



Todd Platts

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Congressional Update

Don't miss the Town Meeting schedule below!

Winter 2006

This mailing was prepared, published and mailed at taxpayer expense.



Dear Friend,

I hope this letter finds you doing well. With the first year of the 109th Congress now concluded, I am pleased to update you on various legislative matters. If you have any questions about issues addressed in this newsletter, or my staff and I can be of assistance to you regarding a federal matter, please do not hesitate to contact one of my offices listed above.

Please also consider attending one of my upcoming town meetings and completing the questionnaire found herein. The dates, times, and locations of the meetings are listed below. Your feedback on issues coming before Congress is vitally important to me well representing the 19th District.

Finally, it is important for all of us to remember that we are a nation at war and that courageous fellow citizens are defending the freedoms and many blessings we enjoy as Americans everyday. Please keep our nation's true heroes, our military personnel and their family members, in your thoughts and prayers. May God watch over them and continue to watch over our great nation.

Sincerely,

Todd Russell Platts

Promoting Open Government - Government agencies need to be held accountable to the people whom they serve. The Freedom of Information Act is one of our citizens' primary tools to



ensure such standards. I recently joined President George W. Bush and a bipartisan group of colleagues, including (from left to right) U.S. Rep. Brad Sherman, California-27, U.S. Senator John Cornyn, Texas, and U.S. Rep. Lamar Smith, Texas-21, in the Oval Office for the signing of an Executive Order strengthening the Freedom of Information Act.

Executive Order Promotes a More Open Government

On December 14, I joined President George W. Bush at the White House as he signed an Executive Order aimed at improving the implementation of the Freedom of Information Act (FOIA). In my role as the Chairman of the Government Reform Subcommittee on Government Management, Finance, and Accountability, I have been working with the Administration on improvements to FOIA since holding an oversight hearing on the issue in May 2005.

The changes made by the Executive Order are intended to improve the overall transparency of the FOIA process and to help agencies and citizens better track individual FOIA requests. Navigating the FOIA process has been much too difficult, and requesters have not had a single point of contact from whom to request assistance when they experienced difficulty with the process.

The Executive Order designates a Chief FOIA Officer in each federal department to be responsible for streamlining the process of responding to FOIA requests. Agency plans of action for streamlining are due within six months, at which time each plan will be posted on the Internet. Implementation of the improvement plans must take place within two years.

Agencies will also be required to establish a FOIA Requester Service Center and designate Public Liaisons to provide a single point of contact for requesters. This step is intended to give the public more information about the status of requests, to reduce backlogs, and to create an interactive relationship between the agency and the requester.

The Executive Order is a good start that puts a service-oriented focus on FOIA. By improving the operational aspect of FOIA compliance, Congress will be in a better position to consider legislative policy changes that might also be needed. For more information regarding FOIA, please contact one of my offices in order to receive a copy of *A Citizen's Guide on Using the Freedom of Information Act and the Privacy Act of 1974 to Request Government Records*, which my Subcommittee published earlier this year.

Town Meeting Schedule

Monday, March 6

Washington Fire Company No. 1
53 East Main Street
Mechanicsburg
7:00 p.m. - 8:30 p.m.

Tuesday, March 7

Citizen's Hose Company No. 1
109 South Baltimore Street
Dillsburg
9:30 a.m. - 11:00 a.m.

Friday, March 10

Grand Army of the Republic
53 East Middle Street
Gettysburg
1:00 p.m. - 2:30 p.m.

Monday, March 13

York Township Administration Building
190 Oak Road
Dallastown
7:00 p.m. - 8:30 p.m.

Medicare Part D Update

The new optional drug plan for seniors called “Medicare Part D” began on January 1. So far, 21 million Medicare beneficiaries have enrolled in the program. While December 31 was the deadline for current Medicare beneficiaries to begin receiving benefit coverage as of January 1, 2006, the final deadline for current Medicare beneficiaries to enroll in Part D without penalty is May 15, 2006.

