

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume. I rise in support of S. 1455.

Mr. Speaker, as we are all aware, the cost of a college education is becoming increasingly high, causing more and more students to seek some type of financial assistance. Fortunately there are a number of private and Federal scholarship opportunities available to needy and deserving students. However, some unscrupulous companies are making money off unsuspecting students and their families by imitating legitimate government agencies and grant-giving foundations.

Often these fraudulent companies guarantee scholarships in exchange for an advanced fee. Other times they trick students into divulging their checking account numbers and access their accounts without their consent. Whatever the particular scheme, more than 350,000 students and their families lose over \$5 million to scholarship fraud every year.

To address this growing problem, in 1996 the Federal Trade Commission launched Project ScholarScam, a joint law enforcement and consumer education effort aimed at purveyors of fraudulent scholarship services. While the FTC should be commended for its efforts to educate and prevent the exploitation of students and their families, the agency lacks the authority to prosecute scholarship scam artists to the fullest extent of the law.

S. 1455 not only increases the criminal penalties for fraud in connection with the provision of scholarship services, it removes the shield of bankruptcy that many financial assistance services hide behind when prosecuted. In addition, S. 1455 requires the Department of Education, in conjunction with the FTC, to create a Web site of legitimate sources of scholarship information.

I urge Members to support this legislation.

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

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

Mr. Speaker, I commend the speakers that have spoken on this bill and those who helped lead the way in the Senate as well. Again we have seen bipartisan cooperation.

I rise today in support of S. 1455, the College Scholarship Fraud Prevention Act of 1999. This bill will prevent unscrupulous businesses from defrauding vulnerable students and their families seeking to finance their education. In essence we identified a scam that needs to be corrected and we have done it with common sense, bipartisan legislation. I urge my colleagues to follow the lead of the other body and pass this legislation this afternoon.

Students in Michigan and across the Nation are targeted by corrupt companies who prey on their hopes and dreams for a college education. A college education is one of the most important investments a person will ever

make. College is not only a place where students decide what professions to follow but, more importantly, a place that begins their journey into adulthood. While education is central to students, it is even more vital to our Nation. Our political system depends on an educated citizenry who are able to make informed decisions. Also in light of the continual technological advances, businesses require an educated workforce. Thus, we want to encourage more students to in fact pursue a college education.

But each year crooked companies send literally thousands of letters out to hopeful students offering bogus scholarships. Scam artists target some of the most vulnerable members of our society. They collect millions of dollars, not thousands but millions of dollars, by preying on the hopes and dreams of students who desire to improve their life through higher education.

The FTC, the Federal Trade Commission, has been aware of this growing problem. In fact, in 1996 the FTC initiated Project Scholarship Scam, a nationwide crackdown on fraudulent scholarship search services. Though the FTC is dedicated to stopping these con artists, the FTC can only file civil charges that include redress to defrauded consumers and injunctions prohibiting or restricting future market activity. In most cases, the defendants settle with the FTC because evidence of their fraudulent conduct is so overwhelming. For example, in one case Student Assistance Services paid \$300,000 to defrauded consumers and agreed not to offer further scholarship services and to pose, in fact, a \$75 bond before telemarketing. Reluctantly, the FTC can only use injunctions to deter these con artists from their activities because they lack the authority to prosecute them on criminal charges.

It is clear that what this bill will do is in fact provide more protection for the most vulnerable members of our community, needy students and their families, than ever before. I urge my colleagues to support this bipartisan legislation and commend the remarks of my previous colleagues who spoke in support of this bill.

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

Mr. KILDEE. 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 Michigan (Mr. UPTON) that the House suspend the rules and pass the Senate bill, S. 1455.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

CORRECTING TECHNICAL ERRORS IN THE ENROLLMENT OF S. 1455, COLLEGE SCHOLARSHIP FRAUD PREVENTION ACT OF 1999

Mr. UPTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 407) to direct the Secretary of the Senate to correct technical errors in the enrollment of S. 1455, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

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

Mr. KILDEE. Mr. Speaker, reserving the right to object, and I do not intend to object, I yield to the gentleman from Michigan for an explanation of his request.

Mr. UPTON. I thank the gentleman from the great State of Michigan for yielding.

Mr. Speaker, this concurrent resolution allows the enrolling clerk to make technical corrections and citation changes.

Mr. KILDEE. I thank the gentleman for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 407

Resolved by the House of Representatives (the Senate concurring). That, in the enrollment of the bill (S. 1455), to enhance protections against fraud in the offering of financial assistance for college education, and for other purposes, the Secretary of the Senate shall make the following corrections:

(1) In section 1, strike "of 1999" and insert "of 2000".

(2) In section 3, strike "base level offense for" and insert "enhanced penalty the guidelines establish for a".

(3) In section 522(c)(4) of title 11, United States Code, as amended by section 4(3) of the bill—

(A) strike "obtaining or"; and

(B) strike "Higher Education Act of 1954" and insert "Higher Education Act of 1965".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

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HMONG VETERANS' NATURALIZATION ACT AMENDMENTS OF 2000

Mr. HYDE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5234) to amend the Hmong Veterans' Naturalization Act of 2000 to extend the applicability of that Act to certain former spouses of deceased Hmong veterans.

The Clerk read as follows:

H.R. 5234

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