education, and a grant to research character education. Sponsor: Rep. Smith, Lamar.

H.R. 623: To provide funds to assist homeless children and youth. Sponsor: Rep. Biggert, Judy.

H.R. 630: To provide grants for cardiopulmonary resuscitation (CPR) training in public school. Sponsor: Rep. Capps, Lois.

H.R. 637: To amend the Elementary and Secondary Education Act of 1965 to eliminate the funding limitation applicable to grants for special alternative instructional programs under subpart I of part A of title VII of such Act. Sponsor: Rep. Flake, Jeff.

H.R. 692: To amend subpart 2 of part J of title X of the Elementary and Secondary Education Act of 1965 to make improvements to the rural education achievement program. Sponsor: Rep. Osborne, Tom.

H.R. 719: To amend the Elementary and Secondary Education Act of 1965 to ensure that senior citizens are given an opportunity to serve as mentors, tutors, and volunteers for certain programs. Sponsor: Rep. Wu, David.

H.R. 790: To amend the Safe and Drug-Free Schools and Communities Act of 1994 to prevent the abuse of inhalants through programs under that Act, and for other purposes. Sponsor: Rep. Hooley, Darlene.

H.R. 899: To amend the Juvenile Justice and Delinquency Prevention Act 1974, and the Safe and Drug-Free Schools and Communities Act of 1994, to allow grants received under such Acts to be used to establish and maintain school safety hotlines. Sponsor: Rep. Tancredo, Thomas G.

H.R. 949: To provide funds to States to establish and administer periodic teacher testing and merit pay programs for elementary and secondary schoolteachers. Sponsor: Rep. Fossella, Vito.

H.R. 958: To assist local educational agencies in financing and establishing alternative education systems, and for other purposes. Sponsor: Rep. Kildee, Dale E.

H.R. 966: To prohibit the Federal Government from planning, developing, implementing, or administering any national teacher test or method of certification and from withholding funds from States or local educational agencies that fail to adopt a specific method of teacher certification. Sponsor: Rep. Paul, Ron.

H.R. 970: To amend the Safe and Drug-Free Schools and Communities Act of 1994 to provide comprehensive technical assistance and implement prevention programs that meet a high scientific standard of program effectiveness. Sponsor: Rep. Tierney, John F.

H.R. 972: To amend the Elementary and Secondary Education Act of 1965 to strengthen the involvement of parents in the education of their children, and for other purposes. Sponsor: Rep. Lynn Woolsey.

H.R. 1036: To amend the Elementary and Secondary Education Act of 1965 to reduce class size through the use of fully qualified teachers, and for other purposes. Sponsor: Rep. Wu, David.

H.R. 1096: To provide for improved educational opportunities in low-income and rural schools and districts, and for other purposes. Sponsor: Rep. John, Christopher.

H.R. 1103: To provide safer schools and a better educational environment. Sponsor: Rep. Brady, Kevin.

H.R. 1133: To amend the impact aid program under the Elementary and Secondary Education Act of 1965 relating to the calculation of payments for small local educational agencies. Sponsor: Rep. Watts, J.C., Jr.

H.R. 1163: To limit the use of Federal funds appropriated for conducting testing in elementary or secondary schools to testing that meets certain conditions, and for other purposes. Sponsor: Rep. Akin, W. Todd.

H.R. 1133, To amend the impact aid program under the Elementary and Secondary Education Act of 1965 relating to the calculation of payments for small local educational agencies. Sponsor: Rep. Watts, J.C. H.R. 1133 enacted as part of H.R. 2216 (P.L. 107-20, sec. 2703), Making Supplemental Appropriations for the fiscal year ending September 30, 2001.

H.R. 1900, To amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide quality prevention programs and accountability programs relating to juvenile delinquency, and for other purposes. Sponsor: Rep. Greenwood, James C. H.R. 1900 enacted as part of H.R. 2215, (P.L. 107-273) Title II, Subtitle B, sec. 12201-12223).

H.R. 3030 (P.L. 107-128) To extend the basic pilot program for employment eligibility verification, and for other purposes. Sponsor: Rep. Latham, Tom.

H.R. 3112, To amend the Workforce Investment Act of 1998 to establish a national emergency grant program to respond to the terrorist attacks of September 11, 2001, and for other purposes. Sponsor: Rep. Boehner, John A. H.R. 3112 provisions (as modified, to specify dislocated workers impacted by trade) were enacted as part of H.R. 3009, Trade Act of 2002 (P.L. 107-210, section 203).

H.R. 3162 (P.L. 107-56) To deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes. Sponsor: Rep. Sensenbrenner, F. James, Jr.

H.R. 3216, To amend the Richard B. Russell National School Lunch Act to exclude certain basic allowances for housing of an individual who is a member of the uniformed services from the determination of eligibility for free and reduced price meals of a child of the individual. Sponsor: Rep. Castle, Michael N. H.R. 3216 enacted as part of H.R. 2646, Farm Security and Rural Investment Act (P.L. 107-171, sec. 4302).

H.R. 3394 (P.L. 107-305) To authorize funding for computer and network security research and development and research fellowship programs, and for other purposes. Sponsor: Rep. Boehlert, Sherwood L.

H.R. 3801 (P.L. 107-279) Education Sciences Reform Act of 2002.

H.R. 3919, Pension Interest Rate Relief Act of 2002. Sponsor: Rep. Portman, Rob. Most provisions were enacted in H.R. 3090, Job

Creation and Worker Assistance Act of 2002 (P.L. 107-147, sec. 405).

H.R. 3762, Pension Security Act of 2002. Sponsor: Rep. Boehner, John A. Worker pension protection provisions in sections 102 and 108 of the House passed bill were modified and enacted as part of H.R. 3763, Sarbanes-Oxley Act of 2002 (P.L. 107-204, sec. 306).

H.R. 5542 (P.L. 107-275) To consolidate all black lung benefit responsibility under a single official, and for other purposes. Sponsor: Rep. Hart, Melissa A.

H.R. 5585, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes. Sponsor: Rep. Castle, Michael N. Provisions of this bill were enacted in H.R. 3801 (P.L. 107-279).

H.R. 5598, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes. Sponsor: Rep. Castle, Michael N. Provisions of the bill were enacted in H.R. 3801 (P.L. 107-279).

H.R. 5599, To apply guidelines for the determination of per-pupil expenditure requirements for heavily impacted local educational agencies, and for other purposes. Sponsor: Rep. Thune, John R. Provisions of this bill were enacted in H.R. 3801 (P.L. 107-279, sec. 406).

H.R. 5716 (P.L. 107-313) To amend the Employee Retirement Income Security Act of 1974 and the Public Health Service Act to extend the mental health benefits parity provisions for an additional year. Sponsor: Rep. Boehner, John A.

H.J. Res. 113 (P.L. 107-255) Recognizing the contributions of Patsy Takemoto Mink. Sponsor: Rep. Miller, George.

S. 360 (P.L. 107-21) A bill to honor Paul D. Coverdell. Sponsor: Sen. Lott, Trent.

NOTE: H.R. 10, Comprehensive Retirement Security and Pension Reform Act became P.L. 107-90, Railroad Retirement and Survivor's Improvement Act. The bill as enacted into law was stripped of all language under the committee's jurisdiction and is therefore not included in this list. Provisions of the prior version of H.R. 10 as passed in the House) became public law in H.R. 1836 (P.L. 107-16).

B. LEGISLATION ENACTED INTO LAW

(BILLS NOT REFERRED TO COMMITTEE)

1. H.R. 1836 (P.L. 107-16) Economic Growth and Tax Relief Act of 2001. Sponsor: Rep. Thomas. (Title VI contains pension provisions amending ERISA that were included in H.R. 10 Comprehensive Retirement Security and Pensions Reform Act as passed in the House.) ERISA provisions were further modified in P.L. 107-147 (H.R. 3090).

2. H.R. 2215 (P.L. 107-273) To authorize appropriations for the Department of Justice for fiscal year 2002, and for other purposes. Sponsor: Rep. Sensenbrenner, F. James, Jr. Title II, Subtitle B—Juvenile Justice and Delinquency Prevention Act of 2002 (sec. 12201-12223) of the public law includes H.R. 1900, Juvenile Justice and Delinquency Prevention Act of 2001.

3. H.R. 2216 (P.L. 107-20) Making Supplemental Appropriations for the fiscal year ending September 30, 2001, and for other pur-

poses. Sponsor: Rep. Young of Florida. Sec. 2703 of the public law Includes H.R. 1133, To amend the impact aid program under Elementary and Secondary Education Act of 1965 relating to the calculation of payments for small local educational agencies. Sponsor: Rep. Watts, J.C.) Also contains impact aid, LIHEAP and ESEA Title I provisions.

4. H.R. 2646 (P.L. 107–171) Farm Security and Rural Investment Act. Sponsor: Rep. Combest, Larry. Includes provisions of H.R. 3216, To amend the Richard B. Russell National School Lunch Act to exclude certain basic allowances for housing of an individual who is a member of the uniformed services from the determination of eligibility for free and reduced price meals of a child of the individual (sec. 4302). Also contains Older American nutrition programs, child nutrition programs and WIC programs (sections 4301–4307, 4402, and 4405).

5. H.R. 2884 (P.L. 107–134) An act to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes. Sponsor: Rep. Thomas, William M. (contains ERISA provisions in sec. 112, authority to postpone certain deadlines and required actions).

6. H.R. 2975, To deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes. Sponsor: Rep. Sensenbrenner, F. James, Jr., Sec. 507, disclosure of educational records provisions were incorporated in H.R. 3162, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 which became P.L. 107–56.

7. H.R. 3009 (P.L. 107–210) Trade Act of 2002. Sponsor: Rep. Crane, Philip M. Section 203 contains provisions of H.R. 3112, Back to Work Act of 2001, including maintaining health coverage for dislocated workers impacted by trade, and authorization and appropriations for health related national emergency grants (NEG's).

8. H.R. 3090 (P.L. 107–147), Job Creation and Worker Assistance Act of 2002. Sponsor: Rep. Thomas, William M. (Bill). Section 411 contains additional technical changes to ERISA provisions in H.R. 10 that were enacted in H.R. 1836 (P.L. 107–16) Economic Growth and Tax Relief Reconciliation Act of 2001. Sponsor: Rep. Thomas, William M. (Bill). Incorporates provisions of H.R. 3919, Pension Interest Rate Relief Act of 2002 (sec. 405). Sponsor: Rep. Portman, Rob.

9. H.R. 3609—(Public Law 107–355) Pipeline Safety Improvement Act of 2002. Sponsor: Rep. Young, Don. Section 6 includes provisions under the committee's jurisdiction dealing with protection of employees providing pipeline safety information (whistleblower protections).

10. H.R. 3763 (P.L. 107–204), Sarbanes-Oxley Act of 2002. Section 306 incorporates provisions of H.R. 3762, Pension Security Act of 2002. Sponsor: Rep. Boehner, John A. Provisions include prohibiting insider trading of stock during blackout periods, and requiring pension plan administrators to notify workers 30 days before start of blackout period. Section 904 incorporates provisions which increase criminal penalties under ERISA.

11. H.R. 4546 (P.L. 107-314) To authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes. Sponsor: Rep. Stump, Bob. Contains provisions on Assistance to Local Education Agencies in sec. 341; Housing Benefits for Teachers at Guantanamo Bay, Cuba in sec. 342; Options for Funding Dependent Summer School Programs in sec. 343; Impact Aid Eligibility during Military Privatization in sec. 344; Comptroller General study of the Adequacy of Compensation Provided for Teachers in the DOD Overseas Dependents' Schools in sec. 345; Payment of Interest on Student Loans in sec. 651; and provides assistance to help school districts provide special education services to certain dependent children.

12. H.R. 4775 (P.L. 107-206) 2002 Supplemental Appropriations Act for Further Recovery From and Response To Terrorist Attacks on the United States, contains technical changes to several programs under the committee's jurisdiction: WIC, Impact Aid, OSHA, Children and Family Services, Fund for Improvement of Education (FIE), the Fund for Improvement of Postsecondary Education (FIPSE) and a one-year extension of the Eisenhower National Clearinghouse for Mathematics and Science Education Program.

13. S.J. Res. 6 (P.L. 107-5) A joint resolution providing for congressional disapproval of the rule submitted by the Department of Labor under chapter 8 of title 5, United States Code, relating to ergonomics. Sponsor: Sen. Nickles, Don.

14. S. 1438 / H.R. 2586 (P.L. 107-107) A bill to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes. Sponsor: Sen. Levin, Carl (sec. 351, assistance to local educational agencies; sec. 352, impact aid for children with severe disabilities; sec. 353, auxiliary services for dependents who are home school students; and sec. 544, military recruiter access to secondary school students).

15. S. 1762 (P.L. 107-139) A bill to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. Sponsor: Sen. Johnson, Tim.

16. S. 1793 (P.L. 107-122) Higher Education Relief Opportunities for Students Act of 2001. Sponsor: Rep. Morella, Constance A.

C. LEGISLATION PASSED THE HOUSE

(BILLS REFERRED TO COMMITTEE)

1. H. Con. Res. 57, Condemning the heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California. Sponsor: Rep. Hunter, Duncan.

2. H. Con. Res. 91, Recognizing the importance of increasing awareness of the autism spectrum disorder, and supporting programs for greater research and improved treatment of autism and improved training and support for individuals with autism and those who care for them. Sponsor: Rep. Smith, Christopher H.

3. H. Con. Res. 95, Supporting a National Charter Schools Week. Sponsor: Rep. Tancredo, Thomas G.

4. H. Con. Res. 100, Commending Clear Channel Communications and the American Football Coaches Association for their dedication and efforts for protecting children by providing a vital means for locating the Nation's missing, kidnapped, and runaway children. Sponsor: Rep. Duncan, John J., Jr.

5. H. Con. Res. 110, Expressing the sense of the Congress in support of National Children's Memorial Flag Day. Sponsor: Rep. Berkley, Shelley.

6. H. Con. Res. 150, Expressing the sense of Congress that Erik Weißenmayer's achievement of becoming the first blind person to climb Mount Everest demonstrates the abilities and potential of all blind people and other individuals with disabilities. Sponsor: Rep. Langevin, James R.

7. H. Con. Res. 172, Recognizing and honoring the Young Men's Christian Association on the occasion of its 150th anniversary in the United States. Sponsor: Rep. Morella, Constance A.

8. H. Con. Res. 183, Expressing the sense of Congress regarding the United States Congressional Philharmonic Society and its mission of promoting musical excellence throughout the educational system and encouraging people of all ages to commit to the love and expression of musical performance. Sponsor: Rep. Davis, Tom.

9. H. Con. Res. 204, Expressing the sense of Congress regarding the establishment of National Character Counts Week. Sponsor: Rep. Smith, Lamar.

10. H. Con. Res. 239, Expressing the sense of Congress that schools in the United States should set aside a sufficient period of time to allow children to pray for, or quietly reflect on behalf of, the Nation during this time of struggle against the forces of international terrorism. Sponsor: Rep. Jones, Walter B.

11. H. Con. Res. 248, Expressing the sense of the Congress that public schools may display the words "God Bless America" as an expression of support for the Nation. Sponsor: Rep. Brown, Henry E., Jr.

12. H. Con. Res. 386, Supporting a National Charter Schools Week, and for other purposes. Sponsor: Rep. Keller, Ric.

13. H. Con. Res. 391, Honoring the University of Minnesota Golden Gophers men's hockey and wrestling teams and the University of Minnesota-Duluth Bulldogs women's hockey team for winning the 2002 National Collegiate Athletic Association championships. Sponsor: Rep. Kennedy, Mark R.

14. H. Con. Res. 451, Recognizing the importance of teaching United States history and civics in elementary and secondary schools, and for other purposes. Sponsor: Rep. Kind, Ron.

15. H. Con. Res. 467, Expressing the sense of Congress that Lionel Hampton should be honored for his contributions to American music. Sponsor: Rep. Rangel, Charles B.

16. H. Con. Res. 472, Recognizing the 100th anniversary of the 4-H Youth Development Program. Sponsor: Rep. Davis, Jo Ann.

17. H. Con. Res. 484, Expressing the sense of the Congress regarding personal safety for children, and for other purposes. Sponsor: Rep. Castle, Michael.

18. H.J. Res. 113, Recognizing the contributions of Patsy Takemoto Mink. Sponsor: Rep. Miller, George.

19. H. Res. 28, Honoring the contributions of Catholic schools. Sponsor: Rep. Schaffer, Bob.

20. H. Res. 112, Recognizing the upcoming 100th anniversary of the 4-H Youth Development Program and commending such program for service to the youth of the world. Sponsor: Rep. Foley, Mark.

21. H. Res. 113, Urging the House of Representatives to support events such as the "Increase the Peace Day". Sponsor: Rep. McKeon, Howard P. (Buck).

22. H. Res. 124, Recognizing the importance of children in the United States and supporting the goals and ideas of American Youth Day. Sponsor: Rep. Crenshaw, Ander.

23. H. Res. 168, Expressing the sense of the House of Representatives that the Nation's schools should honor Native Americans for their contributions to American history, culture, and education. Sponsor: Rep. Baca, Joe.

24. H. Res. 276, Praising Joseph Vincent Paterno for his steadfast commitment to academics, service, and citizenship, and congratulating Joseph Vincent Paterno for his many coaching accomplishments, including his 324th career coaching victory. Sponsor: Rep. Peterson, John E.

25. H. Res. 330, Expressing the Sense of the House of Representatives regarding the benefits of mentoring. Sponsor: Rep. Osborne, Tom.

26. H. Res. 335, Honoring the contributions of Catholic schools. Sponsor: Rep. Schaffer, Bob.

27. H. Res. 383, Congratulating the University of Maryland for winning the 2002 National Collegiate Athletic Association men's basketball championship. Sponsor: Rep. Hoyer, Steny H.

28. H. Res. 399, Honoring Cael Sanderson for his perfect collegiate wrestling record. Sponsor: Rep. Latham, Tom.

29. H. Res. 401, Congratulating the University of Connecticut Huskies for winning the 2002 National Collegiate Athletic Association Division I women's basketball championship. Sponsor: Rep. Simmons, Rob.

30. H. Res. 442, Supporting responsible fatherhood and encouraging greater involvement of fathers in the lives of their children, especially on Father's Day. Sponsor: Rep. Sullivan, John.

31. H. Res. 448, Recognizing The First Tee for its support of programs that provide young people of all backgrounds an opportunity to develop, through golf and character education, life-enhancing values such as honor, integrity, and sportsmanship. Sponsor: Rep. Boehner, John A.

32. H. Res. 460, Recognizing and honoring Justin W. Dart, Jr., for his accomplishments on behalf of individuals with disabilities and expressing the condolences of the House of Representatives to his family on his death. Sponsor: Rep. Hoyer, Steny H.

33. H. Res. 522, Expressing gratitude for the foreign guest laborers, known as Braceros, who worked in the United States during the period from 1942 to 1964. Sponsor: Rep. Ose, Doug.

34. H. Res. 523, Expressing gratitude for the foreign guest laborers, known as Braceros, who worked in the United States during the period from 1942 to 1964. Sponsor: Rep. Watts, J.C., Jr.

35. H. Res. 525, Expressing the sense of the House of Representatives that the 107th Congress should complete action on and

present to the President, before September 30, 2002, legislation extending and strengthening the successful 1996 welfare reforms. Sponsor: Rep. Northup, Anne.

36. H. Res. 540, Expressing the sense of the House of Representatives that Congress should complete action on H.R. 3762, the Pension Security Act of 2002. Sponsor: Rep. Pickering, Charles (Chip).

37. H. Res. 561, Recognizing the contributions of Hispanic-serving institutions. Sponsor: Rep. McKeon, Buck.

38. H. Res. 612, Honoring the life of Dr. Roberto Cruz. Sponsor: Rep. Lofgren, Zoe.

39. H.R. 1, To close the achievement gap with accountability, flexibility, and choice, so that no child is left behind. Sponsor: Rep. Boehner, John A.

40. H.R. 4, To enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes. Sponsor: Rep. Tauzin, W.J. (Billy).

41. H.R. 10, To provide for pension reform, and for other purposes. Sponsor: Rep. Portman, Rob.

42. H.R. 100, To establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes. Sponsor: Rep. Ehlers, Vernon J.

43. H.R. 1858, To make improvements in mathematics and science education, and for other purposes. Sponsor: Rep. Boehlert, Sherwood L.

44. H.R. 1900, To amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide quality prevention programs and accountability programs relating to juvenile delinquency, and for other purposes. Sponsor: Rep. Greenwood, James C.

45. H.R. 1992, To amend the Higher Education Act of 1965 to expand the opportunities for higher education via telecommunications. Sponsor: Rep. Isakson.

46. H.R. 2269, Retirement Security Advice Act of 2001. Sponsor: Rep. Bohener, John A.

47. H.R. 2563, To amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage. Sponsor: Rep. Ganske, Greg.

48. H.R. 3030, To extend the basic pilot program for employment eligibility verification, and for other purposes. Sponsor: Rep. Latham, Tom.

49. H.R. 3086, To provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President of the United States on September 14, 2001. Sponsor: Rep. McKeon, Howard P. (Buck). (S. 1793—similar bill)

50. H.R. 3130, To provide for increasing the technically trained workforce in the United States. Sponsor: Rep. Boehlert, Sherwood L.

51. H.R. 3162, To deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes. Sponsor: Rep. Sensenbrenner, F. James, Jr.

52. H.R. 3216, To amend the Richard B. Russell National School Lunch Act to exclude certain basic allowances for housing of an in-

dividual who is a member of the uniformed services from the determination of eligibility for free and reduced price meals of a child of the individual. Sponsor: Rep. Castle, Michael N.

53. H.R. 3394, To authorize funding for computer and network security research and development and research fellowship programs, and for other purposes. Sponsor: Rep. Boehlert, Sherwood L.

54. H.R. 3421, To provide adequate school facilities within Yosemite National Park, and for other purposes. Sponsor: Rep. Radanovich, George P.

55. H.R. 3529, To provide tax incentives for economic recovery and assistance to displaced workers. Sponsor: Rep. Thomas, William M. Bill.

56. H.R. 3762, To amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to provide additional protections to participants and beneficiaries in individual account plans from excessive investment in employer securities and to promote the provision of retirement investment advice to workers managing their retirement income assets, and to amend the Securities Exchange Act of 1934 to prohibit insider trades during any suspension of the ability of plan participants or beneficiaries to direct investment away from equity securities of the plan sponsor. Sponsor: Rep. Boehner, John A.

57. H.R. 3801, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes. Sponsor: Rep. Castle, Michael N.

58. H.R. 3839, To reauthorize the Child Abuse Prevention and Treatment Act, and for other purposes. Sponsor: Rep. Hoekstra, Peter.

59. H.R. 4737, To reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, and for other purposes. Sponsor: Rep. Deborah Pryce.

NOTE: Provisions of H.R. 4090, as ordered to be reported from the House Committee on Ways and Means, and provisions of H.R. 4092, as reported from the Committee on Education and the Workforce, were previously incorporated in H.R. 4700. Subsequent action moved to H.R. 4735 and then to H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act.

60. H.R. 5091, To increase the amount of student loan forgiveness available to qualified teachers, and for other purposes. Sponsor: Rep. Graham, Lindsey.

61. H.R. 5331, To amend the General Education Provisions Act to clarify the definition of a student regarding family educational and privacy rights. Sponsor: Rep. Kennedy, Mark R.

62. H.R. 5422, To prevent child abduction, and for other purposes. Sponsor: Rep. Sensenbrenner, F. James, Jr.

63. H.R. 5542, To consolidate all black lung benefit responsibility under a single official, and for other purposes. Sponsor: Rep. Hart, Melissa A.

64. H.R. 5598, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes. Sponsor: Rep. Castle, Michael N.

65. H.R. 5599, To apply guidelines for the determination of per-pupil expenditure requirements for heavily impacted local edu-

cational agencies, and for other purposes. Sponsor: Rep. Thune, John R.

66. H.R. 5601, To amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for purposes. Sponsor: Rep. Hoekstra, Peter.

67. H.R. 5716, To amend the Employee Retirement Income Security Act of 1974 and the Public Health Service Act to extend the mental health benefits parity provisions for an additional year. Sponsor: Rep. Boehner, John A.

68. S. 360, A bill to honor Paul D. Coverdell. Sponsor: Sen. Lott, Trent.

D. LEGISLATION PASSED THE HOUSE IN ANOTHER MEASURE

H.R. 10, Comprehensive Retirement Security and Pension Reform Act (pension provisions amending ERISA) incorporated into H.R. 1836, Economic Growth and Tax Relief Act of 2001 (Title VI).

Provisions of the following bills (H.R. 59 through H.R. 1163) passed the House in H.R. 1:

H.R. 59: To establish a program of grants for supplemental assistance for elementary and secondary school students of limited English proficiency to ensure that they rapidly develop proficiency in English while not falling behind in their academic studies. Sponsor: Rep. Dreier, David.

H.R. 61: To promote youth financial education. Sponsor: Rep. Dreier, David.

H.R. 100: To establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes. Sponsor: Rep. Ehlers, Vernon J.

H.R. 101: To amend the Elementary and Secondary Education Act of 1965 to establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes. Sponsor: Rep. Ehlers, Vernon J.

H.R. 116: To establish a program to promote child literacy by making books available through early learning and other child care programs, and for other purposes. Sponsor: Rep. Holt, Rush D.

H.R. 117: To improve the quality and scope of science and mathematics education. Sponsor: Rep. Holt, Rush D.

H.R. 228: To improve character education programs. Sponsor: Rep. Ethridge, Bob.

H.R. 385: To amend the Elementary and Secondary Education Act of 1965 to provide for parental notification and consent prior to enrollment of a child in a bilingual education program or a special alternative instructional program for limited English proficient students. Sponsor: Rep. Tancredo, Thomas G.

H.R. 490: To give gifted and talented students the opportunity to develop their capabilities. Sponsor: Rep. Gallegely, Elton.

H.R. 573: To provide grants to State educational agencies and local educational agencies for the provision of classroom-related technology training for elementary and secondary school teachers. Sponsor: Rep. Capps, Lois.

H.R. 611: To amend part F of the Title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes. Sponsor: Rep. Kildee, Dale E.

H.R. 613: To provide a grant to develop initiatives and disseminate information about character education, and a grant to research character education. Sponsor: Rep. Smith, Lamar.

H.R. 623: To provide funds to assist homeless children and youth. Sponsor: Rep. Biggert, Judy.

H.R. 630: To provide grants for cardiopulmonary resuscitation (CPR) training in public school. Sponsor: Rep. Capps, Lois.

H.R. 637: To amend the Elementary and Secondary Education Act of 1965 to eliminate the funding limitation applicable to grants for special alternative instructional programs under subpart I of part A of title VII of such Act. Sponsor: Flake, Jeff.

H.R. 692: To amend subpart 2 of part J of title X of the Elementary and Secondary Education Act of 1965 to make improvements to the rural education achievement program. Sponsor: Rep. Osborne, Tom.

H.R. 719: To amend the Elementary and Secondary Education Act of 1965 to ensure that senior citizens are given an opportunity to serve as mentors, tutors, and volunteers for certain programs. Sponsor: Rep. Wu, David.

H.R. 790: To amend the Safe and Drug-Free Schools and Communities Act of 1994 to prevent the abuse of inhalants through programs under that Act, and for other purposes. Sponsor: Rep. Hooley, Darlene.

H.R. 899: To amend the Juvenile Justice and Delinquency Prevention Act 1974, and the Safe and Drug-Free Schools and Communities Act of 1994, to allow grants received under such Acts to be used to establish and maintain school safety hotlines. Sponsor: Rep. Tancredo, Thomas G.

