security, freedom, prosperity and an end to indiscriminate killings and terrorist acts.

Mr. President, our concurrent resolution thanks a lot of people. But for me, the most inspiring people I met were outside of Belfast. The role of the community leaders cannot be overemphasized. While the negotiations proceeded in Belfast, at homes, neighborhoods and towns across the region, people were building local relationships which crossed borders and communities. These are the true heroes of the peace process. The people I met are making changes and making a differences where they live. They support the political process, but were not waiting around for anything coming from the capitals. Spending time among the people in the border regions, with the strongest faith in their abilities to make a difference in their own towns and neighborhoods, I became convinced that peace had a chance in Northern Ireland.

I salute all of the people of Ireland and Norther Ireland today who have labored for peace. They are the driving force behind the peace process, and they will make it work.

Mr. LOTT. I have a few remarks I would like to make on this.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I thank Senators KENNEDY and DODD for their comments. I thought it appropriate today, without another day going by, that the U.S. Senate express itself on this very important issue on behalf of the American people. That is why we made sure that we brought it up and had these few minutes to discuss this resolution, and that we put on the Record our salutations to those who have been involved in these negotiations. We offer our congratulations to all the participants in the negotiations. I think they deserve recognition for their willingness to make honorable compromises in order to reach this agreement.

I think particular credit goes to our former colleague, Senator George Mitchell, for his persistence and his doggedness. Frankly, I wasn't sure that it could be pulled off, but he stayed with it. I think we owe him a debt of gratitude for his work.

Also, of course, I commend Prime Minister Tony Blair and Taoiseach Bertie Ahearn for their involvement and leadership. I believe the American people are proud of the contributions the United States and our President have made to this effort. We hope it will lead to approval in the May 22 referendums. Most of all, we hope it will lead to a lasting peace in Northern Ireland. That is the desire and that is the prayer of the people in Northern Ireland, in America and, hopefully, throughout the world. I endorse this resolution.

I have no further request for time. I am prepared to yield back the remainder of our time.

The PRESIDING OFFICER. All time is yielded back.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, Senator DASCHLE and I have been communicating. We do have an agreement we think is a fair way to conclude the debate on the education bill and also an agreement with regard to how the State Department reorganization conference report will be considered.

UNANIMOUS CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent that the Coverdell A+ education bill be advanced to third reading and that there be 3 hours 40 minutes of remaining debate time, to be equally divided in the usual form; and that following the conclusion or yielding back of time, the Senate proceed to a vote on passage of the Coverdell A+ bill.

I am hoping that Senators have had an opportunity to say what they need to say on this. Those who want to make closing remarks will be free to do so under this agreement, but it would be all right with the majority leader and the Senate if we did not have to use the full 3 hours 40 minutes. At that time, we will have a recorded vote, if this agreement is entered into, on the education bill, followed by a vote on the Irish resolution.

I further ask unanimous consent that at 10 a.m. on Friday, the Senate begin consideration of the conference report to accompany the State Department reorganization bill under the consent agreement of March 31, and that the vote occur on adoption of the conference report at 5:30 p.m. on Monday, April 27, with 10 minutes of debate remaining for closing remarks to be equally divided just prior to the vote.

I further ask unanimous consent that when the Senate reconvenes on Monday, April 27, following morning business, the Senate proceed to executive session to consider the NATO enlargement treaty.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, for the information of all Senators, we will have two votes back to back around, I presume, 7:30, hopefully. Then we will have the State Department reorganization debate on Friday, with no recorded votes. The next recorded vote after tonight will be at 5:30 p.m. on Monday. We will have no other subject debated on Monday other than NATO enlargement. We will stay on NATO enlargement until Senators feel they are prepared to vote. Hopefully, by having that debate Monday and votes on amendments perhaps on Tuesday and Wednesday, we can come to a conclusion on Wednesday, but we will not hurry this most important issue and deliberation of the Senate with regard to the NATO enlargement treaty.

Therefore, that will be the schedule for the remainder of this week and through some part of Wednesday of next week.

I yield the floor, and we can now begin the debate.

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Under the order just stated, the Senate will now resume discussion and debate of H.R. 2646.

Under the previous order, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from the great State of California.

Mrs. FEINSTEIN. Mr. President, I have not had an opportunity to speak on this bill. I take this opportunity to do so now.

Prior to yesterday, it was my full intention to vote for this bill. After yesterday, I regret to say I have some serious problems with it and cannot vote for it at this time, but I will, if the problems are remedied, vote for this bill when it comes out of conference.

Let me speak just briefly about what the problems are and then why I think the Coverdell-Torricelli bill is so important and groundbreaking.

Yesterday, this body accepted on a 50-to-49 vote an amendment to convert over $10 billion in currently targeted Federal education funds to a block grant to States. With adoption of this amendment, our efforts to direct limited Federal funds to national priorities are obliterated. Funds for disadvantaged students, funds to make schools safe and drug-free, funds for meeting national student achievement goals—virtually gone.

For ESEA Title I, the bill as it now stands deletes important requirements:

Requirements for student performance standards and assessment, something that I believe is vital if we are going to change the downward trend of public education in this country.

Requirements for evaluating a program's effectiveness. How could someone oppose that?

Requirements to take corrective action if programs are not effective. You mean, don't change a program if you find out it is not effective?

And requirements that Federal funds not supplant State and local funds. That was the Gorton amendment.

Secondly, that same day the Senate adopted, on a 52–47 vote, an amendment which would prohibit voluntary national testing of students. Last year, this body worked out a bipartisan compromise on reading and math testing

under which States and local school districts could participate in national achievement tests, if they wished, voluntarily. Many, including several school districts in California, have agreed to participate. A good thing. Without national tests we have no way of comparing student performance, therefore, the success of individual States in educating their students from State to State. This was the Ashcroft amendment. It would abolish these voluntary tests.

Both of these amendments run counter to my very strong education beliefs. And more importantly, I believe they obliterate any chance of a veto being overridden by this body. I think that is really too bad, because I was one Democrat who was planning to vote to override a Presidential veto if necessary because I believe the Coverdell-Torricelli bill breaks important ground which I, frankly, am pleased to stand and support and defend.

I have heard the bill called a lot of things: ''A voucher system.'' In my view, it isn't. A ''subsidy to private institutions.'' In my view, it isn't. A ''gift to the wealthy.'' In my view, it isn't. I have heard it said that it is ''bad education policy.'' I disagree. ''Bad tax policy.'' I disagree.

What this bill is, is an encouragement to save for education in a society that lives on credit and saves very little. In my book, that is good. I intended to vote for this bill.

Last year, as you all know, we had the IRA savings accounts for higher education of $500. Both political parties thought that was good. That would be extended to $2,000 and extended down through elementary school by this bill, whether the family that saves wants to spend that money in a public institution, a private institution, a religious or a parochial institution. I think that is good, sound public policy.

I have heard it said this is only for the rich. I suppose the reason for that is because these special savings accounts would be available to couples earning under $150,000 and single people earning under $95,000. And some people say, ''Why should we give them any benefit?'' Well, let me tell you, in my view, saving for education makes sense, whether you make $30,000 a year or $90,000 a year. It is good and we should encourage it. Of course, it may not be politically correct, but if it makes education a higher priority or a little easier, even better, what is wrong with that?

Let me speak for a moment on how Americans save.

