

**CONSIDERATION AND APPROVAL OF THE IMPE-
MENTING REGULATIONS FOR A STUDENT LOAN
REPAYMENT PROGRAM FOR THE HOUSE OF
REPRESENTATIVES**

BUSINESS MEETING
BEFORE THE
COMMITTEE ON
HOUSE ADMINISTRATION
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTH CONGRESS
SECOND SESSION

—————
Hearing Held in Washington, DC, July 17, 2002
—————



Printed for the use of the Committee on Appropriations

—————
U.S. GOVERNMENT PRINTING OFFICE

84-511

WASHINGTON : 2003

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2250 Mail: Stop SSOP, Washington, DC 20402-0001

COMMITTEE ON HOUSE ADMINISTRATION

BOB NEY, *Chairman*

VERNON J. EHLERS, Michigan

JOHN L. MICA, Florida

JOHN LINDER, Georgia

JOHN T. DOOLITTLE, California

THOMAS M. REYNOLDS, New York

STENY H. HOYER, Maryland

Ranking Minority Member

CHAKA FATTAH, Pennsylvania

JIM DAVIS, Florida

PAUL VINOVIK, *Staff Director*

BILL CABLE, *Minority Staff Director*

BUSINESS MEETING

WEDNESDAY, JULY 17, 2002

HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOUSE ADMINISTRATION,
Washington, DC.

The committee met, pursuant to call, at 10:05 a.m., in Room 1310, Longworth House Office Building, Hon. Robert W. Ney (chairman of the committee) presiding.

Present: Representatives Ney, Ehlers, Doolittle, Hoyer, and Fattah.

Staff present: Channing Nuss, Deputy Staff Director; Fred Hay, Counsel; Jeff Janas, Professional Staff Member; Bill Cable, Minority Staff Director; Matt Pinkus, Minority Professional Staff Member; Nuku Ofori, Staff of Representative Fattah.

The CHAIRMAN. Today the Committee on House Administration is conducting a business meeting to consider and approve Implementing Regulations for a Student Loan Repayment Program for the House of Representatives.

I just want to open today by touching on some background which lays the foundation for why what we are doing here today is important for the House of Representatives institutionally, and for all who work and serve here. The Executive Branch, the U.S. Senate, and several other legislative branch entities such as the Library of Congress, the Government Printing Office, and the Congressional Budget Office have all enacted student loan repayment programs. So this is not a precedent-setting move today. This is why it has wide approval.

The intent of these programs is to provide an incentive to attract and retain qualified employees to government service who would otherwise work in the private sector. Because so many Federal employers offer this benefit, the House has been left at a competitive disadvantage in this regard, especially when other agencies have implemented this as well as those on the other side of the Capitol.

As a result, at our insistence, language authorizing the program in the House of Representatives as well as the necessary funding for the program is included in the fiscal year 2003 Legislative Branch Appropriations bill. I want to thank, Mr. Hoyer, his staff, our staff, members of the committee, everybody that had input for pushing this issue into the appropriation process, and we just wanted to thank you for that involvement.

Here at the committee we have worked hard in total cooperation with the minority in drafting the implementing regulations that we hopefully will adopt today. Upon the adoption of these regulations

at this meeting, the Chief Administrative Officer, Jay Eagen, will put in place the administrative procedures and a standardized agreement for the program as directed by our regulations that we create here today.

Upon committee approval of that process, an explanation of the program and details for participation will be disseminated House-wide by this committee on behalf of the entire committee. This committee has been fully engaged from the inception of this process, and will continue to be as we work actively to oversee and participate in the administration of this program, and also, obviously, help Members through the informational process.

I just want to take a moment, and hopefully this will alleviate some questions some people have, but take a moment to explain the substantive parameters of the program. Any Member, Chairman, head of an employing office, or an employee of the House may enter into a written service agreement under which direct payments shall be made by the CAO, on behalf of the employee, to repay the employee's student loan indebtedness.

Participation will be at the discretion of the Member, I want to stress, Chairman or employing authority. Payments will not be made from the MRA accounts, Members' accounts, but it will come out of an appropriation that has been set but from a separately capitalized account administered by the CAO, Jay Eagen. The length of the agreement will be for 1 year with the option of additional 1-year agreements.

With each agreement the employing office is agreeing to make 12 monthly payments toward an employee's student loan debt in exchange for 1 year, which is pretty simple.