H.R. 949: To provide funds to States to establish and administer periodic teacher testing and merit pay programs for elementary and secondary schoolteachers. Sponsor: Rep. Fossella, Vito.

H.R. 958: To assist local educational agencies in financing and establishing alternative education systems, and for other purposes. Sponsor: Rep. Kildee, Dale E.

H.R. 966: To prohibit the Federal Government from planning, developing, implementing, or administering any national teacher test or method of certification and from withholding funds from States or local educational agencies that fail to adopt a specific method of teacher certification. Sponsor: Rep. Paul, Ron.

H.R. 970: To amend the Safe and Drug-Free Schools and Communities Act of 1994 to provide comprehensive technical assistance and implement prevention programs that meet a high scientific standard of program effectiveness. Sponsor: Rep. Tierney, John F.

H.R. 972: To amend the Elementary and Secondary Education Act of 1965 to strengthen the involvement of parents in the education of their children, and for other purposes. Sponsor: Rep. Woolsey, Lynn.

H.R. 1036: To amend the Elementary and Secondary Education Act of 1965 to reduce class size through the use of fully qualified teachers, and for other purposes. Sponsor: Rep. Wu, David.

H.R. 1096: To provide for improved educational opportunities in low-income and rural schools and districts, and for other purposes. Sponsor: Rep. John, Christopher.

H.R. 1103: To provide safer schools and a better educational environment. Sponsor: Rep. Brady, Kevin.

H.R. 1133: To amend the impact aid program under the Elementary and Secondary Education Act of 1965 relating to the calculation of payments for small local educational agencies. Sponsor: Rep. Watts, J.C., Jr.

H.R. 1163: To limit the use of Federal funds appropriated for conducting testing in elementary or secondary schools to testing that meets certain conditions, and for other purposes. Sponsor: Rep. Akin, W. Todd.

H.R. 1133, To amend the impact aid program under the Elementary and Secondary Education Act of 1965 relating to the calculation of payments for small local educational agencies incorporated into H.R. 2216, Making Supplemental Appropriations for the fiscal year ending September 30, 2001, Conference Report (H. Rept. 107–148, sec. 2703).

H.R. 2587, To enhance energy conservation, provide for security and diversity in the energy supply for the American people (sec. 134 LIHEAP provisions) incorporated into H.R. 4, To enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people (sec. 134).

H.R. 3112, Back to Work Act of 2001 provisions incorporated into H.R. 3529, To provide tax incentives for economic recovery and assistance to displaced workers (Title IX).

H.R. 3112, Back to Work Act of 2001 provisions incorporated into H.R. 622, Economic Security and Worker Assistance Act of 2002 (Title VIII of the Engrossed House Amendment).

H.R. 3163, To provide student loan forgiveness to the surviving spouses of the victims of the September 11, 2001, tragedies, provisions incorporated into H.R. 5091, To increase the amount of student loan forgiveness available to qualified teachers, and for other purposes—CLASS Act (sec. 3).

H.R. 2269, Retirement Security Advice Act of 2001 incorporated into H.R. 3762, Pension Security Act of 2002 (sec. 501).

H.R. 3421, To provide adequate school facilities within Yosemite National Park, and for other purposes, was incorporated into S. 941, A bill to revise the boundaries of the Golden Gate National Recreation Area in the State of California, to extend the term of the advisory commission for the recreation area, and for other purposes (Title III).

H.R. 3669, To amend the Internal Revenue Code of 1986 to empower employees to control their retirement savings accounts through new diversification rights, new disclosure requirements, and new tax incentives for retirement education. Provisions were incorporated into H.R. 3762, Pension Security Act of 2002.

H.R. 3801, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes. Provisions of the Senate amendment passed the House in H.R. 5598, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes.

H.R. 3839, To reauthorize the Child Abuse Prevention and Treatment Act, and for other purposes. Provisions incorporated into H.R. 5601, To amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes.

H.R. 3918, Pension Improvement Act of 2002. Provisions were incorporated into H.R. 3762, Pension Security Act of 2002.

H.R. 3919, Pension Interest Rate Relief Act of 2002. Provisions in sec. 2(d) were incorporated into H.R. 3762, Pension Security Act of 2002 (sec. 201).

H.R. 3919, Pension Interest Rate Relief Act of 2002. Provisions in sec. 2(a), (b) and (c) were incorporated into H.R. 3090, Job Creation and Worker Assistance Act of 2002 (section 405 of the Engrossed House Amendment).

H.R. 4092, Working Toward Independence Act of 2002. Provisions were incorporated in H.R. 4700. Subsequent action moved to H.R. 4735 and then passed the House in H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act.

H.R. 4090, Personal Responsibility, Work, and Family Promotion Act of 2002. Provisions were incorporated in H.R. 4700. Subsequent action moved to H.R. 4735 and then passed the House in H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act.

H.R. 4700, Personal Responsibility, Work, and Family Promotion Act of 2002, Subsequent action moved to H.R. 4735 and then passed the House in H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act.

H.R. 4735, Personal Responsibility, Work, and Family Promotion Act of 2002. Provisions passed the House in H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act.

H.R. 5585, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes. Provisions passed the House in H.R. 5598, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes.

H.R. 5598, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes. Provisions passed the House in the Senate amendment to H.R. 3801, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes.

H.R. 5599, To apply guidelines for the determination of per-pupil expenditure requirements for heavily impacted local educational agencies, and for other purposes. Provisions passed the House in the Senate amendment to H.R. 3801, To provide for improvement of Federal education research, statistics, evaluation, information, and dissemination, and for other purposes.

E. BILLS NOT REFERRED TO COMMITTEE THAT PASSED THE HOUSE CONTAINING PROVISIONS UNDER THE COMMITTEE'S JURISDICTION

1. H.R. 622, Economic Security and Worker Assistance Act of 2002 (Title VIII of the House engrossed amendment) contains provisions of H.R. 3112, Back to Work Act of 2001.

2. H.R. 1836, Economic Growth and Tax Relief Reconciliation Act of 2001, contains H.R. 10, Comprehensive Retirement Security and Pension Reform Act, pension provisions amending ERISA.

3. H.R. 2216, Supplemental Appropriations Act, 2001, incorporates impact aid; LIHEAP; and ESEA Title I provisions.

4. H.R. 2436, Energy Security Act (sec. 506 project labor agreements provisions) incorporated into H.R. 4, To enhance energy con-

servation, research and development and to provide for security and diversity in the energy supply for the American people (sec. 6506).

5. H.R. 2586, National Defense Authorization Act for Fiscal Year 2002, contains provisions under the committee's jurisdiction (sec. 341, assistance to local educational agencies; sec. 342, home school students; sec. 343, overseas schools; sec. 509, 1 year extension for certain force management authorities; and sec. 584, clarification of military recruiter access). House inserted the text of H.R. 2586 in S. 1438.

6. H.R. 2884, Victims of Terrorism Relief Act of 2001 (contains ERISA provisions in sec. 202, authority to postpone certain deadlines and required actions).

7. H.R. 2975, Uniting and Strengthening America Act, contains privacy provisions (sec. 507, disclosure of educational records).

8. H.R. 3609, Pipeline Infrastructure Protection to Enhance Security and Safety Act, contains provisions under the committee's jurisdiction in section 4, dealing with protection of employees providing pipeline safety information (whistleblower protections).

9. H.R. 4546, Bob Stump National Defense Authorization Act for Fiscal Year 2003, contains provisions under the committee's jurisdiction (sec. 341, assistance to local educational agencies; sec. 342, availability of quarters allowance for unaccompanied Defense Department teacher required to reside on overseas military installation; sec. 343, provision of summer school programs for students who attend defense dependents' education system; sec. 366, amendments to certain education and nutrition laws relating to acquisition and improvement of military housing).

10. H.R. 4775, 2002 Supplemental Appropriations Act for Further Recovery From and Response To Terrorist Attacks on the United States, contains technical changes to several programs under the committee's jurisdiction: WIC, Children and Families Services, Fund for Improvement of Education (FIE), and the Fund for Improvement of Postsecondary Education (FIPSE).

11. H.R. 5063, An Act to amend the Internal Revenue Code of 1986 to improve tax equity for military personnel, and for other purposes. The House engrossed amendment contains a provision for the extension of welfare programs funded through March 31, 2003.

12. H. Con. Res. 83, Establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011. (contains committee instructions pursuant to section 301(d) of the Congressional Budget Act).

13. H. Con. Res. 353, Establishing the congressional budget for the United States Government for fiscal year 2003 and setting forth appropriate budgetary levels for each of fiscal years 2004 through 2007. (contains committee instructions pursuant to section 301(d) of the Congressional Budget Act).

14. H. Res. 61, Providing amounts for the expenses of the Committee on Education and the Workforce in the One Hundred Seventh Congress. (committee funding resolution for the 107th Congress passed the House in H. Res. 84).

15. H. Res. 84, Providing for the expenses of certain committees of the House of Representatives in the One Hundred Seventh Congress. (contains the committee funding resolution for the 107th Congress).

16. S. 941, A bill to revise the boundaries of the Golden Gate National Recreation Area in the State of California, to extend the term of the advisory commission for the recreation area, and for other purposes, incorporates in sec. 301 and sec. 301, the bill H.R. 3421, Yosemite National Park Improvement Act.

17. S. 1438, National Defense Authorization Act for Fiscal Year 2002, contains provisions within the committee's jurisdiction (sec 341, 342, 343, 509 and 584). House inserted the text of H.R. 2586 in lieu of S. 1438.

18. S. 1762, A bill to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes.

19. S. 1793, Higher Education Relief Opportunities for Students Act of 2001 (similar to H.R. 3086—McKeon).

20. H. Con. Res. 289, Directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 1.

21. S.J. Res. 6, A joint resolution providing for congressional disapproval of the rule submitted by the Department of Labor under chapter 8 of title 5, United States Code, relating to ergonomics.

F. LEGISLATION WITH FILED REPORTS

107th Congress, First Session

H.R. 1, No Child Left Behind Act of 2001 (H. Rept. 107–63, Pt. 1).

H.R. 10, Comprehensive Retirement Security and Pension Reform Act of 2001 (H. Rept. 107–51, Pt. 2).

H.R. 1900, Juvenile Justice and Delinquency Prevention Act of 2001 (H. Rept. 107–203).

H.R. 1992, Internet Equity and Education Act of 2001 (H. Rept. 107–225).

H.R. 2269, Retirement Security Advice Act of 2001 (H. Rept. 107–262, Pt. 1).

107th Congress, Second Session

H.R. 3762, Pension Security Act of 2002 (H. Rept. 107–383, Pt. 1).

H.R. 3784, Museum and Library Services Act of 2002 (H. Rept. 107–395).

H.R. 3801, Education Sciences Reform Act of 2002 (H. Rept. 107–404).

H.R. 3839, Keeping Children and Families Safe Act of 2002 (H. Rept. 107–403).

H.R. 4092, Working Toward Independence Act of 2002 (H. Rept. 107–452, Pt. 1).

H.R. 4854, Citizen Service Act of 2002 (H. Rept. 107–521).

H.R. 5091, Canceling Loans to Allow School Systems to Attract Classroom Teachers Act (CLASS Act) (H. Rept. 107–655).

Conference Reports

H.R. 1, No Child Left Behind Act of 2001—Conference Report (H. Rept. 107–334).

G. LEGISLATION ORDERED REPORTED FROM FULL COMMITTEE

107th Congress, First Session

H.R. 1, “No Child Left Behind Act of 2001” was ordered favorably reported, as amended to the House by a vote of 41–7 on May 9, 2001.

H.R. 10, “Comprehensive Retirement Security and Pension Reform Act of 2001” was ordered favorably reported, as amended to the House by voice vote on April 26, 2001.

H.R. 1900, “Juvenile Crime Control and Delinquency Prevention Act of 2001” was ordered favorably reported, as amended to the House by a vote of 41–2 on August 1, 2001.

H.R. 1992, “Internet Equity and Education Act of 2001” was ordered favorably reported, as amended to the House by a vote of 31–10 on August 1, 2001.

H.R. 2269, “Retirement Security Advice Act of 2001” was ordered favorably reported, as amended to the House by a vote of 29–17 on October 3, 2001.

107th Congress, Second Session

H.R. 3762, Pension Security Act of 2002—ordered favorably reported, as amended by a vote of 28–19 on March 20, 2002.

H.R. 3784, Museum and Libraries Services Act of 2002—ordered favorably reported, as amended by voice vote on March 20, 2002.

H.R. 3801, Education Sciences Reform Act of 2002—ordered favorably reported, as amended by voice vote on March 20, 2002.

H.R. 3839, Keeping Children and Families Safe Act of 2002—ordered favorably reported, as amended by voice vote on March 20, 2002.

H.R. 4092, Working Toward Independence Act of 2002—ordered favorably reported, as amended by a vote of 25–20 on May 2, 2002.

H.R. 4854—Citizen Service Act of 2002—ordered favorably reported, as amended by voice vote on June 12, 2002.

H.R. 5091—Canceling Loans to Allow School Systems to Attract Classroom Teachers Act—ordered favorably reported, as amended by voice vote on September 5, 2002.

H.J. Res. 113, Recognizing the contributions of Patsy Takemoto Mink—ordered favorably reported by unanimous consent on October 2, 2002.

H. RESOLUTIONS PASSED THE HOUSE

1. H. Con. Res. 57, Condemning the heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California. Sponsor: Rep. Hunter, Duncan.

2. H. Con. Res. 91, Recognizing the importance of increasing awareness of the autism spectrum disorder, and supporting programs for greater research and improved treatment of autism and improved training and support for individuals with autism and those who care for them. Sponsor: Rep. Smith, Christopher H.

3. H. Con. Res. 95, Supporting a National Charter Schools Week. Sponsor: Rep. Tancredo, Thomas G.

4. H. Con. Res. 100, Commending Clear Channel Communications and the American Football Coaches Association for their dedication and efforts for protecting children by providing a vital means for locating the Nation's missing, kidnapped, and runaway children. Sponsor: Rep. Duncan, John J., Jr.

5. H. Con. Res. 110, Expressing the sense of the Congress in support of National Children's Memorial Flag Day. Sponsor: Rep. Berkley, Shelley.

6. H. Con. Res. 150, Expressing the sense of Congress that Erik Weißenmayer's achievement of becoming the first blind person to climb Mount Everest demonstrates the abilities and potential of all blind people and other individuals with disabilities. Sponsor: Rep. Langevin, James R.

7. H. Con. Res. 172, Recognizing and honoring the Young Men's Christian Association on the occasion of its 150th anniversary in the United States. Sponsor: Rep. Morella, Constance A.

8. H. Con. Res. 183, Expressing the sense of Congress regarding the United States Congressional Philharmonic Society and its mission of promoting musical excellence throughout the educational system and encouraging people of all ages to commit to the love and expression of musical performance. Sponsor: Rep. Davis, Tom.

9. H. Con. Res. 204, Expressing the sense of Congress regarding the establishment of National Character Counts Week. Sponsor: Rep. Smith, Lamar.

10. H. Con. Res. 239, Expressing the sense of Congress that schools in the United States should set aside a sufficient period of time to allow children to pray for, or quietly reflect on behalf of, the Nation during this time of struggle against the forces of international terrorism. Sponsor: Rep. Jones, Walter B.

11. H. Con. Res. 248, Expressing the sense of the Congress that public schools may display the words "God Bless America" as an expression of support for the Nation. Sponsor: Rep. Brown, Henry E., Jr.

12. H. Con. Res. 386, Supporting a National Charter Schools Week, and for other purposes. Sponsor: Rep. Keller, Ric.

13. H. Con. Res. 391, Honoring the University of Minnesota Golden Gophers men's hockey and wrestling teams and the University of Minnesota-Duluth Bulldogs women's hockey team for winning the 2002 National Collegiate Athletic Association championships. Sponsor: Rep. Kennedy, Mark R.

14. H. Con. Res. 451, Recognizing the importance of teaching United States history and civics in elementary and secondary schools, and for other purposes. Sponsor: Rep. Kind, Ron.

15. H. Con. Res. 467, Expressing the sense of Congress that Lionel Hampton should be honored for his contributions to American music. Sponsor: Rep. Rangel, Charles B.

16. H. Con. Res. 472, Recognizing the 100th anniversary of the 4-H Youth Development Program. Sponsor: Rep. Davis, Jo Ann.

17. H. Con. Res. 484, Expressing the sense of the Congress regarding personal safety for children, and for other purposes. Sponsor: Rep. Castle, Michael.

18. H.J. Res. 113, Recognizing the contributions of Patsy Takemoto Mink. Sponsor: Rep. Miller, George.

19. H. Res. 28, Honoring the contributions of Catholic schools. Sponsor: Rep. Schaffer, Bob.

20. H. Res. 112, Recognizing the upcoming 100th anniversary of the 4-H Youth Development Program and commending such program for service to the youth of the world. Sponsor: Rep. Foley, Mark.

21. H. Res. 113, Urging the House of Representatives to support events such as the "Increase the Peace Day". Sponsor: Rep. McKeon, Howard P. (Buck).

22. H. Res. 124, Recognizing the importance of children in the United States and supporting the goals and ideas of American Youth Day. Sponsor: Rep. Crenshaw, Ander.

23. H. Res. 168, Expressing the sense of the House of Representatives that the Nation's schools should honor Native Americans for their contributions to American history, culture, and education. Sponsor: Rep. Baca, Joe.

24. H. Res. 276, Praising Joseph Vincent Paterno for his steadfast commitment to academics, service, and citizenship, and congratulating Joseph Vincent Paterno for his many coaching accomplishments, including his 324th career coaching victory. Sponsor: Rep. Peterson, John E.

25. H. Res. 330, Expressing the Sense of the House of Representatives regarding the benefits of mentoring. Sponsor: Rep. Osborne, Tom.

26. H. Res. 335, Honoring the contributions of Catholic schools. Sponsor: Rep. Schaffer, Bob.

27. H. Res. 383, Congratulating the University of Maryland for winning the 2002 National Collegiate Athletic Association men's basketball championship. Sponsor: Rep. Hoyer, Steny H.

28. H. Res. 399, Honoring Cael Sanderson for his perfect collegiate wrestling record. Sponsor: Rep. Latham, Tom.

29. H. Res. 401, Congratulating the University of Connecticut Huskies for winning the 2002 National Collegiate Athletic Association Division I women's basketball championship. Sponsor: Rep. Simmons, Rob.

30. H. Res. 442, Supporting responsible fatherhood and encouraging greater involvement of fathers in the lives of their children, especially on Father's Day. Sponsor: Rep. Sullivan, John.

31. H. Res. 448, Recognizing The First Tee for its support of programs that provide young people of all backgrounds an opportunity to develop, through golf and character education, life-enhancing values such as honor, integrity, and sportsmanship. Sponsor: Rep. Boehner, John A.

32. H. Res. 460, Recognizing and honoring Justin W. Dart, Jr., for his accomplishments on behalf of individuals with disabilities and expressing the condolences of the House of Representatives to his family on his death. Sponsor: Rep. Hoyer, Steny H.

33. H. Res. 522, Expressing gratitude for the foreign guest laborers, known as Braceros, who worked in the United States during the period from 1942 to 1964. Sponsor: Rep. Ose, Doug.

34. H. Res. 523, Expressing gratitude for the foreign guest laborers, known as Braceros, who worked in the United States during the period from 1942 to 1964. Sponsor: Rep. Watts, J. C., Jr.

35. H. Res. 525, Expressing the sense of the House of Representatives that the 107th Congress should complete action on and present to the President, before September 30, 2002, legislation ex-

tending and strengthening the successful 1996 welfare reforms. Sponsor: Rep. Northup, Anne.

36. H. Res. 540, Expressing the sense of the House of Representatives that Congress should complete action on H.R. 3762, the Pension Security Act of 2002. Sponsor: Rep. Pickering, Charles (Chip).

37. H. Res. 561, Recognizing the contributions of Hispanic-serving institutions. Sponsor: Rep. McKeon, Buck.

38. H. Res. 612, Honoring the life of Dr. Roberto Cruz. Sponsor: Rep. Lofgren, Zoe.

I. CONFERENCES WITH EDUCATION AND WORKFORCE MEMBERS APPOINTED AS CONFEREES

H.R. 1—No Child Left Behind Act of 2001.

H.R. 4—Energy Policy Act of 2002.

H.R. 333—Bankruptcy Reform Act of 2001.

H.R. 2215—21st Century Department of Justice Appropriations Authorization Act.

H.R. 2586 / S. 1438—National Defense Authorization Act for Fiscal Year 2002.

H.R. 2646—Farm Security Act of 2001.

H.R. 3009—“Trade Act of 2002”.

H.R. 4546—National Defense Authorization Act for Fiscal Year 2003.

V. COMMITTEE ON EDUCATION AND THE WORKFORCE STATISTICS

A. Bills Referred to Committee:

Total Number of Bills and Resolution Referred	652
Total Number of Hearings	89
Hearings Held by the Full Committee	22
Total Number of Field Hearings	8
Field Hearings Held by the Full Committee	4
Total Number of Full Committee Markup Meetings	14
Total Number of House-Senate Conference Meetings on H.R. 1	6
Total Number of Conferences with E&W Members Appointed Conferees	8
Total Number of Bills Ordered Reported From Full Committee	13
Total Number of Filed Reports	14
Conference Report on H.R. 1	1
Legislative Activity Report for the 107th Congress	1
Total Number of Bills Passed the House	68
Resolutions Passed the House	38
Total Number of Bills Passed the House in Another Measure	48
Total Number of Bills Enacted Into Law	47

B. Bills Not Referred to Committee That Contain Provisions Under the Committee's Jurisdiction:

Total Number of Not Referred Bills that Passed the House	21
Total Number of Not Referred Bills Enacted Into Law	15

SUBCOMMITTEE ON EMPLOYER-EMPLOYEE RELATIONS

I. SUMMARY OF ACTIVITIES

Members of the House Education and the Workforce Employer-Employee Relations (EER) Subcommittee have worked successfully with President Bush on multiple fronts during the 107th Congress to modernize federal labor laws and help working families meet the challenges they face in the modern economy.

Pension reform emerged as a key issue during the 107th Congress in part because of the corporate collapses at two major U.S. corporations, Enron and WorldCom. Members of the House Edu-

cation and the Workforce Committee, led by members of the Employer-Employee Relations Subcommittee, responded quickly and decisively to the President's call for Congress to take action to protect workers and restore investor confidence in the wake of these corporate meltdowns.

Committee Chairman John Boehner (R-OH) and Employer-Employee Relations Subcommittee Chairman Sam Johnson (R-TX) led a series of hearings that focused on the Enron collapse and its implications for the American worker. Shortly thereafter, they introduced the Pension Security Act (H.R. 3762), President Bush's plan to help workers protect and enhance their 401(k) retirement savings.

On April 11, 2002, the House passed the Pension Security Act by a strong bipartisan margin of 255–163, with the support of 46 Democrats. The Pension Security Act gives workers unprecedented new retirement security protections and would have helped to protect thousands of employees who lost their savings during their companies' collapses if it had been law. Unfortunately, the Senate adjourned without acting upon the Pension Security Act or a comparable comprehensive pension reform bill.

Another significant pension initiative accomplished by the committee during the 107th Congress was the Retirement Security Advice Act (H.R. 2269). On November 15, 2001, the House passed the Retirement Security Advice Act, by a vote of 280–144, to encourage employers to provide their workers with access to high-quality, professional investment advice. Republicans were joined by 64 House Democrats in voting in favor of the measure. H.R. 2269 was later incorporated into the Pension Security Act, which passed the House on April 11, 2002, with bipartisan support.

Hearings by the Employer-Employee Relations Subcommittee, chaired by Rep. Sam Johnson (R-TX), established that inadequate worker access to investment advice contributed significantly to retirement security losses by employees at Enron. As these corporate collapses tragically illustrated, millions of rank-and-file American workers today have little or no access to quality investment advice that can provide critical guidance to help them manage their 401(k) plans.

Thousands of rank-and-file Enron and WorldCom employees, subcommittee members noted, had no access to professional investment advice through their job. Some of them might have been able to preserve their retirement savings if they'd had access to a qualified adviser who would have warned them in advance that they needed to diversify. Legislation that originated in the EER Subcommittee and passed on the House floor before the Enron collapse could have helped such workers if it had been enacted into law.

The September 11, 2001, terrorist attacks had a devastating and direct impact on the U.S. economy and many Americans lost their jobs as a result. In response, President Bush quickly outlined a plan designed to help those who lost their jobs: get people working again to jump-start our economy; and help ensure that displaced workers have access to health care. Workforce Committee Republicans played a key role in this response by introducing the Back to Work Act (H.R. 3112)—President Bush's plan to expand the federal safety net for workers displaced in the wake of the September 11 attacks.

On August 6, 2002, President Bush signed into law the Trade Promotion Authority and Trade Adjustment Assistance Act, which incorporated key elements of his Back to Work proposal. The new law authorizes \$510 million in special National Emergency Grants (NEGs), administered by the Secretary of Labor, to help displaced workers maintain health coverage, obtain childcare assistance, and receive job training as the economy recovers from its current slowdown. It also appropriates \$60 million for these grants in the first year.

The Employer-Employee Relations Subcommittee, led by Chairman Sam Johnson (R-TX), held a series of hearings during the 107th Congress on how employers and employees are responding to rising health care costs, which rose 13 percent in 2001, and how those costs have contributed to the decline in health care coverage. According to figures released by the U.S. Census Bureau, the number of Americans who have no health insurance increased to 41.2 million Americans in 2001, an increase of 1.4 million people. Chairman Johnson and other committee Republicans argued forcefully that instead of focusing on new mandates on employers or health care providers, Congress should focus on real solutions that make it easier for small employers to offer more benefits, and creating new options that expand consumer choice. The Subcommittee hearings laid the groundwork for what could be significant legislative action in the next Congress to expand access to quality health care for millions of Americans.

Ending six years of congressional gridlock on the difficult issue of HMO patient protection, in August 2001 the House approved a compromise patients' bill of rights negotiated by President Bush and two members of the House Education & the Workforce Committee, Dr. Charlie Norwood (R-GA) and Dr. Ernie Fletcher (R-KY). The House-passed patients' bill of rights would hold health plans accountable while preventing frivolous, unlimited lawsuits against employers and unions who voluntarily provide health coverage to families. Unfortunately, congressional leaders were unable to agree on a compromise before November 2002 that would send the White House-Norwood-Fletcher legislation to the President's desk. At issue, in large part, was the fact that the Norwood-Fletcher bill passed by the House included a reasonable cap on trial lawyers' ability to profit from multi-million dollar health care lawsuit. The cap was a priority for members of Congress concerned about rising health costs, which would be driven higher by unlimited lawsuits, further increasing the number of Americans without health coverage.

Hearings by the Employer-Employee Relations Subcommittee during the 107th Congress revealed that many labor unions fail to fulfill their obligations under the 1959 Labor Management Reporting and Disclosure Act (LMRDA), undermining accountability and leaving rank-and-file union members in the dark about their rights under the law. Federal labor law is intended to ensure that rank-and-file union members have a full, equal, and democratic voice in union affairs. To bolster this effort, the Subcommittee passed three bills authored by Subcommittee Chairman Sam Johnson (R-TX) designed to ensure the rights of rank-and-file union members are protected.

The following is a summary of some of the major actions taken by the Employer-Employee Relations Subcommittee during the 107th Congress to help the American worker.

ENHANCING PENSION SECURITY FOR AMERICAN WORKERS

In his 2002 State of the Union Address, President Bush called on Congress to enact important new safeguards to protect the pensions of millions of American workers in the wake of the Enron collapse. Led by members of the Employer-Employee Relations Subcommittee and the Education and the Workforce Committee, the House responded quickly and decisively to the President's call, taking action to restore investor confidence in the nation's pension system.