All Medicare beneficiaries should have received a “Medicare and You 2006” book which lists all plan options. Because more health insurers have chosen to participate in Part D than was expected, there are many choices which must be carefully considered. My staff and I stand ready to assist you in understanding your options. Please feel free to call or visit

any of my offices. The phone numbers and addresses for my offices are printed on the front page of this newsletter. You may also call APPRISE, the state’s health insurance counseling program for Medicare beneficiaries, at 1-800-783-7067. In addition, you may call 1-800-MEDICARE (1-800-633-4227), visit Medicare’s web site at www.medicare.gov, or contact your local Area Agency on Aging for assistance.

The staffs and volunteers of the Adams, Cumberland, and York County Area Agencies on Aging, along with all APPRISE counselors and volunteers and local pharmacy staffs, have been especially dedicated in assisting 19th District residents navigate the Part D enrollment process. A debt of gratitude is owed these fine individuals.



World War II Veterans Honored - I was privileged to take part in a Pearl Harbor Day breakfast to recognize the heroic service of World War II veterans who served at Pearl Harbor during the Japanese attack or participated in the Battle of the Bulge. York County Department of Veterans Affairs Director Barre Shepp and I presented a commemorative Pearl Harbor-Battle of the Bulge service medal to 34 veterans at the breakfast ceremony, including Battle of the Bulge veteran Harry McLaughlin, a native of York and a long-time local journalist.

Strengthening Our Community Through Scouting - It is a great privilege to recognize the strong moral character and leadership skills of 19th District Girl Scouts when they receive their Gold Award. I recently presented a Certificate of Special Congressional Recognition to Senior Girl Scout Kathryn Suskie of Hanover Pike, Littlestown, pictured here (from left) with her parents, Martha and Larry Suskie, Senior Troop 732 assistant advisor Joan Miller and Senior Troop 732 senior advisor Lynn Bixler.



House Acts to Control the Border, Prevent Illegal Immigration

On December 16, the United States House of Representatives approved the Border Protection, Antiterrorism, and Illegal Immigration Control Act (H.R. 4437) by a vote of 239 to 182. This legislation seeks to secure our nation’s borders and prevent illegal immigration through a number of means. With millions of illegal aliens presently in the United States and countless more entering every day, timely enactment of H.R. 4437 into law is vital to protecting our nation and ensuring the integrity of our laws.

First, H.R. 4437 would require the Department of Homeland Security to design a national strategy for achieving “operational control” over our borders. This strategy can include the increased deployment of customs and border patrol agents, security fences, and technology such as ground-based sensors, radar coverage, unmanned aerial vehicles, and cameras. Without the implementation of an effective strategy, countless illegal aliens will continue to cross our porous borders every day. Control over the border - through whatever personnel and equipment it requires - is the first step in preventing illegal immigration.

H.R. 4437 would also prohibit the “catch and release” of illegal aliens, except in cases with established humanitarian grounds. Last year alone, about 120,000 illegal immigrants

were caught by the Border Patrol but released into the United States pending a hearing. Nearly three-quarters of those caught and released failed to appear for their hearings. H.R. 4437 would require that such individuals instead be detained until they are either deported or admitted legally.

Other provisions of H.R. 4437 would require employers to use an employment eligibility verification system to ensure new hires and existing employees are legally present in the United States. Under the verification system, an employer would use a 1-800 number or similar toll-free electronic system to verify an employee’s legal status. Yet other provisions of H.R. 4437 would increase fines for employers who knowingly hire illegal aliens as well as penalties for a range of other immigration-related offenses.

There is a right way and a wrong way to enter our country. Even as America remains a beacon of hope for legal immigrants and true asylum-seekers, there must be accountability for those who violate the law, whether illegal aliens or those businesses who knowingly hire them. The present lack of enforcement of our immigration laws is unfair to both the American people and those immigrants who come here lawfully. I voted with the majority of my colleagues in passing H.R. 4437, which is now pending in the Senate.

