

INTRODUCTION OF THE SALES
INCENTIVE COMPENSATION ACT**HON. PATRICK J. TIBERI**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 2001

Mr. TIBERI. Mr. Speaker, I am pleased today to join my colleague, Representative ROB ANDREWS from New Jersey, in the introduction of "The Sales Incentive Compensation Act." This is a very narrow, technical amendment to the Fair Labor Standards Act of 1938. The purpose of the legislation is to clarify the treatment of certain types of sales employees under the federal minimum wage and overtime requirements.

Technological advances have dramatically changed the way in which sales employees perform their jobs. Companies now compete in a global market where many business transactions occur through use of the Internet, faxes and the telephone.

This bill is specifically written for the so-called "inside sales" employee, who works primarily at the employer's facility, using the phone, fax and computer connections to communicate with non-retail customers. Many of these employees are professional sales people who deal with very sophisticated products or function as both a consultant and salesperson to customers, yet they are not covered by any of the current exemptions from minimum wage and overtime.

The treatment of inside sales employees under the law has only become an issue in recent years, as the courts have reached differing conclusions about whether inside sales employees qualify for any of the current exemptions. Since many of these employees are 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.

The Sales Incentive Compensation Act takes into account the changes that have occurred in the workplace since the law was enacted in 1938. The legislation would update the law to more accurately reflect the duties and functions of inside sales employees. By doing this, employees would have the opportunity to increase their wages.

In order to qualify for this exemption, an employee must meet the requirements in the bill that outline the specific functions and duties of the job. An employee would have to have a detailed understanding of the customer's needs and specialized or technical knowledge about the products or services being sold. The employee must sell predominately to repeat customers—in other words, the exemption would not apply to telemarketers or sales employees who primarily "cold call" customers. In addition, the employee must have a detailed understanding of the customer's needs.

The legislation ensures protections for the employee in that it requires the employer to pay a minimum amount of base compensation. The remainder of the employee's compensation would be derived from commissions on sales. So employees would be provided with a base salary, an additional amount of

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guaranteed commissions, and continued incentives for increased earnings. Employees who choose to work longer hours in order to make more sales are therefore guaranteed to have financial reimbursement for the additional hours in the form of commissions.

The Sales Incentive Compensation Act is carefully crafted bipartisan legislation that many Members supported during the last Congress when it was considered and passed by the House. I urge my colleagues to support expanding worker opportunity and providing sensible reform to a 1938 law.

PRESIDENT BUSH'S MISGUIDED
ENERGY PLAN**HON. CIRO D. RODRIGUEZ**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 2001

Mr. RODRIGUEZ. Mr. Speaker, President Bush has released his long-awaited energy plan and even with last minute changes it is as flawed and one-sided as anticipated.

President Bush has proposed nothing to deal with the immediate energy crisis facing California and the Pacific Northwest and the looming crisis for New England and other parts of the country.

The President has proposed nothing to deal with rising gasoline and energy prices. Instead, Bush has said that his tax cut proposal will help consumers with increased energy cost. However, his income tax reductions are not fully phased in until the year 2006.

How will lower and middle class families afford rising energy prices for the next five years under President Bush's solution?

In addition, 45% of his \$1.6 trillion tax plan would benefit the wealthiest 1% of Americans. Middle class families making less than \$44,000 would get only 13% of the benefits, about \$11 per week in the year 2006 under the plan.

We should not destroy our national parks, pristine federal lands, and the environment to provide a very limited amount of additional oil and gas. For example, opening the Arctic National Wildlife Refuge, "America's Serengeti" to oil and gas exploration is a mistake.

In addition, the President in proposing to rollback environmental and clean air regulations that could actually increase emissions of ozone causing pollutants.

Conservation must be an integral part of any national energy plan but the President's plan proposed very little for energy efficiency or renewable energy.

Democrats believe in a balanced energy policy that helps consumers by both increasing production and reducing energy demand.

The federal government must become more energy efficient, invest in energy research, and ensure that energy markets are fair and competitive.

*June 6, 2001*COMMENDING CLEAR CHANNEL
COMMUNICATIONS AND AMERICAN
FOOTBALL COACHES ASSOCIATION
FOR THEIR DEDICATION
AND EFFORTS FOR PROTECTING
CHILDREN

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 2001

Mrs. JACKSON-LEE of Texas. Mr. Speaker, I rise to add my commendation of the American Football Coaches Association for its efforts in providing fingerprint kits to parents that would be used to help locate missing, kidnapped or runaway children.

As founder and co-chair of the Congressional Children's Caucus, I applaud this group's work to help children who are desperately in need. I also thank my colleague Representative DUNCAN for introducing this resolution.

It is particularly timely that we recognize this group, because we just observed National Missing Children's Day on May 25. Every day in this country, 2,100 children are reported missing to the FBI's National Crime Information Center. There are at least 5,000 children missing per year in Houston.

The National Child Identification Program was created in 1997 with the goal of fingerprinting 20 million children. This program provides a free fingerprint kit to parents, who then take and store their child's fingerprints in their own homes. If this information were ever needed, fingerprints would be given to the police to help them in locating a missing child. The American Football Coaches Association, in partnership with a large chain of radio stations, has agreed to raise funds to help provide such a fingerprint kit for every child in America.

It is crucial that, in each of our districts, we support this and all other efforts to protect our children and help those who are missing and exploited. In addition to this program, we must also support initiatives such as internet safety for children, law enforcement efforts, child safety programs in our schools and communities, the distribution of photos of missing children, and the efforts of organizations such as the National Center for Missing and Exploited Children.

I have taken initiative to protect the very youngest of such victims by introducing H.R. 72, the Infant Protection and Baby Switching Prevention Act. This legislation would require certain hospitals reimbursed under Medicare to have in effect security procedures to reduce the likelihood of infant patient abduction and baby switching, including procedures for identifying all infant patients in the hospital in a manner that ensures that it will be evident if infants are missing.

Another successful nationwide effort is the AMBER plan (America's Missing: Broadcast Emergency Response), which permits law enforcement agencies and broadcasters to rapidly exchange information in the most serious child abduction cases and quickly alert the public during the critical first few hours of a child abduction. This program is named after