The U.S. personal savings rate has been dropping for some time. In 1997, it fell again from 4.3 percent in 1996 to 3.8 percent in 1997. The U.S. household personal savings rate for 1996 was 4.4 percent; compared to Japan, with its troubled economy, at 12 percent; Germany at 11.4 percent; France at 12.8 percent; and Italy at 13 percent. So the United States saves about two-thirds less than any of these countries.

I'll give you an example of what is good about this bill. Let us say you are a struggling single mother, as I was at one point in my life. I earned less than $30,000 a year. I was a single mother with a young child. I could not save; that is true. Nonetheless, if I had had an uncle who saw an incentive like the tax incentives in this bill, and said, ''Aha, she's got problems now. Let me start a savings account for her little girl,'' I would have appreciated it. This savings incentive would be available to a parent, a grandparent, an uncle or an aunt.

So if a grandparent can contribute to a grandchild's education, when the mother of that child only earns $25,000 or $30,000 a year, what is wrong with that? That is good. And if they want to spend that savings in a private school, in a public school, in a parochial school, I say, what is wrong with that?

I am a strong supporter of public schools, but I must tell you that I reject the thinking that says there is only one way to look at strengthening education, that is that you can only push it in one direction. What this underlying bill does is to encourage people to save for education and then use their savings for education.

What I like about this bill is it does just that. It says, if you send your child to a public school, you can use this bill perhaps to buy them a computer. You can use this bill to get them tutors or to send them to a special after-school program or you can use this bill to buy their school uniforms. Or if you are lucky enough or want to send your child to a private school, yes, you can use this money you saved, or the child's grandparent or the child's aunt or the child's uncle saved, you can use that to educate this child.

In a country where public education and other education is weak, why wouldn't we want to encourage savings for education? In the first place, families can talk about it. ''Oh, I'm going to contribute to a savings account for my granddaughter. And here's where it's going to go. And here's how it's going to be used. And when she needs it, here's what's going to be there.'' I think that is healthy for this country.

I commend both authors, both Senator COVERDELL on the Republican side and Senator TORRICELLI on the Democratic side. I think this is an important bill. The Joint Tax Committee has estimated that 58 percent of the tax benefit would accrue to those taxpayers filing returns with children in public schools. Fifty-eight percent would go to families who have children in public schools. So I do not believe this is a bailout for the rich. I do not believe it will help only the affluent.

In California, a high-cost State, the cost of a home mortgage, a car loan, insurance premiums, clothing, recreation, are all high. Believe it or not, families that earn $90,000 a year have a hard time saving.

In California, out of the 13 million tax returns filed, 10.4 million, or 78 percent, of these returns reflect earnings under $50,000. The average per capita income in California in 1998 is $28,500. Here is where the grandparents or an aunt or an uncle could really help out.

Additionally, one out of every four students in a California school lives in a single-parent home. Again, 25 percent of the students are in single-parent families.

I was in Los Angeles, meeting with a group of African American mayors of cities surrounding Los Angeles this past week, and a woman whom I very much respect from Watts, California, came up to me and said, ''Hey, Dianne, tell me about this bill. Does this mean that if I can save this money, I can save it for my grandchild?'' And I said, ''Yes, Alice, it sure does.'' And she said, ''That sounds pretty good to me.'' Well, I have to tell you, it sounds pretty good to me, too.

Only 51 percent of California's homes have a personal computer. Among Latino households, only 30 percent own a computer.

In my State, we rank 45th out of 50 in student-to-computer ratios, with 14 students for every computer, compared to the national rate of 10 students for a computer. We rank 43rd in network access. Our education technology task force has called for an $11 billion investment to put technology into K through 12 classrooms. Computers in the home can supplement those in the classroom. And this is a way for a grandparent, an uncle, a niece, to help with that.

Another important part of the Coverdell-Torricelli bill that no one is talking about are the incentives for college education. This bill helps in three ways. First, it increases the allowable contributions to education IRAs that we created last year for college education. It raises them from $500 to $2,000. That is important in California because tuition is so high now, even in public institutions. This makes it possible.

Second, again, it expands those who contribute to include those other than parents. These changes should encourage many more Californians to save for a college education. I say let's try it. Let's watch it. Let's see what happens.

Finally, the bill allows interest earned in qualified State tuition plans to be exempt from Federal taxation. This could increase participation in California's new Scholarshare Trust Program. Effective January 1, 1998, this program authorizes participants to invest money in a trust on behalf of a specific beneficiary and it defers payment of State and Federal income taxes on interest earned, on investments in the trust, until benefits are distributed. Any California family or any person can open an account and distributions are authorized for all expenses of attending college. In the view of the Postsecondary Education Commission, the bill before us could enable Californians to save $25 million annually in Federal taxes, savings that can then be devoted to education.

Let me just indicate increases in college tuition are outpacing increases in income. Total expenses during the 1997–1998 school year to attend the University of California at Berkeley were $13,169—a year; at UC San Diego, $13,400; California State, Chico, $10,000. For private schools, the cost in 1996–1997 of attending my alma mater, Stanford, was $30,410—when I went there, we ran costs of about $1,200 a quarter. Now it is $30,000 a year; at Occidental, $26,000; University of the Pacific, $25,000.

California's public colleges and universities have been told to prepare for a 24 percent increase in enrollment by the year 2005, which translates into almost half a million additional students. The California Postsecondary Education Commission has predicted that our public college and university system will need about $1 billion in new revenues per year through 2006 to maintain existing facilities.

The PRESIDING OFFICER. The Senator from California has spoken 15 minutes. She can seek more time if she so desires.

Mrs. FEINSTEIN. This bill is not the end-all, be-all solution to the problems of our schools. But it is a good step.

It is my intention to vote against this bill at this time because of the two additions I cited earlier. If the Gorton and Ashcroft amendments come out in conference and the appropriate tax incentives to save for education remain, I will vote for this bill and I will vote to override a Presidential veto.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I yield 15 minutes to the Senator from Minnesota, Senator WELLSTONE.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 15 minutes.

Mr. WELLSTONE. The U.S. Senate is about to pass a bill that deals with education and then send it to the President.

Now, when I go back to Minnesota—and when I am in Minnesota I try to be in a school every 2 weeks—here are some of the questions that students might be asking me about this education bill.

''Senator,'' or ''PAUL,'' will this legislation reduce the class size or the size of our classes so that our teachers will be able to give us more attention so we won't have to sit on a radiator because there is not enough room in the classroom?'' By the way, I don't speak just for Minnesota but I speak for a lot of schools I visited in this country. My answer will be no, though I would like to be able to say to those students yes, because I know how important class size is to whether or not they receive a good education.

''Senator, will there be any money to renovate our school?'' I was just meeting with a group of students from one of our schools, a middle school in Minnesota, the community of Cambridge. They were talking about some of the problems that they have. ''Senator, will there be any money to rebuild our schools?''

Or as I think about some of the schools I visited around the country, and if I was talking to other children, they might be saying to me, ''Senator, the roofs are caving in, the building is decrepit, the air-conditioning doesn't work during the warm spring months, the heating system doesn't work well during the cold weather months. Is there any money to invest in the infrastructure, because we don't have the wealth in our communities to do this?'' My answer will be, ''No, not in this piece of legislation.''

''Senator, will this bill train teachers to use technology so they can incorporate that into their teaching—because we are hearing that it is so important for us to be technologically literate to compete in the economy. Will that happen?'' And my answer will be no.