House, Senate Pass Fiscal Reforms

On December 19, the United States House of Representatives passed the Deficit Reduction Act (S. 1932), a fiscal reform bill meant to help rein in the rate of increase in mandatory federal spending. Mandatory spending, which automatically increases every year by formula unless Congress affirmatively acts to reform it, is currently increasing at an average rate of 6.4% per year. These increases are driven by a number of factors, including population, inflation, and medical costs. S. 1932 is the first bill passed by Congress to slow the growth in mandatory spending since 1997.

The increasing cost of mandatory spending, which is expected to grow from approximately half the federal budget today to over 60% of the federal budget in 2015, leaves less and less room in the budget for discretionary spending that must be approved every year by Congress. Although the term “discretionary spending” makes such programs sound unimportant, they are in fact very important functions of government. Discretionary spending includes spending for border and homeland security, federal law enforcement, education programs, national defense, and veterans’ health care.

Under S. 1932, a variety of fiscal reforms drafted by a joint House-Senate conference committee will be applied to mandatory spending programs. For example: reimbursement rates paid to pharmacies for prescription drugs purchased by Medicaid will be reduced to better reflect actual costs; individuals with more than \$500,000 in home equity will no longer qualify for Medicaid benefits; subsidies to student loan lenders (e.g., banks) will be adjusted; and, senior citizen couples with annual incomes of \$160,000 or more will pay higher Medicare Part B premiums.

Contrary to some media reports, student borrower fees will not be increased by this legislation. S. 1932 will actually reduce total student borrower fees by \$2 billion, while increasing higher education scholarship assistance. S. 1932 also directs additional funding to several high priority areas. For example, S. 1932 allocates an additional \$1 billion for home heating assistance for low-income individuals and families, an additional \$1 billion for child care assistance for parents transitioning from welfare to work, and \$6.8 billion to ensure medicare beneficiaries retain access to their physicians.

The debate in Congress regarding this fiscal reform bill demonstrates the gap which frequently exists between “inside the beltway” accounting and the accounting practices used in the real world by our nation’s families and businesses. Take, for instance, the Medicaid provisions. Even with S. 1932 enacted into law, federal Medicaid spending will still see an increase of more than \$60 billion between now and 2010, from \$190 billion to nearly \$260 billion. Yet, the Medicaid provisions of the bill were widely denounced for “cutting” Medicaid. This is because inside-the-beltway accounting defines a “cut” as any increase in spending which is not as large as was previously projected by government agencies.

The impact of S. 1932 on federal spending is modest, rhetoric notwithstanding. S. 1932 will slow the average rate of increase in mandatory spending enough to produce approximately \$40 billion in net savings over the next five years, after accounting for the new funding for high priority areas referenced above. These savings are small when compared to the total federal budget, but - coupled with spending discipline elsewhere and a growing economy that produces increased revenue - they will help to put our nation on track to a more responsible fiscal policy.

I voted in favor of S. 1932. The Senate subsequently made minor modifications to the bill and passed it by a vote of 51 to 50. As I write, the House is scheduled to again consider S. 1932 in the near future, when the House is expected to pass the measure and send it to the President for his signature. For more information regarding the specifics of the Deficit Reduction Act, please visit the House Budget Committee’s web site at <http://www.house.gov/budget>.

Platts Opposes Automatic Congressional Pay Raises, Proposes to Deny Pensions to Convicted Officials

As public servants, members of Congress must hold themselves to the highest of ethical standards. Americans must be able to trust that members of Congress are focused on doing the people’s business, rather than advancing their own self interests. Because of the 19th District’s proximity to Washington, I am fortunate to be able to commute daily to the Capitol when Congress is in session. Being back at home in the 19th District each night allows me to stay well-grounded in Central Pennsylvania values.