In early 2002, the Committee launched a series of bipartisan hearings to examine the Enron collapse and its implications for the retirement security of America's workers. The hearings, which were held on February 6 and 7, 2001, focused on the Enron situation. Committee members heard testimony from U.S. Secretary of Labor Elaine Chao as well as a panel including Enron employees and executives. The Employer-Employee Relations Subcommittee followed with two hearings of its own—on February 13 and 27, 2002—that focused on potential legislative solutions to address the Enron situation by strengthening pension protections for U.S. workers.

On March 20, 2002, the Education & the Workforce Committee approved the Pension Security Act (H.R. 3762), the House version of President Bush's plan to protect worker 401(k) plans, by a bipartisan vote of 28–19. Committee Chairman John Boehner (R–OH) and Employer-Employee Relations Subcommittee Chairman Sam Johnson (R–TX) introduced the measure. The House passed the Pension Security Act on April 11, 2002, by a strong bipartisan margin of 255–163, with 46 House Democrats joining Republicans in voting to pass the bill.

The Pension Security Act gives workers unprecedented new retirement security protections and would have helped to protect thousands of corporate employees who lost their savings during their companies' collapse if it had been law. The Pension Security Act, subcommittee members noted, includes new safeguards and options to give workers new freedoms to diversify their retirement savings within three years; expand worker access to investment advice to help them manage their retirement accounts; empower workers to hold company insiders accountable for abuses; and give workers better information about their pensions.

Specifically, the Pension Security Act includes the following worker protections:

Giving Workers Freedom To Diversify. The Pension Security Act gives employees new freedom to sell company stock and diversify into other investment options. The bill gives employers the option of allowing workers to sell their company stock three years after receiving it in their 401(k) plan (a three-year rolling diversification option) or allowing workers to sell their company stock within three years of service in the 401(k) plan (a three-year diversification cliff).

In addition, it prohibits companies from forcing employees to invest any of their own retirement savings contributions in the stock of the employer. These provisions give employers the flexibility to

promote employee ownership while protecting the employee's interest in diversifying their portfolio. Under current law, employers are allowed to restrict a worker's ability to sell their company stock in certain situations until they are age 55 years old and/or have 10 years of service with the company.

The bill also gives employers five years to meet the new diversification requirements for employer stock in existing accounts with graded percentages (20 percent in year one, then 40 percent, 60 percent, 80 percent, and 100 percent in year five). For prospective employer contributions, employers must meet the diversification requirements within three years after the contribution is made to the participant's account.

Clarifying that Employers are Responsible for Worker Savings During Blackouts. The Pension Security Act clarifies that companies have a fiduciary responsibility for workers' savings during blackout periods. It also, however, outlines situations where they may not be liable for losses in individually directed accounts if they comply with certain requirements. For example, the bill includes determinations the fiduciary must make in considering whether the blackout period was reasonable in length, as well as specifying additional information that fiduciaries must provide to participants.

Enhancing Worker Access to Quality Investment Advice. President Bush called upon the Senate to pass the Retirement Security Advice Act (H.R. 2269), which passed the House on November 15, 2001, with a large bipartisan vote. The bill encourages employers to make professional investment advice available to their workers. It also includes significant disclosure protections and new fiduciary safeguards to ensure that workers receive advice solely in their best interests.

Giving Workers Better Information About Their Pensions. H.R. 3762 requires companies to give workers quarterly benefit statements that include information about their accounts, including the value of their assets, their rights to diversify, and the importance of maintaining a diversified portfolio. Under current law, the reports are due annually and they do not require as much information, particularly the need for a diversified portfolio. The bill authorizes the Labor Secretary to tailor this requirement to meet the needs of small business plans.

Simplifying Pension Plans. The bill includes a number of provisions authored by Rep. Rob Portman (R-OH) to make it easier for small businesses to start and maintain pension plans. For example, it simplifies reporting requirements for pension plans with fewer than 25 participants. In addition, it reduces Pension Benefit Guaranty Corporation (PBGC) insurance premiums for small and new pension plans.

In July 2002, President Bush signed into law two Pension Security Act provisions that had been included as part of the bipartisan Sarbanes-Oxley corporate accountability law. The provisions bar company insiders from selling their own stock during blackout periods when workers can't make changes to their 401(k)s, and require pension plan administrators to notify workers 30 days before the start of any blackout period.

Unfortunately, despite personal pleas from President Bush, the Senate did not act upon the remaining provisions of the Pension Security Act prior to November 2002, including provisions allowing

workers to diversify their savings within three years. In the months following the bipartisan vote in the House to pass the Pension Security Act, Chairman Boehner and Chairman Johnson repeatedly called on Senate leaders to act on a comprehensive bill to protect workers from losing their retirement savings. Joined by House Ways & Means Committee Chairman Bill Thomas (R-CA) and Rep. Rob Portman (R-OH), Boehner and Johnson twice sent letters to Senate Majority Leader Tom Daschle (D-SD) asking him to schedule a vote on comprehensive pension protection legislation. The Senate leader did not respond to either request.

In November 2002, committee members expressed strong disappointment with the Senate's failure to follow the House in passing bipartisan legislation providing workers with greater freedom to diversify and improving worker access to professional investment advice. As a part of this effort, the House passed a resolution on September 25, 2002, by a bipartisan vote of 258-152 that urged the Senate to act on comprehensive pension reform without delay.

Pension security legislation will be a priority for the committee and the Congress in 2003, as members continue with efforts to give President Bush the opportunity to sign a comprehensive worker pension protection measure into law.

Giving workers access to retirement savings investment advice

Even before the Enron collapse, Chairman Sam Johnson (R-TX) and members of the Employer-Employee Relations Subcommittee were sounding the alarm about the need to modernize the nation's pension laws to give workers more tools to protect and enhance their retirement savings.

Concern for workers was the driving force behind introduction of the Retirement Security Advice Act (H.R. 2269), legislation authored by Rep. John Boehner (R-OH) and backed strongly by Chairman Johnson. This bill would give rank-and-file workers the same type of quality investment advice that corporate insiders already receive.

The Employer-Employee Relations Subcommittee hearings established that thousands of rank-and-file employees had no access to professional investment advice at their jobs. This proved to be especially true for Enron and WorldCom employees. Some of these employees might have been able to preserve their retirement savings if they'd had access to a qualified adviser who would have warned them in advance that they needed to diversify, members later noted. The Retirement Security Advice Act, which was originally introduced in the 106th Congress, would allow employers to provide their workers with access to professional investment advice as long as advisers meet strict disclosure requirements and adhere to new fiduciary safeguards to ensure workers receive advice solely in their best interests.

In crafting H.R. 2269, Employer-Employee Relations subcommittee members noted that current law creates barriers that currently prevent employers and investment advisers from providing individualized investment advice to workers. As a result, many rank-and-file workers are left to fend for themselves in a sea of confusing and conflicting investment information. This fact was illustrated at a Subcommittee hearing on June 17, 2001, where witnesses from the Department of Labor and the private sector testi-

fied about the current difficulties encountered by plan participants. After hearings revealed the urgent need for high quality investment advice, the Employer-Employee Relations Subcommittee approved the Retirement Security Advice Act on August 2, 2001, by voice vote. The full committee later passed it by a vote of 29–17 on October 3, 2001.

On November 15, 2001, before the Enron collapse was dominating American headlines, the House passed the Retirement Security Advice Act, with 64 House Democrats joining Republicans in voting to encourage employers to provide their workers with access to high-quality, professional investment advice. The House action was the culmination of months of work by the Employer-Employee Relations Subcommittee aimed at modernizing ERISA, the Employee Retirement Income Security Act of 1974.

Efforts by subcommittee members to give working families better access to professional investment advice did not end with House passage of H.R. 2269, however. Hearings and investigations by the Employer-Employee Relations Subcommittee in early 2002 confirmed inadequate worker access to investment advice contributed significantly to retirement security losses by employees at Enron. The corporate collapses tragically illustrated that millions of rank-and-file American workers have little or no access to quality investment advice that can provide critical guidance to help them manage their 401(k) plans, members noted. A significant “advice gap” divides rank-and-file workers and senior executives: wealthy individuals and senior executives can afford to hire a professional investment adviser, but most working families cannot afford such a luxury.

Following the subcommittee’s Enron hearings, H.R. 2269 was included and introduced as part of the more comprehensive Pension Security Act, H.R. 3762. The Pension Security Act, authored by Reps. John Boehner (R–OH) and Sam Johnson (R–TX), would modernize federal pension law to encourage employers to provide rank-and-file workers with access to professional investment advice about their 401(k) and retirement savings accounts. H.R. 3762 was modeled on President Bush’s pension reform blueprint, outlined in February 2002, which endorsed the House-passed Retirement Security Advice Act and urged the Senate to follow the House in approving it.

A pension reform package sketched out by Senate leaders in late July 2002 mirrored bipartisan pension protection legislation passed by the House in some respects—but with at least one potentially devastating weakness for American workers. The proposed Senate bill would have gutted the investment advice provision, in spite of the fact that it had been passed twice by the House with significant bipartisan support and supported by President Bush. This decision, subcommittee members argued, threatened to deny millions of rank-and-file workers the chance to gain access to professional investment advice that could have helped workers at Enron and WorldCom protect their 401(k) accounts.

On September 5, 2002, Chairman Boehner released a report illustrating that the omission of a strong investment advice provision mirroring H.R. 2269 from a Senate-passed pension reform bill would seriously weaken prospects for enacting real pension protections. The report showed that the bipartisan House approach would

help to solve the widening advice gap that leaves so many American workers without quality investment advice, while the proposed Senate alternative would have left millions of rank-and-file workers in the same condition they are already in—with no advice at all.

Some of the report's key findings include:

Outdated federal pension laws—enacted before the advent of the 401(k)—deny U.S. employees access to quality investment advice. A chronic “advice gap” has emerged between senior corporate insiders and rank-and-file workers. Senior company executives can afford to pay for quality investment advice, while few working families can afford such a luxury.

The bipartisan House-passed pension reform bill, supported by President Bush, would help close the investment advice gap for millions of U.S. workers by providing new access to quality investment advice, along with strict and comprehensive protections for workers.

H.R. 2269 would encourage employers to offer high quality, professional investment advice. The proposed Senate plan would not encourage employers to offer advice benefits because it would significantly increase the cost and administrative burden required of employers to provide these services.

As a result, the proposed Senate pension reform bill would leave most American workers in virtually the same condition they're in now—with no access to high quality, professional investment advice about their pensions and 401(k) accounts.

Enacting Portman-Cardin retirement security reforms

In 2001, even before the Enron collapse, Congress overwhelmingly approved an important retirement security and pension reform bill authored by Reps. Rob Portman (R-OH) and Ben Cardin (D-MD). The Comprehensive Retirement Security and Pension Reform Act, signed into law by President Bush in June 2001, makes retirement security available to millions of additional workers; tears down barriers to savings by raising limits; and allows workers to set aside more of their earnings tax-free.

On April 5, 2001, Chairman Sam Johnson (R-TX) and the Employer-Employee Relations Subcommittee held a hearing on the measure. Witnesses testified in strong support for the bill, which had the support of more than 100 organizations representing groups as diverse as teachers, engineers, police officers, state legislators, union workers, and businesses of all sizes. On April 26, 2001, the Education & the Workforce Committee approved the measure by a strong bipartisan vote of 35–6. It later passed the House by a margin of 407–24 before President Bush signed it into law.

The aging of the baby boomers—particularly with respect to their retirement security needs—is a serious problem today. The Portman-Cardin pension reforms are designed to make it easier for American workers to save more for retirement. Highlights of the new law include increasing IRA contribution limits, faster vesting for employer matching contributions, enhancing pension portability, providing additional catch-up contributions for workers over age 50, and encouraging small business to offer pension plans. The

House also voted to make the Portman-Cardin reforms permanent, but the Democrat-controlled Senate failed to act on the measure.

Improving retirement security and our pension system has been a top priority for this Congress. This is reflected not just in the Portman-Cardin retirement security law, but also the pension reforms passed by the House in response to the Enron collapse. Unfortunately, as noted elsewhere in this report, the Senate did not act on the Pension Security Act.

Opposing efforts to cut pension enforcement funding

In February 2002, President Bush took a two-track approach to addressing the recent spate of corporate collapses: vigorously enforcing existing laws to hold corporate insiders accountable for unlawful actions and calling on Congress to enact important new safeguards to protect the pensions of American workers. The House of Representatives, led by members of the Employer-Employee Relations Subcommittee, acted quickly and decisively in April 2002 by passing the Pension Security Act (H.R. 3762) with a significant bipartisan vote.

In the wake of the corporate collapses, enforcement of worker pension protection laws became a key issue. The Bush Administration acted swiftly during 2002 to investigate claims of malfeasance at Enron, WorldCom, the Union Labor Life Insurance Company (ULLICO) and elsewhere. On September 10, 2002, Assistant Secretary of Labor for Pension and Welfare Benefits Ann Combs testified before the Employer-Employee Relations Subcommittee and detailed the Department's enforcement actions concerning private and union pension funds.

The Labor Department's Pension and Welfare Benefits Administration (PWBA), headed by Combs, protects the integrity of pensions, health plans, and other employee benefits for more than 150 million people, members learned. The agency's mission is to (1) help workers get the information they need to protect their benefit rights; (2) help plan officials understand and meet their legal responsibilities; (3) develop policies that encourage the growth of employment-based benefits; and (4) prevent and enforce violations of federal benefit laws.

Subcommittee members learned that in 2001, the PWBA recovered \$652.4 million for plan participants, including correcting \$330 million in prohibited transactions, restoring \$139 million in plan assets, preventing \$114 million in future losses, and recovering \$64 million in benefit payments from individual disputes.

Combs warned those successes could be compromised by plans underway in the Senate to divert a portion of funds earmarked for such activities to the creation of a new office of pension participant advocacy. On July 18, 2002, the Senate Appropriations Committee passed legislation that would cut \$3 million in funding for worker pension enforcement efforts to create a new, vaguely defined federal bureaucracy within the Department. The cuts, members learned, would have undermined the effective enforcement by the Labor Department of federal laws that safeguard the pensions and retirement savings of millions of American workers.

Combs also said the creation of this new office would harm participants by siphoning off resources that are needed to support enforcement efforts and assistance and outreach services to partici-

pants and beneficiaries. Subcommittee members noted it would duplicate services already being provided by the agency, but without the existing experience and expertise in providing participant and beneficiary assistance PWBA has developed over the years.

Subcommittee members expressed concern that the Senate's proposed cuts would turn the Department of Labor's employee pension protection division into a "toothless watchdog" just months after thousands of honest employees at Enron lost their retirement savings in a corporate meltdown. Opposition to the proposed cuts continued during November 2002, as Congress worked to complete appropriations bills for FY2003.

Addressing the rising costs of health care and the uninsured

Members of the Education & the Workforce Committee placed a high priority in the 107th Congress on exploring ways to expand affordable health care coverage for Americans who lack basic health insurance. The topic was a significant focus for Chairman Johnson and the Employer-Employee Relations Subcommittee throughout the Congress.

According to figures released by the U.S. Census Bureau in September 2002, the number of Americans who have no health insurance increased to 41.2 million last year, an increase of 1.4 million people. The statistics also show the share of the population covered by employer-sponsored health care coverage declined from 64 to 63 percent.

Members argued the ranks of the uninsured have swelled again, in part, because excessive government mandates and trial lawyer lawsuits drive up costs and put health coverage out of reach for families with limited means. The new numbers suggest political resistance in recent years to legislative efforts to expand access to health care through free market means—instead of a government takeover of the health care system—has had devastating consequences for America's working families. The number of people who lack health insurance in our nation is simply unacceptable, members said.

Subcommittee members argued Congress must ensure that all Americans have affordable health insurance coverage options, and the primary goal should be creating affordable options to help the uninsured. Employer-Employee Relations Subcommittee Chairman Sam Johnson and other committee Republicans argued forcefully that instead of focusing on new mandates on employers or health care providers, Congress should focus on real solutions that make it easier for small employers to offer more benefits, and create new options that expand consumer choice.

During the 107th Congress, the Employer-Employee Relations Subcommittee held a series of hearings on how employers and employees are responding to rising health care costs, which rose 13 percent in 2001, and how those costs have contributed to the decline in health care coverage. According to the preliminary results of the Towers Perrin 2003 Health Care Cost Survey, large employers will experience a double-digit increase in their health care costs for the fourth consecutive year, as estimates found that the cost of large employers' health benefit plans will increase 15 percent on average in 2003.

The Subcommittee held its first hearing on June 12, 2001, focusing on the importance of the Employee Retirement Income Security Act (ERISA), and the preemption of state law that it affords in providing health insurance to millions of Americans. The hearing focused on how ERISA allows its employers and employees to agree on a package of benefits without the governmental regulation that has driven up the cost of health care.

On June 18, 2002, the Subcommittee held a hearing focusing on the factors that contribute to rising health care costs as well as innovative responses from states and employers to reduce costs and educate consumers. Many factors contribute to increasing medical costs, Subcommittee members learned. Hospital and medical providers, tired of the management controls of managed care, have consolidated and successfully bargained for increased reimbursement rates. According to a recent PricewaterhouseCoopers study, rising prescription drug costs and increased utilization of prescription drugs account for 22 percent of the total increase in health care costs. Adding to the inflation are increased state and federal government mandates and regulations, which incrementally increase the costs of providing care. Malpractice insurance for doctors, hospitals, and health plans adds to the growing cost burden and spurs expensive defensive medicine techniques to avoid litigation.

Subcommittee members heard about another important factor in rising health care costs: consumers themselves. Because patients may only be responsible for a fraction of the cost of their care, they are more likely to over-utilize medical services or demand the latest “front page” treatment or prescription rather than a less costly service, treatment, or generic drug alternative. America’s aging population also factors into the cost equation as older patients are more likely to suffer from chronic diseases and need more expensive medical care.

Subcommittee members learned employers are united in urging Congress to carefully consider health care proposals such as the patients’ bill of rights or coverage mandates such as mental health parity, which may increase costs even further. Many employers fear additional increases may cause them to drop or dramatically reduce health care coverage or shift a much larger share of the cost to the employee, either of which could dramatically increase the number of uninsured.

Members also found many employers are responding to the cost dynamic by redesigning their plans to reduce costs and give their employees more health care choices. In doing so, they are also implementing new choices and strengthening employees’ ability to evaluate health care costs and be wiser consumers of health care.

Subcommittee hearings also revealed states are very concerned about the rising health care cost trend. Catherine Longley, the commissioner of the Maine Department of Professional and Financial Regulation, testified before the subcommittee about the health care cost crisis in Maine. In a dozen states, including Maine, mandate review commissions have been established to consider the impact of potential legislative mandates on employer costs. Governor Angus King (I-ME) vetoed an expansion of Maine’s mental health parity law because of his concerns about increasing costs, members learned. Longley said that although the proposal was unquestion-

ably well intentioned, Maine could ill afford any new mandate that would further increase costs.

On July 9, 2002, the Subcommittee held a hearing focusing on proposals to increase access to quality health care for the 41.2 million Americans who currently have no health insurance. One of the solutions highlighted at the hearing was the Small Business Health Fairness Act (H.R. 1774), introduced by Rep. Ernie Fletcher (R-KY), which would create association health plans (AHPs) to allow small businesses to join together through bona-fide trade associations to purchase health insurance. Small firms deserve the opportunity to obtain high quality health insurance that is competitively priced. Subcommittee members noted AHPs give Congress the opportunity to bring Fortune 500 health benefits to the nation's Main Street small businesses and their employees.

Under AHPs, associations that represent retailers, wholesalers, printers, agricultural employees, churches, and other groups, as well as organizations like the U.S. Chamber of Commerce or the National Federation of Independent Business (NFIB) could form large regional or national groups that could provide health insurance to workers, members learned. This would increase their bargaining power with health care providers, give them freedom from costly state-mandated benefit packages, and lower their overhead costs by as much as 30 percent—benefits that large businesses already enjoy because of their larger economies of scale. Consequently, joining AHPs will allow small businesses to cover more employees and provide more benefits. A 1998 study by CONSAD Research Corporation estimated that up to 8.5 million uninsured small business workers could gain coverage if AHP legislation were signed into law.

As part of the House passage of the bipartisan patients' bill of rights in August 2001, Congress addressed the issue of health care access for the uninsured by including provisions to establish AHPs. AHPs provided by trade associations would give small businesses greater economies of scale, uniform regulation, and greater administrative efficiencies, allowing them to bargain for health insurance with the clout of much larger businesses. For example, 83 percent of companies with more than 5,000 employees voluntarily offer their workers a choice of more than one health plan. In contrast, only 10 percent of firms with fewer than 50 workers offer a choice of plans. Subcommittee members learned AHPs could significantly lower the costs of health insurance, making it possible for very small firms to offer health insurance.

Real health care reform means crafting policy that will improve quality, choice, and accessibility for all Americans—particularly those who lack health coverage, subcommittee members concluded. Heavy-handed Washington mandates, members noted, would only exacerbate skyrocketing health care costs and leave more Americans without coverage.

During 2002, President Bush indicated strong support for the adoption of AHPs to lower the health insurance costs of small businesses. "It makes no sense in America, to isolate small businesses as little health care islands unto themselves. We must have association health plans," the President said during a speech at the Women's Entrepreneurship Summit on March 19, 2002.

Giving consumers more choice and more control, and better information to help them make the choices that are right for them, will help to create a more affordable, more efficient, and more desirable health system for employers and employees. The hearings held by the Employer-Employee Relations Subcommittee during the 107th Congress laid the groundwork for what could be significant legislative action in the next Congress to expand access to quality health care for millions of Americans.

Norwood-Fletcher patients' bill of rights

In August 2001 the House approved a compromise patients' bill of rights negotiated by President Bush and two members of the House Education & the Workforce Committee, Dr. Charlie Norwood (R-GA) and Dr. Ernie Fletcher (R-KY). The House-passed patients' bill of rights would hold health plans accountable while preventing frivolous, unlimited lawsuits against employers and unions who voluntarily provide health coverage to families. The measure would also give patients a rapid medical review process for disputed denials of care, ensuring medical decisions will be made by independent doctors and physicians, not lawyers or HMO bureaucrats. It also included initiatives to increase access to health care and reduce the ranks of the uninsured such as AHPs and medical savings accounts.

Unfortunately, congressional leaders were unable to agree on a compromise before November 2002 that would send the White House-Norwood-Fletcher legislation to the President's desk. At issue, in large part, was the fact that the Norwood-Fletcher bill passed by the House included a reasonable cap on trial lawyers' ability to profit from multi-million dollar health care lawsuit. The cap was a priority for members of Congress concerned about rising health costs, which would be driven higher by unlimited lawsuits, further increasing the number of Americans without health coverage.

The Employer-Employee Relations Subcommittee took an extensive look at the skyrocketing cost of health insurance during the 107th Congress. Americans want a patients' bill of rights, members noted, but poll after poll shows they don't want unlimited lawsuits that will increase the cost of health care coverage and force employers to drop health coverage altogether. Employer-Employee Relations Subcommittee members argued that broad expansions of liability for small employers and unions who voluntarily offer health plans is wrongheaded and dangerous: it would irreparably harm the uniform framework established by ERISA that employers rely on to provide health care benefits and could force them to drop coverage for their workers.

Examining the federal mental health parity law

In 1996, Congress enacted the Mental Health Parity Act to prevent employers and health insurers from establishing annual and lifetime limits on health insurance coverage for mental health benefits unless similar limits were also established for medical and surgical health coverage. The law did not require employers or insurers to offer mental health benefits; it simply imposed these requirements on plans that offered mental health coverage.

The Mental Health Parity Act expired in September of 2001. Though the Senate approved an amendment to the Labor/HHS/Education Appropriations Act to expand the law, a simple one-year extension of current law was instead added during conference negotiations with the House. Therefore, the ERISA provisions of the Mental Health Parity Act were set to expire on December 31, 2002.

When the parity law expired in September 2001, mental health providers and advocates urged Congress to adopt additional parity requirements to further equalize mental health and medical/surgical coverage. Mental health advocates argued the 1996 parity law was a step in the right direction, but said additional requirements that equalize financial requirements and treatment limitations, referred to as full parity, were needed to ensure that workers receive the same quality treatment as those with other medical or surgical health care needs. However, Subcommittee members also heard from employers who strongly believe the additional costs of expanding mental health parity in a period of high medical inflation may cause them to drop or significantly pare back mental health and medical/surgical health coverage.

During the dialogue on the reauthorization of mental health parity in December 2001, Chairman John Boehner and Subcommittee Chairman Sam Johnson committed to thoroughly investigate the issue of expanded mental health parity in 2002. As part of this commitment, the Employer-Employee Relations Subcommittee held the Congress' first hearing on mental health parity on March 13, 2002, to examine the current federal mental health parity law, state laws that impact the issue, and the implications of expanding federal mental health parity for both employers as payers and employees as patients. Subcommittee members heard concerns by both advocates seeking additional federal mandates as well as others concerned about increasing the costs of health care and jeopardizing workers' existing benefits.

Employers contend they have already faced several years of double-digit health care premium increases, with additional cost spikes estimated at 15 percent in 2002. Subcommittee members agreed legislative efforts to address the mental health parity issue must not discourage employers from voluntarily providing health care benefits to their employees. Continuing to balance the interests of patients and employers is important for Congress to ensure it does not jeopardize an employer's willingness to offer mental health coverage altogether.

Because of active support for mental health parity by members of Congress and the President, the dialogue on mental health parity continued throughout 2002. However, no consensus was reached over the need for expanded mental health services and again in 2002, Congress reauthorized the 1996 mental health parity provisions for an additional year until December 31, 2003.

Safeguarding the future of retiree health benefits

Led by Chairman Sam Johnson (R-TX), the Employer-Employee Relations Subcommittee held a series of hearings during the 107th Congress to examine the issue of health care coverage for retirees. With the changing nature of the workforce and the retiree population, it is becoming increasingly difficult for employers to meet the health or long-term care needs of their workers while remain-

ing competitive at the global level. Retiree health costs impose a growing burden on various industries, and the Subcommittee examined how some employers are implementing innovative solutions to balance their employees' retiree health needs with today's financial realities.

Employers voluntarily provide health care for workers and for retirees. Though most employers provide health care to current workers in order to stay competitive in the labor marketplace, Subcommittee members learned that employers are finding it increasingly difficult to voluntarily provide such benefits for their retired workers. Many factors contribute to this trend, including the rising cost of retiree health coverage, the impending retirement of the baby boom generation, and an increasingly mobile workforce where employees rarely spend the majority of their working life at the same company.

Moreover, another obstacle employers face in providing health care for retirees is that, unlike employer-sponsored pension plans, current law severely limits an employers' ability to pre-fund retiree health care obligations. Subcommittee hearings revealed that many employers have made changes to their retiree health benefit plans over the last 10 years as a result, including (1) capping the employer's contributions, (2) increasing the employees' contributions, (3) tying retiree health benefits to years of service with the employer, (4) changing to defined contribution retiree health plans, or (5) eliminating benefits altogether.

Recent studies by both the GAO and other respected research institutes have shown an increase in the number of retirees and a decline in employer health insurance coverage. These studies also illustrate other contributing factors including a change in the rules governing the financial statements of corporations, the increased cost of retiree health coverage, and court decisions which interpret the rights of older workers. The fact that workers are less likely to have employer-provided retiree health coverage is of great concern to Subcommittee members and highlights the need to examine the retiree health landscape with an eye toward preparing the American worker for a healthy retirement.

On November 1, 2001, the Subcommittee heard testimony on preserving retiree health benefits. The hearing focused on the demographic composition of the population that is both retired and nearing retirement, the health costs associated with this population, the changing nature of the workforce, and the resulting changes to the landscape of employer sponsored retiree health coverage.