How about other people who work with children, people who are down in the trenches? This is their life's work. This is their passion. They say to me, ''Senator, did you in this education bill put any money into early childhood development so that when children reach kindergarten they will be ready to learn?'' And the answer will be no.

Then another question will come: ''Senator, what about after-school care?'' I think about the Boxer amendment. ''Did you put any money into good community-based after-school care programs?'' A lot of us with teenage daughters and sons worry a lot about where they are and whether or not there would be something positive for them to do after school. ''Did you all do anything in this legislation to help us?'' And the answer will be no.

Then to make matters worse, with some of the amendments that have passed, I heard my colleague from California speaking, now we have block grant amendments that passed. So as a national community, what we used to say was we are a nation. We do not want to grow apart, we want to grow together. We make certain commitments here in the Senate and here in the House of Representatives representing our Nation. We are a national community with certain values and priorities. By golly, one of them is title I. We want to make sure that children who come from families in difficult circumstances—low and moderate income and other problems—get some additional support, and our schools get some additional support so they can give these kids some additional help.

Now there is no assurance that will happen. There is no assurance that we will have the same commitment to safe and drug-free schools. We now have with this piece of legislation $1.6 billion or $1.7 billion—what we have done is not just a money issue. It is not just a lack of investment in crumbling schools. That is not there. It is not just the lack of investment in smaller class sizes. It is not there. It is not the lack of investment in enabling teachers to get more training for uses in technology. It is not there. It is not just a great step backward where we don't invest the money in public education.

I don't know what slice of the population we are talking about, but I will tell you there are not a lot of Minnesotans who can just take $2,000 and put it into savings. What about the vast majority of people who don't have those dollars, who are concerned about the communities they live in and the schools their children go to, public education?

This isn't a great step forward for public education or education for children; this is a great leap backward. Now we have done something else, I say to my colleagues who supported this initial framework. What we have done through amendments passed on this floor is undercut what has been a historic national community commitment to title I, to children who need that additional help. This is not a step forward; this is a great leap backward.

Mr. President, I will tell you, this piece of legislation is a piece of legislation that does not do well for many, many children in our country. We should be able to do much better. If we were to think about the best kinds of things we could do to make sure that children would do well, that we could have good education for all of our children, we would have put a lot of emphasis on smaller class size, and there is no emphasis on it; a lot of emphasis on early childhood development, and there is no emphasis on this; a lot of emphasis on after-school programs, and there is nothing in this legislation; a lot of emphasis on rebuilding crumbling schools.

What kind of message do you think these children get when they walk into these dilapidated buildings? The message is that we don't value them. But there is nothing in this legislation that deals with that. Mr. President, what we also would have done is, we would have focused not just on the children, but we should be focusing also on the parent or parents. The two most important explanatory variables in determining how well children do are the income status and the educational status of their parent or parents. We don't put the emphasis on that. We don't put the emphasis on making sure there is health care there and good jobs and family income. We don't put the emphasis on smaller class size. We don't put emphasis on rebuilding crumbling schools. We don't put emphasis on preschool, early childhood development or after-school programs. What we do is undercut and wipe away a major commitment that we have made to the title I program and funds for kids from low- and moderate-income families.

This piece of legislation is not a great step forward; it is a great leap backward from a commitment to public education, from a commitment to children and families all across the

United States of America, from a national commitment to making sure that we expand opportunities for all of the children in our country.

This piece of legislation doesn't do that. It may pass, but it will be vetoed by the President. And I will say to my colleagues that I am sorry, because I guess, with the exception of some Senators who have a different view, this is by and large a difference that we have on the two sides of the aisle. I look forward to this national debate. We will be debating education. In a way, this exercise—I would not call it meaningless. People spoke. But the truth of the matter is that everybody knows the President is going to veto this bill. He has made that clear. In that sense, all of us have felt a little uneasy about this week. But the debate will go on, because this issue of education, this issue of our children, whether our children will get good educational opportunities so they will do well in their lives—this is an important issue to families in North Dakota, Connecticut, Minnesota, and all across the country.

As a Democrat, I am telling you, we are going to take this issue out and about the country. We are going to have a discussion, dialog, and debate. This piece of legislation, especially with these amendments, represents a huge step backward, and I want people in the country to understand that on this issue, the differences between the Democrats and Republicans makes a huge difference.

I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. Who yields the Senator time?

Mr. LIEBERMAN. Mr. President, I have been authorized to confirm the time allocated to the Senator from Georgia, Mr. COVERDELL, and yield myself up to 15 minutes.

The PRESIDING OFFICER (Mr. COATS). The Senator is recognized for up to 15 minutes.

Mr. LIEBERMAN. Mr. President, I rise today to voice my support for the Parent and Student Savings Account PLUS Act, which I am pleased to join Senators COVERELL and TORRICELLI in cosponsoring, and also to urge my colleagues to give this bill a full and fair hearing before making up their minds on it.

The core of this legislation is similar to a provision that passed both houses of Congress as part of the Taxpayer Relief Act of 1997, but was stricken out before the President gave his final approval. The Taxpayer Relief Act authorized the creation of an Education IRA that would allow parents to set aside up to $500 each year in a tax-free account to help pay for their children's college education, a provision that I cosponsored. Senator COVERDELL succeeded in adding an amendment that would permit parents to also use this Education IRA to pay for elementary and secondary education costs, but that provision was ultimately dropped from the final version of the Taxpayer Relief Act at the request of the Administration.

The bill we are considering today, H.R. 2646, mirrors the modifying amendment that Senator COVERDELL offered. It would increase the annual contribution limit for the Education IRA up to $2,000, and then expand the definition of ''qualified expenses'' to also allow families to withdraw money from the account without penalty for K–12 expenses, such as tutoring, tuition, books, uniforms, computers and special services for disabled students. Like the original Education savings account, this expanded version would be targeted at the broad range of working and middle class families with dependents under 18 years old, limiting eligibility to those households with annual income of less than $160,000.

Judging this proposal on the merits, it makes eminent sense. At a time when parents are growing increasingly concerned about the quality of K–12 education their children are receiving and when many educators are trying desperately to spur greater parental involvement in their children's schooling, the expanded Education savings account would encourage parents to invest directly in their children's education, from kindergarten all the way through to graduate school, and take a more active role in the lives of their sons and daughters. And at a time when many parents are seeking more choices for their kids, especially for the students who are trapped in failing and unresponsive local schools, this bill would help make private or parochial school a more affordable option for those families who decide that is the best choice for their child, or in some cases, the only chance to get a decent education.

For the average family, this plan would provide a significant incentive to set aside some of their savings for the myriad costs they may face in helping their children reach their full potential, such as the after-school math tutoring an underachieving child needs to reach grade level, or the new computer a budding programmer needs to upgrade his skills, or the special classes a dyslexic students needs to take to overcome her disability, or even the price of tuition a family needs to pay to ensure that their child can learn in a safe, disciplined environment. According to an analysis by the Joint Tax Committee, if a family with annual income of $70,000 contributed the maximum each year to the expanded IRA, they would accumulate a savings of more than $17,000 by the time their first child was age seven, while saving $1,000 in taxes. By the time that same child was ready to start high school, the account would be worth $41,000, and the tax savings would top $4,300.

