

DEPARTMENT OF VETERANS AFFAIRS NURSE RECRUITMENT AND RETENTION ACT OF 2004

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4231) to provide for a pilot program in the Department of Veterans Affairs to improve recruitment and retention of nurses, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4231

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Department of Veterans Affairs Nurse Recruitment and Retention Act of 2004".

**SEC. 2. PILOT PROGRAM TO STUDY INNOVATIVE RECRUITMENT TOOLS TO ADDRESS NURSING SHORTAGES AT DEPARTMENT OF VETERANS AFFAIRS HEALTH-CARE FACILITIES.**

(a) **PILOT.**—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall designate a health-care service region, or a section within such a region, in which health-care facilities of the Department of Veterans Affairs are adversely affected by a shortage of qualified nurses.

(2) The Secretary shall conduct a pilot program in the region or section designated under paragraph (1) to determine the effectiveness of the use of innovative human-capital tools and techniques in the recruitment of qualified nurses for positions at Department health-care facilities and for the retention of nurses at such facilities. In carrying out the pilot program, the Secretary shall enter into a contract with a private-sector entity for services under the pilot program for recruitment of qualified nurses.

(b) **PRIVATE-SECTOR RECRUITMENT PRACTICES.**—For purposes of the pilot program under this section, the Secretary shall identify and use recruitment practices that have proven effective for placing qualified individuals in positions that are difficult to fill due to shortages of qualified individuals or other factors. Recruitment practices to be reviewed by the Secretary for use in the pilot program shall include—

(1) employer branding and interactive advertising strategies;

(2) Internet technologies and automated staffing systems; and

(3) the use of recruitment, advertising, and communication agencies.

(c) **STREAMLINED HIRING PROCESS.**—In carrying out the pilot program under this section, the Secretary shall, at health-care facilities of the Department in the region or section in which the pilot program is conducted, revise procedures and systems for selecting and hiring qualified nurses to reduce the length of the hiring process. If the Secretary identifies measures to streamline and automate the hiring process that can only be implemented if authorized by law, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives recommendations for such changes in law as may be necessary to enable such measure to be implemented.

(d) **REPORT.**—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the extent to which the pilot program achieved the goal of improving the recruitment and retention of nurses in Department of Veterans Affairs health-care facilities.

**SEC. 3. ALTERNATE WORK SCHEDULES FOR NURSES.**

(a) **ENHANCED SHIFT FLEXIBILITY.**—Chapter 74 of title 38, United States Code, is amended by inserting after section 7456 the following new section:

**"§ 7456a. Alternate work schedules**

**"(a) APPLICABILITY.**—This section applies to registered nurses appointed under this chapter.

**"(b) 36/40 WORK SCHEDULE.**—(1) Subject to paragraph (2), if the Secretary determines it to be necessary in order to obtain or retain the services of registered nurses at a Department health-care facility, the Secretary may provide, in the case of registered nurses employed at that facility, that such a nurse who works three regularly scheduled 12-hour tours of duty within a workweek shall be considered for all purposes (except computation of full-time equivalent employees for the purposes of determining compliance with personnel ceilings) to have worked a full 40-hour basic workweek. Such a schedule may be referred to as a '36/40 work schedule'.

**"(2)(A) Basic and additional pay for a registered nurse who is considered under paragraph (1) to have worked a full 40-hour basic workweek is subject to subparagraphs (B) and (C).**

**"(B) The hourly rate of basic pay for such a nurse for service performed as part of a regularly scheduled 36-hour tour of duty within the workweek shall be derived by dividing the nurse's annual rate of basic pay by 1,872.**

**"(C)(i) Such a nurse who performs a period of service in excess of such nurse's regularly scheduled 36-hour tour of duty within a workweek is entitled to overtime pay under section 7453(e) of this title, or other applicable law, for officially ordered or approved service performed in excess of—**

**"(I) eight hours on a day other than a day on which such nurse's regularly scheduled 12-hour tour falls;**

**"(II) 12 hours for any day included in the regularly scheduled 36-hour tour of duty; and**

**"(III) 40 hours during an administrative workweek.**

**"(ii) Except as provided in clause (i), a registered nurse to whom this subsection is applicable is not entitled to additional pay under section 7453 of this title, or other applicable law, for any period included in a regularly scheduled 12-hour tour of duty.**

**"(3) A nurse who works a 36/40 work schedule described in this subsection who is absent on approved sick leave or annual leave during a regularly scheduled 12-hour tour of duty shall be charged for such leave at a rate of ten hours of leave for nine hours of absence.**

**"(c) 7/7 Work Schedule.**—(1) Subject to paragraph (2), if the Secretary determines it to be necessary in order to obtain or retain the services of registered nurses at a Department health-care facility, the Secretary may provide, in the case of registered nurses employed at such facility, that such a nurse who works seven regularly scheduled 10-hour tours of duty, with seven days off duty, within a two-week pay period, shall be considered for all purposes (except computation of full-time equivalent employees for the purposes of determining compliance with personnel ceilings) to have worked a full 80 hours for the pay period. Such a schedule may be referred to as a '7/7 work schedule'.

