

I would like to comment on a very important provision contained in this bill which will make higher education more affordable. For the past several years, I have worked to allow the earnings invested in State-sponsored tuition savings accounts to grow tax-free when used for higher education expenses. This bill also will cover room and board cost. These changes will help families offset the rising cost of education by rewarding those who save.

For the past several years, I have worked to eliminate the tax on education savings. In 1994, I first introduced S. 1787, to make a family's investment earnings tax-free when invested in a State tuition savings plan. Again, in the 104th Congress, I introduced a similar bill, S. 386. Both bills were endorsed by the National Association of State Treasurers and their College Savings Plan Network, which represents the individual State programs.

On July 9, 1996, Congress passed many of the reforms proposed in S. 386, as part of the Small Business Tax Relief Act of 1996. This legislation was signed into law by the President on August 20, 1996.

While we made important gains last year, we need to finish what we started and fully exempt investment income from taxation. This legislation does that. It also expands the definition of qualified education expense to include room and board. Such costs make up nearly 50 percent of annual college expenses.

The facts are clear; education costs are outpacing wage growth and have created a barrier for students wanting to attend college. According to the General Accounting Office, tuition costs at a 4-year public university rose 234 percent between 1980-94. During this same period, median household income rose only 84 percent. It is no wonder fewer families can afford to send their children to college without financial assistance.

As tuition costs continue to increase, so does the need for assistance. In 1990, over 56 percent of all students accepted some form of financial assistance.

Today, it is increasingly common for students to study now, and pay later. In fact, more students than ever are forced to bear additional loan costs in order to receive an education. In 1994, Federal education loan volume rose by 57 percent from the previous year. On top of that, students have increased the size of their loan burden by an average of 28 percent.

So, not only are more students taking out more loans, they are taking out bigger loans as well. This year, nearly half of college graduates hit the pavement with their diplomas in one hand and a stack of loan repayment books in the other.

I believe we need to reverse this trend by boosting savings and helping families meet the education needs of their children before they enter college. If we continue to ignore this problem, more and more children will be

forced to burden themselves with an increasing debt load when they go in search of their first job. This can be avoided with passage of S. 1.

Mr. President, in an effort to build on the accomplishments of last year, I look forward to working with Senator COVERDELL, the sponsor of this legislation, and the Senate Labor and Finance Committees to help families meet the rising cost of higher education.

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#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

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#### EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, the Senate will now go into executive session and proceed to the consideration of the nomination of Madeleine Albright to be Secretary of State.

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#### NOMINATION OF MADELEINE KORBEL ALBRIGHT, OF THE DISTRICT OF COLUMBIA, TO BE SECRETARY OF STATE

The PRESIDING OFFICER. The clerk will report Executive Calendar No. 1.

The legislative clerk read the nomination of Madeleine Korbelt Albright, of the District of Columbia, to be Secretary of State.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

Mr. HELMS. Mr. President, am I correct there is a 2-hour time agreement on the nomination?

The PRESIDING OFFICER. That is correct.

Mr. HELMS. I thank the Chair. I yield myself such time as I may require.

Mr. President, today the Senate will fulfill its constitutional duty on the nomination of Madeleine Albright to serve as Secretary of State of the United States. The Senate Committee on Foreign Relations met for more than 6 hours on January 8, to consider this nomination. During that hearing, the committee heard from then Secretary of State Warren Christopher, who presented Ambassador Albright, and I think that is the first time in history that an outgoing Secretary has presented to a committee the nominee to succeed him. In any case, Secretary Christopher presented her, and the nominee, Mrs. Albright, was questioned extensively by all members of the committee on a broad range of national security issues.

At the conclusion of the hearing, it was agreed to keep the record open until the close of business on January 10, so Senators could submit written questions to the nominee. And twelve

Senators did submit more than 200 such questions, all of which were answered in writing by Ambassador Albright.

The committee still has an outstanding document request concerning Somalia, and we fully expect that the administration will cooperate and comply with that request, as the administration has promised to do.

In any case, this past Monday, January 20, after members had spent several days examining the written responses to questions, the committee met in a business meeting to consider the nomination. By a vote of 18 to nothing, unanimously, the Committee on Foreign Relations favorably reported the Albright nomination.

There are Senators who support this nomination but who, nonetheless, have honest disagreements with Ambassador Albright on major foreign policy issues. As I mentioned in the hearing myself, while I do not doubt that Ambassador Albright is sincere, on some issues I believe her to be sincerely wrong. Some of those differences were discussed during the hearing, others in private. And we will continue to discuss them after she is confirmed, which I am certain she will be.

Notwithstanding our differences, Mrs. Albright is a lady who understands Congress. She understands the important role that Congress must play in developing U.S. foreign policy. However, my support for the nominee should in no way be misconstrued as an endorsement of the administration's conduct of foreign policy. It would be insincere of me if I pretended otherwise. Many Americans, among them myself, hope that in the area of foreign policy, the next 4 years will not produce a sequel to the travail of the first 4 years.

After 12 years of Ronald Reagan and George Bush in the White House, the United States had once again become the undisputed leader of the free world. Our friends followed us, and our enemies, the enemies of freedom, thanks to Presidents Reagan and Bush, feared and respected the United States, because we were strong. The emphasis was on our constitutional requirement as a tripartite Government, to make sure that this Nation would lead the world as a strong, strong democracy.

Many of those important gains have been neutralized by a foreign policy too often vacillating and insecure; a foreign policy that has responded to world events, rather than shaping world events. And it is quite revealing when this administration, as it often does, boasts that the invasion of Haiti was a great foreign policy accomplishment.

Mr. President, sending American soldiers into harm's way on a tiny Caribbean island with no vital interest at stake to replace one group of thugs with another group of thugs does not seem to me to be much of an accomplishment. In any event, the Haiti excursion, at last count, has cost the American taxpayers more than \$2 billion.