Termination of the agreement occurs when the employee's full time employment terminates, upon no payment by the CAO because of a lack of funds available, or upon mutual agreement of the parties. Exceptions may be made by the employing office for illness, bereavement, or furlough not for cause.

The employee must reimburse for all payments made under the agreement if they are terminated for cause or leave their employment voluntarily during the period of agreement. The employing office may waive the reimbursement requirement.

There will be no payment for loans in default. An employee is not relieved from liability for payment of their loan. An employee has no right to continued employment or entitlement. Payments are not applied as earnings for benefit purposes, but shall be subject to withholding for income and employment tax obligations.

Individual limitations on the amount of payment will be \$500 in any one month, and \$40,000 for all of the months. Student loan payment and compensation together may not exceed the Speaker's Pay Order, which is standard practice here in the House. Specific payment amounts are determined by the employing office. So you can vary them, 5, 4, 300, whatever you want to negotiate out.

The amount of funds available for the program will be, for a Member's personal office, 2 percent of the average of your MRA, or approximately \$20,000 annually. So when you start putting this together, you can have four people at \$500 or you can have five people at \$400, any combination depending on the needs of the individual.

In the case of any other employing office, the amount will be 2 percent made available to that office for salaries and expenses. Assuming full funding participation, this program could cost around, in the fiscal year 2003, about \$14.6 million.

Substantively, this program does not differ from the parameters in place for the Senate. Administrative differences do exist between the two programs to reflect institutional differences between the two Chambers.

And with that, I wanted to again go ahead to take the time, I wanted to lay out basic guidelines for this. I do want to thank Mr. Hoyer and members of this committee, Mr. Hoyer and his staff, our staff, Jay Eagen and his team, as well as the Office of House Employment Counsel who have all provided valuable input into the process.

I am going to close by saying I am convinced this program will provide Members and other employing authorities in the House of Representatives with an effective incentive at their disposal for the recruitment of highly qualified candidates for employment. In doing so, I believe we are strengthening the institution.

And I just point out in closing we would be basically the only entity practically around this city that would not in fact have this, and I think it could make a difference when we are looking for good qualified staff to serve the constituents, committees, personal offices and do good things back home. So I think this just levels the playing field for us, and I think it is a great incentive. I think it is good for the sake of the House.

With that, I will lay before the committee the Committee Resolution on approving the Implementing Regulations for a Student Loan Repayment Program for the House of Representatives.

Mr. Hoyer.

Mr. HOYER. Mr. Chairman, thank you very much. As it always is, it is a pleasure to work with you and staff. Our staffs worked together very cooperatively on this, and I thank you for moving these regulations so quickly. With the legislative appropriations bill that was passed, as you know, it may be on the floor tomorrow.

As we have designed this program, it will serve the House by giving Members' offices and committees, as you have explained, a valuable tool which with to recruit qualified employees and to retain employees.

The House program will follow the form of programs in the Senate and other legislative agencies and the Executive Branch. As in those other agencies, in return for the loan repayment they will have to agree in writing to remain in their employment for a specified time, 1 year. If they fail to do so, they will have to repay the House. This procedure is one which is replicated in many other places.

When Congress established the authority for the program over a decade ago, it took pains to advise agencies the program is to be used sparingly, only as needed to recruit and retain qualified persons. I would hope it would be used sparingly in the House as well to preserve its effectiveness as a recruitment and retention tool.

The necessary steps toward authorization and funding for this program, as you have said, are in the pending Legislative Appropriation bill. Our action today will expedite establishment of the

program by the CAO and permit us to have this program in place at the earliest possible date.

Mr. Chairman, as always, I appreciate the opportunity to work with you, and as usual, it has been in a bipartisan, constructive fashion. And I did also want to continue to thank the staff which has worked very cooperatively and openly with my staff.

I also want to acknowledge the constructive role played by Representative Barbara Lee. I know she has talked to you, Mr. Chairman. She talked to me. Last year, Barbara introduced a bill to extend this program in the House. She recognized the value of the program and worked tirelessly to promote it, help us to reach this point. It is my pleasure to work with her, and I urge the members of the committee to adopt the resolution.

The CHAIRMAN. Mr. Ehlers.

Mr. EHLERS. Just a question on the implementation of the legislation. The previous speaker, the gentleman from Maryland, mentioned that this is already in the Leg Branch Appropriations bill. Is that authorization going to be permanent, or does it require additional authorizations for this committee for succeeding years?