I recently sponsored two bills which I believe are simple, common-sense measures aimed at enhancing public trust in Congress. The first (H.R. 4494), which I introduced with Representative Jim Matheson (D-UT) as lead cosponsor, would repeal a provision of law that provides automatic annual pay raises for members of Congress. The second (H.R. 4535), which Representative Mark Kirk (R-IL) introduced with me as a lead cosponsor, would deny a pension to any member of Congress convicted of various crimes relating to their public duties, including bribery, fraud, and tax evasion.

Every year, Congressional salaries increase automatically by formula unless Congress acts to stop the increase. The increase for 2006 was 1.9 percent. Unfortunately, Republican and Democrat leaders in the House for the seventh year in a

row procedurally barred a vote from being held on this annual cost-of-living adjustment. I have consistently opposed the annual cost-of-living increases since first being elected to Congress in 2000 and have always advocated that a straight up-or-down vote be taken prior to any raise occurring. Given the serious fiscal challenges facing our nation and the obvious need for the federal government to be more fiscally responsible, all members of Congress should have led by example and foregone their pay raise.

With respect to the pension issue, under current law, members of Congress can still collect their pensions despite being convicted of serious crimes related to the abuse of their office. This simply does not make sense and is wholly unacceptable. Members of Congress pledge to defend the Constitution and uphold the laws of the United States. A breach of law by a member of Congress is a very serious offense that should have very serious consequences. Taxpayers should not be required to pay the retirement benefits of a convicted felon.

Both H.R. 4494 and H.R. 4535 have been referred to the Committees on House Administration and Government Reform. Legislation nearly identical to H.R. 4535 was passed by the House of Representatives by an overwhelming vote of 391-32 in 1996, but the Senate did not act on that measure.

Platts Supports Efforts to Address Home Heating, Other Energy Costs

Energy costs remain an issue of understandable importance and deep concern to constituents of the 19th District. The price of gasoline has again risen, and families are struggling to pay for soaring home heating costs. There are several efforts I have supported to address this pressing fiscal challenge.

First, legislation (H.R. 4473) passed unanimously in the House on December 14, 2005 would strengthen the oversight of natural gas markets. Specifically, H.R. 4473 would broaden the authority of the Commodities Futures Trading Commission (CFTC) to track trading in natural gas contracts and investigate cases of fraud or significant price spikes. H.R. 4473 is now pending in the Senate.

Second, I am a cosponsor of legislation (H.R. 4318) to address the increasing imbalance between the demand for and supply of natural gas. H.R. 4318 would lift a moratorium that has been imposed on off-shore natural gas exploration, allowing such exploration to take place more than 20 miles off-shore. A portion of the funds generated by any natural gas leasing activities would be placed into the Low-Income Home Energy Assistance Program (LIHEAP), which helps low-income families pay their home heating costs. H.R. 4318 is currently pending in the House Committee on Resources.

With respect to the cost of gasoline and home heating oil, I joined the majority of my colleagues on October 7, 2005 in voting to pass legislation (H.R. 3893) which would help increase competition

among domestic oil refineries. Currently, U.S. demand for refined oil exceeds the capability of domestic refineries by about four million barrels per day. Yet, many small refineries that have the capacity to increase their production are bid out of the market by larger refineries. H.R. 3893 would create a process for small refineries to purchase oil from the stocks of the federal government. H.R. 3893 would also streamline regulations that impede the ability to ship refined oil between regional markets and strengthen the ability of the Federal Trade Commission (FTC) to address price gouging. H.R. 3893 is also now pending in the Senate.

For lower-income families, Congress must better fund the LIHEAP program. Unfortunately, this program has been routinely underfunded. I recently joined several of my colleagues in sending a letter to President George W. Bush expressing our support for doubling the funds provided to the LIHEAP program and ensuring a more fair distribution formula that reflects the greater home heating costs experienced by states such as Pennsylvania.

In the long-term, even more needs to be done to help ensure affordable energy supplies. Importantly, Congress should increase fuel efficiency standards for cars and light-trucks and continue funding alternative and renewable energy sources. We must remain committed to a truly comprehensive approach to energy that recognizes both the present situation faced by consumers and the long-term needs of our Nation.