**"(2)(A) Basic and additional pay for a registered nurse who is considered under paragraph (1) to have worked a full 80-hour pay period is subject to subparagraphs (B) and (C).**

**"(B) The hourly rate of basic pay for such a nurse for service performed as part of a regularly scheduled 70-hour tour of duty**

within the pay period shall be derived by dividing the nurse's annual rate of basic pay by 1,820.

**"(C)(i) Such a nurse who performs a period of service in excess of such nurse's regularly scheduled 70-hour tour of duty within a pay period is entitled to overtime pay under section 7453(e) of this title, or other applicable law, for officially ordered or approved service performed in excess of—**

**"(I) eight hours on a day other than a day on which such nurse's regularly scheduled 10-hour tour falls;**

**"(II) 10 hours for any day included in the regularly scheduled 70-hour tour of duty; and**

**"(III) 80 hours during a pay period.**

**"(ii) Except as provided in subparagraph (i), a registered nurse to whom this subsection is applicable is not entitled to additional pay under section 7453 of this title, or other applicable law, for any period included in a regularly scheduled 10-hour tour of duty.**

**"(3) A nurse who works a 7/7 work schedule described in this subsection who is absent on approved sick leave or annual leave during a regularly scheduled 12-hour tour of duty shall be charged for such leave at a rate of eight hours of leave for seven hours of absence.**

**"(d) 9-Month WORK SCHEDULE.**—The Secretary may authorize a registered nurse appointed under section 7405 of this title, with the nurse's written consent, to work full-time for nine months with three months off duty, within a fiscal year, and be paid at 75 percent of the full-time rate for such nurse's grade for each pay period of that fiscal year. A nurse working on such a schedule for any fiscal year shall be considered a  $\frac{3}{4}$  full-time equivalent employee for that fiscal year in computing full-time equivalent employees for the purposes of determining compliance with personnel ceilings. Service on such a schedule shall be considered to be part-time service for purposes of computing benefits under chapters 83 and 84 of title 5.

**"(e) REGULATIONS.**—The Secretary shall prescribe regulations for the implementation of this section."

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 74 of such title is amended by inserting after the item relating to section 7456 the following new item:

"7456a. Alternate work schedules."

**SEC. 4. TECHNICAL CORRECTION TO LISTING OF CERTAIN HYBRID POSITIONS IN VETERANS HEALTH ADMINISTRATION.**

Section 7401(3) of title 38, United States Code, is amended—

(1) by striking "and dental technologists" and inserting "technologists, dental hygienists, dental assistants"; and

(2) by striking "technicians, therapeutic radiologic technicians, and social workers" and inserting "technologists, therapeutic radiologic technologists, social workers, blind rehabilitation specialists, and blind rehabilitation outpatient specialists".

**SEC. 5. ASSISTANCE FOR HIRING AND RETENTION OF NURSES AT STATE VETERANS HOMES.**

(a) **IN GENERAL.**—(1) Chapter 17 of title 38, United States Code, is amended by inserting after section 1743 the following new section:

**"§ 1744. Hiring and retention of nurses: payments to assist States**

**"(a) PAYMENT PROGRAM.**—The Secretary shall make payments to States under this section for the purpose of assisting State homes in the hiring and retention of nurses and the reduction of nursing shortages at State homes.

**"(b) ELIGIBLE RECIPIENTS.**—Payments to a State for a fiscal year under this section shall, subject to submission of an application, be made to any State that during that year—

“(1) receives per diem payments under this subchapter for that fiscal year; and

“(2) has in effect an employee incentive scholarship program or other employee incentive program at a State home designed to promote the hiring and retention of nursing staff and to reduce nursing shortages at that home.

“(c) **USE OF FUNDS RECEIVED.**—A State may use an amount received under this section only to provide funds for a program described in subsection (b)(2). Any program shall meet such criteria as the Secretary may prescribe. In prescribing such criteria, the Secretary shall take into consideration the need for flexibility and innovation.

“(d) **LIMITATIONS ON AMOUNT OF PAYMENT.**—(1) A payment under this section may not be used to provide more than 50 percent of the costs for a fiscal year of the employee incentive scholarship or other incentive program for which the payment is made.

“(2) The amount of the payment to a State under this section for any fiscal year is, for each State home in that State with a program described in subsection (b)(2), the amount equal to 2 percent of the amount of payments estimated to be made to that State, for that State home, under section 1741 of this title for that fiscal year.

“(e) **APPLICATIONS.**—A payment under this section for any fiscal year with respect to any State home may only be made based upon an application submitted by the State seeking the payment with respect to that State home. Any such application shall describe the nursing shortage at the State home and the employee incentive scholarship program or other incentive program described in subsection (c) for which the payment is sought.

“(f) **SOURCE OF FUNDS.**—Payments under this section shall be made from funds available for other payments under this subchapter.

“(g) **DISBURSEMENT.**—Payments under this section to a State home shall be made as part of the disbursement of payments under section 1741 of this title with respect to that State home.