The CHAIRMAN. Well, this will be permanent. The funding would have to be renewed in order to practically implement the program.

Mr. EHLERS. I wonder about the authorizing legislation. It would have been nice to have kept that, to bring that to the floor of this committee, and, you know, it would have been on suspension, and to retain clear authority here in the committee.

I yield back.

Mr. HOYER. If the gentleman will yield. Of course I have the dual capacity of serving on the Legislative Appropriations Committee as well as this. But, frankly, I am going to assure the ranking member on the Republican side that the committee, Mr. Taylor, was very interested that this committee was in fact in favor of it. I know he talked to our chairman, and obviously, I brought it to the attention in my discussion with the chairman to the committee that this was a program supported by our committee.

So they were very concerned about the jurisdiction of this committee.

Mr. EHLERS. If the gentleman will yield, I certainly understand that. But as someone who is a member of the only authorizing committee, there is always that—we have the authorizing, you should do the authorizing. And we recognize your perfect right and necessity to do it when you have to.

But I am just saying it would have been nice as we were on record as having authorized it as the committee rather than rubber stamping what you have done. It is a minor point.

The CHAIRMAN. Let me just jump in here for a second, and this applies to my part, not to Mr. Hoyer. Working with some of the people over there and particular staffers on Appropriations is like walking on a razor. Originally I had no problems to do a resolution. They opted not to do a resolution, maybe a signal to do this, this is directed toward my party.

Finally, I got to the point where, you know, you don't do games with a good part of our people. And I agree. And the resolution was good. I thought, well, we get it. We do sign off on this. So this is kind of a unique way for someone on our side of the aisle to get

their signals straight. And I do agree. I am sensitive to stepping on toes, which they have done about 13 times on this particular piece of legislation trying to work it out this week. There are a wide variety of ways that we can work it out, and I promise you that we will one way or another.

So I am sensitive to this. This is the way we did it just to get it for the benefit of our good staff.

Mr. Fattah.

Mr. FATTAH. Thank you, Mr. Chairman. I was intrigued by the minutia of the legislative process, but I did have one question. And I would first like to add my voice to both the chairman and the ranking member's comments at this time. This work is one of the most significant things that we have done around here in a very long time.

But there is one point that I just wanted to ask. I know that in the Capitol Police program, it is up to \$10,000 and this would be something less than that. But I assumed that ours with \$500 a month is on par with the Senate?

The CHAIRMAN. Exactly. It is on par with the Senate.

Mr. FATTAH. Okay. Thank you, Mr. Chairman.

The CHAIRMAN. The Capitol Police now, that would be a tuition reimbursement program if the force put it into their work. So they actually can choose.

Mr. FATTAH. That is up to a thousand dollars. But I understand the differential and am not unsupportive of it.

The CHAIRMAN. Mr. Doolittle.

Mr. DOOLITTLE. Mr. Chairman, I congratulate you. I join with my colleague on the other side of the aisle here to lend my approval.

The CHAIRMAN. The Chair recognizes Mr. Ehlers for the purpose of a motion.

Mr. EHLERS. Mr. Chairman, I move that the committee resolution approving the Implementing Regulations for Student Loan Repayment for the House of Representatives be adopted.

The CHAIRMAN. The question is on the motion. Those in favor say aye. Opposed nay. The ayes have it. The ayes have it. The motion is agreed to, and the committee resolution is adopted.

I ask unanimous consent that members have 7 legislative days to submit material into the record, and for materials submitted to be entered into the appropriate place in the record. Without objection, the material will be so entered.

Motion for technical and conforming changes: I ask unanimous consent that staff be authorized to make technical and conforming changes on all matters considered by the committee at today's meeting.

Without objection, so ordered. And having completed our business for the day—

Mr. EHLERS. Mr. Chairman, I want to raise an issue that continues to trouble me. Recently, we had a meeting with representatives from the CAO's office and the Post Office about the mail situation, to which I was unfortunately not able to be present. I was in a markup with the other committee, but I got a full report from my staff members. The Post Office assured us there was no mail held back, et cetera. Within a week I received a Christmas card which had been mailed in December.

I have been very patient with it, but this week I got a first class letter. It was mailed on May 24th. It was important business. I should have received it. The party sending it, not being familiar with the problems, had failed to fax me something. I received that letter which was mailed May 24th, I received it 2 days or 3 days ago.