Local Hero Recognized - I was grateful to present a Certificate of Special Congressional Recognition to Paula Peiper, a postal carrier from Carlisle, whose quick thinking saved the life of an 88-year-old customer. Paula became concerned one Monday when she noticed a customer's mail was untouched following the weekend, an unusual occurrence for this individual. Paula quickly tracked down the customer's family and it was soon discovered that he had suffered a stroke. Paramedics arrived shortly afterwards and the customer was successfully revived. Paula's heroic actions are to be commended.



A Commitment to Help Children - I was honored to congratulate the DeVeney family of Manchester for being named recipients of a 2005 Congressional "Angels in Adoption" award for their work to improve the lives of children through adoption. Michael and Deirdre DeVeney, pictured here with Deirdre's mother, Linden Groft, have provided a loving home for seven adopted children. Veronika (13), Viktoria (11) and Lada (10) were adopted as siblings in 2000 from Russia. Michael (14), Merry-Viktoria (12), Alexander (11) and Matvei (9) were adopted as siblings in 2002 from Kazakhstan. The DeVeney's have also served as mentors to other families who desire to adopt.

House Votes to Maintain Existing Tax Rates

On December 8, the House of Representatives voted 234 to 197 to pass legislation (H.R. 4297) which halts a tax increase scheduled to automatically occur at the beginning of 2007. Specifically, H.R. 4297 would maintain for an additional two years the current 15% tax rate on investment income from capital gains and dividends. Various other taxes scheduled to increase in the coming year were also extended at current levels. Said extensions include a tax deduction for small business investment, a tax credit to help low-income families save for retirement, and provisions related to the clean up and reuse of brownfields. In total, H.R. 4297 seeks to prevent a \$56.6 billion tax increase from occurring over the next five years.

The lower rate on capital gains and dividends was enacted in May 2003 to boost investor confidence and business investment. Since then, the nation's economy has created over 4.4 million new jobs. Growth in the economy has exceeded 3% annually, and the U.S. unemployment rate is currently at 5% - lower than the average of the 1970s, 1980s, and 1990s. Our economy continues to outperform that of Europe. The stock market has also rebounded, which benefits everyone with a pension or 401(k) plan.

While many would agree that the 15% tax rate has helped to stimulate the economy, some in Congress nevertheless advocate a higher tax rate in the interests of generating more federal revenue. Due to greater economic activity, however, federal revenues have actually been increasing at a rapid rate. In fact, total federal revenues increased by 5.5% in 2004 and by 15% in 2005, without any increase in tax rates. These significant increases in federal revenues, along with the positive economic growth reflected in today's low unemployment rate, millions of new jobs created, and substantial gains in the stock market, indicate that our current tax policies are working as intended.

I voted in favor of H.R. 4297 because a tax increase on capital gains and dividends, along with various other tax increases on individuals and businesses, would not be beneficial to the economy. More also needs to be done to address energy prices, health care costs, and other factors which are a drag on our nation's economic performance. In the meantime, maintaining current tax rates is important to keeping momentum behind the economy. H.R. 4297 is now pending consideration in the Senate.

Constituent Survey

The survey below is an important means of maintaining a close rapport with you. Your taking the time to complete and return the survey is greatly appreciated. **Please note that there are two response areas for each question so that two persons per household may respond.** Thank you for your assistance!

1. Should trade sanctions be imposed on goods made in China?

Yes No

2. Should illegal aliens currently working in the United States be allowed to obtain a work visa and stay in the United States if they first pay a \$2,000 fine?

Yes No

3. Should illegal aliens currently working in the United States be required to return to their home countries to legally apply for participation in any new "guest worker" program?

Yes No

4. Should the current federal income tax code be replaced with a "flat tax" consisting of no or few tax deductions and a single tax rate of 17-19%?

Yes No

5. If a flat tax would be enacted in place of the current federal income tax, should deductions for charitable contributions and home mortgage interest be retained?