William Scanlon, director of health care issues for the General Accounting Office, testified that many retired Americans, approximately 10 million aged 55 or over, relied on employer-sponsored health benefits in 1999 to provide health coverage until they became eligible for Medicare or as supplemental coverage to pay for out-of-pocket costs not covered by Medicare. However, the number of employers offering these benefits has declined considerably over the past decade. This decline, coupled with the sheer numbers of the aging baby boom population, has raised concerns about whether individuals will continue to have access to employer-sponsored health benefits when they retire and, if not, whether alternative sources of coverage may assist in meeting retirees' health care needs.

On May 16, 2002, the Subcommittee held a hearing to examine the issue of retiree health care costs, or “legacy costs,” in a broad cross-section of industries, such as the steel and automobile manufacturing industries, and the implications of such costs for both employers and retirees. The hearing also focused on how employers are implementing innovative solutions to balance the needs of their employees’ retiree health with today’s financial realities.

Subcommittee members learned at this hearing that many employers who offer retiree coverage are implementing innovative solutions to balance the needs of their employees’ retiree health with today’s financial realities. The Ford Motor Company is one such employer. Dr. Vincent Kerr, director of health care management for the Ford Motor Company, said that although the retiree populations at Ford represent less than half of the total population (44 percent), their health care cost accounted for 66 percent of the total cost in 2001. Ford’s cost for retiree health care benefits in 2001 amounted to \$2.5 billion, a 25 percent increase over 2000.

Despite these rising costs, Kerr said Ford has undertaken a variety of initiatives to both improve the quality and control costs while still providing comprehensive retiree health care benefits. Kerr concluded legislation that discourages employers from offering health benefits to their employees and retirees should be rejected.

The steel industry and sponsors of recent legislative proposals have suggested the federal government should assume the retiree health legacy costs (corporate liabilities) for the steel industry. Though the steel industry has large corporate retiree health liabilities, Subcommittee members noted other industries have far larger legacy costs. Given the fact that sizeable legacy costs are spread across many industries, and the fact that employees of all sectors are facing the inevitability that they will have to shoulder more of the cost of their health care in retirement, Congress should carefully consider whether to set the precedent of assuming one industry’s legacy costs, and the implications that will have on other industries that face these same issues, members noted.

Assessing federal and state laws on genetic non-discrimination

The Employer-Employee Relations Subcommittee, chaired by Rep. Sam Johnson (R-TX), held several hearings during the 107th Congress on an increasingly important health care subject—the question of how genetic information should be used in the context of employer sponsored health care or employment decisions generally.

On June 26, 2000, researchers at the National Institutes of Health (NIH) announced they had successfully completed a “rough map” of the Human Genome. This research makes possible a wide universe of genetic research and discovery. As genetic factors become more identifiable and genetic testing advances, doctors and researchers will be able to predict, prevent and cure human disease, including that which is influenced by our own genes. The advanced progress of the Human Genome research has fostered a public policy discussion about who should have access to our unique genetic information and what role this information will play in health care treatment and research, health insurance coverage, and employment.

There is a general consensus that (1) health care provided by employers should be a benefit of the job, unrelated to health care status, genetic or otherwise, and (2) employers shouldn't use genetic information to determine eligibility for this very important benefit. In June 2001, during his weekly radio address, President Bush announced his opposition to genetic discrimination in employment and his support for legislation to address this issue. In addition, in February 2000, President Clinton issued an executive order prohibiting federal government agencies from discriminating on the basis of genetic information and called upon the Congress to enact similar protections for the private sector.

Before proposing or supporting additional federal mandates, however, the Employer-Employee Relations Subcommittee has tried to take an extensive look at current laws and regulations, federal and state, which govern genetic discrimination, privacy, and use of genetic information in employer sponsored health plans.

Genetic information and testing are very complex scientific issues, members noted, suggesting it is very important to carefully consider this extremely complex area of law and science to ensure any legislation enacted is precise and measured in its impact. Unintended consequences of hasty legislating may have serious implications for employers and employees, members warned.

Subcommittee members noted that several existing laws govern the privacy and use of genetic information, and the protection against discrimination because of genetic factors. In addition, more than half of the states have enacted laws that further restrict the use of genetic information in health insurance underwriting and employment decisions.

In 1996, Congress enacted the Health Insurance Portability and Accountability Act (HIPAA) to prohibit employer-sponsored group health plans and health insurance issuers from using genetic information to establish rules for eligibility or continued eligibility. HIPAA also required the Department of Health & Human Services (HHS) to recommend to Congress ways to ensure the privacy of medical information, and in the absence of Congressional action, to issue regulations that govern the confidentiality of medical information. The HHS Department released these regulations on April 14, 2001; they limit the use and disclosure of personal health information, including genetic information, in various ways.

The Subcommittee held two hearings on genetic non-discrimination and its implications for employers and employees, on July 24, 2001, and September 6, 2001. Witnesses covered a broad range of issues related to genetic non-discrimination, including how current federal and state law already protects individuals from genetic discrimination, statistics on the practice of testing workers for genetic predispositions toward illnesses, legitimate uses of genetic screening and monitoring to prevent workers' exposure to workplace hazards, appropriate enforcement mechanisms and penalties, and the best way to define genetic information and testing. Witnesses also urged Congress to proceed cautiously before crafting any new mandates.

Providing emergency relief for displaced U.S. workers

The September 11, 2001, terrorist attacks had a devastating and direct impact on the U.S. economy and many Americans lost their

jobs as a result. In response, President Bush quickly outlined a plan designed to help those who lost their jobs; get people working again to jump-start the economy; and help ensure displaced workers have access to health care.

On October 12, 2001, House Education & the Workforce Committee Chairman John Boehner (R-OH), Employer-Employee Relations Subcommittee Chairman Sam Johnson (R-TX), and 21st Century Competitiveness Subcommittee Chairman Buck McKeon (R-CA) introduced the Back to Work Act (H.R. 3112)—President Bush’s plan to expand the federal “safety net” for workers displaced in the wake of the September 11 attacks.

Following the attacks, the Labor Department acted decisively to mobilize the existing safety net for displaced workers and their families. On October 16, 2001, U.S. Secretary of Labor Elaine Chao appeared before the Education & the Workforce Committee to urge Congress move quickly to enact President Bush’s “Back to Work” plan to strengthen existing protections for displaced American workers and their families. Chao emphasized that the President’s worker relief proposal was one that could be implemented quickly, flexibly, and without creating new bureaucracies.

On three separate occasions, supported by members of the Employer-Employee Relations Subcommittee, the House passed elements of the President’s Back to Work plan. On August 6, 2002, President Bush signed into law the Trade Promotion Authority and Trade Adjustment Assistance Act (TAA), which incorporated key elements of his Back to Work proposal, first offered during the fall of 2001 to expand the federal safety net for workers displaced by the September 11 attacks and its economic aftershocks.

Expanding U.S. trade and creating new jobs is critical to the nation’s economic future, members noted, but it is also important to ensure that thousands of displaced workers and their families who have seen difficult times have access to quality health care even as they struggle to return to work. As a result, the Back to Work provisions in the TAA authorize \$510 million in special National Emergency Grants (NEGs), administered by the Secretary of Labor, to help displaced workers maintain health coverage, obtain childcare assistance, and receive job training as the economy recovers from its current slowdown. \$60 million was appropriated for these grants in the first year.

National Emergency Grants (NEGs) are federal grants administered by the Labor Secretary, and they may be awarded to any state experiencing plant closings or mass layoffs. Currently, the grants may be used to support job training and reemployment services and to make certain limited payments to individuals enrolled in training. The grants also may be used to help pay for services such as childcare and transportation, to help individuals complete training and transition back to work. The new TAA-NEGs are available to states in order to assist them in providing health care coverage and other services to workers who are adversely impacted by trade.

The Back to Work law is a compassionate one, members noted—not just because it provides workers in need with flexibility and resources, but also because it recognizes that a displaced worker’s true goal, ultimately, is to return to work. It will help every worker return to work as quickly as possible, and in the meantime, help

ensure they and their families have access to quality health insurance as well as employment and job training resources.

Examining how workplace violence threatens safety of U.S. workers

Beginning a series of hearings on emerging trends in employer and labor law, the Employer-Employee Relations Subcommittee held a hearing on September 26, 2002, to examine the issue of workplace security. As a result of the September 11 attacks, many companies placed a renewed emphasis on security for their workers.

The subcommittee's examination of the issue of workplace violence reflected members' belief that violence in the workplace cannot be tolerated, and all American workers should be able to perform their jobs in a safe environment. Witnesses testified that the impact of violence in the workplace has cost employers billions of dollars in lost work time and wages, reduced productivity, medical costs, worker compensation payments, legal, and security expenses. Previously reserved for law enforcement's expertise, business owners, managers, and human resources professionals are now required to turn attention to violent and threatening behavior affecting the workplace.

The September 26, 2002, hearing explored several instances of violence in the workplace. David Horn, the vice president and general counsel of AK Steel Corporation, detailed for the subcommittee a number of violent incidents that have occurred at its Mansfield, Ohio, plant as part of an ongoing labor dispute now entering its fourth year. While noting his company's belief that most union members deplore the seamy underbelly of violent activity in which some of its radical members engage, Mr. Horn expressed his frustration that union leaders have laced their rhetoric against his company to their members with references to violence or violent acts against their company and its replacement workers.

Carl Donaway, the chairman and CEO of Airborne Express, told the subcommittee of the problems his company experienced when an employee made violent threats against other employees. Dealing with the threat immediately, Airborne dismissed the employee only to see him reinstated by a grievance panel. As the appeals process went forward, legal advisors to the company suggested that it was likely the employee would be reinstated again even though he was an obvious threat to the company. As a result, Donaway said Airborne was forced to enter into a settlement for both the litigation and the grievance that included a substantial payment to secure the employee's resignation.

Holding union leaders accountable to rank-and-file members

The 1959 Labor Management Reporting and Disclosure Act (LMRDA)—designed to serve as the first line of defense against union corruption—requires union leaders to disclose certain information to union members about their democratic rights, including information about member union dues and how they are spent, financial audits, strike authorizations, contract ramifications, member disciplinary procedures, the election and removal of union officers, and other democratic rights. The law was meant to protect civil liberties, provide fair elections in unions, and afford recourse in federal courts and the Labor Department against abuses by

union leaders. Today, the LMRDA covers some 13.5 million members in more than 30,000 unions that hold more than \$15 billion in assets.

Hearings by the Employer-Employee Relations Subcommittee revealed during the 107th Congress that many labor unions fail to fulfill their obligations under the LMRDA, undermining accountability and leaving rank-and-file union members in the dark about their rights under the law. Federal labor law is intended to ensure that rank-and-file union members have a full, equal, and democratic voice in union affairs. Armed with knowledge, union members will have better tools to elect leaders who will work in their best interest—and to hold accountable union officials who serve their own interests.

Holding Union Leaders Accountable for How Member Dues are Spent. On April 10, 2002, the Employer-Employee Relations Subcommittee held a joint hearing with the Workforce Protections Subcommittee about whether the Labor Department's union financial reporting program is meeting the requirements of the LMRDA, which requires each union to file annual reports with the Labor Secretary to disclose certain information about their finances. The hearing revealed that the latest Labor Department data showed that in 2000 approximately 43 percent of all unions either turn in their financial disclosure reports late or not at all. A preliminary look at the 2001 data revealed that 60 percent of unions failed to properly make these required financial disclosures.

As a result of this failure, Subcommittee members learned that many rank-and-file union members are left without vital information about how their own union leaders spend union dues. The LMRDA financial disclosure reports are the cornerstone of union democracy, witnesses testified, and are designed to serve as the first line of defense against union corruption. But many union leaders have refused to meet these disclosure requirements, undermining accountability and leaving rank-and-file union members in the dark about the finances of their unions.

Subcommittee members argued forcefully that union members have a right to know how their dues are being spent, and the failure of union leadership to follow current law and file the required financial disclosure forms is disrespectful to the rank-and-file workers they claim to represent. This problem is exacerbated by the fact that the Labor Department has little authority to hold union leaders accountable for filing this critical information on time.

These unions can face criminal charges through the Justice Department. Since the LMRDA was enacted in 1959, however, the Justice Department has never prosecuted a union for reporting irregularities under the LMRDA. As a result, thousands of union members are not equipped with vital information about the status of their union, and specifically how union leaders spend union dues. In addition, Labor Department compliance audits have fallen from a high of 1,583 in 1984 to only 238 in 2001. Today, 10 of the largest unions have never been audited.

At the April 10th Employer-Employee Relations Subcommittee hearing, Deputy Labor Secretary Cameron Findlay acknowledged that the Labor Department “does not have sufficient enforcement tools to punish wrongdoers.” In fact, the General Accounting Office

found in a recent study that without the threat of civil penalties, compliance with the law is largely voluntary.

On July 18, 2002, the Employer-Employee Relations Subcommittee approved by an 8–5 vote the Labor Management Accountability Act (H.R. 4054), which ensures that union leaders respect the law. For the first time, the bill allows the Labor Secretary to assess civil penalties on unions that either file late, or fail to file altogether, financial disclosure reports. Just as unions must file Labor-Management (LM) forms, so must employers. H.R. 4054 would apply to both employers and labor organizations that fail to file or file their LM forms late. The reforms are balanced, covering employers as well as unions, and ensure that civil penalties are proportionate to the size of the union or employer.

Notifying Union Members About their Democratic Rights. The LMRDA requires union leaders to disclose certain information to union members about their democratic rights. However, Employer-Employee Relations Subcommittee hearings revealed that many unions have argued that notifying members of their democratic rights just once satisfies their legal obligation under the LMRDA, and that they never have to notify members again, even members who started work long after the notice took place. As one advocacy group promoting union democracy, the Association for Union Democracy, points out, “a whole generation of unionists was replaced by another, but unions never again complied” with the notice requirements.

The best example comes from litigation commenced in 1997, almost 40 years following enactment of LMRDA, when three machinists took their International Association of Machinists (IAM) to federal court complaining that the union members had never been informed of their rights under the LMRDA by their union. The IAM, in turn, argued to the court that their one time publication of these rights, in 1959, fully satisfied their legal obligations. Simply stated, the IAM and most other unions as of 1997 believed that they had no continuing obligation to notify their members of their rights and that a one-time notice made before most of their current members were even born sufficed in meeting Congress’ mandate. The Federal Circuit Court of Appeals noted in *Thomas v. IAM* that the union argument was totally without foundation and ruled in favor of the three machinists by concluding that unions have a continuing obligation to notify members of their rights.

On September 18, 2002, the Employer-Employee Relations Subcommittee passed two bills (H.R. 5373 and H.R. 5374)—both authored by Subcommittee Chairman Sam Johnson (R-TX)—to ensure that rank-and-file workers receive information from their unions on the rights and remedies guaranteed them under the LMRDA. Both measures passed by votes of 8–6.

The Union Members’ Right-to-Know Act (H.R. 5374) clarifies that unions must disclose to union members certain information about their rights, such as member union dues, membership rights, member disciplinary procedures, the election and removal of union officers, the calling of regular and special meetings, and other democratic rights. The bill requires unions to make these disclosures to members within 90 days of joining a union, essentially codifying the recent *Thomas v. IAM* Federal Circuit Court of Appeals decision.

The Union Member Information Enforcement Act (H.R. 5373) authorizes the Labor Secretary to investigate union member complaints of a union's failure to meet these disclosure requirements and bring suit on their behalf those union members to enforce the law. Under current law, the Labor Department cannot enforce the law on behalf of union members, thus forcing them to hire their own attorney and face the legal expertise available to their union to enforce the right to receive basic information. The high cost of litigation is the main reason why unions have been able to ignore this legal obligation for more than four decades.

Assessing the economic impact of the western port labor dispute

The Employer-Employee Relations Subcommittee held a hearing in October 2002 focusing on the economic impact of the Western port labor dispute between the International Longshore and Warehouse Union and the Pacific Maritime Association. The work stoppage had a damaging impact on all sectors of the nation's economy. Some experts say it cost the U.S. economy \$2 billion each day the ports remained closed. President Bush later invoked the Taft-Hartley Act to institute an 80-day "cooling off" period and reopen the ports. The President's decision sided with America's workers so that the work stoppage would not further damage the economy.

On October 8, 2002, the Employer-Employee Relations Subcommittee heard from various industries affected by the labor dispute, and examined whether a Taft-Hartley injunction is an effective way to avoid the economic damages that could result from prolonged labor disputes that affect vital segments of U.S. international commerce. Each day the impasse was left unresolved, Subcommittee members learned, it imposed new hardships and costs on manufacturers, retailers, farmers, and their workers.

The Subcommittee heard from a mass retailer and manufacturer to assess the impact of the labor dispute. Kathryn Lavriha, the senior vice president of state governmental affairs for the International Mass Retail Association, said that many manufacturing plants across this country have gone to reduced shifts or have completely shut down their lines for need of parts. Because of the dispute, she said that the retail industry is virtually certain to have a poor holiday season and will further delay a strong economic recovery.

John Jokinen, chief executive officer of the furniture manufacturer E.J. Victor, Inc. in Morganton, North Carolina, noted that his company has several containers of furniture products waiting to be loaded in Long Beach onto outbound ships, headed for China and Japan. He warned that the shutdown could force the company to reduce their workforce.

Hard-working Americans, especially union workers around this nation who depend on open ports for their jobs, should not be held hostage by a labor dispute, Subcommittee members agreed. With the financial tab already in the billions and with the nation on the brink of war, it was critically important that President Bush side with working families and reopen the ports so that the work stoppage could not further damage the economy.

II. HEARINGS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

April 5, 2001—Hearing on “Enhancing Retirement Security: H.R. 10, the Comprehensive Retirement Security and Pension Reform Act of 2001” (107–12).

June 12, 2001—Hearing on “ERISA: The Foundation of Employee Health Coverage” (107–18).

July 17, 2001—Hearing on “H.R. 2269, Retirement Security Advice Act of 2001” (107–22).

July 24, 2001—Hearing on “Genetic Non-Discrimination: Implications for Employers and Employees” (107–25).

September 6, 2001—Hearing on “Genetic Non-Discrimination: Implications for Employer Provided Health Care Plans” (107–29).

November 1, 2001—Hearing on “Retirement Security for the American Worker: Opportunities and Challenges” (107–37).

107th Congress, Second Session

February 13, 2002—Hearing on “Enron and Beyond: Enhancing Worker Retirement Security” (107–44).

February 27, 2002—Hearing on “Enron and Beyond: Legislative Solutions” (107–44).

March 13, 2002—Hearing on “Assessing Mental Health Parity: Implications for Patients and Employers” (107–51).

April 10, 2002—Joint hearing on “Record Keeping under the LMRDA: Do DOL Reporting Systems Benefit the Rank and File?” (Jointly with Subcommittee on Workforce Protections) (107–55).

May 16, 2002—Hearing on “Assessing Retiree Health Legacy Costs: Is America Prepared for a Healthy Retirement?” (107–64).

June 18, 2002—Hearing on “The Rising Cost of Health Care: How are Employers and Employees Responding?” (107–66).

June 27, 2002—Hearing on “Reporting and Disclosure Under the Labor-Management Reporting and Disclosure Act (LMRDA): Legislative Reform Proposals” (107–55).

July 9, 2002—Hearing on “Expanding Access to Quality Health Care: Solutions for Uninsured Americans” (107–69).

September 10, 2002—Hearing on “Retirement Security for American Workers: Examining Pension Enforcement and Accountability” (107–76).

September 26, 2002—Hearing on “Emerging Trends in Employment and Labor Law: Examining the Need for Greater Workplace Security and the Control of Workplace Violence” (107–80).

October 8, 2002—Hearing on “Emerging Trends in Employment and Labor Law: Labor-Management Relations in a Global Economy” (107–84).

III. MARKUPS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

August 2, 2001—H.R. 2269, Retirement Security Advice Act of 2001—ordered favorably reported to the Full Committee by voice vote.

107th Congress, Second Session

July 18, 2002—H.R. 4054, Labor-Management Accountability Act—ordered favorably reported, as amended to the Full Committee by a vote of 8–5.

September 18, 2002—H.R. 5374, Union Members’ Right to Know Act—ordered favorably reported, as amended to the Full Committee by a vote of 8–6.

H.R. 5373, Union Member Information Enforcement Act—ordered favorably reported, as amended to the Full Committee by a vote of 8–6.

IV. SUBCOMMITTEE STATISTICS

Total Number of Bills and Resolutions Referred to Subcommittee	137
Total Number of Hearings	17
Field	0
Joint with Other Committees	1
Total Number of Subcommittee Markup Sessions	3
Total Number of Bills Reported From Subcommittee	4

SUBCOMMITTEE ON WORKFORCE PROTECTIONS

I. SUMMARY OF ACTIVITIES

Significant energy was devoted during the 107th Congress to the needs of American workers and their families. The Workforce Protections Subcommittee, chaired by Rep. Charlie Norwood (R-GA), was the scene of much of this activity in 2001 and 2002.

The Workforce Protections Subcommittee has jurisdiction over worker health and safety laws; wages and hours laws; workers’ compensation; and oversight of compulsory union dues. Several key issues emerged during the 107th Congress, including a burdensome ergonomics regulation that could have jeopardized employees and employers across the country, enforcing Beck rights to give workers the freedom from being forced to support ideological causes with which they genuinely disagree, and modernizing federal labor laws to give working men and women the ability to meet the competing demands of family and work in the 21st century.

A significant focus of the Subcommittee’s early activities in the 107th Congress was the rulemaking process of the Occupational Safety and Health Administration (OSHA), particularly the ergonomics regulation imposed in the waning days of the Clinton Administration that threatened to place America’s employees and employers in an unworkable regulatory straightjacket. With the help of members of the Workforce Protections Subcommittee, the House and Senate passed a resolution to repeal the regulation, and President Bush signed it into law in March 2001. The Subcommittee held hearings on the strengths and weaknesses of OSHA’s current rulemaking process, and examined ways that private consensus standard-setting organizations may be better able to work with OSHA, both in OSHA’s rulemaking process and also in providing their technical expertise in partnerships with the agency.

The Subcommittee also held a series of hearings during the 107th Congress on the enforcement, or lack of enforcement, of worker rights under the U.S. Supreme Court’s 1988 Beck decision. The Court’s ruling in *Communication Workers v. Beck* signaled

freedom for workers against being forced to support ideological causes with which they genuinely disagree. However, members noted, it has been more than a dozen years since the Court's decision, and there is strong evidence that suggests this practice continues because certain procedural and practical hurdles often stand between workers and the exercise of their rights. Evidence suggests further that these hurdles are so routinely encountered by workers that the problem is systematic.

As part of the series of hearings, the Subcommittee in June 2002 heard testimony from Dennis Robey, a high school industrial arts teacher in Ohio. Robey testified on how he informed the National Education Association (NEA) in 1995 about his religious objections of using dues money for political activities he opposed and requested that it be donated to charities. In part because of the Subcommittee's hearings, the NEA agreed to reverse its policy of forcing union members to fund political activities they oppose on religious grounds.

Workplace flexibility was another issue addressed by the Workforce Protections Subcommittee during the 107th Congress. Some federal labor laws, which typically reflect the 1930s environment of high unemployment, economic stagnation, scarce jobs, and hierarchical management, are counterproductive in the modern economic environment of tight labor markets, rapid change, multiple-earner households, and rising productivity built on principles of teamwork and collaboration in the workplace, members argued. As a consequence, the Subcommittee held hearings on several issues to examine the need to reassess whether current employment laws are meeting the needs of men and women in today's workplace.

As part of this effort, the Subcommittee held a series of hearings on the benefits of compensatory time that revealed current federal law does not meet the needs of today's workforce. Several witnesses testified that changes in work and in the composition of the workforce—particularly the rise in the number of working mothers—underscore the need for greater flexibility in work schedules. Another hearing also highlighted the benefits of various flexible work schedules already used by public sector employees, including compensatory time, and how such benefits could easily be extended to their private sector counterparts.

To respond to this need, Subcommittee Vice-Chairman Judy Biggert (R-IL) introduced the Working Families Flexibility Act (H.R. 1992), which modernizes the 1938 Fair Labor Standards Act to give working men and women more power and control over their lives. The bill removes obstacles in federal law that prevent many employers from providing hourly paid workers increased flexibility to spend time with family, attend teacher conferences, care for an ill relative, extend maternity and paternity leave, or other family needs that may arise.

Exploring an important issue that gained new attention in the wake of the September 11 attacks, the Committee examined the causes and impact of the national nursing shortage as well as possible remedies for Congress to consider. Members found the nation's hospitals are facing a growing shortage of qualified, experienced nursing professionals, and are increasingly challenged to find new ways to recruit and retain nurses. The House later passed the Energy & Commerce Committee-reported bill, the Nurse Reinvest-

ment Act (H.R. 3487), which addresses the nation's nursing shortage through nursing education and recruitment programs. President Bush signed the measure into law on August 1, 2002.

The following summary contains further details about these activities of the Workforce Protection Subcommittee during the 107th Congress.

Repealing the flawed, Clinton-era ergonomics regulation

In March 2001, Congress and President Bush took action to help employees and employers alike by repealing the flawed "ergonomics safety" rule imposed in November 2000 as one of the Clinton Administration's parting acts. The rule took effect January 16, 2001, four days before President Bush took office. The regulation—one of the most complex, burdensome, and questionable rules in the 30-year history of the Occupational Safety and Health Administration (OSHA)—would have saddled six million employers and 93 million employees with restrictive new rules at a time when America's economy was showing signs of a slowdown.

After President Bush took office, both the House and Senate acted to invoke the Congressional Review Act to repeal the OSHA ergonomics regulation. The Senate passed the resolution to repeal the regulation on March 6, 2001, and the House approved it a day later. President Bush signed the regulation repeal into law on March 20, 2001.

Musculoskeletal injuries are a very serious issue, but there were significant problems with this regulation. While the Bureau of Labor Statistics continues each year to report a decline in both workplace injuries and ergonomic injuries, this last-minute, Clinton-era regulation failed to adequately deal with the complex issues raised by ergonomics and posed more problems than it solved. The repeal of this unworkable regulation has allowed the Labor Department to develop a responsible and comprehensive approach that truly protects the interests of workers and employers. This was the right approach for employees and employers at a time of economic uncertainty.

In early 2002, Labor Secretary Elaine Chao announced the department's new plan to reduce ergonomics-related injuries through voluntary, industry-targeted guidelines, tough enforcement measures, workplace outreach, and advanced research. On April 25, 2002, the Workforce Protections Subcommittee, chaired by Rep. Charlie Norwood (R-GA), heard testimony from John Henshaw, head of the Occupational Safety and Health Administration (OSHA), on the Labor Department's plan to work with employers to protect workers against workplace ergonomics injuries. Chairman Norwood promised to work closely with the Administration to ensure the successful implementation of the plan.

Improving the benefits process for black lung victims

On November 2, 2002, President Bush signed into law the Black Lung Consolidation of Administrative Responsibilities Act (H.R. 5542)—sponsored by Rep. Melissa Hart (R-PA)—to improve the benefits process for Black Lung victims. The House had passed the measure by a vote of 404–0 on October 9, 2002, and the Senate later passed it unanimously on October 17, 2002.

The new law consolidates the administration of Black Lung workers' compensation benefits within the Department of Labor (DOL), allowing the department to provide benefits to former miners more efficiently and effectively. The program is critical to thousands of former miners who are Black Lung victims. By streamlining the bureaucracy, DOL can devote more resources to making prompt claims decisions and timely benefit payments to beneficiaries. This common sense solution improves the administration of benefits while ensuring that Black Lung victims continue to receive a high level of customer service.

The new law implements a longstanding recommendation by the Inspector Generals at DOL and the Treasury Department's Social Security Administration (SSA) that DOL should administer all aspects of the Black Lung medical benefits provided to former miners. The proposal was initially outlined in President Bush's FY 2003 budget. DOL previously managed all federal Black Lung claims except for formal appeals on Part B claims that are referred to Treasury Department's SSA. The new law transferred all remaining administrative functions to DOL, while retaining all regulations currently applicable to the beneficiaries' entitlements.