“(h) **USE OF CERTAIN RECEIPTS.**—The Secretary shall require as a condition of any payment under this section that, in any case in which the State home receives a refund payment made by an employee in breach of the terms of an agreement for employee assistance that used funds provided under this section, the payment shall be returned to the State home's incentive program account and credited as a non-Federal funding source.

“(i) **ANNUAL REPORT FROM PAYMENT RECIPIENTS.**—Any State home receiving a payment under this section for any fiscal year, shall, as a condition of the payment, be required to agree to provide to the Secretary a report setting forth in detail the use of funds received through the payment, including a descriptive analysis of how effective the incentive program has been on nurse staffing in the State home during that fiscal year. The report for any fiscal year shall be provided to the Secretary within 60 days of the close of the fiscal year and shall be subject to audit by the Secretary. Eligibility for a payment under this section for any later fiscal year is contingent upon the receipt by the Secretary of the annual report under this subsection for the previous year in accordance with this subsection.

“(j) **REGULATIONS.**—The Secretary shall prescribe regulations to carry out this section. The regulations shall include the establishment of criteria for the award of payments under this section.”

(2) The table of sections at the beginning of such chapter is amended by inserting after section 1743 the following new item:

“1744. Hiring and retention of nurses: payments to assist States.”

(b) **IMPLEMENTATION.**—The Secretary of Veterans Affairs shall implement section 1744 of title 38, United States Code, as added by subsection (a), as expeditiously as possible. The Secretary shall establish such interim procedures as necessary so as to ensure that payments are made to eligible States under that section commencing not later than January 1, 2005, notwithstanding that regulations under subsection (j) of that section may not have become final.

#### SEC. 6. TECHNICAL CLARIFICATION.

Section 811(d)(2) of title 38, United States Code, is amended by inserting before the period at the end of the last sentence the following: “and shall be available for any purpose authorized by this section”.

#### SEC. 7. UNDER SECRETARY FOR HEALTH.

Section 305(a)(2) of title 38, United States Code, is amended—

(1) in the matter preceding subparagraph (A), by striking “shall be a doctor of medicine and”; and

(2) in subparagraph (A), by striking “and in health-care” and inserting “or in health-care”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Texas (Mr. RODRIGUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

#### GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SMITH of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, I rise in very strong support of H.R. 4231, as amended, the Department of Veterans Affairs Nurse Recruitment and Retention Act of 2004. I want to thank the gentleman from Connecticut (Mr. SIMMONS), the chairman of our Subcommittee on Health, my friend and colleague, for introducing this legislation, and for his astute judgment and perseverance that was essential in bringing this bill before the House today. I also want to thank the gentleman from Texas (Mr. RODRIGUEZ), as well the gentleman from Illinois (Mr. EVANS), because, again, that partnership is so important in bringing these veterans bills to the floor; and I want to thank them for their leadership as well.

As amended, H.R. 4231 would authorize several new and innovative approaches to help the VA maintain the quality of its workforce in all VA health care facilities. The bill would establish a pilot program to use outside recruitment agencies with interactive and online technologies to improve VA recruitment of vital nursing

personnel. It would also allow the VA to offer three alternative work schedules for nurses so that employment in VA can be more sensitive to family and personal needs for scheduling flexibility and career development.

It also contains a provision to aid State veterans homes which care for thousands of veterans in need of nursing home care each and every year.

One measure in the bill as reported deserves a moment of discussion, because it caused some concern for members of the committee and organizations whose members might be affected. As reported, the bill would have prohibited VA from denying employment to a State-licensed registered nurse whose educational preparation was other than a baccalaureate degree. There is a well-documented shortage, Mr. Speaker, of trained, registered nurses in the United States. Community colleges in every State have stepped forward to offer professional nursing careers through associate degree preparation. Their success in preparing their students is reflected in the rate at which associate degreed nurses pass required State registered nurse examinations.

Associate degree nurses are systematically and vigorously recruited in almost every health care institution in the United States. In the VA, there is a preference in hiring baccalaureate graduates and a policy of excluding associate degree nurses from internal VA promotions. At a time when nurses are in short supply and when community colleges are the primary source of new nursing graduates, should the VA be emphasizing baccalaureate degrees to the exclusion of others who are fully qualified as professional nurses? We think not.

The committee is concerned that these current VA hiring practices and the variation in these practices noted in the recent report of the VA's National Commission on VA Nursing discouraged nurses with associate degrees from even seeking VA employment. VA's practice of exclusion in the face of high demand and scarcity of nursing personnel discourages qualified nurses from seeking VA employment. This practice also adversely affects VA's ability to retain current nurses.

Following extensive discussions after this bill was ordered reported, the bill before the House today does not include section 4 of the bill as ordered reported. Section 4 was designed to keep the VA competitive with the private sector and to clarify that the lack of a baccalaureate degree could not be the basis to deny nurse employment in a VA facility. However, the aim of the provision was misread by some who believe that the best qualified nurses are those who have a bachelor's degree or some advanced degree in nursing.