Those are significant sums of money, which could be used for immediate needs when children are growing up, or in many families, could be reserved primarily to help meet the financial burden of going to college. The choice is up to each individual family on how to spend their money—which is an important point to stress, that we are talking about after-tax income, not the ''government's'' money, not a tax credit or even a deduction. It is the parent's money, not the government's. The modest tax benefit we are proposing would simply reward them for saving for their child's future, which is exactly why we passed the original Education savings account with strong bipartisan support.

This is all reasonable and sensible, which leaves me puzzled as to why some are attacking this bill as if we were proposing to destroy public education in this country as we know it. Judging from the overheated rhetoric we have been hearing, this plan is little more than a backdoor attempt to funnel money into private schools at the expense of public schools and create a new tax shelter for the wealthy. It would ''do nothing to improve teaching or learning in our public schools,'' in the words of one group; instead, it would ''undermine support of public education,'' in the words of the another. And a third organization seethed that this bill is really ''private and parochial school vouchers masquerading as tax policy.''

For those of us who have fought the school choice battles in the past, the nature and vehemence of these criticisms is familiar. Last fall, for instance, we called for the creation of a small pilot program here in Washington, D.C., that would have authorized $7 million to provide 2,000 disadvantaged children with scholarships to attend the school of their choice, without a dime away from the amount requested by the D.C. public schools. For that Secretary of Education Richard Riley, a man I truly admire, went so far as to suggest that our bill would ''undermine a 200-year American commitment to the common school.''

But what is surprising in this case is how utterly disconnected the current criticisms are from the bill we are considering today. Let's start with the fact that this measure does not remotely resemble a voucher or scholarship plan, nor does it target aid to private schools. This is a savings account bill, one that simply raises the contribution limit for the existing education savings account and gives parents the choice to use some of those savings for K–12 expenses. It is unequivocally neutral on its face—it does not distinguish between public school parents and private school parents. It is meant to help all parents, and the truth of the matter is that the clear majority of parents who are expected to take advantage of it—70 percent, according to the Joint Tax Committee—will have their children in public schools. To suggest otherwise is to ignore the growing variety of educational costs that many public school parents face these days, and overlook

the tens of thousands of parents who are turning to places like Sylvan Learning Center to help improve their children's skills.

The critics of the education savings account legislation are also off base when they proclaim that it would do absolutely nothing to help public education. To see why, I would urge my colleagues on both sides to re-read the President's major educational priorities. Both the President and the Secretary have rightly argued that stimulating greater parental involvement is critical to reaching all seven of the Administration's top goals, particularly when it comes to improving reading proficiency. The Secretary believes it is so essential that he established a broad-based national initiative—the ''Partnership for Family Involvement in Education''—to better engage parents. The bill we are debating today, H.R. 2646, will help by encouraging parents across the country to save for the future and take a more active role in their children's schooling. It will not singlehandedly raise test scores or prompt millions of new parents to join their local PTAs. But is will complement and reinforce the work that the Secretary and many national and grassroots education groups are already doing, and for that reason it is worthy of our support.

Perhaps the most vexing criticism of this super Education IRA plan is the notion that it will only benefit the wealthy. The language of the bill explicitly refutes that point, and I would urge my colleagues to read it for themselves. They will see that it precludes any individual parent with income above $110,000 or any couple above $160,000 from contributing to an expanded IRA. I would also urge my colleagues to refer again to the Joint Tax Committee's analysis of the bill, which projects that 70 percent of the tax benefit from the expanded IRA will go to families with annual incomes less than $75,000—middle class families. And I would urge them to consider the provision in the bill that allows any corporation, union, or non-profit organizations to contribute to IRAs for low-income students. The growth of donations to private scholarship funds across the country—more than $40 million has been raised since 1991 for programs in more than 30 cities, including one in Bridgeport, Connecticut—suggests that there are many generous groups who would be interested in lending their support to an Education IRS for a disadvantaged child.

Mr. President, in making these points, I harbor no illusions. I recognize that a relatively small number of poor families will likely benefit from the expanded IRAs, and that these accounts will primarily help middle and upper middle class families who have the means to maintain them. But that is a significant chunk of our populace, and most of them are financially stressed in trying to meet the costs of home, family and school. If this bill can spur them to invest in their children's education and generate parental involvement, then it will serve a valuable purpose.

Moreover, I would also say to my colleagues that if they truly want to target aid to disadvantaged children who are not being well-served by the status quo, then they should support legislation that Senator COATS and I have sponsored that would establish low-income school choice programs in several major cities. These pilot programs would give thousands of poor students the opportunity to attend a better school and realize their hopes of better future, while providing us as policymakers an opportunity to examine what impact this kind of narrowly-targeted, means-tested approach would and could have on the broader education system. Many of the supporters of the bill we are debating today also have expressed strong support for the Coats-Lieberman bill, so it's just not accurate to suggest that the sponsors of the education savings account legislation are merely interest in helping the well-off.

Nevertheless, the opponents of this bill continue to insist that we are wrong no matter what the facts say. Last year, many of my Democratic colleagues and many of the leading educational groups voiced their strong support for the original Education IRA as a boon to middle class families struggling to pay for college. Today they turn around and attack the same concept with the same income caps—let me repeat, the same exact income caps—as a sop to the rich. The difference, of course, is that parents would have the choice to use the savings from the expanded IRA for K–12 expenses for public and private schools students, or college or both.

That distinction is so significant to our cities that they are willing to eliminate the part of the A+ Accounts bill that would increase the contribution limit for the IRA from $500 to $2000, which would give millions of parents an even greater incentive to save for college, in order to prevent us from providing a modicum of relief for elementary and secondary costs. That facet of the bill has gotten lost in all the hyperbole of this debate, and it bears repeating: Beyond allowing parents to use the IRA to pay for K–12 expenses, this measure would significantly enhance their ability to meet the burden of paying for college. In fact, according to the Joint Tax Committee, the clear majority of the additional $1.64 billion in tax benefit that this bill would extend over the next 10 years would go to families who are saving for higher education, a very important purpose for them and for our country in this education age. That is something that the critics of this super Education IRA are reluctant to acknowledge. According to them, practically every last penny from this bill will end up in the coffers of private elementary and secondary schools. On the contrary, most of the money saved will go to colleges and universities.

Hearing these misdirected attacks, I can't help but ask why so many thoughtful, well-intentioned educational groups are engaging in so many logical contortions to bring down this bill. To answer that question, I would repeat the simple theory I offered last fall during the rancorous debate over the D.C. scholarship bill: Love is blind even in public policy circles. I fear that our critics are so committed to the noble mission of public education that they have shut their eyes to the egregious failures in some of our public schools and insisted on defending the indefensible. And they are so conditioned to believing that any departure from the one-size-fits-all approach is the beginning of the end for public schools that they refuse to even concede the possibility that offering children a choice could give them a chance at a better life while we are working to repair and reform all of our public schools.

In this week's debate, we are seeing this reflexive defensiveness again. We are not discussing a voucher bill. We are not attempting to give nay Federal money to private schools. We are proposing a modest plan to help families—not public school families, or private school families, but families of all kinds—provide the best educational opportunities for their children. It sounds a lot like the G.I. bill or the guaranteed student loan program, which we all support. But because some parents who take advantage of these accounts and the small tax benefit we are offering will choose to send their children to private schools, this bill is seen as anathema by some.