Through the Labor Department, the federal Black Lung program provides just under \$460 million annually in monetary and medical benefits to former coal mine workers totally disabled by pneumoconiosis (Black Lung), a crippling respiratory condition, and their survivors. The Black Lung benefits program was enacted as part of the 1969 Coal Mine Health and Safety Act, the first comprehensive federal initiative to regulate health and safety conditions in the coal industry.

Protecting the Beck rights of union members

Workforce Protections Subcommittee Chairman Charles Norwood (R-GA) held a series of hearings on the enforcement (or lack of enforcement) of worker rights under the U.S. Supreme Court's 1988 *Beck* decision. The Court's ruling in *Communication Workers v. Beck* signaled freedom for workers against being forced to support ideological causes with which they genuinely disagree. However, members noted, it has been more than a dozen years since the Court's decision, and there is strong evidence that suggests this practice continues because certain procedural and practical hurdles often stand between workers and the exercise of their rights. Evidence suggests further that these hurdles are so routinely encountered by workers that the problem is systematic.

As part of the series of hearings on this issue, the Subcommittee in June 2002 heard testimony from Dennis Robey, a high school industrial arts teacher in Huber Heights, Ohio. Robey testified on how he informed the National Education Association (NEA) in 1995 about his religious objections of using dues money for political activities he opposed and requested that it be donated to charities.

The NEA and three of its Ohio affiliates later reluctantly agreed to reverse the policy of forcing union members to fund political activities they oppose on religious grounds. In October 2002, the NEA and three of its Ohio affiliates agreed to allow dues-paying union members who have religious objections to political causes funded by the NEA to have their dues money donated to charity, rather than to political causes they object to. The NEA policy has consist-

ently threatened the rights of teachers around the country and led to intimidation and harassment, Chairman Norwood noted in an October 24, 2002 statement highlighting the union's reversal.

The Workforce Protections Subcommittee's efforts have been critical in shining light on the Robey case and the issue of forcing union members to support activities they oppose based on their religious beliefs. Members were adamant in insisting American citizens should not be compelled to contribute to causes that violate their religious beliefs. While more work lies ahead, the hearings held by the Workforce Protections Subcommittee played an important role in prompting the NEA to begin to reverse this misguided policy.

Holding union leaders accountable to rank-and-file union members

On April 10, 2002, the Workforce Protections Subcommittee held a joint hearing with the Employer-Employee Relations Subcommittee, chaired by Rep. Sam Johnson (R-TX), about whether the Labor Department's union financial reporting program is meeting the requirements of the Labor Management Reporting and Disclosure Act (LMRDA), which requires each union to file annual reports with the Labor Secretary to disclose certain information about their finances.

The LMRDA was intended to ensure that rank-and-file union members have a full, equal, and democratic voice in union affairs. But the latest data from the Labor Department showed that in 2000 approximately 43 percent of all unions either turn in their financial disclosure reports late or not at all. A preliminary look at the 2001 data reveals that 60 percent of unions failed to properly make these required financial disclosures.

As a result of this failure, many rank-and-file union members are left without vital information about how their own union leaders spend union dues. The LMRDA financial disclosure reports are the cornerstone of union democracy and are designed to serve as the first line of defense against union corruption. But many union leaders have refused to meet these disclosure requirements, undermining accountability and leaving rank-and-file union members in the dark about the finances of their unions.

Union members have a right to know how their dues are being spent; and, legal requirements aside, the failure of union leadership to follow current law and file the required financial disclosure forms is disrespectful to the rank-and-file workers they claim to represent. This problem is exacerbated by the fact that the Labor Department has little authority to hold union leaders accountable for filing this critical information on time.

These unions can face criminal charges through the Justice Department. Since the LMRDA was enacted in 1959, however, the Justice Department has never prosecuted a union for violating the law. As a result, thousands of union members are not equipped with vital information about the status of their union, and specifically how union leaders spend union dues. In addition, Labor Department compliance audits have fallen from a high of 1,583 in 1984 to only 238 in 2001. Today, 10 of the largest unions have never been audited.

At an April 10, 2002 hearing, Deputy Labor Secretary Cameron Findlay acknowledged the Labor Department "does not have suffi-

cient enforcement tools to punish wrongdoers.” In fact, the General Accounting Office found in a recent study that without the threat of civil penalties, compliance with the law is largely voluntary.

In July 2002, the Employer-Employee Relations Subcommittee passed the Labor Management Accountability Act (H.R. 4054) to ensure that union leaders respect the law. For the first time, the bill allows the Labor Secretary to assess civil penalties on unions that either file late, or fail to file altogether, financial disclosure reports.

Subcommittee Chairman Norwood also introduced his own “Workers’ Bill of Rights” (H.R. 4636), which would update important elements of the National Labor Relations Act. Among other things, it would establish new procedures concerning union member’s democratic rights, elections of union officers, and the establishment and administration of union trusteeships.

Helping parents balance demands of family and work

As working men and women find it increasingly difficult to balance family and work responsibilities, their employers are often hampered by outdated federal law in their attempts to accommodate worker requests for more flexible work schedules. According to the Employment Policy Foundation, 42 percent or 20 million full-time hourly workers are currently denied the opportunity to use flexible work schedules like those that provide compensatory time off instead of overtime.

The need for greater workplace flexibility in a changing economy was an important focus for the Workforce Protections Subcommittee during the 107th Congress. To address the growing issue, subcommittee Vice Chair Judy Biggert (R-IL) introduced the Working Families Flexibility Act (H.R. 1992), which modernizes the 1938 Fair Labor Standards Act to give working men and women more control over their lives. Specifically, the bill allows working men and women, through an agreement with their employer, to choose paid time off as compensation for working overtime hours. This flexible working arrangement, known as “compensatory time,” is designed to help working men and women achieve a greater balance between family and work obligations. The bill removes obstacles in federal law that prevent many employers from providing hourly paid workers increased flexibility to spend time with family, attend teacher conferences, care for an ill relative, extend maternity and paternity leave, or other family needs that may arise.

The Workforce Protections Subcommittee held a series of hearings on the benefits of compensatory time that revealed how current federal law doesn’t meet the needs of today’s workforce. Today’s workplace is dramatically different and more complex than the workplace of the 1930s and 1940s, but the FLSA has not been updated to meet the challenges that workers now face. Several witnesses testified that changes in work and in the composition of the workforce—particularly the rise in the number of working mothers—underscore the need for greater flexibility in work schedules.

Another hearing also highlighted the benefits of various flexible work schedules already used by public sector employees, including compensatory time, and how such benefits could easily be extended to their private sector counterparts. For nearly two decades, public sector employees have enjoyed the benefits of flexible work sched-

ules, such as the ability to receive compensatory time in lieu of overtime pay if they choose. Several witnesses noted how it is troubling that the federal government has not extended this same benefit to hardworking private sector employees who contribute equally to this nation's workforce and economy.

The Workforce Protections Subcommittee's efforts with respect to workforce flexibility during the 107th Congress have helped to pave the way for what could be significant legislative action in 2003 on an issue of great concern to working families.

Modernizing federal law for 21st century employees

Under current law, many skilled, well-paid workers are prevented from reaching their full earning potential. In many cases, sales employees could, and would like to, earn more income from generating additional sales, but are prevented from doing so because overtime pay requirements keep them from working additional hours.

The Fair Labor Standards Act (FLSA), enacted in 1938, does not account for the use of technology in the workplace that has changed the way that sales people perform their job. Under the FLSA, salespeople working outside the confines of their employers' workplace are exempt from overtime regulations, while those selling from within an employer's establishment are covered. Spurred by advances in technology, many sales professionals who once would have spent much of their time traveling are now "inside" salespeople. Current law prevents many of these skilled workers from reaching their full income potential.

The Sales Incentive Compensation Act, introduced by Rep. Patrick Tiberi (R-OH) and Rep. Rob Andrews (D-NJ), updates the 1938 Fair Labor Standards Act (FLSA) to reflect the realities of the modern workplace, where technology such as electronic mail and faxes have changed the nature of sales employment. Specifically, it would allow inside sales employees to be exempt from the 40-hour workweek if they meet stringent requirements regarding job duties and compensation. The measure also includes a number of protections for employees in that it guarantees that employees will receive a minimum amount of base pay, and an additional amount of commissions. The Workforce Protections Subcommittee held a hearing on the measure on June 7, 2001, and later approved it on June 27, 2001, by a vote of 8-6.

Helping workers get extra pay for extra effort

In June 2001, the Workforce Protections Subcommittee held a hearing on the Rewarding Performance in Compensation Act (H.R. 1602)—introduced by Rep. Cass Ballenger (R-NC)—which would encourage employers to offer bonus pay to their workers. The hearing revealed that while the Fair Labor Standards Act (FLSA) does not prohibit employers from providing these types of rewards, it makes it difficult and confusing to do so.

Employers have found that rewarding workers for high quality work improves performance and the ability of the company to compete. Bonus or gainsharing plans can encourage employee creativity and innovation, improve customer satisfaction, and promote safety and efficiency. With gainsharing, employees are assigned individual or group productivity goals and the savings achieved from

improved productivity, or the gains, are then shared between the company and the employees. The payouts are based directly on factors under an employee's control, such as productivity or costs, rather than on the company's profits. Thus, employees directly benefit from improvements that they help to produce by increasing their overall compensation.

Unfortunately, many employers who choose to operate such pay plans can be burdened with unpredictable and complex administrative costs. For example, if a bonus is based on production, performance or other factors, the payment must then be divided by the number of hours worked by the employee during the time period that the bonus is meant to cover, and added to the employee's regular hourly pay rate. This adjusted hourly rate is used to calculate the employee's overtime rate of pay.

For other types of employees, such as executive, administrative, or professional employees who are exempt from minimum wage and overtime, an employer can easily give financial rewards without having to recalculate rates of pay.

To address this issue, the Rewarding Performance in Compensation Act would amend the FLSA to specify that an employee's regular rate of pay for the purposes of calculating overtime would not be affected by additional payments that reward or provide incentives for employees who meet certain goals. By eliminating disincentives in current law, this measure will encourage employers to reward their employees and make it easier for employers to share the wealth with their employees.

Examining OSHA rulemaking and permissible exposure limits

Chairman Norwood and the Workforce Protections Subcommittee held a series of hearings during the 107th Congress on the strengths and weaknesses of Occupational Safety and Health Administration's (OSHA) current rulemaking procedures.

One of the constants over the 30 years since enactment of the OSH (Occupational Safety and Health) Act has been controversy, and often dissatisfaction, with the rulemaking process, Chairman Norwood and other members noted. Accordingly, the subcommittee's hearings took a step back from the debate over ergonomics issues in order to provide an overall perspective on OSHA's rulemaking process. The Subcommittee took a more specific look at how private consensus standard setting organizations may be better able to work with OSHA—both in OSHA's rulemaking process and also in providing their technical expertise in partnerships with OSHA. The hearings revealed that although OSHA is critical to American workers, the rulemaking process had become increasingly burdensome with time.

The Subcommittee also explored ways to build consensus on updating federal rules on employee exposure to airborne contaminants and the process that determines those rules. Called permissible exposure levels (PELs), such workplace standards are governed by OSHA. Current PELs were adopted in 1971 and haven't been updated since. OSHA's attempt to do so in the late 1980s—known as the PEL Project—was quashed by a federal appeals court in 1992, opening the door to the possibility of legislative reform.

Members noted most PELs are based upon scientific data and research conducted before 1970, and many experts believe the stand-

ards are out of date in the face of industrial experience, new developments in technology, and more recent scientific studies. As a result of the failure to update PEL standards, there is arguably inadequate protection for many workers in terms of their exposure to hazardous airborne contaminants. The Subcommittee's hearing on the issue has spurred new discussions between industry and government experts and revealed important areas of possible consensus on an approach to updating PELs.

Exploring remedies to America's national nursing shortage

Exploring an important issue that gained new attention in the wake of the September 11, 2001 attacks, the Education & the Workforce Committee held a full committee hearing on September 25, 2001, to examine the causes and impact of the national nursing shortage as well as possible remedies Congress could consider. Hospitals are facing a growing shortage of qualified, experienced nursing professionals, and are increasingly challenged to find new ways to recruit and retain nurses, members of the Workforce Protections Subcommittee and other committee members noted.

Demand for nurses continues to increase as the population served ages and acuity levels of patients increase, members noted. At the same time, nurses are leaving the hospital setting for other opportunities. While hospitals are making changes to the nursing workplace to make employment more attractive, recruitment efforts have not succeeded in filling all of the empty positions. As a result, staffing challenges are exacerbated.

In addition, the nursing workforce is aging, and fewer new nurses are entering the profession to replace those who are retiring or leaving, members noted. The average age of a nurse now is just over 43 years old. Unfortunately, fewer young people are choosing to pursue a career in nursing, and enrollment in all nursing education programs has declined. Certain populations remain underrepresented in the nursing field, including men and minorities. Hospitals are experience tremendous vacancy rates for nursing positions. Overall, the pipeline of new graduates from nursing programs is insufficient to keep pace with demand, members learned.

While providers in many areas of the country say they currently face a crisis, the shortage is only expected to worsen, the committee's hearing revealed. By 2020, as the baby boomers reach their late 60s and 70s and need more health care, the nursing workforce is projected to fall to nearly 20 percent below projected need.

The House later passed the Energy & Commerce Committee-reported bill, the Nurse Reinvestment Act (H.R. 3487), which addresses the nation's nursing shortage through nursing education and recruitment programs. President Bush signed the measure into law on August 1, 2002. Enactment of the measure was supported by members of the Workforce Protections Subcommittee and the full committee as a way to begin to respond to this growing issue.

II. HEARINGS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

May 10, 2001—Hearing on "Beck Rights 2001: Are Workers Being Heard?" (107-15).

June 7, 2001—Hearing on H.R. 2070, “The Sales Incentive Compensation Act” (107–17).

June 14, 2001—Hearing on “Making Sense of OSHA Rule-making: A Thirty Year Perspective” (107–19).

July 31, 2001—Hearing on H.R. 1602, “Rewarding Performance in Compensation Act” (107–27).

November 1, 2001—Hearing on “The Role of Consensus Standard Setting Organizations With OSHA” (107–19).

November 14, 2001—Hearing on “Beck Rights 2001: Are Worker Rights Being Adequately Enforced?” (107–39).

107th Congress, Second Session

March 6, 2002—Hearing on “Flexibility in the Workplace: Does the Fair Labor Standards Act Accommodate Today’s Workers?” (107–48).

April 10, 2002—Joint hearing on “Record Keeping under the LMRDA: Do DOL Reporting Systems Benefit the Rank and File?” (Jointly with Subcommittee on Employer-Employee Relations) (107–55).

April 25, 2002—Hearing on “A Review of OSHA’s Plan To Reduce Ergonomic Injuries” (107–61).

May 15, 2002—Hearing on “Workplace Flexibility: Options for Public Sector Workers” (107–48).

June 20, 2002—Hearing on “An Assessment of the Use of Union Dues for Political Purposes: Is the Law Being Followed or Violated” (107–67).

July 16, 2002—Hearing on “Can a Consensus Be Reached to Update OSHA’s Permissible Exposure Levels (PELs)” (107–72).

July 23, 2002—Hearing on “Compulsory Union Dues and Corporate Campaigns” (107–74).

III. MARKUPS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

June 27, 2001—H.R. 2070, Sales Incentive Compensation Act—ordered favorably reported to the Full Committee by a vote of 8–6.

IV. SUBCOMMITTEE STATISTICS

Total Number of Bills and Resolutions Referred to Subcommittee	86
Total Number of Hearings	13
Field	0
Joint with Other Committees	1
Total Number of Subcommittee Markup Sessions	1
Total Number of Bills Reported From Subcommittee	1

SUBCOMMITTEE ON SELECTION EDUCATION

I. SUMMARY OF ACTIVITIES

The protection of America’s youth has been a key priority for President Bush and the 107th Congress. The House Education and the Workforce Subcommittee on Select Education, led by Rep. Pete Hoekstra (R–MI), focused its work on that goal in 2001 and 2002, generating bipartisan results that have led to a more secure future for the next generation of Americans.

The Select Education Subcommittee has jurisdiction over programs and services that provide care and treatment for certain at-risk youth, including juvenile justice programs and all matters dealing with child abuse and domestic violence, including child abuse prevention and child adoption. Under the leadership of Chairman Hoekstra, the House passed major bills during the 107th Congress to enhance juvenile justice programs and protect children from child abuse.

Following a call by President George W. Bush for American citizens to become more active in “building communities of service and a nation of character,” Chairman Hoekstra also introduced legislation, the Citizen Service Act (H.R. 4854), to foster greater community service opportunities for all Americans. This measure passed the full committee on June 12, 2002.

In addition to having jurisdiction over matters dealing with programs involving child abuse prevention and domestic volunteer service programs, the subcommittee deals with legislation involving the Older Americans Act; environmental education; School to Work Opportunities Act; library services and construction; and programs related to the arts, humanities, and museum services.

Under an agreement reached between committee members in March 2001, the House Education and the Workforce 21st Century Competitiveness Subcommittee has jurisdiction over federal programs aimed at strengthening America’s Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs) and Tribally Controlled Colleges, while the Select Education Subcommittee has oversight responsibility for such programs. As such, significant attention was devoted by Chairman Hoekstra and members of the Select Education subcommittee in the 107th Congress to issues affecting minority serving institutions. This outreach effort included field hearings and other activities aimed at drawing greater attention to the needs and concerns of such institutions.

Under Chairman Hoekstra’s leadership, the Select Education Subcommittee pushed forcefully during the 107th Congress for accountability at the U.S. Department of Education. Two oversight hearings by the subcommittee during the spring of 2001 revealed that the Department of Education experienced at least \$450 million in waste, fraud and abuse during the last three years of the Clinton Administration while failing three consecutive department-wide audits. Secretary of Education Rod Paige moved quickly after taking office to reform the Department’s internal finances, and worked closely with Chairman Hoekstra and other committee members to address the significant problems within the agency.

Following is a summary of the Select Education Subcommittee achievements of the 107th Congress (January 2001—October 2002):

MORE FREEDOM & RESOURCES FOR COMMUNITIES TO FIGHT JUVENILE CRIME

Ending six years of congressional gridlock on efforts to reauthorize federal juvenile justice programs, the 107th Congress saw the enactment of legislation (H.R. 1900) authored by Select Education Subcommittee members Jim Greenwood (R-PA) and Bobby Scott (R-VA) to give states and local governments more freedom to reduce juvenile crime. The measure, strongly backed by Sub-

committee Chairman Hoekstra, was signed into law by President Bush on November 2, 2002, as part of a larger bill reauthorizing programs for the U.S. Department of Justice.

The Greenwood/Scott legislation consolidates a number of existing juvenile justice programs into a single, flexible juvenile crime and delinquency prevention block grant for states and local communities. The measure places a priority on juvenile delinquency prevention and providing help for at-risk youth in need of professional mental health services, a feature strongly supported by Chairman Hoekstra.

As a result of the new law, federal juvenile justice resources will come with fewer strings attached, giving state and local officials new tools to protect communities and combat youth violence. The measure gives states greater flexibility in administering juvenile justice and delinquency prevention programs; consolidates five existing federal juvenile justice programs into one flexible Prevention Block Grant, replacing the many overly-prescriptive federal programs in current law; makes technical changes to reflect the needs and priorities of local community law enforcement; and includes a provision to allow funds to be used for the mentoring of children of prisoners.

Early in the 107th Congress, Chairman Hoekstra, Rep. Greenwood and other members of the Select Education Subcommittee made clear that reauthorization of juvenile justice programs—something several previous Congresses had repeatedly tried and failed to do—would be a major priority. Three previous Congresses (the 104th, 105th, and 106th) had tried unsuccessfully to pass such legislation.

In 1974, Congress created an office within the Justice Department to help states and communities prevent and control juvenile delinquency and improve their juvenile justice systems—the Office of Juvenile Justice and Delinquency Prevention (OJJDP). OJJDP is the primary federal agency responsible for addressing juvenile crime and delinquency and abused, neglected, missing, and exploited children. The office's authorization lapsed on September 30, 1996.

The subcommittee held a hearing on the juvenile justice issue on June 6, 2001 to lay the groundwork for the reauthorization effort.

"We must not be complacent," said Chairman Hoekstra during the hearing. "Too many young people get involved in criminal activity, and we must do all we can to continue the downtrends of the past five years."

Although juvenile crime rates have been declining since the early 1990s, subcommittee members learned, they are still alarmingly high compared to levels before 1985, when an explosion in violent juvenile crime began.

Criminologists and lawmakers remain justifiably concerned over the still-high rate of juvenile crime, subcommittee members noted. For instance, a report issued by the Justice Department's Bureau of Justice Statistics and the Education Department's National Center for Educational Statistics found that in 1998, "students aged 12 through 18 were victims of more than 2.7 million total crimes at school * * * and 253,000 serious violent crimes."

On May 17, 2001, Rep. Greenwood formally introduced the Juvenile Crime Control and Delinquency Prevention Act (H.R. 1900),

with Rep. Bobby Scott (D-VA) as the bill's lead co-sponsor. The subcommittee passed H.R. 1900 by voice vote on June 21, 2001. The full committee approved the bill by a vote of 41-2 on August 1, 2001. The full House approved H.R. 1900 on September 20, 2001 by voice vote.

Almost exactly a year later, on September 19, 2002, the House-Senate Conference Committee on H.R. 2215, the Department of Justice authorization bill, agreed to incorporate H.R. 1900 into its final conference report. Reps. Hoekstra and Castle were members of the House-Senate conference. H.R. 2215 passed in the full House by a vote of 400-4 on September 26, 2002. The President signed the legislation into law on November 2, 2002.

Protections for abused children & victims of family violence

On October 10, 2002, the House passed legislation, authored by Select Education Subcommittee Chairman Pete Hoekstra (R-MI), to prevent child abuse and family violence and protect and treat abused and neglected children. The Hoekstra legislation reauthorizes the Child Abuse Prevention and Treatment Act (CAPTA), last reauthorized in 1996. The legislation, the Keeping Children and Families Safe Act (H.R. 5601), resulted from an agreement reached by House and Senate negotiators. An earlier version of Rep. Hoekstra's bill (H.R. 3839) was approved by the subcommittee and full committee and passed the full House on April 23, 2002.

The Keeping Children and Families Safe Act builds upon changes made during the last CAPTA reauthorization to ensure states have the necessary resources and flexibility for identifying and addressing the issues of child abuse and neglect and family violence, and for supporting effective methods of prevention and treatment. It also continues local projects with demonstrated value in eliminating barriers to permanent adoption and addressing the circumstances that often lead to child abandonment.

The legislation emphasizes the prevention of child abuse and neglect and family violence before it occurs, Chairman Hoekstra noted. It promotes partnerships between child protective services and private and community-based organizations, including education, health and mental health systems to ensure that services are more effectively provided.

Chairman Hoekstra worked to ensure that the bill appropriately addresses a growing concern over parents and legal guardians (specifically families involved with home schooling) being falsely accused of child abuse and neglect and the aggressiveness of social workers in their child abuse investigations. To that end, the bill includes provisions to increase public education opportunities to strengthen the public's understanding of the child protection system and appropriate reporting of suspected incidents of child maltreatment. It also fosters cooperation between parents and child protective service workers by requiring caseworkers to inform parents of the allegations made against them, and improves the training opportunities and requirements for child protective services personnel regarding best practices to ensure collaboration with families and knowledge of legal duties of such individuals to protect individual rights.

The bill further improves the training, recruitment and retention of individuals providing services to children and families and in-

creases the availability of caseworker supervisors for oversight and consultation. It also requires citizen review panels to provide for public outreach and comment in order to assess the impact of current procedures and practices upon children and families in the community. And, as part of the National Incidence Study, H.R. 5601 requires information on the incidence and prevalence of child maltreatment by reason of family structure, including the living arrangement of the resident parent, family income and family size. These provisions were all included in the original version of the Keeping Children and Families Safe Act (H.R. 3839) as well.

Notably, the Keeping Children and Families Safe Act also expands adoption opportunities to allow services for infants and young children who are disabled or born with life-threatening conditions, requires the Secretary of Health and Human Services to conduct a study on the annual number of infants and young children abandoned each year, and extends the authorization for the Family Violence Prevention and Services Act.

The House-passed version of the Keeping Children and Families Safe Act (H.R. 5601) includes an amendment authored by Rep. James Greenwood (R-PA) that requires states to have policies and procedures (including appropriate referrals to child protection service systems and for other appropriate services) to address the needs of infants born and identified as being physically affected by illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure and requirements for the development of a plan of safe care for the infant.

The Select Education Committee held two hearings on prevention of child abuse and family violence during the 107th Congress. During these hearings, witnesses testified that additional money without reform would not solve the problems facing child welfare systems across the country.

"The time has come for new solutions," said Dr. Richard Gelles, a professor at the University of Pennsylvania. "Swinging the pendulum from child safety to family preservation has not succeeded. Replacing treatment programs such as Homebuilders with family Group Conferencing is unlikely to succeed. Child welfare reform can only be achieved by identifying the true weaknesses of the system and applying out-of-the-box thinking to the problem solving. Money alone will not reform the child welfare system; Class action lawsuits and consent decrees have not yielded the desired changes and reforms. Reform must be built into the system from the ground up."

In addition to H.R. 5601, the House passed a resolution offered by Education Reform Subcommittee Chairman Mike Castle (R-DE) recognizing the importance of child safety and promoting federal, state, and local partnerships to prevent the victimization of children in the United States. The resolution was approved by voice vote on October 1, 2002.

Overhauling AmeriCorps and other federal national & community service programs

In his State of the Union message on January 29, 2002, President Bush called on all Americans to serve their nation for the equivalent of two years (4,000 hours) over their lifetimes, and announced a new citizen service initiative, the USA Freedom Corps.

Interest in community and national service, the President noted, had soared in the months following the September 11, 2001 attacks on the United States.

On April 9, 2002, the President released a blueprint for reforming and strengthening federal national and community service programs to ensure that Americans would have ample opportunity to put this rekindled spirit of volunteerism and national service to good use. The principles outlined in this plan sought to bring new accountability and state and local control to service programs and will help to sustain the post-September 11 civic spirit into the future. Chairman Hoekstra and members of the Select Education Subcommittee led bipartisan efforts in the House to pass the Citizen Service Act (H.R. 4854), the House version of the President's national service plan.

Introduction of the Citizen Service Act was preceded by hearings in the Select Education Subcommittee on ways to provide more opportunities for Americans to serve their communities and their country. Testifying before the subcommittee in April 2002, Rep. Tom Osborne (R-NE), the former coach of the University of Nebraska football team and a member of the Education and the Workforce Committee, said he "saw thousands of young people who did not know what they wanted to be or do, but who knew they wanted to do something to help."

"In the weeks following September 11," Osborne said, "AmeriCorps experienced a 30 percent increase in interest profiles submitted by individuals who are considering joining. The interest is there, now. We must follow through with the leadership and programs to capture this moment and translate it into actions that will better all of our communities and strengthen our national fabric."

The Citizen Service Act (H.R. 4854) was formally introduced by Chairman Hoekstra on May 24, 2002. The President's legislation was introduced with Select Education Subcommittee ranking member Tim Roemer (D-IN) as an original cosponsor.

The Citizen Service Act would enhance accountability for service programs like AmeriCorps, Senior Corps, and Learn and Serve America. It would establish performance measures to ensure that these programs are meeting their goals, and would terminate or reduce funding if reforms aren't enacted.