Also in the same mail was a letter from June 13th. Obviously we still are having problems, and I cannot understand how the greatest parliamentary entity in the world is expected to function when we cannot get our mail. It is simply unacceptable. I don't know what has to be done. I don't even know where the problem is. But clearly there are difficulties here.

Incidentally, I even got a Priority Mail letter some 3 weeks ago now that had been mailed in March. Priority Mail. It took me several months to get it. I would seek your advice, Mr. Chairman, and the ranking member as well. What are we going to do about this? There has to be an answer.

The CHAIRMAN. Let me just say this is an issue where I have literally got headaches from working on this for hours and hours. I got a piece of mail sent to me 2 weeks ago, and about a week before that the same thing. One of them was from January, and one from March. I have come to the conclusion that if we keep our current system, that no matter what we do, if we have five irradiation machines outside this building going full-time, that this is not addressing the issue of lost mail. If they are going full time, we are going to get it in 13 days.

We are looking at a digital pilot program. I have been getting letters from members saying you are not going to open my mail. Well, we are not going to force anybody to do this pilot program. If it is successful and members want to do it, they can do it. If they would like to have 13 more days to open their mail, that is the way that it is going to be. There are some bugs to work out on that. So I don't have an answer. Except on the backlog we are told we are somewhere close. By bar coding, it was sent to another place. They are fully now coming back. I have come to the conclusion that it has been somewhere and it is being found. That is the only answer.

I don't know if anybody else has experienced it the last 2 weeks, but I have experienced it. So we have met with the postal authorities. So I am hoping that old mail somehow is still flowing in. I have come to the conclusion that the current way that we are doing it is the best thing that we can do. Jay Eagen has no choice. The system completely went away, evaporated because a result of the anthrax. But I don't know what we to do. I think that is a shame. That is why I have pushed for this pilot.

Now, there is a lot of misunderstanding, and all of the staff comments I have read in Roll Call were I can't have it printed. But they can push the button, it prints out in their office. So there is a lot of misunderstanding, but right now that is the only way.

Mr. EHLERS. But, Mr. Chairman, if I may. That still wouldn't get Ted Stevens' smoked salmon here on time. It is hard to send that digitally. And there is a lot of things we get Priority Mail.

The CHAIRMAN. We can do a virtual salmon tour.

Mr. EHLERS. But the Priority Mail was a small envelope that contained a tie from someone, and they had sent it months ago.

But I am sure they were wondering why in the world they didn't get a thank you note from me until 4 months later when I explained what happened. The point is I am frankly—I am not faulting the House because I think the House is proceeding well. There is something wrong with the U.S. Postal system in the way that they are handling this problem. I don't know what it is. I am not sure that they know. Whether they periodically are uncovering trailers, oh, that is right, we had this here, or finding bags of mail in the Brentwood Post Office, or what have you.

But I know in our office, our e-mail is way up, but our U.S. Mail from constituents is way down, I would say almost a factor of 10 to what we normally do. Does the public know that we have this problem and they are clearly not writing us, or are there letters not getting got us? We have no way of knowing.

My advice to every one back home is if you want to send us a letter, send to it our district office. Don't bother with Washington. Then the district office sends it here, not to this building but to our employees at home so that they can bring it in. That is the only way that we have been able to get a rapid response.

The CHAIRMAN. A couple of our staff has done it. We look throughout the buildings. I have come to the conclusion that Pitney-Bowes is putting out every piece of mail that they get. That mail comes in, they get it out. But basically staff told me while they were in there, it was cleared out and then another trailer comes in of mail. They were looking through the mail and it is 3 months old

So our people are getting it out if it is getting out of them. Again, I don't know if they discover, you know, a trainload of this, whatever it is. We will go until we get it.

Mr. HOYER. Mr. Chairman, I don't know whether we have done this. But it might be useful if we would send out to the Members a request for examples, such as Mr. Ehlers gave here today, in preparation for another hearing similar to the one we had as to where we are. And we may not do that until—it may be late September or something to find out where we are before we leave here for the October recess.

I am fearful to say I don't think we are going to get to adjournment in October, unfortunately. But so that we would have examples from Members of the kinds of things you are talking about, Mr. Ehlers, and then we would know that we would continue to follow this and monitor and be concerned about it, and then it would be material that we could use when we follow up with that.

The CHAIRMAN. If there is no further business, the committee is adjourned. Thank you.

[Where upon, at 10:30 a.m., the committee was adjourned.]