Mr. President, as the consideration of this bill proceeds, I would appeal to my colleagues to lay down their rhetorical arms and listen—not to be bipartisan co-sponsors of the bill, but to the people we are trying to help. Yes, they want smaller class sizes, and yes, they want safer and sturdier public schools, and yes, they want better-trained teachers. But those are not reasons to oppose this bill. In addition to seeking more money to improve our public schools, parents increasingly are demanding more choices for their children—be it in the form of public school choice, charter schools, or scholarships for low-income kids to attend a quality private or parochial school. And they are seeking more of a focus on results rather than a defense of the system and all who function in it.

Poll after poll confirms this. For the sake of this debate, let me cite just a few. A recent survey by the Center for Education Reform found that 82 percent of parents said they would support efforts to give them the option of sending their children to the public or private school of their choice. A much-quoted study done by the Joint Center for Political and Economic Studies last year found that 57 percent of African-Americans and 65 percent of Hispanics

favor the use of vouchers to expand opportunities for low-income students. And even Phi Beta Kappa, which is openly skeptical of private school choice, found in its annual poll on public attitudes towards public schools a slim plurality of Americans would now support a program using tax dollars to pay tuition at private school for some children. If my colleagues need any more evidence, I would point them to the mushrooming charter school movement, where parents and teachers hungry for alternatives to the status quo have started more than 700 new schools from scratch over the last five years, with hundreds more to open next fall.

The bill we are considering today cannot and will not guarantee greater choices for every family. But it does offer a progressive response to the public's pleas for innovative educational solutions that focus less on process and more on children. That, in my mind, is what is truly at stake here in this debate. We cannot walk away from our responsibility to fix what ails our public schools, to set high standards, and demand greater accountability in meeting them. But in doing so, we must not be so defensive in our thinking that we reflexively rule out innovative options that deviate a scintilla from the prevailing orthodoxy.

That is why I have urged my colleagues to give choice a chance. That is why I have urged this body to give charters a chance, which I am proud to report we did last year in raising Federal funding by 60 percent for this fiscal year. And that is why I am appealing to my colleagues today to give this Education IRA bill a chance. By doing so, we can prove that it is possible to encourage parents to invest in their children's future without disinvesting in our common schools. And hopefully we can begin to change the dynamic of what for too long has been a disappointingly dogmatic and unproductive debate on education policy in this country and lay the groundwork for a new bipartisan commitment to putting children first.

Mr. President, again, this bill is part of a host of responses to a reality to, I think, all of us here in this Chamber, which is that while we have many extraordinarily positive things going on in our system of education in this country, while we have tens of thousands, hundreds of thousands, of gifted and, I would say, heroically successful teachers, while we have excellent schools—public, private, and faith-based—in our country, the fact is that the status quo in American elementary and secondary education is not working for millions of our children.

The Senator from West Virginia, Mr. BYRD, spoke today with eloquence, with force, and with truth about the extent to which education, which has always been the way in which we have made the American dream of opportunity real for generations of our people, and which is even more necessarily so today because of the highly informational, technological age in which we live—how that ticket to a better life is being deprived to millions of our children today, who are going to school in buildings that are in shabby shape and schools that are unsafe—not only are the buildings unsafe, but it is unsafe to be there in many cases. Too often, they are taught—and I use the word advisedly—by teachers who are not prepared in the subjects that they are supposed to be teaching. Too many parents are wanting to help their children more, but they are too burdened economically to find a way to make that happen. Class sizes are too large, and professional development of teachers is not what it should be.

Mr. President, I view this A+ Act, these A+ accounts, as one thoughtful, progressive response to that problem. It is not the solution to the problems that face American education and our children today. The fact is that there is no one answer to those problems. And the shortcoming of the debate that we have had here and the political jousting that is going on here—too much of it partisan—is that this debate is being framed as if it were a multiple-choice question on an exam for which there is only one right answer. That is not reality. There is not one right answer. The underlying bill here—the A+ accounts—is a thoughtful part of an answer. Many of the amendments offered, such as one regarding school construction, and class size, and Senator BOXER's on after-school education, are all part of the solution. And there are other decent, constructive, thoughtful answers to the crisis.

I hope we can find a way—and I hope it is after we pass this bill, which I strongly support—to put aside the jousting and figure out a way to sit down together and find common ground that is aimed at benefiting the millions of schoolchildren in this country who are not being adequately educated today. That is going to require all sides to drop some of the orthodoxies, to drop some of the prejudices, to drop some of the political reflex instincts at work here today, and to go forward not to develop issues for the next campaign but to develop programs for the next school year for our children. That is the way I approach this legislation.

This is similar to a provision that passed both Houses of Congress as part of the Taxpayer Relief Act of 1997 but was stricken out before the President gave his final approval. The Taxpayer Relief Act did authorize the creation of an education savings account that would allow parents to set aside up to $500 each year in an after-tax account to help pay their children's college education—a provision that I was proud to have cosponsored. The income limits in that proposal were exactly the same as in the proposal before us today. That proposal enjoyed broad bipartisan support. No one called it a sop to the rich at that point, because it certainly was not. It was a helping hand to middle class families who are trying to send their kids to college to better educate them and to figure out how to do it without putting an enormous financial burden of debt on their backs.

Senator COVERDELL and Senator TORRICELLI have had the imagination to simply take that idea and increase the amount of money that could be put in up to $2,000, and make it, as the debate has made clear, applicable to elementary and secondary education as well as college, and to make it available for use by parents for both public school students and for students of those parents who choose to send them to private or faith-based schools.

This bill could be called ''the private GI bill.'' It is really, in principle, no different than the GI bill that is one of the great accomplishments of the American Government in the postwar period. I say ''private'' because the money isn't governmental, the money is the parents'. It is the families' own money that they put into the accounts. Then they decide how they want to use it to benefit their child's education and to put their child on a path to self-sufficiency in this technological information age.

Some people talk about this bill as if it were the beginning and the end for public education. How could that be so? This is the beginning of an assist to parents of working middle class families, to encourage them to save some money so that they can help us better educate their children. Our priority in this country has been and always will be public education. That is where most of our children will be educated. That is where most of our effort must be put. But the crisis that plagues too many of our schools today forces us to focus on results. What are the results of the education system? What are we getting for the money we are putting into it and not on protecting the status quo?

I view this not as a revolutionary proposal. Not at all. It is a modest, thoughtful, progressive, cost-efficient way to help parents better educate their children. Let's not forget that one of the elements of the administration's education program is to get parents more involved in their children's education.

I urge my colleagues on both sides of the aisle to reread the President's major education priorities. Both the President and the Secretary of Education have rightfully argued that stimulating greater parental involvement is critical to reaching all seven of the administration's very worthy, right on target, top education goals, particularly when it comes to improving reading proficiency. The Secretary believes it is so essential that he established a broad-based national initiative, a partnership for family involvement in education to better engage parents.

The bill we are debating today I am convinced will help by encouraging

parents across the country to save for the future and to take a more active role in their children's schooling. It will not singlehandedly raise test scores or prompt millions of new parents to join their local PTA. But it will complement and reinforce the work of the Secretary of Education, the great work that he and many national and grassroots education groups are already doing. For that reason alone, to encourage more parental involvement in our children's education, I think this proposal is worthy of support.

Mr. President, as I see you in the Chair, the Senator from Indiana, it reminds me to make this point. Some have said that this bill is a sop to the rich because of the income limits. In my opinion, it is a helping hand to the middle class working families. The reality is that the poorest families in our country probably will not have the money. I hope they can find some to put into these tax-free education savings accounts.