H.R. 4854 would make national service programs more flexible and responsive to state and local needs, giving states more authority to select AmeriCorps programs and giving local communities more leeway for developing Senior Corps programs that will appeal to baby boomers close to retirement. The Citizen Service Act would ensure that 80 percent of AmeriCorps funds are administered at the state level through state formula and state competitive grants. The remaining 20 percent would be held at the federal level for national direct grants for organizations such as Habitat for Humanity and Boys and Girls Clubs. The measure would ease the administrative burden on states and localities and maximize flexibility in the use of funds.

The Citizen Service Act would require the Corporation for National and Community Service (CNCS), which oversees AmeriCorps and Senior Corps, to develop uniform procedures under national service laws governing suspension or termination of assistance to

grantees, grievance procedures for AmeriCorps members, and procedures governing disputes about displacement of members. It would also prohibit CNCS from making grants to federal agencies.

The bill would also cap federal costs per participant at \$16,000 annually. No such cap exists in current law. The bill would also prohibit any federal national service funds from being used to distribute contraceptives in schools, and require any HIV-prevention education program to be age appropriate and include discussion of the health benefits of abstinence.

The bill would improve parental involvement and control by requiring federally-funded service organizations to consult with parents of children when developing and operating programs that include and serve children. It would also require them to get parents' permission before transporting children.

The Citizen Service Act would require any reading or literacy programs funded under the bill to meet definitions of "scientifically based reading research" and "essential components of reading research" as included in the No Child Left Behind Act (H.R. 1) signed into law by President Bush on January 8, 2002. The Citizen Service Act would require AmeriCorps recipients to certify that they have a high school diploma or a GED before engaging in any activities involving elementary or secondary education programs for students. It would encourage each AmeriCorps participant to improve his or her knowledge of the fundamentals of U.S. history, civics, and the nature of community service, and require the CNCS to develop principles of civic engagement that are consistent with citizenship programs administered by the Immigration & Naturalization Service (INS).

The bill would also make changes to the VISTA (Volunteers in Service to America) program to expand the types of organizations recognized in the program to include civic, community and educational organizations. It would end VISTA operation as a federally conducted program and make changes to reflect that sponsoring organizations will be responsible for recruiting and selecting VISTA members, with support from CNCS. It also includes provisions for communities to provide greater input on the design and implementation of projects.

The Select Education Subcommittee passed the Citizen Service Act by voice vote, with no recorded opposition, on June 5, 2002.

"National Service takes place in every community across the country and around the world, by individuals of all backgrounds and ages, supporting organizations large and small," said Chairman Hoekstra at the June 5, 2002 subcommittee markup of H.R. 4854. "Swift approval of this legislation will harness the energy and commitment of those anxious to contribute to their country and provide wonderful opportunities and incentives for them to do so."

The full committee approved H.R. 4854 on June 12, 2002. Chairman Boehner noted the Citizen Service Act would significantly reform federal national and community service programs to make them more accountable and effective, and commended Chairman Hoekstra and other members of the Select Education Subcommittee for their work on the President's bill. On July 16, 2002, all 50 state governors sent a letter to House and Senate leaders endorsing H.R. 4854.

Ending waste, fraud & abuse at the education department

Two oversight hearings by Select Education Subcommittee Chairman Pete Hoekstra (R-MI) and Vice-Chairman Patrick Tiberi (R-OH) during the spring of 2001 revealed that the U.S. Department of Education experienced at least \$450 million in waste, fraud and abuse during the last three years of the Clinton Administration while failing three consecutive department-wide audits. Chairman Hoekstra and other members pushed forcefully for accountability at the Department during the 107th Congress, and new Education Secretary Rod Paige acted swiftly and decisively to develop guidelines to combat the waste, fraud, and abuse that occurred under previous management.

At an April 3, 2001 hearing of the Select Education Subcommittee, chaired by Rep. Hoekstra, testimony revealed serious problems with the use of “third party drafts,” checks that are used by the Department to make payments to vendors and contractors. According to the General Accounting Office (GAO), 21 Department employees were allowed to write more than 19,000 checks totaling \$23 million without proper approval.

GAO also expressed concerns at the hearing with the use of government purchase cards, which were given to Department employees. “Basic control activities, such as approvals, authorizations, verifications, reconciliations, and maintenance of documentation, are an integral part of an agency’s accountability for government resources and achieving effective results, including the prevention and/or detection of improper payments. However, we found that Education has serious deficiencies in its process for reviewing and approving purchases made with Government credit cards—called purchase cards,” said Jeffrey Steinhoff, the managing director of the Financial Management and Assurance Department in the GAO.

The lack of proper controls at the Department allowed 141 cardholders to make more than \$1 million in purchases without approval. In addition, it was revealed that two employees had monthly credit limits of \$300,000, while others had limits in excess of \$30,000. The discoveries came as a result of work GAO conducted in response to Chairman Hoekstra’s request for a fraud audit of the Department.

In October 2001, Secretary Paige announced a comprehensive action plan for putting the U.S. Department of Education’s management and financial house in order based on more than 600 separate recommendations. Secretary Paige has subsequently continued to demonstrate a commitment to combat waste, fraud, and abuse in his department by addressing 660 of the 661 audit recommendations, restricting government purchase cards, and tightening control of the department’s financial matters.

Outreach to historically black colleges and hispanic-serving institutions

Rep. Pete Hoekstra (R-MI) and other members of the Select Education subcommittee reached out to Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs), and other minority-serving schools during the 107th Congress, laying the groundwork for President Bush’s plans to boost aid to these key institutions. Successful field hearings were held at Oklahoma’s

Langston University and Ohio's Wilberforce University, as well as two hearings held in Washington, D.C., on HBCUs.

"It is time to raise the awareness level of the American people to the role that Historically Black Colleges and Universities play in educating our youth," House Republican Conference Chairman J.C. Watts, Jr. (R-OK), said during the Oklahoma field hearing. "While comprising only 3 percent of the nation's two- and four-year institutions, HBCUs are responsible for producing 28 percent of all bachelor's degrees, 15 percent of all master's degrees, and 17 percent of all first professional degrees earned by African-Americans."

During the hearings, Presidents from various institutions discussed the unique contributions made by HBCUs in general and the unique roles played by their individual institutions.

"Miracles happen every term at Wilberforce," said Dr. John Henderson, president of Wilberforce University. "Our students, all of them bright, but a few working from the deficit of inadequate pre-college preparation, and all suffering from too few family dollars, enroll. And, with the help of federal aid, grants, scholarships and private funding, they reach the pinnacle of academic success they and their parents, and often their grandparents, have dreamed about."

Since Republicans took control of the House in 1995, funding for HBCUs has increased by 89 percent, and funding for Historically Black Professional and Graduate Institutions has increased by 150 percent. For FY2002, HBCUs received \$206 million and the Historically Black Graduate Institutions program received \$49 million. Furthermore, President George W. Bush's FY2003 budget, passed by the House in March, includes more than \$350 million—\$12 million more than current funding—to strengthen Historically Black Colleges and Universities (HBCUs), Historically Black Graduate Institutions (HBGIs), and Hispanic-Serving Institutions (HSIs). Specifically, the President's budget increases funding for HBCUs by \$7.4 million.

House Republicans' commitment to higher education in general, and access for minority students in particular, is stronger than ever. During the 107th Congress, the House passed resolutions, backed by members of the Select Education Subcommittee, to honor the contributions of America's HBCUs and HSIs. The Select Education Subcommittee will continue to work with all parties to engage in a productive dialogue about how Congress can help minority students learn and prepare to pursue the American Dream.

Supporting America's libraries and museums

Attendance at American museums is now at more than 865 million visits per year, and today's 21st century library provides more than just books; it also coordinates a complete and comprehensive approach to community development and services. Recognizing these facts, members of the Select Education Subcommittee placed great importance during the 107th Congress on efforts to reauthorize the Museum and Library Services Act (MLSA), which provides federal support for libraries and museums across America in coordination with state, local, and private efforts. The MLSA was first enacted in 1996, during the 104th Congress.

Dr. Robert Martin, director of the Institute of Museum and Library Services (IMLS) discussed the important role the federal government plays in assisting museums and libraries during a February 14, 2002, hearing by the Select Education Subcommittee.

"The federal role in supporting museums and libraries is acting as a catalyst for leadership, supporting innovation and creativity, building institutional capacity, and leveraging state, local, and private resources," Martin testified.

"Congress wisely has given the agency much flexibility to adapt as the public's expectations of museums have changed and increased over time," said Steven Hamp, president and chief executive officer of the Henry Ford Museum and Greenfield Village, during the February 14, 2002 hearing.

On February 26, 2002, Subcommittee Chairman Pete Hoekstra (R-MI) and ranking member Tim Roemer (D-IN) introduced legislation (H.R. 3784, the Museum and Libraries Services Act of 2002) to reauthorize the Museum and Library Services Act. The legislation would modify and streamline current law to strengthen museum and library services across the United States.

"H.R. 3784 continues the main objectives of the Museum and Library Services Act of 1996," said Chairman Hoekstra upon introduction of the legislation. "The reauthorization bill will maintain the modest but essential federal support, in partnership with state, local, private, and public sources, for museum and library contributions to public education services and stewardship of the nation's cultural heritage collections."

The measure would ensure library activities are coordinated with activities under the No Child Left Behind Act (H.R. 1) that President Bush signed into law on January 8, 2002.

In another change from current law, H.R. 3784 would eliminate references to the National Commission on Libraries and Information Science and consolidate its advisory responsibilities under the Museum Services Board, which would expand to include library services. The purpose of this change, members argued, would be to consolidate museum and library board activities under one statute.

H.R. 3784 would also authorize the Institute of Museum and Library Services Director to grant a National Award for Library Service and a National Award for Museum Service; ensure administrative funds are also used to conduct annual analyses to identify needs and trends of services provided under museum and library programs; and increase the minimum state allotment for library programs to \$500,000, which would represent roughly a 46 percent increase over previous law.

The Museum and Library Services Act of 2002 would require the IMLS Director to establish procedural standards for making grants available to museums and libraries that mirror provisions in the authorizing legislation of the National Endowment for the Arts (NEA). In establishing such standards, the bill proposes, the Director shall ensure that the criteria by which applications are evaluated are consistent with the purposes of the Museum and Library Services Act and take into consideration general standards of decency and respect for the diverse beliefs and values of the American public. In addition, H.R. 3784 would prohibit projects that are determined to be obscene from receiving funding from IMLS. The House "NEA language" was accepted by the Bush Administration,

the American Library Association, and the American Association of Museums.

H.R. 3784, the Museum and Library Services Act of 2002, would maintain current law provisions regarding Internet filtering. P.L. 106-554, the Children's Internet Protection Act (CIPA), amended three federal statutes (including the Museum and Library Services Act) to provide that a school or library may not use funds it receives under these statutes to purchase computers used to access the Internet, or to pay the direct costs of accessing the Internet, and may not receive universal service discounts (other than for telecommunications services), unless the school or library enforces a policy "that includes the operation of a technology protection measure" that blocks or filters minors' Internet access to visual depictions that are obscene, child pornography, or harmful to minors; and that blocks or filters adults' Internet access to visual depictions that are obscene or child pornography. (On May 31, 2002, in *American Library Association v. United States*, a three-judge federal district court in Philadelphia declared CIPA unconstitutional and enjoined its enforcement insofar as it applies to libraries. On June 20, 2002, the federal government filed an appeal.)

The Select Education Subcommittee passed H.R. 3784 by voice vote on March 6, 2002. The full committee approved the measure by voice vote on March 20, 2002.

Homeland security: tracking international students in higher education

The events of September 11, 2001, brought into sharp focus the need to more closely monitor the status of immigrants, including students in the United States.

Accordingly, the Select Education Subcommittee held two hearings (jointly with the 21st Century Competitiveness Subcommittee) during the 107th Congress looking into the activities of institutions of higher education and the various federal agencies that are involved in the monitoring of international students studying in the United States.

The first hearing was held on October 31, 2001, just six weeks after the September 11 attacks. Members of the subcommittees expressed serious concerns about the flaws in the international student tracking system that jeopardize our homeland security. During this hearing, the subcommittees began the process of reexamining the steps colleges and universities take to monitor the activities of those who visit American campuses on student and exchange visas. The subcommittees heard from Bush Administration officials on the continued development of the Student Exchange and Visitor Information System (SEVIS).

Nearly a year later, on September 24, 2002, the subcommittees held a follow-up hearing to hear testimony on the progress being made by the federal government in tracking international students in the United States.

"Clearly, security for the citizens of the United States must be our priority. However, having said that, we also want to ensure that students from around the world continue to have access to the best postsecondary education system available," said Chairman Hoekstra at the hearing. "We also want to continue the sharing of cultures and ideas, which makes the world in which we live safer

overall by removing many stereotypes and misperceptions. There must be away to accomplish both of these goals and do so in an efficient and effective manner.”

During the hearing, Bush Administration officials outlined steps taken by the federal government since September 11, 2001 to improve homeland security, including the implementation of SEVIS. During the hearing, Janis Sposato, assistant deputy executive associate of the Immigration Service Division in the INS, testified that SEVIS will allow the INS to track students more “accurately and more expeditiously.”

The tracking system “will revise and enhance the process by which foreign students and exchange visitors gain admission to the United States. SEVIS better enables us to keep our eyes open for and track those who may come to America for the wrong reason, while extending a hand in friendship to those seeking the knowledge that this great country has to offer,” Sposato continued.

The subcommittee hearings also focused on how an international student hoping to study in the United States goes about obtaining a Form I-20 ID from a school, which is necessary to apply for a student visa. The committee also heard testimony on the different kinds of visas, including F-visas for those studying on the undergraduate level, J-visas for exchange students, M-visas for those seeking specific technical training and B-visas used by tourists.

II. HEARINGS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

April 3, 2001—Hearing on “Department of Education Financial Management” (107-11).

April 23, 2001—Hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century” in Oklahoma City, Oklahoma (107-13).

June 6, 2001—Hearing on H.R. 1900, “The Juvenile Crime Control and Delinquency Prevention Act of 2001” (107-16).

July 16, 2001—Hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century” in Wilberforce, Ohio (107-21).

July 24, 2001—Hearing on “Status of Financial Management at the U.S. Department of Education” (107-24).

August 2, 2001—Hearing on “CAPTA: Successes and Failures at Preventing Child Abuse and Neglect” (107-28).

October 17, 2001—Hearing on “Prevention and Treatment of Child Abuse and Neglect: Policy Directions for the Future” (107-35).

October 31, 2001—Hearing on “Tracking International Students in Higher Education—Policy Options and Implications for Students” (jointly with the Subcommittee on 21st Century Competitiveness) (107-36).

107th Congress, Second Session

February 13, 2002—Hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century” (jointly with the Subcommittee on 21st Century Competitiveness) (107-43).

February 14, 2002—Hearing on “Equipping Museums and Libraries for the 21st Century” (107–45).

April 10, 2002—Hearing on “Status of Financial Management at the U.S. Department of Education” (107–56).

April 11, 2002—Hearing on “The Corporation for National and Community Service” (107–57).

April 25, 2002—Hearing on “Citizen Service in the 21st Century” (107–60).

September 19, 2002—Hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century” (Jointly with the Subcommittee on 21st Century Competitiveness) (107–78).

September 24, 2002—Hearing on “Homeland Security: Tracking International Students in Higher Education—Progress & Issues Since 9–11” (Jointly with the Subcommittee on 21st Century Competitiveness) (107–79).

III. MARKUPS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

June 21, 2001—H.R. 1900, Juvenile Crime Control and Delinquency Prevention Act of 2001—ordered favorably reported as amended to the Full Committee by a vote of 12–1.

107th Congress, Second Session

March 6, 2002—H.R. 3784, Museum and Library Services Act of 2002—ordered favorably reported to the Full Committee by voice vote.

H.R. 3839, Keeping Children and Families Safe Act of 2002—ordered favorably reported, as amended to the Full Committee by voice vote.

June 5, 2002—H.R. 4854, Citizen Service Act of 2002—ordered favorably reported, as amended to the Full Committee by voice vote.

IV. SUBCOMMITTEE STATISTICS

Total Number of Bills and Resolutions Referred to Subcommittee	48
Total Number of Hearings	15
Field	2
Joint with Other Committees	4
Total Number of Subcommittee Markup Sessions	3
Total Number of Bills Reported From Subcommittee	4

SUBCOMMITTEE ON 21ST CENTURY COMPETITIVENESS

I. SUMMARY OF ACTIVITIES

Ensuring that all Americans are equipped with the tools to compete and prosper in the 21st Century economy has been a top priority for members of the House Education & the Workforce Committee during the 107th Congress. The House Education and the Workforce 21st Century Competitiveness Subcommittee, chaired by Rep. Howard P. “Buck” McKeon (R–CA), has jurisdiction over the Higher Education Act, welfare reform legislation, the Workforce Investment Act, and many other federal laws that play a vital role in helping Americans achieve these goals.

A major focus of the 21st Century Competitiveness Subcommittee during the 107th Congress has been President George W. Bush's welfare reform package. On May 16, 2002, the House approved the Personal Responsibility, Work and Family Promotion Act (H.R. 4737), which renews the landmark 1996 welfare reform law, by a vote of 229–197. Based on President Bush's reform blueprint, the measure would strengthen current work requirements and significantly increase child care funding.

H.R. 4737 builds on the success of the 1996 welfare reform law, which helped nine million people leave the welfare rolls and paved the way for the lowest child poverty rate since 1979. It asks welfare recipients to engage in work activities for 40 hours a week, up from the current 30 hour requirement, and requires states to move 70 percent of their caseloads into work activities by 2007.

The bill includes \$2.3 billion over five years for the Child Care and Development Block Grant (CCDBG) program. It also incorporates key elements of President Bush's Good Start, Grow Smart plan to improve early childhood education, encouraging states to address the cognitive needs of young children so they are prepared to enter school.

The legislation includes a promising new plan to empower states and localities to develop innovative solutions to help welfare recipients achieve independence. It would give states and local agencies the opportunity to coordinate certain welfare and workforce development programs and improve their efficiency.

The 21st Century Competitiveness Subcommittee also spent considerable time preparing for the upcoming reauthorization of the Higher Education Act, which is expected to take place in 2003. Subcommittee members learned an estimated 17.5 million American students are expected to enroll in college by the year 2010, an increase of 20 percent from 1998. At the same time, college prices continue to rise at an alarming rate. Since the early 1980s, college prices have increased at two to three times the rate of inflation every single year. As the Advisory Committee on Student Financial Assistance notes in a report issued in 2002, ensuring access to college education for high-school graduates is a critical issue Congress must address as it looks ahead to reauthorization of the Higher Education Act in 2003.

Reforms supported by Chairman McKeon and others currently serving on the 21st Century Competitiveness Subcommittee resulted in the lowest student loan rate in history (through changes negotiated in 1998), record funding for Pell Grants, and new legislation that would pave the way for reauthorization of the Higher Education Act by streamlining federal red tape for students and colleges.

In response to rising college costs and increasing problems with access to postsecondary education, Chairman McKeon introduced the FED UP Technical Improvements Act of 2002 (H.R. 4866), a bipartisan, noncontroversial bill that would improve access to college for disadvantaged students, bolster support for Hispanic-Serving Institutions, and make other noncontroversial technical improvements to the Higher Education Act. The late Rep. Patsy Mink (D-HI) co-authored the FED UP legislation with Chairman McKeon, joining other committee members in introducing the bill at a press conference in June 2002 and voting to pass the measure on the

House floor a month later. Regrettably, the House Democrat leadership worked successfully to keep the measure from passing the House.

In late 2002, to prepare for the upcoming reauthorization of the Higher Education Act, the committee launched a reauthorization website to solicit input from students, teachers, parents, administrators, legislators, community leaders, and others concerned about improving access and quality in higher education. The website is modeled on the successful FED UP and "Great IDEAs" websites launched earlier by the committee during the 107th Congress.

Following is a summary of the 21st Century Competitiveness Subcommittee achievements of the 107th Congress (January 2001–October 2002):

Strengthening the 1996 welfare reform law

The effects of the historic welfare reform law passed by a new majority in Congress and signed into law by President Clinton in 1996 have been nothing short of dramatic: millions of Americans have moved from welfare to work; caseloads are down more than 50 percent; incomes are up; and child poverty has fallen further than at any time since the 1960s. The 21st Century Competitiveness Subcommittee devoted significant attention in the 107th Congress to the effort to reauthorize and strengthen the successful 1996 reforms, as called for by President Bush.

The Working Toward Independence Act (H.R. 4092), authored by 21st Century Competitiveness Subcommittee Chairman Howard P. "Buck" McKeon (R-CA), builds on the success of the historic 1996 welfare reform law. The Education & the Workforce Committee approved the measure on May 2, 2002. The text of H.R. 4092 was included in the Personal Responsibility, Work and Family Promotion Act (H.R. 4737), which passed the House by a vote of 229–197 on May 16, 2002.

The 21st Century Competitiveness Subcommittee held five hearings to lay the groundwork for welfare reform reauthorization and passage of the Working Toward Independence Act.

The first hearing was held on September 20, 2001, and focused on the success of the 1996 law. At the hearing, Ron Haskins, a Brookings Institution senior fellow, said the 1996 reforms "gave a much-needed shock to the welfare system. * * * After five years of aggressive implementation of welfare reform by states and localities, it is clear that the hopes of its supporters have been vindicated and the fears of its critics stilled." Haskins noted that during the Reagan administration, 19 million jobs were created, but welfare rolls actually increased.

At the same hearing, Robert Rector, a senior research fellow in domestic policy studies at the Heritage Foundation, observed that even though some "predicted that welfare reform would push an additional 2.6 million persons into poverty, there are 4.2 million fewer living in poverty than there were in 1996, according to the most common Census Bureau figures. * * * Some 2.3 million fewer children live in poverty than in 1996. . . . The poverty rate for black children is at the lowest point in U.S. history. * * * According to the U.S. Department of Agriculture, the child hunger rate has been cut in half in the last four years."

Rector also stressed that the impressive reduction of welfare rolls since the 1996 reform cannot be attributed to a strong economy alone. "Although a strong economy contributed to some of these trends, most of the positive changes greatly exceed similar trends that occurred in prior economic expansions," Rector said.

The subcommittee's second hearing was held October 16, 2001, and focused on the effectiveness of the work requirements in the 1996 law. At the hearing, several witnesses sought to dispel any doubt that the 1996 reforms have helped to reduce welfare caseloads and led more people into more productive lives in the workforce.

"Combining mandatory work-related activities with strong financial incentives and/or time limits generally results in positive impacts on employment and earnings," said Dr. Lynn A. Karoly, a senior economist with the RAND Institute, a research organization based in Santa Monica, CA.

"The [1996 welfare reform law] created a historic challenge for the business community to hire those who would be leaving the welfare rolls in large numbers," said Rodney Carroll, president and CEO of the Welfare-to-Work Partnership. "Welfare caseloads have plummeted by half since 1996, and the majority of adults who are now off the welfare rolls have gone to work. * * * More than 20,000 employers have answered our challenge and committed to hire and retain former welfare recipients."

On February 27, 2002, the subcommittee held a third hearing to prepare for welfare reform reauthorization, this time focusing on the operation and effectiveness of the Child Care and Development Block Grant (CCDBG) program. Witnesses emphasized the need to preserve simplicity and flexibility in the program, which make it easier for states to accomplish the goals of helping Americans transition from welfare to work.

On March 12, 2002, a fourth hearing was held, this time focusing on the extent to which Temporary Assistance for Needy Families (TANF) work services are provided through the One-Stop Career Centers established by the Workforce Investment Act of 1998. Chairman McKeon noted that, in 1998, under the Education and the Workforce Committee's leadership, Congress passed the Workforce Investment Act to integrate the nation's job training system that formerly was fragmented, contained overlapping programs, and did not serve either job seekers or employers well. McKeon suggested enhancing coordination between TANF—which replaced the Depression-era cash entitlement system—and the WIA one-stop workforce development system could have a positive impact on participants.

"Coordination could encourage a continuum of services for low-income individuals who may become unemployed after leaving welfare," he said.

Dr. Sigurd Nilsen, who directs the health and human services division of the General Accounting Office (GAO)—the investigative arm of Congress—said ties between TANF programs and one-stop centers have increased since the spring of 2000, when WIA was implemented. "Nearly all states reported some coordination between programs at either the state or local level," Nilsen testified.

Nilsen also described some of the problems states and localities are having in integrating work services. "Despite progress," he

said, they still must deal with “infrastructure limitations—such as inadequate facilities or antiquated computer systems that do not communicate with each other—and different program definitions and reporting requirements.”

On April 9, 2002, Health and Human Services Secretary Tommy Thompson testified before the committee regarding President Bush’s blueprint for welfare reform reauthorization, urging members to act quickly to reauthorize and strengthen welfare reform. Thompson, the former governor of Wisconsin, praised the 1996 welfare reform law and credited its success partly to the fact that states were given tremendous flexibility to reform their welfare programs, helping millions end their dependency on welfare and achieve self sufficiency.

In addition to describing the President’s plan to strengthen work requirements, Secretary Thompson testified about ways to improve federal child care aid. The Administration’s overall goal, Thompson said, is to improve “child well-being. Child care supports this goal as well as being a vital work support. Our child care proposals complement our expectations that all families will be fully engaged in work and other meaningful activities by ensuring that resources are available to support safe, affordable, child care when necessary.”

On April 10, 2002, Chairman McKeon formally introduced the Working Toward Independence Act. The measure, based on President Bush’s reform blueprint, strengthens work requirements under the Temporary Assistance for Needy Families (TANF) block grant program to help move more welfare recipients into productive jobs. As Connecticut Governor John Rowland said, “The most compassionate way to break the cycle of poverty, dependency, and hopelessness is through work.”

The months of extensive hearings conducted by the subcommittee reinforced members’ belief in the success of the 1996 law and the need to answer the President’s call to extend and strengthen it to help even more Americans move to self-sufficiency and independence.

One of the myths that welfare reform opponents like to employ, subcommittee members noted, is that the reductions in welfare caseloads and child poverty during the latter half of the 1990s were the result of a healthy economy, not the welfare reform law. But history, members noted, shows that this argument doesn’t hold water: during other long economic booms in the 1960s and ‘80s, welfare caseloads actually rose. The 1996 reform law’s work requirements made the crucial difference in maximizing opportunities for welfare recipients to participate in the workforce.

A report released by the National Center for Policy Analysis (NCPA), an independent research organization, found that Temporary Assistance for Needy Families (TANF), the block grant program that began under the welfare reform law, accounts for more than half of the decline in welfare participation and 60 percent of the rise in single mother employment since 1996.

If economic growth was the chief cause of the drops in welfare caseloads and child poverty, members argued, then these successes should be connected to economic conditions in states. But they’re not: a 1999 Heritage Foundation report showed that the “relative vigor of state economies, as measured by employment rates,

changes in unemployment, or state job growth, had no statistically significant effect on caseload decline.”

The challenge for Congress, members argued, is to maintain and build on the 1996 law’s success by putting even more Americans on the path to self-reliance. While the 1996 reforms significantly reduced welfare caseloads, members noted, there have still been some problems. For example, data indicates a majority of TANF recipients today are still not working for their benefits. According to the Health & Human Services Department’s Third Annual Report to Congress (August 2000), 58 percent of TANF adult recipients are not participating in work activities as defined by federal law, which includes work and various other job training and education activities. 21st Century Competitiveness Subcommittee members took the lead in calling attention to this problem and calling for congressional action to address it in the context of welfare reform reauthorization.

Subcommittee members opposed weakening TANF work requirements, an approach that would turn back the clock on the impressive gains made since 1996. The Working Toward Independence Act introduced by Chairman McKeon ensures work requirements remain the centerpiece of federal welfare law by increasing the amount of time recipients are required to spend engaged in work or other constructive activities from the current requirement of 30 hours to a new requirement of 40 hours a week. The new law insists that recipients engage in work activities for at least 24 hours a week and in other constructive activities—such as education or job training—for the remaining 16 hours. Moreover, it strengthens current law by requiring states to move 70 percent of their caseloads into work activities by 2007.

