

Omnibus Bill indicates that agencies could charge a user fee for obtaining data at the request of a private party, there appears to be no mechanism available to award recipients to offset the administrative costs of complying with the required change in policy. Increased administrative costs associated with grants come at the expense of research. Increased administrative costs are not, in themselves, a reason not to move forward with policies in the public interest. However, we should have taken the time to consider what the nature and level of the costs of compliance with this provision were likely to be.

Obviously, some groups feel that an information-sharing problem exists. They may now feel that their concerns have been addressed. However, documentation of this problem has been no more than anecdotal. What we do know is that our nation has derived immeasurable public and private benefits from government-sponsored research. We should not jeopardize this enterprise by taking a hasty, ill-considered approach to remedy an alleged problem. If this problem is serious enough to require legislative remedy, then it is certainly serious enough to receive reasoned consideration by Congress. I encourage my Colleagues to join me in repealing this provision, and giving this issue the attention it deserves by proceeding through the normal process which gives all groups an opportunity to participate in the legislative process.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 7, 1998.

Hon. JACK LEW,
Director, Office of Management and Budget,
Old Executive Office Building, Washington,
DC.

DEAR MR. LEW: We are writing to you concerning the provision included in H.R. 4328, Making Omnibus Consolidated and Emergency Supplemental Appropriations for FY 1999, which requires OMB to amend Section -3.6 of Circular A110 to require Federal agencies to ensure that all data produced under grants made to institutions of higher education, hospitals, and non-profit organizations will be made available to the public through procedures established under the Freedom of Information Act (FOIA).

While we all support the free and open exchange of information, we have concerns that there may be a number of negative, unintended consequences for the conduct of research under federal awards if this Circular is amended in haste and without sufficient input from federal grand-awarding agencies and grant recipients. An amendment of similar intent was offered and defeated in the House Appropriations Committee one year ago because of Members' concerns about negative impacts of making this policy change on federally-funded research. At that time, a number of agencies provided comments indicating numerous potential problems associated with making all data from federal awards subject to FOIA. We believe these concerns were and are still valid. We urge you to consider the agencies' concerns as you develop the required proposal.

One area of concern pertains to research involving human subjects. Public health and bio-medical research requires the voluntary participation of human subjects. Volunteers currently make agreements with researchers and their institutions to divulge personal medical information on the condition that their information will remain strictly confidential. They do this with the understanding that they are making this agreement with the research institution and not with

the federal government. Although FOIA provides protections for some types of information, the provisions may not be adequate to ensure confidentiality. Even if they were, we believe individuals will be reluctant to divulge sensitive personal information knowing that this information effectively becomes the property of the U.S. Government as an official government record. Significant loss of voluntary participation in public health and bio-medical research would be devastating.

We are also concerned that this provision could facilitate the theft of intellectual property. We have numerous statutes, such as the Bayh-Dole Act, which provide protections for the intellectual property of researchers' receiving federal awards. Mandating the accessibility of all data produced under a federal award would undermine the protections for researchers intellectual property rights guaranteed under copyright and other technology transfer laws. Although Circular A110 does not cover federal awards to businesses and contractors, there are numerous instances of university-private sector partnerships in which private and federal dollars are intermingled within research projects. While privately-funded research will not be subject to FOIA, companies may be reluctant to continue some areas of joint research with federally-funded institutions who must comply with this mandate because of ambiguities created in the determination of which data would or would not be subject to FOIA.

We are also concerned about the potential for increases in administrative burdens and costs for granting agencies and for award recipients. Universities and other grant receiving institutions are likely to feel compelled to create formal, centralized procedures for responding to requests for data and for implementing the requirements of FOIA. While the language of the Omnibus Bill indicates that agencies could charge a user fee for obtaining data at the request of a private party, there appears to be no mechanism available to award recipients to offset the administrative costs of complying with the required change in policy. Increased administrative costs associated with grants come at the expense of research. Increased administrative costs are not, in themselves, a reason not to move forward with policies in the public interest, but we would like to ensure that the benefits of making this change are commensurate with the costs. We encourage your office to explore this question and to work with agencies and award recipients to keep any required administrative costs to a minimum.

The above-mentioned concerns represent a few examples of the problems that we wish to see avoided in implementing this provision. Consequently, we urge you to solicit input from all federal grant-awarding agencies, and from the higher education, hospital, and non-profit grant recipient community before moving forward with this change.

Unfortunately, Congress did not hold hearings to examine whether the scope of potential problems with existing practices with regard to data sharing is sufficient to have warranted this type of change. Obviously, some groups feel that a problem exists; however, documentation of this problem has been no more than anecdotal. What we do know is that our nation has derived immeasurable public and private benefits from government-sponsored research. We do not wish to see this enterprise jeopardized by taking a hasty, ill-considered approach to remedy an alleged problem.