Yes No

6. Should the federal income tax be replaced with a national retail sales tax?

Yes No

7. Should all health care insurance premiums and expenses be tax deductible, regardless of whether a taxpayer itemizes?

Yes No

8. Should so-called "527 groups," which are political organizations that raise and disburse money to influence the outcome of elections, be subject to the same campaign finance regulations as political parties?

Yes No

9. Should the federal government increase funding for education programs such as special education and the No Child Left Behind Act?

Yes No

10. Should the federal government increase spending on the development of alternative and renewable energy sources?

Yes No

11. Should fuel efficiency standards for new cars and light-trucks be increased?

Yes No

12. Should drilling for natural gas be permitted off the U.S. coast, so long as the bordering states agree to it?

Yes No

13. Should limited energy exploration be permitted in the Arctic National Wildlife Refuge (ANWR), so long as the Department of Interior ensures, through regulations and leasing conditions, that there will be no significant adverse impact on ANWR wildlife and habitat?

Yes No

14. Should the current minimum wage of \$5.15 per hour be increased to \$6.25 per hour?

Yes No

15. Should the current minimum wage of \$5.15 per hour be increased to \$7.25 per hour?

Yes No

16. If a minimum wage increase is adopted, should business taxes be reduced to offset such an increase?

Yes No

17. Should fines for broadcasters be increased for communications deemed "indecent" by the Federal Communications Commission (FCC)?

Yes No

18. Should American consumers be allowed to obtain prescription drugs re-imported from Canada, the European Union, and other industrialized nations?

Yes No

19. Should restrictions on federal funding for medical research involving new embryonic stem cell lines be lifted or loosened?

Yes No

Please
Place
Stamp
Here

(Return Address: **Please Print**)

Congressman Todd R. Platts
2209 East Market Street
York, PA 17402

Defense, Veterans Bills Signed into Law

President George W. Bush recently signed into law the Department of Defense Authorization (H.R. 1815) and Appropriations (H.R. 2863) bills for Fiscal Year 2006, as well as the Military Quality of Life-Department of Veteran's Affairs Appropriations Bill (H.R. 2528). I voted for all three of these measures, which passed in the full United States House of Representatives by margins of 374-41, 308-106, and 427-0 respectively.

H.R. 1815 authorizes a 3.1 percent pay raise for military personnel, increases Army and Marine Corps troop levels, and permanently increases the military death gratuity from \$12,420 to \$100,000. H.R. 2863 appropriates the funding for these initiatives.

H.R. 1815 also significantly expands eligibility for the military's TRICARE health insurance program for reservists and guardsmen. Specifically, no later than October of this year, reservists and guardsmen will be able to enroll in the TRICARE program regardless of their mobilization status if they are ineligible for other employer-provided health insurance or are receiving unemployment compensation. Currently, only reservists and guardsmen who are mobilized, about to be mobilized, or just de-mobilized are eligible for TRICARE.

In addition to funding the aforementioned and other Department of Defense programs, H.R. 2863 provides disaster assistance funding for departments and agencies involved in relief efforts for Hurricanes Katrina, Rita, and Wilma. This assistance includes fund-

ing for housing needs, small business loans, the Army Corps of Engineers, and transportation infrastructure. Most of the funding is offset by the rescission of money previously appropriated but no longer needed. H.R. 2863 also provides \$3.8 billion to prepare for a possible influenza pandemic, such as an outbreak of the avian flu.

Both H.R. 1815 and 2863 address the issue of detainee treatment in the War on Terror. Specifically, these bills clarify that an existing ban on torture as well as "cruel, inhuman, and degrading treatment" of prisoners applies to any person in United States custody, regardless of their nationality or location. In addition, American military personnel are prohibited from using any interrogation techniques not expressly contained in the Army Field Manual. The detainee language is meant to provide better guidance to our men and women in uniform on the treatment of detainees and also signal to the world our nation's commitment to the moral high ground.