Subcommittee members also noted combining real work with programs that help recipients advance is the best way to increase their income and improve the well-being of their children. Approximately two million families remain on the welfare rolls today. Watering down current work requirements, members argued, would only serve to prolong their dependence on welfare and, consequently, harm the most vulnerable members of our society.

In addition to strengthening TANF work requirements, the Working Toward Independence Act gives states dramatic new flexibility to empower them to develop new and innovative solutions to help welfare recipients achieve independence. The measure offers broadened waiver authority for states to integrate a broad range of public assistance and workforce development programs. This new flexibility will help states create broad, comprehensive assistance programs for needy families, as long as they achieve the purpose of the underlying program and continue to target those in need.

Chairman McKeon and other subcommittee members also emphasized that affordable, reliable child care is a critical element of successful welfare reform to allow mothers in particular to obtain and retain employment. Largely because of welfare reform, unprecedented numbers of women with children participate in the workforce today. There are 700,000 fewer single mothers living in poverty today than in the mid-1990s, according to the Census Bureau.

The Working Toward Independence Act reauthorizes the Child Care and Development Block Grant (CCDBG) and helps to ensure low-income families receive child care benefits that support their

transition into the workforce. The Working Towards Independence Act reauthorizes the CCDBG through 2007, maintaining historic levels of funding for the block grant program. The bill authorizes \$2.3 billion in discretionary funding for the CCDBG, as requested by President Bush. During full committee consideration, the Committee approved an amendment offered by Education Reform Subcommittee Chairman Michael Castle (R-DE) to increase the bill's authorization for discretionary Child Care and Development Block Grant (CCDBG) funding from \$2.1 billion to \$2.3 billion in FY 2003. The Castle amendment also increased the amount that states must devote to improving child care quality from four percent to six percent of annual CCDBG funding.

Consistent with President Bush's Good Start, Grow Smart childhood education initiative, the measure encourages states to address the cognitive needs of young children so they are developmentally prepared to start school.

Field experts and state leaders involved in child care indicate that the flexibility of the CCDBG program is essential for its continued success. The bill, therefore, encourages states to create innovative partnerships with public and private entities to increase the supply and quality of child care services. The measure also gives states maximum flexibility to develop child care programs and policies that meet the needs of children and parents and target those who need help the most. In addition, the bill makes necessary improvements to the block grant program, emphasizing the importance of the quality of child care and asking states to address the needs of parents who have children with special needs, work non-traditional hours, or require infant and toddler care.

The 1996 welfare reform law is one of the most successful legislative initiatives in recent memory, members noted during the reauthorization effort. Its unprecedented success has convinced skeptics who initially opposed the legislation. For example, Wendell Primus, a deputy assistant secretary in the Clinton-era Health & Human Services Department, resigned when the welfare reform bill was signed into law. Today, Primus says: "In many ways, welfare reform is working better than I thought it would. * * * Whatever we have been doing over the last five years, we ought to keep going (Harden, "Two Parent Families Rise after Change in Welfare Laws, New York Times, August 12, 2001)."

During consideration of the bill, the committee also approved an amendment by Chairman McKeon that allows welfare recipients to attend school full-time for four months of a two-year period; the underlying bill allowed for three months of full-time education. It also adopted an amendment offered by Rep. Marge Roukema (R-NJ) that asks states to assess the needs of welfare families as they develop self-sufficiency plans.

The 21st Century Competitiveness Subcommittee passed H.R. 4092 by a vote of 9-7 on April 18, 2002. The Education & the Workforce Committee passed the comprehensive welfare reform reauthorization bill by a vote of 25-20 on May 1, 2002. As of November 2002, the Senate had not acted on the House-passed bill or any other comprehensive welfare reauthorization measure.

Removing barriers to higher education by reducing federal red tape for colleges

Increasing access to postsecondary education is vital to securing America's economic future. Federal student aid programs help millions of students realize their dream of obtaining a college degree—but because federal rules and red tape associated with these programs often impose costly administrative burdens at colleges and universities, the programs aren't as effective as they could be.

Led by 21st Century Competitiveness Subcommittee Chairman Howard P. "Buck" McKeon (R-CA) and the late Rep. Patsy Mink (D-HI), members of the House Education & the Workforce Committee introduced legislation to improve student access to higher education by streamlining federal red tape in the student aid system. The FED UP Higher Education Technical Amendments Act (H.R. 4866), based directly on recommendations submitted by school officials, educators, students, and others over the past year through the FED UP initiative ("Upping the Effectiveness of our Federal Student Aid Programs"), aims to reduce regulatory red tape at colleges and universities to remove barriers to higher education for students.

The FED UP measure was authored to help to untie the hands of students and institutions through a series of common-sense, revenue-neutral steps that would make a difference while paving the way for reauthorization of the Higher Education Act.

The FED UP project was a first-of-its-kind effort built on input solicited directly from those most affected by current federal higher education regulations: students and school officials themselves. Relying heavily on the Internet, Chairman McKeon and others solicited comments from across the country in an effort to pinpoint unnecessary federal rules and red tape that could be streamlined without jeopardizing the integrity of America's student financial assistance programs. The project received approximately 3,000 responses from college officials, administrators, and other personnel who operate America's institutions of higher learning, laying the groundwork for reauthorization of the Higher Education Act in the 108th Congress. The website can be accessed at "[//edworkforce.house.gov/issues/107th/education/fedup/index.htm](http://edworkforce.house.gov/issues/107th/education/fedup/index.htm)."

The FED UP legislation, H.R. 4866, was introduced on June 5, 2002 at a press conference outside the U.S. Capitol featuring Chairman McKeon, ranking member Mink, and representatives of the higher education community.

H.R. 4866 eases aid requirements for America's Hispanic-Serving Institutions (HSIs). The measure allows Hispanic-Serving Institutions (HSIs) to apply for federal HSI grants without waiting two years between applications. This provision compliments President Bush's FY2003 Budget request, which includes \$89.1 million for the Developing Hispanic-Serving Institutions program, an increase of \$3.1 million, to expand and enhance support for postsecondary education institutions that serve large percentages of Hispanic students and help to close the gap between Hispanic students and their peers.

The FED UP legislation also makes clear that federal scholarship aid can go to low-income and minority students for law school. The bill allows the U.S. Department of Education to provide scholarship aid to low-income and minority students to prepare for and attend

law school, which is not currently mentioned specifically as an allowable use in the Higher Education Act.

The measure also makes clear that home-schooled students can receive federal student aid. H.R. 4866 clarifies that home-schooled students are eligible for financial aid for higher education and that schools will not lose their institutional eligibility for granting aid to home-schooled students.

In addition, the FED UP bill helps students avoid defaulting on their student loans. The measure removes barriers to students seeking forbearance from lenders on student loan payments by eliminating the requirement that new agreements between lenders and borrowers be in writing; however, lenders must provide notice to borrowers of the terms of any new agreement. ("Forbearance" is a process by which a borrower who is having temporary difficulty meeting his or her repayment obligations can contact the lender, explain the situation and obtain some form of relief—possibly in the form of an extension, reduced monthly payments for a period of time, no payments for a short time, or other options.) The FED UP change will provide relief to student borrowers to help keep them out of default and make it easier for lenders to react more quickly to students' needs.

Unfortunately, the legislation was opposed by the House Democratic leadership and failed to pass on the House floor when it came to a vote in July 2002. The legislation did receive bipartisan support and the votes of a majority of members of the House, with Ms. Mink and 26 other House Democrats voting with Republicans to pass the bill.

In November 2002, Education Secretary Rod Paige and the U.S. Department of Education announced a series of regulatory reforms to reduce federal red tape in student aid programs. The reforms were based on recommendations collected through the FED UP project that did not require legislative action by Congress to implement. Secretary Paige and his staff were enthusiastic partners in the FED UP process, and legislators hope to pass legislation addressing the FED UP project's unfinished legislative business prior to or during reauthorization of the Higher Education Act in the 108th Congress.

Lowest student loan interest rate in history

As a result of changes negotiated by Chairman McKeon in 1998, federal student loan interest rates dropped to their lowest level in U.S. history on July 1, 2002. Reflecting continuing congressional efforts to make higher education more affordable and accessible, the new rates will result in significant savings for students. On July 1, 2002, interest rates on federal Stafford loans issued on or after July 1, 1998, fell to 4.06 percent, down from a previous level of 5.99 percent. In addition, interest rates on Parent Loans for Undergraduate Students (PLUS) dropped from 6.79 percent to 4.86 percent—the lowest rate ever for PLUS loans. Chairman McKeon and other members of the House Education and the Workforce Committee worked during the 107th Congress to bring further attention to the problem of rising college prices, laying the groundwork for the committee to take further steps to maximize college affordability and quality through the upcoming reauthorization of the Higher Education Act.

On January 24, 2002, with overwhelming bipartisan support, the House passed a bill (S. 1762) backed by Chairman McKeon and other Education and the Workforce Committee members to ensure the availability of affordable student loans. Under the measure, the changes negotiated in 1998 are extended to 2006 to ensure the ongoing availability of affordable student loans for Americans aspiring to attend college. Interest rates for student loans disbursed on or after July 1, 2006, are fixed at 6.8 percent, and parent loan interest rates are at 7.9 percent. The bill, which was approved by the Senate on December 14, 2001, was signed into law by President Bush on February 8, 2002.

Expanding access to distance education

In light of how the Internet is being used to improve learning opportunities, it's clear that the landscape of education is expanding with such speed and such enormous potential that we have the responsibility to develop policies that will ensure that new technologies enhance, rather than frustrate, learning. The Web-based Education Commission, co-chaired by now-21st Century Competitiveness Subcommittee Vice-Chairman Johnny Isakson (R-GA), issued a report identifying specific areas that should be addressed immediately if the nation is to capitalize on this new potential for learning. Some of those recommendations culminated in legislation that originated in the 21st Century Competitiveness Subcommittee and passed the House in 2001.

The 21st Century Competitiveness Subcommittee held two hearings on this issue during the first session of the 107th Congress. Distance education, members learned, provides a tremendous opportunity to expand access to postsecondary education to those who may otherwise be unable to participate. Current law limits the expansion of distance education programs; therefore, members argued, changes must be made to expand access to these programs, both for the nation's students and for an economy that depends increasingly upon a highly educated and trained workforce.

The Internet Equity and Education Act (H.R. 1992), introduced by Rep. Isakson and supported by members of both parties, provides an expansion of Internet-based and non-standard term educational opportunities for postsecondary students, while maintaining the integrity of the federal student aid programs.

The legislation provides needed changes to the Higher Education Act that will allow all learners to take the fullest advantage of what the newest technologies can provide for their education. It provides a needed first step to ensuring that a postsecondary education is available to all who want to pursue it. Furthermore, by expanding access to distance learning programs now and requiring the Education Secretary to study their results, the bill will provide both the Education Department and Congress with important data to consider when the Higher Education Act is up for reauthorization in 2003.

The 21st Century Competitiveness Subcommittee approved the bill by voice vote on July 11, 2001. The House Education & the Workforce Committee passed the bill, sponsored by Rep. Isakson, by a vote of 31–10 on August 1, 2001. The House passed the bill by a vote of 354–70 on October 10, 2001. As of November 2002, however, the Senate had not acted on the measure.

Outreach to historically black colleges and hispanic-serving institutions

Supported by members of the 21st Century Competitiveness Subcommittee, which shares jurisdiction over matters involving minority serving institutions, Chairman Peter Hoekstra (R-MI) and other members of the Select Education Subcommittee reached out to Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs) and other minority-serving schools during the 107th Congress, laying the groundwork for President Bush's plans to boost aid to these key institutions. Successful field hearings were held at Oklahoma's Langston University and Ohio's Wilberforce University, and the House passed resolutions in the fall of 2002 honoring the contributions of America's HBCUs and HSIs.

President Bush and the 107th Congress provided significant increases in aid for minority-serving institutions, supported by Chairman Boehner, Chairman Hoekstra, Chairman McKeon, and other committee members. Federal aid for Historically Black Colleges and Universities increased from \$185 million in FY2001, the last fiscal year of the Clinton Administration, to \$206 million in FY2002, the first fiscal year of President George W. Bush's administration. Federal aid to Hispanic Serving Institutions increased from \$68.5 million in FY2001 to \$86 million in FY2002. Federal aid to Historically Black Graduate Institutions increased from \$45 million in FY2001 to \$49 million in FY2002.

Homeland security: tracking international students in higher education

The events of September 11, 2001, brought into sharp focus the need to more closely monitor the status of immigrants, including international students in the United States.

Accordingly, the 21st Century Competitiveness Subcommittee held two hearings (jointly with the Select Education Subcommittee) during the 107th Congress looking into the activities of institutions and the various federal agencies that are involved in the monitoring of international students studying in the United States.

The first hearing was held just six weeks after the attacks, and members of the subcommittee expressed serious concerns about the flaws in the international student tracking system that jeopardize our homeland security. During this hearing, the subcommittee began the process of reexamining the steps colleges and universities take to monitor the activities of those who visit our campuses on student and exchange visas. The subcommittee heard from Bush Administration officials on the continued development of the Student Exchange and Visitor Information System (SEVIS), which will allow colleges and universities the ability to report information on those international students accepted for enrollment, but who do not attend or who transfer or drop out of school.

One year later, the subcommittee held a follow-up hearing to hear testimony on the progress being made by the government in tracking international students in the United States. During the hearing, Bush Administration officials outlined steps taken by the federal government since September 11, 2001, to improve homeland security, including the implementation of SEVIS. During the hearing, Janis Sposato, assistant deputy executive associate of the Im-

migration Service Division in the Immigration and Naturalization Service (INS), testified that SEVIS will allow the INS to track students more “accurately and more expeditiously.”

The tracking system “will revise and enhance the process by which foreign students and exchange visitors gain admission to the United States. SEVIS better enables us to keep our eyes open for and track those who may come to America for the wrong reason, while extending a hand in friendship to those seeking the knowledge that this great country has to offer,” Sposato continued.

The subcommittee hearings also focused on how an international student wanting to study in the United States goes about obtaining a Form I-20 ID from a school, which is necessary to apply for a student visa. The subcommittee also heard testimony on the different kinds of visas, including F-visas for those studying on the undergraduate level, J-visas for exchange students, M-visas for those seeking specific technical training, and B-visas used by tourists.

Improving access to assistive technology for individuals with disabilities

The 21st Century Competitiveness Subcommittee held a hearing on March 21, 2002 on the Assistive Technology (AT) Act. Witnesses testified before the subcommittee on the role technology has played in improving the lives of millions of people living with disabilities in the United States.

In 1988, Congress passed the Technology-Related Assistance for Individuals with Disabilities (Tech) Act, which created a 10-year state grants program to provide seed money to help improve access to assistive technology for individuals with disabilities. Reauthorized in 1994, the purpose of the Tech Act is to increase access to, availability of, and funding for assistive technology through state and national initiatives. In 1998, Congress passed the Assistive Technology (AT) Act to extend funding so that states that did not receive initial funding until 1994 could receive the full 10-year grant under the Tech Act.

Today, all 50 states, as well as the District of Columbia, Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands, have a state Assistive Technology (AT) Project funded under the AT Act. These AT Projects provide various services and programs, such as information and referral services, assessment for appropriate assistive technology, equipment demonstration and buy-out, and refurbished assistive technology equipment. The federal grants to AT Projects are administered through the National Institute on Disability and Rehabilitation Research (NIDRR) at the U.S. Department of Education.

Subcommittee Chairman McKeon said the purpose of the March 21, 2002 hearing was to “provide a sense of how states are doing in their efforts to develop state AT Projects that successfully provide a system of services to individuals with disabilities” and provide “recommendations for the future of the AT Act.” Chairman McKeon noted that hearing testimony would “help the subcommittee assess whether these federal assistive technology programs have fulfilled their original purpose.”

Mark Schultz, director of the Nebraska Assistive Technology Partnership, told subcommittee members that, “The flexibility of the Tech Act has allowed each state to prioritize their assistive technology system needs and uniquely develop strategies to meet those needs as appropriate. While this may make it difficult to evaluate programs on a state to state basis, the bottom line is that more and more of the 50 million individuals with a disability in the United States are getting and using assistive technology to live independently, go to school and work, and participate in their communities than before the Tech Act was created.”

Citing the important role of Congress, Paul Rasinski, executive director and consumer for the Maryland Technology Assistance Program, told members that he and his colleagues “believe that the federal leadership role provides the infrastructure and the seed money that leverages a great range of programs and services that are critical to people with disabilities.”

Improving America’s investment in workforce preparation

The 21st Century Competitiveness Subcommittee on September 12, 2002 began a series of hearings on implementation of the Workforce Investment Act (WIA), which is due for reauthorization in 2003. At the hearing, a panel of witnesses, including state and local workforce investment experts and business leaders, testified on the effectiveness of implementing WIA’s job training and workforce development programs since the law’s enactment in 1998, including successes and promising practices as well as challenges each has faced.

During the hearing, Chairman McKeon noted, “The WIA system contains the federal government’s primary programs for investment in our nation’s workforce preparation. Even though the system is still maturing since its full implementation in July 2000, states and local areas have created comprehensive services and effective one-stop delivery systems. In addition, the training services provided through WIA are invaluable in assisting adult workers in areas of the country facing skill shortages.”

Testifying on a work-scholarship program offered by his company, Danny Wegman, president of Rochester, NY-based Wegmans Food Markets, Inc, said, “workforce success is directly tied to the systematic goals and must focus on youth meeting academic standards, occupational skill attainment through work experience, and the capacity to build strong relationships.”

“Youth are ready to face the challenges of higher skill demand required in today’s workforce, build on leadership skills, and form positive relationships with others so they can make informed decisions impacting their future,” Wegman continued.

Diane Rath, chair and commissioner of the Texas Workforce Commission, testified about the importance of focusing on the “outcome” rather than process. “We must be able to listen to the customer and design our services to meet those needs. We need to establish a core set of common performance measures such as employment, retention, and earnings that would apply across partner programs.”

“Our system is a success because businesses and industries view the [Texas Workforce] Network as a viable solution to workforce needs,” Rath explained. “Business is a primary customer of our sys-

tem. Our challenge is increasing business use of our system. We need performance measures that are more reflective of serving employers.”

Emergency relief for displaced U.S. workers

On August 6, 2002, President Bush signed into law the Trade Promotion Authority and Trade Adjustment Assistance Act (H.R. 3009), which incorporated key elements of his “Back-to-Work” proposal, first offered during the fall of 2001 to expand the federal safety net for workers displaced by the September 11 attacks and its economic aftershocks. The Back to Work plan authorizes \$510 million in special National Emergency Grants (NEGs), administered by the Secretary of Labor, to help displaced workers maintain health coverage, obtain childcare assistance, and receive job training as the economy recovers from its current slowdown. It also appropriates \$60 million for these grants in the first year. The Back to Work Act (H.R. 3112) was originally introduced by Reps. John Boehner (R-OH), Buck McKeon (R-CA), and Sam Johnson (R-TX) in October 2001. The Education and the Workforce Committee also held hearings on the topic, including one with Labor Secretary Elaine Chao, to emphasize the need to utilize existing programs to help displaced workers instead of creating new bureaucracies.

The September 11, 2001, terrorist attacks had a devastating and direct impact on the U.S. economy and many Americans lost their jobs as a result. In response, President Bush quickly outlined a plan designed to help those who lost their jobs; get people working again to jump-start the economy; and help ensure displaced workers have access to health care.

On October 12, 2001, House Education & the Workforce Committee Chairman John Boehner (R-OH), 21st Century Competitiveness Subcommittee Chairman Buck McKeon, and Employer-Employee Relations Subcommittee Chairman Sam Johnson introduced the Back to Work Act (H.R. 3112)—President Bush’s plan to expand the federal “safety net” for workers displaced in the wake of the September 11 attacks.

Following the attacks, the Labor Department acted decisively to mobilize the existing safety net for displaced workers and their families. On October 16, 2001, U.S. Secretary of Labor Elaine Chao appeared before the Education & the Workforce Committee to urge Congress move quickly to enact President Bush’s “Back to Work” plan to strengthen existing protections for displaced American workers and their families. Chao emphasized that the President’s worker relief proposal was one that could be implemented quickly, flexibly, and without creating new bureaucracies.

On three separate occasions, supported by members of the 21st Century Competitiveness Subcommittee, the House passed elements of the President’s Back to Work plan. On August 6, 2002, President Bush signed into law the Trade Promotion Authority and Trade Adjustment Assistance Act (TAA), which incorporated key elements of his Back to Work proposal, first offered during the fall of 2001 to expand the federal safety net for workers displaced by the September 11 attacks and its economic aftershocks.

Expanding U.S. trade and creating new jobs is critical to the nation’s economic future, members noted, but it is also important to ensure that thousands of displaced workers and their families who

have seen difficult times have access to quality health care even as they struggle to return to work.

As a result, the Back to Work provisions in the Trade Adjustment Assistance Act authorize \$510 million in special National Emergency Grants (NEGs), administered by the Secretary of Labor, to help displaced workers maintain health coverage, obtain childcare assistance, and receive job training as the economy recovers from its current slowdown. \$60 million was appropriated for these grants in the first year.

National Emergency Grants are federal grants administered by the Labor Secretary, and they may be awarded to any state experiencing plant closings or mass layoffs. Currently, the grants may be used to support job training and reemployment services and to make certain limited payments to individuals enrolled in training. The grants also may be used to help pay for services such as childcare and transportation, to help individuals complete training and transition back to work. The new TAA National Emergency Grants are available to states in order to assist them in providing health care coverage and other services to workers who are adversely impacted by trade.

The Back to Work law is a compassionate one, members noted, not just because it provides workers in need with flexibility and resources, but also because it recognizes that a displaced worker's true goal, ultimately, is to return to work. It will help every worker return to work as quickly as possible, and in the meantime, help ensure they and their families have access to quality health insurance as well as employment and job training resources.

Ensuring accreditation process reflects student achievement

As increasing numbers of students gain access to post-secondary education, the need to assure the quality of higher education institutions becomes increasingly clear. During the 107th Congress, 21st Century Competitiveness Subcommittee Chairman McKeon, Education and the Workforce Committee Vice Chairman Thomas Petri (R-WI) and other committee members emphasized the need for Congress to explore this issue. The accreditation process that evaluates higher education institutions, members argued, should be an accurate predictor of the likelihood of student achievement.

Accreditation is widely believed to be an indicator of the quality of an institution, and the assumption is that an accredited institution of higher learning will provide a high quality education. The 21st Century Competitiveness Subcommittee held a hearing on October 1, 2002 to determine if that assumption is accurate and whether the accreditation process is a likely measure of student achievement.

While accreditation provides higher education institutions with what amounts to a seal of approval, concerns were raised in the hearing about the means by which accreditation is granted. Often it has been found that emphasis is placed on inputs such as the quality of facilities and the number of books, as opposed to outputs like student achievement. Because the availability of a high-quality education is implied by accreditation, some note that the output of well-educated students should be emphasized more than the inputs in the accreditation process as accurate indicators of the quality of an institution.

Beyond the initial accreditation, the review process by which accreditations are renewed or revoked has also been questioned. Often, institutions with academic deficiencies are able to maintain their accredited status despite the fact that students may leave these accredited institutions with little to show.

The need for all students to have access to a post-secondary education is critical to America's future, but along with availability comes the need for ensured quality. The accreditation process is a means by which institutional quality can be measured, and as the reauthorization of the Higher Education Act approaches institutional accreditation is a critical issue to be examined.

Ensuring the quality of America's teachers

The quality of teaching is a critical component in the effectiveness of a child's education, and as such, high-quality teacher training programs play an integral role in the education process. The 21st Century Competitiveness Subcommittee held a hearing on October 9, 2002 to examine the current teacher training programs, as well as to explore options to improve these programs. This hearing was the first in a series the subcommittee is holding on the reauthorization of the Higher Education Act, which is due for reauthorization next year.

During the next decade, school districts will need to hire more than two million additional teachers to keep up with increased student enrollment. In addition, the No Child Left Behind Act (H.R. 1), the bipartisan education reform law signed in January 2002 by President Bush, calls for every student in every federally-funded public school to have the opportunity to learn from a highly-qualified teacher by 2005. This unprecedented new focus on teacher quality is also accompanied by an historic increase in federal teacher quality funding.

The goal of the October 9, 2002 hearing was to examine how current teacher training programs work to fulfill the expectations set forth in the No Child Left Behind Act, and to determine if improvements can be made to better prepare teachers. The hearing focused, specifically, on the effectiveness of provisions of Title II of the Higher Education Act that were enacted in 1998. Attention was focused on the Teacher Quality Enhancement Grants for States and Partnerships program, as well as the various reporting requirements required by the law.

In the hearing it was shown that, although the effectiveness of the grants for improving teacher quality is not yet known due to insufficient data, recent statistics from the U.S. Department of Education show most teacher training programs leave new teachers feeling unprepared for the classroom. As the subcommittee looks to the reauthorization of the Higher Education Act, assuring the quality of America's teachers through effective and high-quality teacher training programs continues to be a priority.

On October 1, 2002, the House also approved the Canceling Loans to Allow School Systems to Attract Classroom Teachers Act (H.R. 5091) or the CLASS ACT, a bill authored by Rep. Lindsey Graham (R-SC) to address the nation's growing shortage of qualified teachers by dramatically increasing the maximum federal student loan forgiveness amount for Americans who enter the teaching profession and teach in disadvantaged schools. The legislation,

strongly supported by members of the 21st Century Competitiveness Subcommittee, will help schools in disadvantaged communities recruit highly qualified teachers, providing them with additional support in meeting the objectives of the No Child Left Behind Act. The bill increases the maximum level of federal student loan forgiveness for teachers from the current maximum of \$5,000 to a new level of \$17,500. The bill places a priority for providing loan forgiveness to those teaching special education, mathematics, or science, or those teaching in disadvantaged schools that need help in recruiting highly qualified teachers.

Student loan relief for U.S. military reservists

In October 2001, the House passed the Higher Education Relief Opportunities for Students (HEROES) Act (H.R. 3086) by a vote of 415–0. The Senate passed its version (S. 1793) of the measure by unanimous consent on December 14, 2001; the House passed S. 1793 by voice vote on December 19, 2001; and President Bush signed the bill into law shortly thereafter. The bill, authored by Chairman McKeon, gives the Education Secretary the authority to grant waivers to military reservists who have been called up for active duty, relieving them from making federal student loan payments while they serve the nation's Armed Forces. A similar authority was granted to the Education Secretary during the Persian Gulf War.

"This legislation will provide relief for the men and women of our military who are defending the freedoms of this great nation," McKeon said. "As families send loved ones into harm's way, the Higher Education Relief Opportunities for Students Act will allow the Secretary of Education to reduce some of the effects of that disruption here at home."

"As our nation continues the war against terrorism in Afghanistan, the Education Secretary needs the authority to act quickly to protect the interests of our students as well as the integrity of the financial aid programs themselves," said Education & the Workforce Chairman Boehner.

II. HEARINGS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

March 15, 2001—Hearing on "Improving Student Achievement Through Technology" (107–8)

June 20, 2001—Hearing on "H.R. 1992, the Internet Equity and Education Act of 2001" (107–20).

September 20, 2001—Hearing on "Welfare Reform: An Examination of Effects" (107–30).

October 16, 2001—Hearing on "Welfare Reform: Success in Moving Toward Work" (107–33).

October 31, 2001—Hearing on "Tracking International Students in Higher Education—Policy Options and Implications for Students" (jointly with the Subcommittee on Select Education) (107–36).