We encourage you to take every opportunity to explore methods of implementing this policy change in a way that serves the laudable goal of facilitating the dissemina-

tion of information without causing undue burdens or creating barriers to the continued pursuit of new knowledge through federally-funded research.

We also request that you contact Anthony McCann (Appropriations Committee; 225-3508) and Jean Fruci (Science Committee 225-6375) to schedule a meeting for interested Hill staff to brief us on your plans for implementing this provision. Thank you for your attention and consideration.

Sincerely,

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INTRODUCTION OF LEGISLATION
TO ELIMINATE THE WORKFORCE
SHORTAGE IN THE HIGH TECH-
NOLOGY SECTOR

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 6, 1999

Mr. MORAN of Virginia. Mr. Speaker, we have been privileged to live in a time of unparalleled economic growth. Much of this growth is directly attributable to the high technology sector.

The information technology sector contributes a larger share of our gross domestic product than almost any other industry. U.S. firms dominate the world market in both high tech products and high tech services. Over 3.3 million Americans are directly employed in high technology jobs.

The workforce shortage faced by the technology sector threatens both our world dominance in the technology sector and our continued economic prosperity.

Over the next ten years, the global economy is projected to grow at three times the rate of the U.S. economy. Basic high technology infrastructure needs, in just eight of the fastest growing countries, are expected to reach \$1.6 trillion. If the U.S. does not seize the opportunity to supply the goods and services to these emerging markets, others will.

But U.S. firms simply cannot compete if they do not have access to a highly trained workforce. There can be no doubt that our current workforce is failing to keep pace with the needs of industry. Some ten percent of high technology jobs are now vacant. U.S. firms who cannot find enough domestic workers are sending more and more contracts overseas. It is incumbent upon us to stop this trend.

The 105th Congress helped mitigate this problem by enacting legislation which would raise the annual limit on temporary immigrants who are skilled in jobs for which there are a shortage of American workers. However, we cannot reasonably expect to eliminate the workforce shortage without addressing the crux of the problem: our failure to adequately train and re-train American workers.

Existing government training programs have not sufficiently trained or placed workers in

those sectors of our economy with the greatest need. To rectify this problem, I am introducing a legislative package to ensure that training programs provide the skills that American employers need by bolstering industry-driven training programs, creating incentives for successful placement, and providing for the special concerns that multi-state regions, such as the Washington Metropolitan Area, experience as they seek qualified workers.

The bills I have introduced today are:

H.R. , TO ESTABLISH FOR REGIONAL SKILLS TRAINING ALLIANCES

Modeled after the successful Manufacturing Extension Program, this bill recognizes that in rapidly expanding industry, employers are best positioned to identify the skills and knowledge needed for emerging jobs. It would provide matching funds to encourage companies to participate in consortia that would address their industry's specific skill needs. Every dollar in federal support will be matched by a dollar in state or local government support and a dollar in direct industry support.

H.R. , TO ESTABLISH REGIONAL PRIVATE INDUSTRY COUNCILS FOR LABOR MARKET AREAS THAT ARE LOCATED IN MORE THAN ONE STATE

This bill allows the Secretary of Labor to establish Regional Private Industry Councils (PICs). PICs play a constructive role in addressing the workforce needs within a state. These organizations, however, are state organizations and not formed to address problems that may cross state lines. To remedy that situation, this bill would allow the Secretary of Labor to certify, and fund, regional PICs that address regional problems. The new PICs would be funded directly by the Secretary of Labor to ensure that they do not take from existing state programs.

H.R. , TO PERMIT PAYMENT OF INCENTIVE BONUSES TO CERTAIN JOB TRAINING PROVIDERS THAT PLACE LARGE PERCENTAGES OF INDIVIDUALS IN OCCUPATIONS FOR WHICH A HIGH DEMAND EXISTS

This bill would ensure that the federal government's investment in training is well spent by allowing Private Industry Councils to reward bonuses to training providers with a high percentage of placement. This will help establish a more outcome-based system to ensure that training providers emphasize placing their students. This bill would amend JTPA to allow funds to be used for bonuses for training providers of specific direct training services. This creates an incentive for training providers to provide up-to-date training opportunities that coincide with market needs, and to help place trainees after they have completed their training.

H.R. , TO ALLOW EMPLOYERS A CREDIT AGAINST INCOME TAX FOR HIGH TECHNOLOGY JOB TRAINING EXPENSES

This bill would offer employers who train employees for information technology jobs a tax credit for 50 percent of the training costs up to \$2,500 per year, per employee. The credit provides an important incentive, yet requires that industry bears at least half of the training costs.