H.R. 2528 increases spending on veterans medical services by \$1.7 billion over last year. Over the last two years, funding for veteran's medical care has increased by 18%. Overall, veteran's benefits are increased under H.R. 2528 by \$1.9 billion.

For more information regarding H.R. 1815, please visit the web site of the House Committee on Armed Services at www.house.gov/hasc. For more information regarding H.R. 2863 and H.R. 2528, please visit the web site of the House Appropriations Committee at <http://appropriations.house.gov>.

Congressional High School Art Competition

Each year Members of Congress coordinate "An Artistic Discovery," the Congressional High School Art Competition. This annual contest encourages and recognizes the rich artistic talents of our young citizens. It is my pleasure to invite all high school art students in the 19th Congressional District to submit artwork for consideration in this competition. The winning piece will become part of an exhibition of winning pieces from throughout the country and will be displayed in the Cannon Tunnel, a pedestrian walkway leading to the United States Capitol Building. The first runner-up from the 19th District will have his/her piece of artwork displayed for one year in my Washington, D.C. office. Three additional runners-up will have their winning artwork displayed for one year in my district offices. The submission deadline for this year's event is Friday, May 5, 2006.

The 19th District's 2005 winning entry was "Shadow," pictured to the left, a white charcoal drawing by [Ashley Beans](#). A 2005 graduate of Hanover High School, Ashley is now a freshman at Bucknell University. Ashley is the daughter of [Charles and Laura Beans](#) of Hanover. Information regarding the 2006 competition can be found on my website at www.house.gov/platts.



Higher Education Legislation on Agenda for 2006

Federal higher education programs annually help over 17 million students attend colleges, universities, and other postsecondary institutions. As someone who would not have been able to attend college or law school but for these important programs, I fully recognize the central role that federal student financial aid plays in helping young people realize the American dream of getting an advanced degree and pursuing their career goals.

On July 22, 2005, the House Education and Workforce Committee, on which I serve, approved the College Access and Opportunity Act (H.R. 609). Many of the provisions of this legislation were incorporated into separate budget legislation (S. 1932 discussed on page three). Other provisions must still be approved by the full House and Senate.

H.R. 609 and S. 1932 together will extend and strengthen programs under the Higher Education Act. For example, loan limits for first-year and second-year students will be updated for the first time since 1986 and 1992, respectively. Borrowers will be allowed to choose between a fixed or variable interest rate on their consolidated loans. Total fees charged to students, currently equaling 1-4% of their loans, will be replaced with a single 1% fee. Additional grant money will be made available to low-income, high-achieving students, as well as for low-income math and science majors in their junior or senior year. Pell Grants will be available year-round for students accelerating their coursework.

H.R. 609 and S. 1932 accomplish the above in a fiscally responsible

manner, paying for the costs of these changes largely by adjusting formulas for lenders. For example, when interest rates fall below a statutorily set rate, lenders are currently entitled to receive payments from the federal government equal to the difference. However, when interest rates rise above this rate, the lender is allowed to keep the extra income. This "windfall" for lenders will be eliminated for future loans. This legislation also will enact certain changes requested by colleges and universities to reduce "red tape" in federal higher education programs.

Finally, H.R. 609 will help provide more information to students and their parents about schools and the causes of tuition hikes. For example, the Department of Education will be charged with providing better and more complete information regarding higher education institutions on-line. Colleges and universities that increase tuition at more than twice the rate of inflation over a three-year interval would have to report information to the public about the reason for these tuition hikes. An amendment which I offered, and which was unanimously adopted by the full Committee, would require the top quarter of such institutions to establish a taskforce charged with identifying cost reduction opportunities.

For more information regarding the College Access and Opportunity Act, please visit the web site of the House Committee on Education and the Workforce at <http://edworkforce.house.gov/>. To find out more about current student aid programs, please visit the Financial Aid for Students page on my web site at <http://www.house.gov/platts/students-finaid.shtml>.