Most of us who seek health care look to providers who are competent, compassionate, critical thinkers, good communicators, and who are dedicated to expanding their knowledge of human

susceptibility to disease. None of those qualities are guaranteed to be present in a particular graduate of any health care profession from any school. In the case of nurses, competence is tested by State licensing exams, and only those who pass the exam are licensed to practice in a State or in the VA. The other qualities I mentioned are acquired from associating with and learning from other professionals who possess them. There is no guarantee that any particular licensed professional possesses all of them.

Mr. Speaker, VA's own hiring policy requires that persons with associate degrees in nursing be considered at entry-level positions. The committee supports the underlying premise of this policy, and there should be no discrimination based against persons who demonstrate competence by passing a State examination. Unfortunately, the committee has gathered irrefutable evidence that some VA medical centers did violate VA's hiring policy and discriminated against prospective employees who possessed an associate degree in nursing.

The committee has recently received assurances, however, from the acting Under Secretary for Health that the VA will correct these improper practices. He has pledged that the VA will continue to adhere to its policy of considering appointment of licensed, registered nurses to entry-level positions without regard to the institution that granted them their nursing degree. In addition, the Under Secretary promised to undertake a number of significant steps to address any lingering effects from the improper recruiting practices which the committee discovered.

In light of this commitment and the VA's concern about the potential inadvertent effect of this language, the bill before us today does not contain the nursing qualification provision as ordered by the committee.

The committee looks forward to full reports on the execution of the several commitments made in a letter signed by Under Secretary on September 21 of this year, and I will include the letter at this point in the RECORD.

DEPARTMENT OF VETERANS AFFAIRS,  
VETERANS HEALTH ADMINISTRATION,  
Washington, DC, September 21, 2004.

Hon. CHRISTOPHER H. SMITH,  
Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This letter provides the Veterans Health Administration (VHA) position regarding H.R. 4231, Section 4—Appointment of nurses who do not have Baccalaureate Degrees.

VHA is committed to hiring all levels of licensed nurses including Bachelors prepared and registered nurses who have associate degrees or diplomas. In calendar year 2000, VHA appointed 815 associate degree nurses; in calendar year 2004 to date, VHA has appointed 1,337 associate degree nurses. Given the national nursing shortage, VHA cannot afford to overlook associate degree nurses. We recognize and value their contributions.

In order to further enhance recruitment of associate degree nurses, VHA is taking the following actions:

1. Instruct Department of Veterans Affairs (VA) facility managers and human resources staff to no longer include in vacancy announcements language limiting applicants to those who hold a Bachelor of Science in Nursing (BSN) degree or convey a preference for a BSN for "Nurse I" positions.

2. Continue working with the American Association of Community Colleges (AACC) to augment our marketing and recruiting efforts to associate degree nursing graduates. The Office of Nursing Services in Washington, D.C., will meet with the AACC on a quarterly basis and will present a marketing and recruiting strategy to them. An acceptable plan, including a commitment of VA resources, shall be in place by June 30, 2005.

3. The Health Care Staff Development and Retention Office will visit at least one community college nursing program affiliated with the AACC in each Veterans Integrated Services Network (VISN) in the coming year, and VA will ensure local facilities conduct outreach to community college programs. VA will provide information regarding employment opportunities, promotion policies, and scholarship and loan repayment programs available from VA. The first cycle of visits will be completed by December 31, 2005. In addition, to accomplish this goal, VISN staff will conduct many of the visits in coordination with the Health Care Staff Development and Retention Office.

I hope this information is of assistance to you. Should you need additional information, a member of your staff may contact Nevin Weaver, Director, Management Support Office at 202-273-5805.

Sincerely,

JONATHAN B. PERLIN, MD,  
PHD, MSHA, FACP,  
Acting Under Secretary for Health.

The last provision in the amended bill I want to mention incorporates the provisions of a bill that I introduced earlier this year, H.R. 4020. That bill would direct the Secretary of Veterans Affairs to make increased grants to assist States in hiring and retaining their own nursing personnel at State-owned operating nursing homes for veterans. State homes that currently receive per diem payments from the VA and have established employee incentive programs would be eligible to apply for incentive assistance and could receive up to 50 percent of the annual cost of the incentive program.

Mr. Speaker, in the wake of the Civil War, State veterans homes began caring for veterans and are now the largest provider of long-term care to our Nation's veterans. Today, over 16,000 veterans are being cared for in 128 State veterans homes in 47 States in the key partnership between the States and the VA.

The Department of Health and Human Services in 2002 surveyed the 50 States and Puerto Rico to learn how States are responding to the needs of health care workers. Ninety percent reported a shortage of nursing staff as a major concern in their responses. In efforts to respond to these nursing and other health care worker shortages, 44 of the 50 States reporting established task forces and commissions to study and seek solutions. The focus of the task forces or commissions in 25 States was to study shortages in the long-term health care force.

I am aware of difficulties that the three New Jersey State veterans homes in Vineland, Paramus, and Menlo Park have faced over the past several years in recruiting and retaining nursing staff. We can address this effort with new Federal incentives that supplement and assist State initiatives in providing long-term care to veterans. I think this legislation provides a sound blending of authorities to help maintain quality nursing personnel for veterans cared for in both the VA and State-run facilities.