But I appeal to my colleagues. If you really want to help give a boost to poor children, if you are looking for a program that targets aid to those who are most disadvantaged, please take another look at the low-income school scholarship choice programs that the Senator from Indiana and I have tried in vain to convince 60 of our colleagues, 58 besides ourselves, to support so we could at least give these programs a test. Those programs are totally means tested. There is no sop to the rich there—not even a helping hand. It is to the middle class and directed totally to the poorest of our citizens.

Mr. President, let me make two final points. I listened very carefully to my colleague and friend, the distinguished Senator from California, who is troubled by at least two of the amendments that have been put forward, both of which I voted against, one by the Senator from Washington and the other by the Senator from Missouri. Her decision, which I respect, is to vote against this bill because of those amendments.

My decision, because of my strong support for the underlying bill, the idea of these empowering education savings accounts, is to vote for the bill with the amendments, although I oppose the amendments, but to appeal to all of our colleagues who will sit on the conference committee on this measure to remove those amendments, to bring them back on another day, so that they do not jeopardize the enormous accomplishment that we can make by passing the underlying bill.

I want to say specifically with regard to Senator GORTON's amendment on block grants that he spent a lot of time on it and he did a lot of good work. It is a very thoughtful proposal. It is significantly improved—if I could use that judgmental term at least in my frame of reference—from the last time he presented it to the Senate. I know he has met with education groups about it. But the reality is, in my opinion, that it is too large a change. The underlying bill, that is significant, as I have said, is not revolutionary. Senator GORTON's amendment is revolutionary. I think appropriately it ought not to be passed after a brief debate as an amendment to another bill; it ought to be considered in the fullest of time next year, when the Congress will take up the reauthorization of the Elementary and Secondary Education Act.

The final point is this: I hope beyond the effort to take these controversial amendments off, which are guaranteed to bring a Presidential veto, that the conferees will break out of the tug-of-war mode that the two sides are in and see if we can't find common ground. I have great respect for the Senator from Georgia, whose imagination built on the education savings account, the bill we passed last year, and made it into this excellent A+ account proposal. I know he has not spent the time which he has, as well as Senator TORRICELLI and others, just to pass a bill that is vetoed by the President and nothing happens. I know him well enough to know that he is not looking—if I may speak directly—for an issue, he is looking for an accomplishment, as all of us are.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. LIEBERMAN. I ask my colleague from Georgia for simply an additional 2 minutes.

Mr. COVERDELL. I yield another 2 minutes to the Senator.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LIEBERMAN. I thank the Senator.

My appeal is that when this bill passes, as I am convinced it will, that the conference committee, or meetings outside the conference meeting, including representatives of both parties, both Chambers, and the administration, sit down together and see if we can't put a package together that includes these education savings accounts, the A+ accounts, and opens the door and includes some of the proposals that have been made by some of my Democratic colleagues in this debate and are favored by the administration.

I think that is the way to have the result of all of this debate this week to be more than noise and issues to carry into the campaign. That is the way to have this debate result in some real change, some real hope of reform in America's educational system, and, most specifically and in a more personal way, some real hope for a better future for the millions of children in America who are not being given that chance for proficiency because we are not giving them the educational tools they deserve.

I thank the Chair. I thank the Senator from Georgia.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I yield 5 minutes to the Senator from Georgia, Senator CLELAND.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CLELAND. Thank you, very much.

Mr. President, I would like to commend the senior Senator from Georgia, my dear colleague and friend, Senator COVERDELL, for his stick-to-itiveness in bringing this issue to the floor of the U.S. Senate. He has worked hard on the Parent and Student Savings Account Act. This bill is the product of many long hours of hard work and compromise and collaboration, and Senator TORRICELLI and other members of the Finance Committee deserve praise for bringing this issue to the floor.

I would like to state for the record that I had planned to support final passage of the Parent and Student Savings Account (PLUS) Act as reported out of Committee. In addition to the education savings account provision in the bill, H.R. 2646 contains a number of measures that further increase education opportunities for students, including the expansion of employer-provided education assistance to cover graduate courses, an allowance for individuals to make withdrawals from State tuition program accounts on a tax-free basis, and a provision providing an increase in the small issuer rebate exception for bonds used to finance school construction, all of which I strongly support.

And I also support the education savings account provisions, especially the expansion of the credit for savings for college education, which have caused most of the controversy on the bill. While the Parent and Student Savings Account (PLUS) Act as reported by Committee was a modest and moderate bill and certainly was not the final answer to the education problems currently facing our country, I believe that by making additional resources available for education this bill represented a step forward and I had every intention of supporting it.

Unfortunately, yesterday the Senate voted, by a one vote margin, to attach an amendment to this bill which I can not support, and which is neither modest nor moderate in impact. Senator GORTON's block grant amendment greatly concerns me and I believe that it is a risky experiment that will undermine the legitimate, but limited, federal role in support of public education.

Senator GORTON's amendment would block grant funds for about one-third of the programs administered by the Education Department including those for bilingual education, Title I programs which are targeted to poor, disadvantaged school districts, Safe and Drug-free Schools, and education technology. Some of these programs date back to the Eisenhower Administration. We cannot turn back the clock on programs such as these. The Gorton amendment will undermine the federal commitment to improve the nation's schools and opens the doors for abandonment of national commitments to

disadvantaged and disabled students and other priorities established over the years by a bipartisan consensus in Congress.

In spite of the fact that this idea was first advanced many months ago when the Senate took up last year's education appropriations bill, no hearings have been held on this block grant proposal nor has there been any committee review of its impact. As I stated earlier, this amendment affects one-third of the federal education programs and would, in effect, radically restructure the administration of over $10 billion of federal education dollars. I believe that it is premature and irresponsible for this body to pass legislation that would make such sweeping changes to the federal role in education based on thirty minutes of debate.

As a strong supporter of state and local decision-making I fully support our current educational system which vests most authority for education at the level of government closest to students and parents, usually local school boards, with the federal role largely limited to the provision of supplemental financial assistance. However, I also believe that federal involvement, while limited, is necessary and that the Department of Education provides an appropriate oversight function to ensure basic educational standards, civil rights protections, program quality safeguards as well as overall accountability.

I realize that there are many problems with today's schools. Our schools and our children, unfortunately, mirror many of the problems of our times. Drugs, gangs and weapons have infiltrated many of our schools and are adversely affecting our children. Student educational attainment is too low in far too many of our school systems. Combating these problems will take the best efforts of parents, teachers, administrators and governments at the local, state and federal level.

In addition to Senator GORTON's amendment I also am very concerned about Senator ASHCROFT's amendment which will prohibit spending Federal education funds on national testing. I believe that voluntary national achievement tests will empower parents and local school districts to assess how well their students are performing. Such measures will give parents insight into how their children are doing and how well their children's school is doing. From the voluntary tests, we will be able to determine if a child needs help, if a class needs help and if a school needs help. In direct conflict with the bipartisan compromise on national testing so painstakingly crafted last year, the ASHCROFT Amendment will deny states and localities the right to utilize voluntary national tests to measure student learning and improve education so that all students will meet high academic standards, particularly in math and reading.

Again, I would like to reiterate that I would have voted for the Committee-approved version of H.R. 2646, which was a modest and moderate pro-education bill. However, due to the adoption of the block grant and national testing amendments, in my view the current version of this legislation does more harm than good and I cannot in good conscience vote for it.