IMPROVING OUR NATION'S RETIREMENT SAVINGS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 6, 1999

Mr. McCOLLUM. Mr. Speaker, I am introducing a bill today which will help all Americans save for their retirement years. It is no secret that our current savings rate is among the lowest in the industrialized world. A low savings rate not only adversely impacts a person's retirement, it does not create much capital available for savings and investment. Without this capital, our economy cannot expand at its optimal rate. It is my hope that this legislation, if enacted, would help correct this problem.

My legislation would do several things. First, it would increase the amount of money one may contribute to an Individual Retirement Account (IRA), from \$2,000 to \$4,500, and still receive full deductibility. This amount is also indexed to inflation to protect its value from that silent thief of inflation. This would also remove a disincentive to establishing an IRA, that being the fear that the money will not be available without paying a substantial penalty when you need it. A person with an IRA would be able to make withdrawals, without penalty, for long-term care, financially devastating health care expenses, and during times of unemployment. Furthermore, no taxes would be paid on these withdrawals if they are repaid to the IRA within 5 years.

Current law offers no incentive for many people to establish IRA's. My bill would allow people who do not have access to a defined contribution plan—e.g., a 401(k) plan—to establish a tax-preferred IRA, regardless of their income. The legislation would also encourage the middle class to establish IRA's by raising the income phase-out levels from \$25,000–\$40,000 for joint filers—to \$75,000–\$120,000 for joint filers. This will provide not only incentives, but needed tax relief for the middle class. Again, these levels are indexed to inflation.

Turning to 401(k) reforms, currently folks are hit with tax liability when taking their 401(k) benefits as a lump sum when leaving a job even if it is rolled into an IRA. This is not fair. Therefore, under this proposal, people would not be exposed to tax liability if the lump sum distribution is rolled into an IRA within 60 days.

Just as contribution limits have been increased for IRA's in this legislation, they are increased for 401(k) plans as well. The tax-deductible contribution limits would be \$20,000—in 1992 dollars—indexed to inflation. This would also encourage more firms to establish defined contribution plans by injecting some common sense into the law. It would allow firms to meet antidiscrimination requirements as long as they provide equal treatment for all employees and ensure that employees are aware of the company's 401(k) plan. This is truly nondiscriminatory as everyone would be treated the same.

Finally, this proposal would correct some of the serious problems involved with IRA's and 401(k)'s when the beneficiary passes away. As someone who believes the estate tax inherently unfair, indeed I advocate its abolishment, I feel that IRA and 401(k) assets should

be excluded from gross estate calculations. This bill would do that. Furthermore, an IRA that is bequeathed to someone should be treated as the IRA of the person who inherited it. Current law forces the disbursement of the IRA when the deceased would have turned 70½ years old. This would change that pointless provision, allowing the inheritor to hold the money in savings until he or she turns 70½.

Similarly, anyone receiving 401(k) lump sum payments as a result of a death would not have the amount counted as gross income as long as it is rolled into an IRA. That amount would not be counted against the nondeductible IRA limit of \$4,500.

Mr. Speaker, I am excited about this legislation. I expect to introduce this legislation again at the beginning of the next Congress and look forward to hearing debate on it. It is absolutely essential that we continue to encourage personal savings and this is certainly a step in the right direction.

COMMENDING BEACON COLLEGE IN LEESBURG, FLORIDA

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 6, 1999

Mr. STEARNS. Mr. Speaker, one of the world's greatest documents is our Declaration of Independence. It proclaims our unalienable rights, among them "Life, Liberty and the pursuit of Happiness." This is one of the central components of the American experience, the right to use your God-given abilities to pursue your goals. As Americans, we are entitled to go as far as our talents will carry us. That is why it is imperative to ensure that every individual has the chance to succeed.

A few weeks ago, I had the privilege of visiting Beacon College in Leesburg, Florida, a school in my district dedicated to providing opportunities. Beacon College offers the opportunity of a higher education to students with learning disabilities.

Learning disabilities can affect a person's ability to read, write, speak, or compute math, and can impair socialization skills. This disability can be a life-long condition affecting how that person functions in school, at home, or in the work place. And this is not a rare occurrence; 15 to 20 percent of the U.S. population have some form of learning disability.

People with learning disabilities can and do excel in their individual pursuits, they just need the chance. Beacon College is committed to working with a diverse student population, assisting each with an individual approach, taking into consideration differences in experiential backgrounds, pace and readiness to learn, learning styles, and individual strengths and weaknesses.

Beacon College offers Associate of Arts and Bachelor of Arts degree programs in Human Services and Liberal Studies. The Human Services program stimulates the student's interest in intellectual, philosophical, social, and public issues. This program concentrates on human development and public services. The Liberal Studies program provides a well-rounded liberal arts education. Both programs are designed to help students achieve their career goals.