Mr. Speaker, I rise in strong support of H.R. 4231, as amended, the Department of Veterans Affairs Nurse Recruitment and Retention Act of 2004.

I want to thank the Chairman of our Subcommittee on Health, my friend the gentleman from Connecticut, Mr. SIMMONS, for introducing this legislation and for his astute judgment and perseverance that was essential to bringing this bill before the House today. I also want to thank Mr. EVANS, the ranking member of the full committee, and Mr. RODRIGUEZ, the ranking member of the Health Subcommittee for their leadership on this measure.

As amended, H.R. 4231 would authorize several new and innovative approaches to help the VA maintain the quality of its workforce in all VA health care facilities.

The bill would establish a pilot program to use outside recruitment agencies, with interactive and online technologies, to improve VA recruitment of vital nursing personnel. It would also allow VA to offer three new alternative work schedules for nurses so that employment in VA can be more sensitive to family and personal needs for scheduling flexibility and career development. It also contains a provision to aid State veterans homes which care for thousands of veterans in need of nursing home care each year.

One measure in the bill as reported deserves a moment of discussion because it caused some concern by Members of the Committee and organizations whose members might be affected. As reported, the bill would have prohibited VA from denying employment to a State-licensed registered nurse whose educational preparation was other than a baccalaureate degree.

There is a well-documented shortage of trained registered nurses in the United States. Community colleges in every state have stepped forward to offer professional nursing careers through associate degree preparation. Their success in preparing their students is reflected in the rate at which associate degree nurses pass required state registered nurse examinations. Associate degree nurses are systematically and vigorously recruited in almost every health care institution in the United States.

In the VA there is a preference in hiring for baccalaureate graduates, and a policy of excluding associate degree nurses from internal VA promotions. At a time when nurses are in short supply and when community colleges are the primary source of new nursing graduates, should VA be emphasizing baccalaureate graduates to the exclusion of others who are fully qualified as professional nurses? We think not.

The Committee is concerned that these current VA hiring practices, and the variation in these practices noted in the recent report of

VA's National Commission on VA Nursing, discourage nurses with associate degrees from even seeking VA employment. VA's practice of exclusion in the face of high demand and scarcity of nursing personnel discourages qualified nurses from seeking VA employment. This practice also adversely affects VA's ability to retain current nurses.

Following extensive discussions after this bill was ordered reported, the bill before the House today does not include section 4 of the bill as ordered reported. Section 4 was designed to keep VA competitive with the private sector, and to clarify that the lack of a baccalaureate degree could not be the basis to deny that nurse employment in a VA facility. However, the aim of the provision was misread by some who believe that the best-qualified nurses are those who have a bachelor's degree or some advanced degree in nursing.

Most of us who seek health care look for providers who are competent, compassionate, critical thinkers, good communicators, and who are dedicated to expanding their knowledge of human susceptibility to disease. None of those qualities are guaranteed to be present in a particular graduate of any health professions school. In the case of nursing, competence is tested by State licensing exams, and only those who pass that exam are licensed to practice in a State or in the VA. The other qualities I mentioned are acquired from associating with and learning from other professionals who possess them. There is no guarantee that any particular licensed professional possesses all of them.

VA's own hiring policy requires that persons with associate degrees in nursing be considered for entry-level positions. The Committee supports the underlying premise of this policy—that there should be no discrimination against person who demonstrate competence by passing a State examination. Unfortunately, the Committee has gathered irrefutable evidence that some VA medical centers did violate VA's hiring policy and discriminated against prospective employees who possessed an associate degree in nursing.

The Committee has recently received assurance from the Acting Undersecretary for Health that VA will correct these improper practices; he has pledged that VA will continue to adhere to its policy of considering appointment of licensed registered nurses to entry-level positions without regard to the institution that granted them their nursing degree. In addition, the Under Secretary promised to undertake a number of significant steps to address any lingering effects from the improper recruiting practices which the Committee discovered. In light of this commitment, and the VA's concerns about the potential inadvertent effects of this language, the bill before the House today does not contain the nursing qualification provision as ordered reported by the Committee.

The Committee looks forward to full reports on the execution of the several commitments it made in a letter signed by the Under Secretary on September 21, 2004. I ask unanimous consent to insert a copy of that letter in the RECORD at this point.

The last provision in the amended bill I want to mention incorporates the provisions of a bill I introduced earlier this year, H.R. 4020. That bill would direct the Secretary of Veterans Affairs to make increased grants to assist States in hiring and retaining their own nursing per-

sonnel at State-operated nursing homes for veterans. State homes that currently receive per diem payments from VA and have established employee incentive programs would be eligible to apply for incentive assistance and could receive up to 50 percent of the annual cost of the incentive program.

In the wake of the Civil War, State veterans' homes began caring for veterans and are now the largest provider of long-term care to our Nation's veterans. Today, over 16,000 veterans are being cared for in 128 State veterans' homes in 47 States in a key partnership between the States and the VA.