I say to Senator COVERDELL, who has put in many, many hours on behalf of this legislation, if these objectionable amendments are removed in conference, and I hope they will be, I will be pleased to vote for the conference report.

I thank the Chair.

Mr. COVERDELL. Mr. President, I am going to yield to the Senator from New Jersey whatever time he will need, but I also take this moment to acknowledge the enormous work he has provided as a principal cosponsor from the beginning. He has been tireless, dedicated, thoughtful, and a great ally.

I yield to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. TORRICELLI. Mr. President, I thank Senator COVERDELL for yielding the time and for his very gracious comments and, very importantly for the country and for the States, his extraordinary leadership on this issue.

Mr. President, I will concede that when this debate began I believed we were entering upon something very important, that after years of fooling ourselves about the quality of education in America, the Senate was about to undertake a broad and comprehensive debate—indeed, a discussion that could last not simply for this year or this Congress but through the decade—about how we fundamentally reform education in America, a debate in which everything was relevant and all subjects and proposals would come forward but one, and that is the defense of the status quo, because if there is one aspect of American life today that cannot in its entirety be defended, it is the quality of education that we are giving our children.

The process of education in America today stands like a dagger at the heart of this country. It is time to speak the truth to parents and children alike, because it is not simply that the education of our country is not of a quality to compete, the problem is more fundamental—because many parents, working hard, paying their taxes, helping their children, believe they are being educated to world-class standards when they are not.

The simple answer to the question, what can be said about the future of a country where one-third of its students may enter the work force functionally illiterate, 40 percent of fourth graders cannot meet minimum standards of math, 40 percent of eight graders cannot read at basic levels, the simple truth is a country that is teaching its children to those standards has a very limited economic future and cannot maintain its current quality of life or perhaps even social stability.

That is the sad truth about our country today. And so I believed that when Senator COVERDELL brought this legislation forward, we would be laying the foundation for an extensive debate about what we do about private and parochial schools, what we do about the public schools, that we would incorporate the best of President Clinton's ideas and that of the Democratic and Republican leadership and set out an agenda to carry us through the years in this great debate.

It was sadly, it appears, Mr. President, not to be. There are aspects about the Coverdell legislation that have been said so many times and yet it is as if those who do not agree simply do not want to hear. Among those, sadly, I must say, my friend and a man that I admire as much as any in this country, the President of the United States, Bill Clinton. I heard the President yesterday say this is another form of a voucher, it is support for the wealthy, it is an abandonment of the public schools.

It is worth stating one more time before this debate concludes so, no matter what the vote and however people may choose to cast their votes, we understand the simple truth. No one ever contended that the Coverdell legislation was an answer for every problem of education in America. If you are voting for it because you believe in one vote you solve all problems, you will not only be disappointed but you will be dishonest in casting your vote. It is one idea to deal with one set of problems. It does these things. But not as its critics have contended.

Last year this Senate voted to establish savings accounts for college educations. In that instance, as on this day, we did not want this benefit to go to the wealthy alone. With limited resources, we wanted this benefit to go to middle-income people and working families. So we established income limits, $160,000 for a family, $110,000 for a single parent. Those are the same limits that are in this bill. If you came to this floor last year establishing savings accounts for college, believing you were targeting these resources to the middle-income people—and you did—on this day you have the same chance with the same limits of providing the same opportunity to the same families. This is a middle-income program. Yet it is argued this is just another form of a voucher.

Senator COVERDELL and I differ on the question of vouchers. He supports them. I do not. In either case, this is not a voucher. A voucher is a system whereby you take a drawing right upon Government money and you transfer that money from a public school to a private school. Under the Coverdell proposal, all the money being made available is your money. It is a family's savings, not the Government's. The public schools will not receive one dime less, not one dime less because we establish these accounts. All we are using, or allowing to be used, is the family's own money.

At the end of the day, as Members of the Senate come to this floor to cast their votes, the issue is really more simple than it might otherwise appear. Senator COVERDELL's proposal will provide a net increase over these years of $12 billion in new resources for American education, public and private. Who among us, knowing the test scores of our students, the quality of their instruction, the challenge to our country, would argue that this $12 billion should not be made available when it draws nothing from the Treasury, puts no restraint upon our resources, but simply allows families to join the fight for a quality education?

Now the question arises, of that $12 billion, what else does it bring? Because, you see, not only is it not drawing upon Government resources but it draws upon another powerful idea. Through most of the life of this country, the education of a family, a child, a whole generation, was not seen as the responsibility of a school board or a government alone. It was grandparents and aunts and uncles, employers, a whole community was part of educating a child. Somehow, through the years, education became a government issue alone. The government will always be central to education, in raising the resources and hiring teachers and assuring quality, but part of the genius of this proposal is that through these savings accounts, on every holiday, on every birthday, on every occasion, aunts, uncles, grandparents, employers, labor unions, churches, can also put their money in these accounts to help educate these children. It is an invitation to the American family and community to get back into the process of educating American children.

Yet, it is argued, those who may now concede maybe it doesn't just go to the wealthy, and maybe after this final argument they will concede maybe it is not government money, maybe it doesn't hurt the public schools—but what does it do for most American students who have these accounts? It bears repeating, because it goes to the heart of the issue of educational quality. I hope these accounts allow us to maintain a system of private education—be they Yeshivas or private or parochial schools, so parents have a legitimate choice of where to send their children. That choice and that competition has served America well in every other aspect of American life. I doubt it is a complication and I doubt it will fail to provide quality in education, as it does in all other areas of American life.

But the fact of the matter is, too, these accounts are not just about maintaining a private school system in the country free of constitutional challenge by not using government money. The simple truth is, 90 percent of the students in America go to public school. We cannot begin to deal with issues of educational quality unless we also deal with public schools. Simply because most of these students go to public schools, by logic most of this money will go to public school students. The Joint Committee on Taxation has informed the Congress that 70 percent of this money, 70 percent of the beneficiaries of this money, will be public school students. Because under the proposal of Senator COVERDELL, this money is available not simply for tuition to private schools, but after-school activities: Transportation after school, the hiring of tutors, home computers, books, software.

It is an acknowledgment that education in the 21st century is not any longer just about a teacher, a desk, and a student. Learning will take place throughout the day, throughout the year, in many avenues of learning. How many middle-class and working-class families in America can afford to buy home computers, pay the cost of hiring a public school teacher to teach in the evening or after school when a child is having trouble with her studies? How many can buy the software so a student can do the research? How many can afford the after-school transportation, the uniforms, the athletic equipment, things that a generation ago as students we took for granted? They are not available anymore. Or they weren't necessary then, like tutors or home computers. But they are necessary now.

For those who come to the floor and argue about the social justice of it, whether or not this is being made available to the broad majority of Americans, consider this. There is a new dividing line in America of opportunity and it is access to knowledge and education. Mr. President, 60 percent of American families do not have home computers. Their ability to research, to write, to learn when they are not in school, to be competitive, is being compromised. Public education, the great leveler in America, can have two tiers—those families who have money for these ancillary purchases and those who do not; those who can afford tutors and those who do not, to participate in advanced math and science.