107th Congress, Second Session

February 13, 2002—Hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century” (jointly with the Subcommittee on Select Education) (107–43).

February 27, 2002—Hearing on “Assessing the Child Care and Development Block Grant” (107–46).

March 12, 2002—Hearing on “Welfare to Work: Ties Between TANF and Workforce Development” (107–50).

March 21, 2002—Hearing on “Assessing the Assistive Technology Act of 1998” (107–52).

March 22, 2002—Field Hearing on “Education and Job Training: Preparing for the 21st Century Workforce” in Angola, Indiana. (107–53).

September 12, 2002—Hearing on “Implementation of the Workforce Investment Act: Promising Practices in Workforce Development” (107–77).

September 19, 2002—Hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century” (Jointly with the Subcommittee on Select Education) (107–78).

September 24, 2002—Hearing on “Homeland Security: Tracking International Students in Higher Education—Progress & Issues Since 9–11” (Jointly with the Subcommittee on Select Education) (107–79).

October 1, 2002—Hearing on “Assuring Quality and Accountability in Postsecondary Education: Assessing the Role of Accreditation” (107–81).

October 9, 2002—Hearing on “Training Tomorrow’s Teachers: Ensuring a Quality Postsecondary Education” (107–85).

III. MARKUPS HELD BY THE SUBCOMMITTEE

107th Congress, Second Session

June 28, 2001—H.R. 1992, Internet Equity and Education Act of 2001—considered, no action taken.

July 11, 2001—H.R. 1992, Internet Equity and Education Act of 2001—ordered favorably reported as amended to the Full Committee by voice vote.

107th Congress, First Session

April 18, 2002—H.R. 4092, Working Toward Independence Act of 2002—ordered favorably reported as amended to the Full Committee by a vote of 9–7.

IV. SUBCOMMITTEE STATISTICS

Total Number of Bills and Resolution Referred to Subcommittee	165
Total Number of Hearings	15
Field	1
Jointly with Another Subcommittee of the Committee	4
Total Number of Subcommittee Markup Sessions	3
Total Number of Bills Reported From Subcommittee	2

SUBCOMMITTEE ON EDUCATION REFORM

I. SUMMARY OF ACTIVITIES

Education reform has been a hallmark of the 107th Congress and the first two years of President George W. Bush's administration. By signing the No Child Left Behind Act (H.R. 1) into law on January 8, 2002, President Bush fulfilled his promise to bring Republicans and Democrats together in an effort to ensure no child is left behind on the road to educational excellence. The Education and the Workforce Subcommittee on Education Reform, chaired by Rep. Mike Castle (R-DE), played a pivotal role in the passage of the No Child Left Behind Act as well as many other education reform efforts undertaken on behalf of the nation's children during the 107th Congress.

The Education Reform Subcommittee's jurisdiction includes pre-K through high school education, including the Elementary and Secondary Education Act (ESEA), which was reauthorized for six years through the No Child Left Behind Act. In addition, the subcommittee has jurisdiction over vocational education, school lunch and child nutrition programs, Head Start, and the Individuals with Disabilities Education Act (IDEA), the primary education law serving students with special needs.

In addition to its role in helping to enact No Child Left Behind, the Education Reform Subcommittee under Chairman Castle took the lead during the 107th Congress in revamping and improving the education research, evaluation, statistics and information functions of the federal government, helping to ensure that all federal education research is based not on fads or politics, but on sound science proven to help children. Chairman Castle's Education Sciences Reform Act, which President Bush signed into law on November 5, 2002, will help American students learn reading, mathematics and other essential skills by improving the quality of critical education research. By modifying and streamlining education research methods, the bill eliminates existing methods that are not held to high standards and replaces them with new, more independent and innovative methods, using coordinated, high quality education research.

The Education Reform Subcommittee also took the lead in laying the groundwork for what promises to be one of the next major steps in the transformation of the federal government's involvement in education policy—reauthorization of the Individuals with Disabilities Education Act (IDEA). The subcommittee began the process of renewing America's special education law by holding four hearings on the issue during the 107th Congress. The subcommittee's hearings were flanked by the release in July 2002 of a long-awaited report by the President's Commission on Excellence in Special Education. The report addresses many of the most important issues facing the special education system, including the paperwork burden facing America's teachers, the need to maximize options for parents, and the need to improve results for children with special needs. It will serve as a valuable guide as members of the Education Reform Subcommittee prepare to reauthorize IDEA and ensure all children with special needs receive a quality education.

Following is a summary of some of the Education Reform Subcommittee achievements of the 107th Congress (January 2001–October 2002).

Strengthening special education

Under the leadership of Chairman Castle, the Education Reform Subcommittee took the lead during the 107th Congress in focusing on the need not just for increased federal funding for special education, but for significant reforms to improve results for children with special needs. As the panel's actions reflect, a growing chorus of Republicans and Democrats in Congress say special education must be strengthened and the Individuals with Disabilities Education Act (IDEA) must be fixed. Congress must ensure better results for students with special needs, reduce the paperwork burden for teachers and school officials, and maximize parental involvement and choice, Education Reform Subcommittee members argued.

Strengthening special education through the No Child Left Behind Act (H.R. 1)

The cornerstone of the No Child Left Behind Act, co-authored by members of the Education Reform Subcommittee and signed by President Bush in January 2002, is improving results for all students, including those with special needs. For too many years, members noted, too many children in special needs classes have been left behind academically, without a chance to succeed in school and prepare for life. For this reason, legislators included provisions in the No Child Left Behind Act to ensure children with special needs are getting the results they deserve from their education.

Under No Child Left Behind, schools, school districts, and states are asked to show progress in educating children with special needs. If expectations are not met, both parents and schools qualify for emergency help. Schools qualify for extra funding and technical assistance. And parents of children with special needs in under-achieving schools are given new options—including the option of sending their children to higher-achieving public schools or charter schools, and the option of obtaining supplemental educational services such as private tutoring for their children.

The No Child Left Behind Act provides new information and options for parents of children with special needs to help them make important decisions regarding their children's education. Under NCLB, parents of children with special needs receive report cards on school achievement in special education as well as other academic areas. These report cards will enhance parents' ability to make informed choices about their children's education. Parents of children with special needs have the right to know whether their child is learning from a highly-qualified teacher (more on this below).

The No Child Left Behind Act also insists on real results to ensure students with special needs are getting the quality education they deserve. Under NCLB, federally-funded schools that have not made adequate yearly progress (as defined by the state) for two consecutive years will be identified by the state or district as needing improvement. If a school is identified as needing improvement,

both the school and the parents of children with special needs attending that school qualify for emergency help. Struggling schools qualify for financial and technical assistance to help them turn around and improve special education.

Under No Child Left Behind, parents of children with special needs receive the option of sending their child to another public school or charter school immediately (with priority given to those students who are low-achieving or low-income). In addition, if a school continues to underachieve, parents of children with special needs may obtain supplemental educational services for their children—including tutoring, after school services, and summer school programs—using a portion of their child’s share of federal Title I funds (again based on priority for those students who are low-achieving or low-income).

Teacher quality is one of the most important factors in ensuring the progress of students with special needs. For that reason, the No Child Left Behind Act places a great emphasis on addressing the nation’s growing shortage of highly-qualified special education teachers. The No Child Left Behind reforms provide new resources for teacher recruitment and training along with new tools to help parents ensure children with special needs are learning from dedicated, highly-qualified professionals.

In addition to a significant increase in federal funding for teacher quality, No Child Left Behind allows federal funds to be used by local school districts for professional development of special education instructors. In addition, under NCLB, these funds may be used to train regular teachers in areas such as the inclusion of students with disabilities in regular classrooms. Under NCLB, 95 percent of federal teacher training funds are reserved for local school districts to provide funding for various teaching programs, including those that provide instruction in teaching children with different learning styles, “particularly children with disabilities and children with special needs.” (This language is included in the actual text of the No Child Left Behind law.)

In addition to funds specifically marked for teacher quality, the No Child Left Behind Act gives local schools new freedom to make spending decisions with up to 50 percent of the non-Title I federal funds they receive. With this new freedom, a local school district this year can use additional funds for hiring new special education teachers, increasing teacher pay, improving special education teacher training and development or other uses if it chooses to do so. For example: if a school district receives federal money for technology but decides it would be better spent to train special education teachers so they are highly qualified, the school district can use the money for that purpose—and the school district does NOT need prior approval from anyone to do it, including the state and the federal government.

To further help strengthen special education, No Child Left Behind requires that all children with special needs attending federally-funded schools have the opportunity to learn from a highly qualified special education teacher. States must submit a plan to ensure all teachers teaching special education are highly qualified by the end of the 2005–2006 school year.

NCLB streamlines two earlier federal programs—the Eisenhower Professional Development program and the Class Size Reduction

program—into a single, flexible program, providing local school districts with greater freedom and resources than ever before to pursue the goal of placing a highly-qualified teacher in every special education classroom. The new, simpler teacher quality program allows local school districts to use federal funds for professional development, recruitment, and hiring of special education teachers and other teachers based on their individual needs.

While promoting state and local methods for the recruitment and retention of highly qualified teachers, the No Child Left Behind Act explicitly prohibits funds from being used to plan, develop, implement, or administer any mandatory national teacher or paraprofessional test or certification. Each district and state has different demands for special education teachers. No Child Left Behind allows schools the flexibility to hire teachers that will provide the best special education services to their students, recognizing that different students in different communities have different needs.

The No Child Left Behind Act also improves early reading instruction to help strengthen special education. Currently, subcommittee members noted, too many children with reading problems are being identified as disabled and placed in special education classes they don't necessarily belong in. This over-identification hinders the academic development of students who are misidentified, and also takes valuable resources away from students who truly are learning disabled. Experts agree strengthening the quality of reading instruction programs across the nation will also significantly strengthen special education.

President Bush's Reading First and Early Reading First initiatives, included in the No Child Left Behind Act, are essential to the effort to improve education for children with special needs. Reading First and Early Reading First emphasize scientifically based instruction to ensure children in Head Start and other pre-school programs learn vital pre-reading skills before entering grade school. These initiatives will also help prevent minority children from being mislabeled as needing special education.

The Reading First initiative encourages states and local schools to establish reading programs based on scientific research for all children in kindergarten through Grade 3. As a result of No Child Left Behind and Reading First, federal funding for K-3 reading programs has been tripled this year (FY2002) from \$300 million in FY2001 to \$900 million in FY2002.

No Child Left Behind allows 20 percent of funds allocated to states under Reading First to be used specifically for the professional development of teachers, including special education teachers. One goal of the professional development activities is to help special education teachers provide reading instruction to students with special needs. In too many instances, special education classes are filled with children who were simply never taught to read. This funding will provide teachers with the instruction needed to get these children caught up in reading and out of the special education system they never belonged in.

A companion initiative to Reading First—Early Reading First, also included in No Child Left Behind—enhances reading readiness for children in high poverty areas, and where there are high numbers of students who are not reading at grade level. The \$75 million initiative is designed to provide the critical early identification

and early reading interventions necessary to prevent reading failure among America's children and to ensure that all children are skilled readers by the end of third grade.

Reforming and strengthening the Individuals With Disabilities Education Act (IDEA)

Laying the groundwork for much-needed reform to improve results for children with special needs, President Bush and Congress for FY2002 provided an historic increase of \$1.2 billion in grants to states and communities under the Individuals with Disabilities Education Act (IDEA), ensuring that the federal government is now paying a larger share (16.5 percent) of the cost of special education than at any other time since 1975. On top of this increase, the President's FY2003 Budget calls for another \$1 billion increase for IDEA grants to states and communities, which would increase the federal government's share to 18 percent. The budget resolution passed by the House in spring 2002 includes the \$1 billion increase requested by the President and calls for full funding of the IDEA within 10 years. Members of the House Education and the Workforce Committee, including members of the Education Reform Subcommittee, worked closely with appropriators and the Bush Administration during the 107th Congress to ensure this strong support for children with special needs.

Members of the House Education and the Workforce Committee also joined Education Secretary Rod Paige in drawing attention to chronic problems in the current IDEA system that have caused countless children to be wrongly placed in special education classes, a problem that particularly affects minority children. House Republicans on the committee also led successful efforts to defeat a proposal that would have indefinitely delayed reform of the IDEA by turning special education into a new federal entitlement spending program.

House Republicans, led by Subcommittee Chairman Castle, in June 2002 unveiled a series of principles committee Republicans believe should guide reauthorization of the IDEA. The principles include:

- Increasing accountability and improving education results for students with disabilities.
- Reducing the paperwork burden.
- Improving early intervention strategies.
- Reducing over-identification/misidentification of non-disabled children, including minority youth.
- Encouraging innovative approaches to parental involvement and parental choice.
- Supporting general education and special education teachers.
- Rewarding innovation and improved education results.
- Restoring trust and reducing litigation.
- Ensuring school safety.
- Reforming special education finance and funding.

To facilitate reform and reauthorization of the IDEA, Chairman Castle launched the "Great IDEAs" website to gather input from teachers, parents, students and others involved in special education. The website can be accessed at <http://edworkforce.house.gov/issues/107th/education/idea/ideacomments/index.htm>. A steady flow of responses to the project

was received in 2002, and committee staff continues to compile and take note of the many suggestions provided, some of which could have a significant impact in shaping the reauthorization of the IDEA.

Improving education research

The Education Sciences Reform Act (H.R. 3801), authored by Education Reform Subcommittee Chairman Mike Castle (R-DE) and signed into law by President Bush on November 5, 2002, will help American students learn reading, mathematics and other essential skills by improving the quality of critical education research. Enactment of the legislation, which overhauls the U.S. Department of Education's Office of Educational Research and Improvement (OERI), capped years of work by Chairman Castle and other members to improve the quality of federal education research to ensure findings are based on sound science and proven results, rather than politics or fads. The legislation, which enjoys strong bipartisan support, will give educators additional tools to meet the high standards called for in the No Child Left Behind Act.

"This Act will substantially strengthen the scientific basis for the Department of Education's continuing efforts to help families, schools, and State and local governments with the education of America's children," the President said in signing the Education Sciences Reform Act. "This Act is an important complement to the No Child Left Behind Act enacted earlier this year."

Rep. Castle introduced the original version of the Education Sciences Reform Act on February 27, 2002. The following day, the Education Reform Subcommittee held a hearing on proposed reform of the OERI that helped to pave the way for passage of the legislation by the subcommittee and full committee.

Dr. Grover "Russ" Whitehurst, the assistant secretary for research and improvement at the U.S. Department of Education, acknowledged the need for education research reform in his testimony at the Education Reform Subcommittee hearing on February 28, 2002.

"We need an invigorated agency that is capable of carrying out a coordinated, focused agenda of high quality research, statistics, and evaluation that is relevant to the educational challenges of the nation, and that has sufficient flexibility to adjust to new opportunities and problems when they arise," Whitehurst told committee members. "This is a unique and unparalleled opportunity to begin a process that will make American education an evidence-based field."

At the same hearing, Jim Horne, the secretary of the Florida Board of Education, agreed on the importance of OERI reauthorization.

"The many reforms taking place at the state and local level—aided greatly by the passage of the *No Child Left Behind Act*—are largely predicated on the belief that we know what works," Horne testified. "However, the opportunity to gain a far better understanding of the complexity of education is upon us with the reauthorization of OERI."

For FY 2003, the Education Sciences Reform Act authorizes \$701 million to improve education research and help to ensure no child is left behind. The bill clarifies the role of education research, re-

placing the current Office of Educational Research and Improvement with a new, more autonomous Institute of Education Sciences in an effort to enhance efforts to coordinate and improve federal research, ensuring better results for children. The bill also creates three separate centers under the institute—for research, evaluation, and statistics—guaranteeing more autonomous research.

H.R. 3801 also establishes high quality standards. The bill ends federal support for education fads that masquerade as sound science, requiring all federally funded research activities to meet high standards of quality by including a definition of scientifically based research standards consistent with definitions in the No Child Left Behind law. Under H.R. 3801, federal education research will also be more “customer-driven” and focused on helping states, school districts, and local educational agencies implement education practices based on sound research.

The Education Sciences Reform Act also injects competition into education research. H.R. 3801 enhances consumer choice and ensures high quality and relevant services and products. This research will provide answers to the educators and school administrators who must now implement the No Child Left Behind reforms.

H.R. 3801 also promotes parental involvement, ensuring research priorities are driven by the needs of parents, teachers, and school administrators—not political pressure or the latest fad.

Promoting greater accountability and flexibility in early childhood education

President Bush has said improving early childhood learning must be among the next education reform priorities on the heels of the No Child Left Behind Act, which reauthorized the Elementary & Secondary Education Act. With the federal Head Start program due for reauthorization in 2003, the Education Reform Subcommittee devoted considerable attention in the 107th Congress to laying the groundwork for reforms that will place a greater emphasis on results for children and preparing children to succeed academically in grades K–12.

During a hearing held on early childhood education in July 2001, witnesses testified on factors that must be present in order to have an effective early childhood program, and what changes they felt should be made to improve the quality of current federal early childhood programs such as Head Start.

“I believe that we all would agree that Head Start has a long history of success,” said Dr. Wade Horn, Assistant Secretary for Children and Families, Department of Health and Human Services. “But if the program is to continue to have a positive impact, we must integrate some of the new research findings about childhood learning into the program. This shift in the focus on learning can—and should—be accomplished without sacrificing the comprehensive nature of the program.”

U.S. Under Secretary of Education Dr. Eugene Hickok said the Department of Education is providing information to educators and policy makers about why early childhood education is important and what it takes to ensure that preschoolers’ education experiences are of sufficient quality to make a difference in learning, no matter what their developmental stage. “One major thrust of that

effort is a focus on early literacy or pre-literacy skills and early reading, especially through the President's Early Reading First Proposal," Hickok said.

The President's Early Reading First Proposal was included in the No Child Left Behind Act, which was signed into law in January 2002. The \$75 million initiative is designed to provide the critical early identification and early reading interventions necessary to prevent reading failure among America's children and to ensure that all children are skilled readers by the end of third grade.

The subcommittee's effort to focus on early childhood education also received a boost from First Lady Laura Bush, a former school teacher, who told members of the Senate that "the development of early language and pre-reading skills is not only extraordinarily critical to a child's reading ability and academic success throughout school, as well as his or her occupational success throughout life. The absence of this development has the potential to destroy self-esteem, confidence, and motivation to learn."

On April 2, 2002, President Bush announced a new initiative to improve early childhood education for millions of America's youngest children. The President's initiative, dubbed Good Start-Grow Smart, aims to:

- Strengthen Head Start to improve the quality of experiences for young children, including training the nearly 50,000 Head Start teachers in the latest and best techniques;

- Ensure pre-school programs are more closely coordinated with state K-12 education goals; and

- Improve the information available to parents and caregivers about the best practices in early childhood development, including an unprecedented \$45 million research effort to identify effective early literacy programs and practices.

The Education Reform Subcommittee held its first hearing on the reauthorization of Head Start on July 31, 2001.

Promoting literacy as the first step

The role of literacy as the first and most fundamental building block in a quality education has been a critical issue in the education initiatives spearheaded by the Education and the Workforce Committee. To further examine the issue and explore positive steps in the drive for student literacy, Chairman Castle's Education Reform Subcommittee held a hearing on October 8, 2002 to promote literacy partnerships that work. The hearing featured celebrities and private sector leaders, including actor James Earl Jones, who remarked on how, "All of us—lawmakers, reading teachers and tutors, corporate philanthropists, educators, and literacy volunteers—all of us have an important and necessary role addressing this issue."

Improving literacy among adults and children requires a cooperative effort between the public and private sector. The Reading First initiative, one of the key components of the No Child Left Behind Act, encourages states and local schools to establish reading programs based on scientific research for all children in kindergarten through Grade 3. Under the President's leadership, federal funding for reading programs has been tripled from \$300 million in FY2001 to \$900 million in FY2002. The hearing examined other initiatives,

specifically partnerships between business and education, that have been effective in promoting literacy.

Companies including Verizon, MBNA, and Pizza Hut testified to the successes they have achieved in promoting childhood and adult literacy through corporate sponsorship of proven programs. Ivan Seidenberg, the President and CEO of Verizon, described how his company's "mission is highly focused. We work to raise public awareness, create partnerships, and generate financial support for local and national literacy organizations so they can do their jobs more effectively. To use a communications metaphor, we believe that—through our scale, scope, and technology—we can increase the 'bandwidth' of the system and enable more learning to be delivered to more people, more effectively."

In describing the numerous ways in which MBNA promotes literacy, MBNA Executive Vice President Ralph Kuebler stated that: "Our expertise is in banking, not in education, so to help improve literacy, we needed a partnership program that was at the grass-roots level, that involved teachers, that provided resources for the classroom, and that incorporated accountability. * * * We created grant programs which can be models for other businesses that are willing to invest the people, time, and money to make them work. The MBNA grants programs are successful because they are designed to empower teachers in all academic subjects."

Pizza Hut President and Chief Concept Officer Mike Rawlings testified about his company's BOOK IT! program, which is the nation's largest and longest-running reading incentive program. More than 90 percent of teachers have said the program met or exceeded their expectations and Rawlings noted that: "We look forward to many more years of BOOK IT! We will continue to look for ways to make our program even more responsive to the needs of children today. And we expect to help another generation of readers learn to love books and have some fun doing it."

Literacy is the most fundamental component in a high-quality education, and the continued cooperation between the public and private sectors will be critical in improving childhood and adult literacy into the future. Investigating programs and partnerships that work is an important step toward implementing programs that are successful.

Flexibility and choice emphasized as essential to reform

As the 107th Congress worked to improve educational opportunities for all children, two key tools emerged as essential to the reform process. Local control and flexibility allow states and school districts to effectively meet the needs of their students, and choice provides parents and students with the ability to make educational decisions that are best suited to individual needs. The roles of flexibility and choice in the education reforms of the No Child Left Behind Act are critical components to improving education.

The Education Reform Subcommittee on March 14, 2001, held a hearing exploring the issues of flexibility and choice and how they affect the development and implementation of education reforms. Parents and educators testified to the subcommittee on the impact these reforms have had at the state and local levels.

Lisa Graham Keegan, then-superintendent of public instruction in the Arizona Education Department, testified that flexibility and

school choice are two of the most important tools the federal government provides for developing and implementing significant education reforms.

"At the state level, flexibility allows us opportunities to think about new ways of administering programs or delivering services to meet a defined goal, or improving services through innovation," Keegan said. "We've also done something else with this flexibility—we've used it to put into place a system that provides real educational choice for parents and their children.

"In Arizona, we believe choice is a right that parents should expect; it should not be considered an extravagance the government, in its benevolence, graciously bestows on the public. Choice ensures that families have real and meaningful opportunities to pursue a quality education that reflects what is important in their lives."

Testimony also focused on the Milwaukee Parental Choice Program, which helps nearly 10,000 children from families with limited income enroll in schools chosen by their parents. This choice program, the oldest in the nation, has positively impacted the lives of thousands of families in Milwaukee and can serve as a model of the success that can be achieved through school choice. Increased flexibility and local control were also described as positive models that allow states to implement more effective education reforms, benefiting all students and assuring that no child is left behind.

Providing support to school districts impacted by a military base

The Education Reform Subcommittee held a hearing on November 8, 2001, on the Impact Aid program, which supports school districts impacted by a federal presence such as a military base. The Impact Aid title was one of many provisions included in the No Child Left Behind Act, signed into law in January.

The hearing focused on how well the Impact Aid program has responded to the changing needs of school districts impacted by federally connected children. The question was a significant one, given that funding for the Impact Aid program has been substantially increased by Congress in recent years. President Bush's FY2003 budget request sought \$1.1 billion for the Impact Aid program.

General Wesley K. Clark, United States Army (Ret.), former NATO Supreme Allied Commander of Europe, spoke of the importance of Impact Aid to children of military families, testifying that, "our nation must assure that the children of its Armed Forces personnel are provided a top quality education. The United States' military force is highly educated and its members hold the same expectations for their children's education. More of our men and women are basing their decisions to enter or leave the military on perceptions of the quality of education their children will receive."

Ensuring educational opportunities for minority children

The No Child Left Behind Act sets out to improve educational opportunities for all children, regardless of race, income, geographic region, or other factors. In order to address the widening achievement gap in education, the Education Reform Subcommittee held a field hearing in Lexington, Kentucky on May 1, 2001, to investigate how the No Child Left Behind Act can improve educational opportunities for disadvantaged and minority students in Kentucky and across the nation.

Education leaders discussed the achievement gap affecting disadvantaged students and the need for comprehensive education reform, including school choice for parents that have children trapped in underachieving schools.

“School choice and the option of federal funds for private school attendance are good instruments to bridge the current failing educational system, so that our young people do not have to sit in failing schools while we develop a strategy to reshape our nation’s educational system,” said Erran Persley, deputy director of the Youth Opportunity Grant Program at the Department of Employment Services in Washington, D.C., and a product of Kentucky public schools. “We must come up with a national plan that lays the framework while empowering states and local governments to address the issues in their own innovative ways. We must implement comprehensive plans that are sensitive to the social, physical and economic dynamics of each community.”

The No Child Left Behind Act works to directly address the problem of widening achievement gaps through increased flexibility, accountability, and high standards for educating all students. By requiring that all students are learning, and holding schools accountable for new higher standards, the children who need the most help will no longer be left behind.

Ensuring school lunch eligibility for military children

In December 2001, the House passed a bill (H.R. 3216) introduced by Rep. Mike Castle (R-DE) that modifies the National School Lunch Act to ensure that children of military personnel don’t lose their eligibility for free or reduced-priced meals if their military housing is privatized. Because of an accounting quirk in current law, housing allowances for private housing could be considered income, jeopardizing military children’s school lunch eligibility. The bill ensures these children will be able to continue participating in the school lunch program. H.R. 3216 was signed into law as part of a larger bill by President Bush on May 13, 2001.

II. HEARINGS HELD BY THE SUBCOMMITTEE

107th Congress, First Session

March 8, 2001—Hearing on “Measuring Success: Using Assessments and Accountability to Raise Student Achievement” (107–6).

March 14, 2001—Hearing on “Empowering Success: Flexibility and School Choice” (107–7).

May 1, 2001—Hearing on “Ensuring Educational Opportunity for Minority Children” in Lexington, Kentucky (107–14).

July 17, 2001—Hearing on “From Research to Practice: Improving America’s Schools in the 21st Century” (107–23).

July 31, 2001—Hearing on “The Dawn of Learning: What’s Working in Early Childhood Education” (107–26).

November 8, 2001—Hearing on “Impact Aid: Ensuring All Children Receive a Quality Education” (107–38).

107th Congress, Second Session

February 28, 2002—Hearing on “The Reauthorization of the Office of Educational Research and Improvement” (107–47).

April 18, 2002—Hearing on “Special Education Finance at the Federal, State and Local Levels” (107–59).

May 2, 2002—Hearing on “Rethinking Special Education: How to Reform the Individuals with Disabilities Education Act” (107–62).

May 8, 2002—Hearing on “State and Local Level Special Education Reforms that Work and Federal Barriers to Innovation” (107–63).

June 6, 2002—Hearing on “Learning Disabilities and Early Intervention Strategies: How to Reform the Special Education Referral and Identification Process” (107–65).

October 8, 2002—Hearing on “Literacy Partnerships That Work” (107–82).

III. MARKUPS HELD BY THE SUBCOMMITTEE

107th Congress, Second Session

March 13, 2002—H.R. 3801, Education Sciences Reform Act of 2002—ordered favorably reported, as amended, to the Full Committee by voice vote.

IV. SUBCOMMITTEE STATISTICS

Total Number of Bills and Resolutions Referred to Subcommittee	187
Total Number of Hearings	12
Field	1
Joint with Other Committees	0
Total Number of Subcommittee Markup Sessions	1
Total Number of Bills Reported From Subcommittee	1