The Department of Health and Human Services (HHS) in 2002 surveyed the 50 States and Puerto Rico to learn how States are responding to needs for health care workers. Ninety percent reported a shortage of nursing staff as a major concern in their responses. In efforts to respond to these nursing and other health workforce shortages, 44 of 50 States reported establishing task forces and commissions to study and seek solutions. The focus of the task forces or commissions in 25 States was to study shortages in the long-term care work force.

While the HHS study documented the extent of the problems nationally, I am aware of difficulties that the three New Jersey State veterans' homes in Vineland, Paramus and Menlo Park have faced over the past several years in recruiting and retaining quality nursing staff. We can address this effort with new Federal incentives that supplement and assist State initiatives.

State homes are important partners in providing long-term care to veterans. I think this legislation provides a sound blending of authorities to help maintain quality nursing personnel for veterans cared for in both VA and State-run facilities.

Finally, H.R. 4231 would reform the qualification requirements for candidates for the position of Under Secretary for Health. Current law requires the Under Secretary for Health to be a doctor of medicine, limiting the pool of candidates that VA may consider for this vital executive position. Executives in the American health care industry who present exceptional credentials and experience, but did not receive a medical degree as a part of their preparation, are excluded by law from consideration. In fact, of the 62 top hospital, health insurance and managed care organizations in the United States, only five CEOs hold the doctor of medicine degree. H.R. 4231 would repeal the requirement for VA's Under Secretary for health to be a doctor of medicine. This change would allow a future Administration to consider candidates from the widest spectrum of executive talents, including doctors of medicine, nurses, dentists, health academics, health economists, insurance executives and other qualified candidates with the demonstrated abilities to fill such a key leadership role in veterans' affairs.

Mr. Speaker, this is a carefully crafted bill that will advance measures that are important to providing our veterans with quality health care services.

Mr. Speaker, I reserve the balance of my time.

Mr. RODRIGUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4231, as amended, the Department of Veterans Affairs Nursing Recruitment

and Retention Act of 2004. This act has a variety of innovative approaches designed to assist the VA in managing its nursing workforce. The VA nurses are significantly older, on average, than nurses in other sectors; and more than one-third of the VA nursing staffs would be eligible for retirement in the next 5 years. Those are substantial figures.

In the meantime, fewer students are training for careers in nursing care, while the need for those professions is growing. This will make the VA effort to retain and recruit nurses critical in ensuring that it is able to maintain high-quality and accessible services.

This bill contains provisions to address the projected nursing shortage, including a pilot project to examine the effectiveness of new recruiting techniques and, in addition, new flexible work schedules that may be attractive to nurses with young children or those who are interested in full-time employment with seasonable breaks. State veterans homes, an important partner to our veterans health system, may also offer new educational opportunities to their nurses.

I want to take this time, Mr. Speaker, to recognize the gentleman from New Jersey (Chairman SMITH) and thank him and acknowledge the leadership of the chairman of our Subcommittee on Health, the gentleman from Connecticut (Mr. SIMMONS), in his efforts. I want to thank him and his staff in drafting this piece of legislation and working with me and us and all of us together to consider improvements to this particular bill.

I also once again want to thank the gentleman from New Jersey (Chairman SMITH) and the gentleman from Illinois (Ranking Member EVANS), who continues to be at this present time in the Committee on Armed Services as we speak. I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that the remainder of our time be controlled by the gentleman from Connecticut (Mr. SIMMONS), the distinguished chairman of the Subcommittee on Health, and just say how grateful I am for his sponsorship of this very important piece of legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIMMONS. Mr. Speaker, I thank the gentleman for yielding me the time, I thank him for his leadership, and I thank the ranking member, the gentleman from Texas (Mr. RODRIGUEZ), for all of his hard work.

Mr. Speaker, I yield myself such time as I may consume. I just want to take a few moments to focus on a couple of points that the chairman raised with regard to this legislation. Since 1966, the number of patients treated annually by the VA has risen by 70 percent.

During this same period of time of a growing demand for VA health services, the number of nursing program graduates nationwide began to fall. So at a time when the demand for services went up, the supply of nurses has been going down. The latest U.S. Health Resources and Services Administration report projects that the shortage of nurses this year will reach approximately 138,000 nurses.

We have received testimony before the Subcommittee on Health that the nurse vacancy rate at VA is currently at 9 percent and rising, in excess of 4,500 positions. In addition, the report found that the average VA nurse was nearly 49 years old, ahead of the national average for nurses, which is 42 years old. Now, while 49 years old may be young compared to my age and the age of some of my colleagues, I think that we have to see that there is a serious trend here when it comes to VA nurses. The VA is falling behind in its effort to staff these critical positions.

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This legislation before us today would establish a pilot program within the VA to study the use of outside recruitment, advertising and communications techniques. Online technologies that are currently being used by 100 percent of the Fortune 500 companies to attract people into Fortune 500 companies, well, it can attract people into VA nursing.

Furthermore, the legislation includes provisions that allow nurses to have more control over their schedules and their private lives so their work schedules are less inflexible and the working conditions that they have are more congenial.

