

INTRODUCTION OF INTERNET EQUITY AND EDUCATION ACT OF 2001

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. McKEON. Mr. Speaker, today I join Representative ISAKSON in introducing the Internet Equity and Education Act of 2001.

The proposed amendments to the Higher Education Act are modest, but will provide an immediate benefit to students and improve the ability of postsecondary institutions to offer instruction over the Internet.

I will focus my comments on the issue of incentive compensation. There has been widespread acknowledgment within the higher education community and at the Department of Education that this provision and the implementing regulation that mimics the statute are unclear and the cause of much confusion with respect to allowable activities. The language included in this legislation attempts to clarify the intent of Congress, while recognizing that this particular provision needs to be regulated in a clear and concise manner with input from all interested parties.

For example, the reference to "other incentive, non-salary payment" in this bill clarifies that the statutory prohibition on certain monetary compensations extends only to bonuses, commissions, and similar payments. It does not prohibit setting or prospectively adjusting salary from time to time, based on performance of legitimate job functions.

The reference to payments "based directly on success" in securing enrollments clarifies that institutions may compensate admissions personnel based on their performance of legitimate recruiting activities and are commonly undertaken by recruiters on behalf of institutions of higher education prior to enrollment and the start of classes. Such activities and practices include, but are not limited to, recruiting visits to high schools; telephone calls and similar communications (including written letters and e-mail) aimed at recruiting prospective students; personal interviews of prospective students; tours for prospective students; providing various academic and general, school-related information to prospective students; and obtaining certain information from prospective students, including but not limited to applications, transcripts, high school diplomas, and other documentation needed to complete an application to enroll at an institution of higher education.

In addition, the change in language is intended to clarify that employee and owner participation in the profits of an institution is permitted.

The reference to persons or entities "directly engaged" in recruiting or awarding financial aid clarifies that the statutory prohibition applies only to those whose primary function is to recruit students or award financial aid. It is not intended to apply to supervisors or higher-level executives who, although they may supervise such persons or be above them in the institution's organizational chart, do not recruit prospective students or award financial aid. In addition, this change clarifies that the statutory

prohibition is not intended to apply to contractual arrangements with third parties, such as web services providers marketing companies, or other service providers that have no control or authority over admissions or enrollments at the contracting institution.

Finally, this provision is being deleted from Section 487 and placed in a new Section 484C. It was never the intent of Congress that this provision should be deemed an element or condition of institutional, programmatic, or student eligibility. In changing the placement of the provision, it will give the Secretary the discretion to levy appropriate sanctions, in the event an institution is found to have violated the statutory ban.

I believe this clarification of the incentive compensation provision, along with the provisions addressing the 12-hour rule and correspondence education limitations, will provide postsecondary institutions with much needed relief from "outdated regulations that impede innovation," and will allow the institutions to provide students with approaches to education "that embrace anytime, anywhere, any pace learning." It will do so within the context of maintaining the integrity of our student financial aid programs. I urge my colleagues to support this legislation.

THE BUSH ADMINISTRATION HAS NOT KEPT FAITH WITH OUR NATION'S VETERANS

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. EVANS. Mr. Speaker, on Monday we will commemorate Memorial Day. We will pause to humbly and gratefully remember the service and sacrifice of the men and women who have served in uniform and have defended and preserved our shared ideals.

Shamefully, on Memorial Day 2001, hundreds of thousands of disabled veterans and their families continue to wait for action on claims for veterans benefits now pending before the Department of Veterans Affairs (VA). To his credit, the Secretary of Veterans Affairs, Anthony Principi, has been candid with veterans and their advocates about the crisis that exists today in veterans' claims adjudication. Repeatedly, Secretary Principi has stated that addressing the backlog of 513,309 claims currently pending before regional offices of the Department of Veterans Affairs (VA) is his number one priority. In acknowledging the claims adjudication crisis, Secretary Principi recently stated in an interview with the Veterans of Foreign Wars, "In the short-term, we will train more specialists. The staff will be increased to assist in clearing the backlog."

Secretary Principi is to be commended for recognizing the size and scope of the problem. He has taken action to authorize the hiring of additional staff needed to begin addressing the claims crisis. He has made known the need for additional resources to resolve this crisis successfully.

However, President Bush and his Office of Management and Budget (OMB) have failed to promptly take actions needed to ameliorate

the burgeoning veterans claims adjudication crisis. For its part, OMB established a significant roadblock by refusing to submit to Congress a supplemental funding request for less than \$30 million needed to pay for the critically needed additional VA staff Secretary Principi is hiring.

Early this year, VA requested a supplemental appropriation of \$29.1 million for this fiscal year to pay for the additional staff needed to address the backlog of compensation, pension and education claims. Despite the evident need for this

Those who have taken the time to talk with and listen to veterans understand that the time veterans are forced to wait for medical care is long and excessive, especially for certain specialized care form many VA medical facilities. The Committee on Veterans' Affairs submitted a bipartisan request to the Budget Committee pointing to a more than \$1 billion shortfall in the Administration's 2002 budget.

Since the Bush Administration took office, the backlog of veterans' claims has increased by more than 100,000. The number of claims awaiting a decision for more than six months also continues to grow—from 95,680 on January 19, 2001, to 143,777 on May 16, 2001.

A number of factors have caused the increased backlog. The processing of VA claims is a complex and labor intensive job. Recent legislation requires VA to obtain records in the custody of the federal government, including military records and medical evidence, before deciding a claim for service-connected compensation. This assistance to veterans supported by President Bush is intended to assure that veterans' claims would be treated with fundamental fairness and result in an accurate and fair decision. I am under no illusion that by bringing in additional staff, the backlog will disappear overnight. Similarly, I understand the backlog of claims will not be reduced while quality decision-making is maintained and improved unless and until additional resources are made available—resources needed to hire additional personnel and train them appropriately.

Critically needed additional funding must be requested by the Administration. Alternatively, the backlog will continue to increase and the time taken to resolve it will likewise continue to increase. Surely this will not honor our veterans.

The question today is how soon will VA exhaust funds to pay for the costs of needed additional staff? What other programs are being cut to cover the costs of the additional employees desperately needed to adjudicate claims? How many

Mr. Reyes and I have today introduced H.R. 1980. This bill would authorize an emergency supplemental appropriation to provide the funding needed to address the crisis in VA claims adjudication that exists today. I call on President Bush to support this legislation or submit a similar request to the Congress now.

This Memorial Day, our Nation's veterans will be the subject of many finely crafted speeches delivered to honor them. Words, however, are not enough. Our deeds are a better measure of how well we truly honor our veterans. The need for additional resources is