Another important provision is that the VA will be allowed to assist State nursing homes, that is, veterans facilities managed by States, to reduce shortages at long-term-care facilities operating under the authority of the VA but managed by the State. For example, in my home State of Connecticut, the Rocky Hill Home for veterans is engaged in a major program with the Veterans Administration to provide long-term care. This will include the construction of a 250-bed long-term-care facility, but it also includes partnering between the VA and the Connecticut Department of Veterans' Affairs so that the cost of that long-term nursing care is distributed between the State and the Federal Government.

Mr. Speaker, I want to express my appreciation to our chairman, to our ranking member, the gentleman from Illinois (Mr. EVANS) and to our staffs on the majority and minority staff, and to my colleague, the gentleman from Texas (Mr. RODRIGUEZ), and all the members of the committee and subcommittee for operating in a bipartisan fashion to bring this legislation forward for the benefit of our veterans.

Mr. Speaker, I see that there are no further speakers on my side, and I

would be prepared to yield back, but I will give my colleague the opportunity to speak.

Mr. Speaker, I reserve the balance of my time.

Mr. RODRIGUEZ. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. FILNER), my friend and fellow colleague, a member of the committee who has been a staunch supporter of veterans.

Mr. FILNER. Mr. Speaker, I thank the gentleman for the time, and Mr. Speaker, I also rise in support of this bill, H.R. 4231, to provide for nurse recruitment and retention for our Department of Veterans' Affairs.

We have heard that the VA is currently the largest employer of nurses in the United States, and with the growth in the number of veterans using the VA for their health care, the increase in the number of aging veterans and the projected national shortage of registered nurses, we must keep the VA competitive in the recruitment and retention of nurses.

So we have this bill, what we have heard described, establishing a pilot program that would study the use of outside recruitment, advertising and online technology to make the VA more competitive. We also know that the bill provides flexible work schedules to be more family-friendly and to allow nurses to take care of their family needs and personal needs and give them more control over their own schedules.

I thank very much the chairman of the committee for his strong statement on the provision that was in the original bill but is not now, but how we will go about making up for that; in the early drafts of the bill, an important provision clarified the status of nurses who meet the VA's qualification standards but do not have a baccalaureate degree. The National Council of State Boards of Nursing reports that the pass rates for licensing of nurses trained with associate and baccalaureate degrees are virtually identical. So to discriminate against nurses with 2-year degrees makes no sense and, of course, is counterproductive to our needs today.

As first drafted, H.R. 4231 committed to hiring nurses with associate degrees. It is not in the bill now, but as the chairman pointed out, a letter by the acting Under Secretary of Health at the VA, Mr. Perlin, and is now in the record to the Committee on Veterans Affairs' chairman and ranking member, outlined the plans of the VA to enhance the recruitment and hiring of associate-degree nurses. Committee on Veterans' Affairs members will be monitoring their progress.

Of course, the next step we need to take is to fix the promotion requirements for nurses in the VA so nurses with those associate degrees are eligible for promotions based on their competency, not their degree. This is a vital change that must be made in order to retain VA nurses, and I appreciate

the gentleman from New Jersey's (Chairman SMITH's) strong statement of the need for competency-based promotion and not on the kind of degree.

All of us here today have made clear that health care for our Nation's veterans must be a high priority. This bill is a step forward in those efforts to provide the VA with the tools to recruit qualified nurses to care for our veterans, whether they are from World War II or to the present conflicts in Afghanistan and Iraq.

I urge support of H.R. 4231.

GENERAL LEAVE

Mr. SIMMONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4231, as amended.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SIMMONS. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SIMMONS asked and was given permission to revise and extend his remarks.)

Mr. SIMMONS. Mr. Speaker, this bill is responsible legislation that will advance quality health care for veterans, and I urge my colleagues to support H.R. 4231 as amended.

Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. RODRIGUEZ. Mr. Speaker, I yield myself such time as I may consume.

Let me first of all take this opportunity to thank the chairman, the gentleman from Connecticut (Mr. SIMMONS) for his efforts on this particular piece of legislation, and one of the beauties of this particular piece of legislation also is that it sets a trend. There is no doubt that in this country, and just like the VA's having difficulty with nurses, the entire country is having difficulty in getting nurses.

In addition to that, in the area of health professions, there will be a need for us to look at doctors. I know that we have a large number of slots in the area of doctors in the VA that have also not been filled. For some reason, this country has not produced the number of doctors that we need. We continue to produce 12,000 to 15,000 and bring in about 5,000 from abroad each year. In fact, right prior to 9/11, we brought in some 300,000 professionals from abroad, of which, in that category, was a little less than 5,000 doctors.

So we need to really begin to look, especially in the health profession and how it impacts the VA and these other areas, both these specialties, as well as physicians and the other health professionals that are needed.

So, once again, I want to thank everyone.

Mr. Speaker, I yield back the balance of my time.

Mr. SIMMONS. Mr. Speaker, I yield myself such time as I may consume.

There may not be another opportunity with this session coming to a close to thank my colleague on the floor in the context of doing a bill for our veterans. His leadership in Veterans' Affairs has been extraordinary. The impact of his service on this committee will have a beneficial effect on millions and millions of veterans for many, many years to come, and I thank him for all of his hard work.

Mr. EVANS. Mr. Speaker, I rise in support of H.R. 4231.

It is a good bill that will give the Department of Veterans Affairs some new opportunities to meet the challenges of maintaining a strong nursing workforce during the severe nursing shortage projected for the near future.

I have said many times that nurses are the lifeblood of our medical care system.

VA should be looking at any and all feasible options for ensuring that it is able to satisfy the needs and expectations of these valuable employees.

I want to commend the chairman and ranking member of our Health Subcommittee for their work on this bill and urge Members to support it.

Mr. SIMMONS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4231, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SIMMONS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### COMMENDING FESTIVAL OF CHILDREN FOUNDATION

Mr. OSBORNE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 759) commending the Festival of Children Foundation for its outstanding efforts on behalf of children and expressing the support of the House of Representatives for the designation of a "Child Awareness Month," as amended.

The Clerk read as follows:

##### H. RES. 759

Whereas children represent the Nation's future and numerous individuals and organizations across the United States devote precious time, energy, and resources to enrich that future by helping children advance their hopes and dreams and to realize their aspirations;

Whereas it is in the public interest to increase awareness of children's special needs and the demonstrably effective efforts of those making a real difference in children's lives, which in turn and over time will serve to strengthen the social fabric of our country;

Whereas the Festival of Children Foundation has been established in southern California (1) to showcase those non-profit groups performing exemplary works, so that they may through increased exposure secure and sustain the volunteer, leadership, and financial support necessary to be successful, (2) to provide a free resource to such groups so that they might more easily leverage scarce resources through creative, collaborative efforts to serve their shared constituencies for the betterment of the community at large, and (3) to provide a free and effective platform to facilitate such groups sharing lessons learned in bringing a results orientation to community mobilization, strategic planning, and overall best practices;

Whereas during the last two years more than 100 non-profit groups in southern California have benefited enormously from exposure they could not otherwise have received but for the Festival of Children Foundation, principally through programs and activities at partner organizations such as retail, commercial, and cultural centers;

Whereas September is a time, as children return to school, that families and the Nation as a whole are especially mindful of children and their special needs and opportunities; and

Whereas in September 2004 the Festival of Children Foundation, working with its partners, has invited 50 agencies and organizations that serve children throughout southern California to have a month of high profile exhibits along with another 50 such groups to participate in other programs and activities as part of the Foundation's ongoing mission: Now, therefore, be it—

*Resolved*, That the House of Representatives commends the Festival of Children Foundation of southern California—

(1) for its outstanding efforts on behalf of children; and

(2) for the difference that it is making in the communities in which it is active and in the lives of children.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska (Mr. OSBORNE) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska (Mr. OSBORNE).

##### GENERAL LEAVE

Mr. OSBORNE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Res. 759.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. OSBORNE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H. Res. 759 offered by the gentleman from California (Mr. ROHRBACHER). This resolution honors the Festival of Children Foundation for its outstanding efforts on behalf of children.

Children represent the Nation's future, and numerous individuals and organizations across the United States devote precious time, energy and resources to enrich that future by helping children advance their hopes and dreams and to realize their aspirations.

The Festival of Children Foundation is one such organization that has experienced overwhelming success serving

the needs of children in the Orange County community. Through collaboration with numerous charities, the foundation seeks to improve the lives of children and families living in the community by fostering education, community involvement and the arts. Instead of operating independently, charities are able to pool both their resources and ideas to better serve the children and families of southern California.

The Festival of Children Foundation expands the reach of the nonprofits in their community, and their efforts on behalf of children should be emulated. I would like to take this opportunity to commend their work on behalf of children and also their efforts to increase awareness of children's special needs.

I thank my colleague from California for introducing this resolution and urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, Walt Disney once said that "our greatest natural resource is the minds of our children."

Today, we honor the Festival of Children Foundation, an organization that improves the lives of children and families in Orange County, California, by collaborating with local children's charities to promote education, community involvement and the arts.

In the last 2 years, more than 100 nonprofit groups in southern California have benefited enormously from the exposure, partnership and assistance of the Festival of Children Foundation. In particular, the foundation has declared September 2004 as a month to "Celebrate the Magic of Childhood." It is working with 52 agencies and organizations to serve the children of southern California with high-profile exhibits to continue with the foundation's mission.

I would like to congratulate the foundation on its excellent work to strengthen their community and to benefit the lives of children, and I would like to thank the gentleman from California (Mr. ROHRBACHER) for introducing this meaningful legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. OSBORNE. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. ROHRBACHER).

Mr. ROHRBACHER. Mr. Speaker, I thank the gentleman very much for the time.

Mr. Speaker, I rise in strong support for my own bill, H. Res. 759 commending the Festival of Children. Millions of good-hearted American volunteers donate their time, their talent and their personal treasure to help lost and needy children, but no matter how noble the cause, these wonderful charities and their volunteers must struggle just to let the community know