Under the Coverdell proposal, these accounts are available to ensure that those 60 percent of Americans who do not have access to this technology can buy it through these accounts. Indeed, it is worse than it appears on its face. In the minority communities, 85 percent of African American families do not have access to home computers. This is an opportunity, it is an avenue where many of these families—admittedly not all—many families can save their own money to prepare their students.

Yet it will be argued by people of good faith who genuinely care about education, who will come to this floor and argue that, well, it may do those things, some students in the public schools may get home computers, some may get tutors, and in the private schools some working families may be able to keep their children in schools who couldn't do it otherwise, but it won't help everybody, it won't help a third of the students, 20 percent of the students, 10 percent of the students. They could not be more right. I have not heard Senator COVERDELL argue, and certainly this Senator has not argued, that this is a prescription that will help every student in every way in every educational problem in America.

I challenge one Senator to come to this floor with one idea that will do that. This is a single idea, not the last idea. It may not even be the best idea, but it is an idea that does help the problem of education in America. Let me address that for a moment, if I can, frankly in a partisan sense.

For many years, members of my party proudly have been able to contend that the issue of education in America, in access and in quality, belonged to the Democratic Party. Indeed, from student loans to student lunches, title I through the vast array of 40 years of education programs, much of those programs were authored by Democrats in this Congress. It is one of the things that led me proudly to be a member of the Democratic Party.

But if at this late date in our Nation dealing with our education problems we are about to engage in a partisan competition, if there is to be an upward spiral of competition in ideas for who can serve the cause of quality education, then it is a debate not only worthy of the country, but important for our future.

Education savings accounts need be neither a Republican nor a Democratic idea. Last year in establishing such accounts for college, they were authored by President Clinton himself. This year, Senator LIEBERMAN, Senator BREAUX, Senator BIDEN, myself, and others have joined in this effort with Senator COVERDELL to establish these accounts. This does not mean that we subscribe to the notion that this is a replacement for either the President's program or other proposals. Indeed, I began my remarks today by stating some profound disappointment. This legislation is worthy of being passed. It would be better if Senator CAROL MOSELEY-BRAUN's legislation for school construction were included. With two-thirds of American schools in fundamental disrepair, needing serious construction, the Federal Government should be involved, and the President's proposal, as advanced by the Senator from Illinois, should be included.

Senator KENNEDY's proposal, in advancing the proposal of President Clinton for 100,000 new teachers to reduce class size to 18, should be included. Senator LEVIN's proposal for technology training for teachers would better prepare our schools and should be included. Senator MURRAY's proposal for class size; Senator BOXER's proposal for after-school activities.

I am going to support Senator COVERDELL's proposal, because I believe it is a worthwhile contribution, but I also

concede this: This Senate could have done better. We may be addressing one important proposal and making one valuable contribution, but we could have made many valuable contributions. We could have made this genuinely bipartisan and further advance the cause of quality education.

Finally, let me say that on this day when the vote is complete, I will join with Senator LIEBERMAN, Senator CLELAND, Senator BREAUX, and others in a letter to the majority leader, because it is still not too late to have this educational debate be genuinely bipartisan to avoid a confrontation with President Clinton and to achieve something real in the process of education reform.

The majority has the power in the conference committee to maintain its provisions to eliminate voluntary Federal testing standards across the country. The majority will have the votes and the power in the conference committee to impose block grants on the Department of Education under the title. That power exists, but it will not lead to the cause of bipartisanship or more comprehensive education reform. It will ensure a Presidential veto, frustrate those of us who have fought for education savings accounts, and deadlock this Senate in further consideration of improving educational quality in the United States.

I urge the majority leader in the conference committee to use his influence to have those provisions removed, to allow Senator COVERDELL's proposal to stand on its merits in which we can privately engage in a conversation with the President and convince him in one of the great ironies of this debate. Senator COVERDELL's proposals are not only consistent with President Clinton's goals for education in America, they, indeed, spring from the same roots as his own programs last year for college education.

Finally, I want to state my great admiration for Senator COVERDELL, his tenacity and his creativity in having brought the Senate to this point. I know he must share my disappointment in that all of our optimism for bipartisanship, our hope for a thorough educational debate in which we could have engaged in a competition of how together we could improve the quality of our schools rather than having sought partisan advantage—it has been a disappointment, but we make progress where we can, remembering Edison's words that discontent is a necessary element in progress. We have had our share of discontent. Senator COVERDELL, in the passage of his legislation, will at least have a share of progress as well.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I thank my colleague. I appreciate his eloquence. Again, I extend my thanks for his dedication and just tenacious strength in terms of promoting this legislation. I listened intently to his description of the circumstances, and I applaud his moment here in the Senate. Thank you.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I yield 10 minutes to the Senator from Massachusetts, Senator KERRY.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. I thank the Senator from North Dakota.

Mr. President, I listened carefully to the debate, as we have called it, over the course of the last few days, and to the comments of the Senator from New Jersey. I regret to say he is correct in saying this could have been a great debate, but it wasn't; this could have been a great bill, but it isn't.

The truth is that over the course of the last days, the Senate has fundamentally avoided a real discussion and a real engagement on the subject of American education. What has happened essentially has been a very partisan and very political exercise. I do not believe that was the design of the Senator from Georgia, and I know it is not his fault. But I regret that, as I am sure he must regret it, because we know this is a bill that, in its current form, is going to be vetoed by the President of the United States, and I believe it ought to be vetoed by the President of the United States.

I have previously said on the floor of the Senate that I do not think the idea of savings accounts is a bad idea, and there are ways to construct a savings account that makes sense. But if the Joint Committee on Taxation tells us, even though you can distort the figures and say, ''Well, X percentage of this is going to go to people in public school, yes, it is going to go to families whose kids are in public school''—it is still the high-income earners in America; the fact is over 70 percent of the benefits of this are going to go to the top 20 percent of income earners. You cannot rationalize that by saying, ''Well, 48 percent of it is going to go to public school people and 52 percent is going to go to private school people.'' The 48 percent of public school people who are going to get it are not the people who most need it and not the people, generally speaking, who reflect the crisis of our schools.

I come to the floor perhaps from a different place than some of my colleagues, because I am prepared to say the public education system of this country is fundamentally imploding for a lot of different reasons. There are wonderful bright spots, so-called blue ribbon schools. We can go out, pin them up and award benefits to ''Teacher of the Year'' with salutations in Washington—and they are marvelous teachers, extraordinary teachers, as are the vast majority of teachers in the system. But no one can deny the hard realities of what we know is happening in the system.

When you look at the fact that 2.6 million kids graduated from high school a couple of years ago, and fully one-third of them graduated with a level of reading that was below a basic satisfactory reading level and only 100,000 of the 2.6 million had a world-class reading level, how can anybody in their right mind sit there and defend that system?

The Brookings Institute recently released statistics that show a very damning reality with respect to the number of people who are teaching in their fields, so to speak. The number of teachers in our public school system who are actually teaching math who majored in math or are teaching science who majored in science is deplorable. It is extraordinary.

It is no wonder that all across America we have parents who are desperate about the situation, who are trying to find ways to vote with their children, in a sense, by taking them out of the public school system and putting them into parochial school, teaching them at home, or putting them into a charter school and hence there is an enormous surge in America among our parents looking for safety, looking for a sanctuary for their children, looking for the certainty of adequacy of education.

Everybody in the U.S. Senate ought to admit that. But having admitted it, the question is then, what are we prepared to do about it? What we are doing here has the potential to, in fact, undermine the capacity to fix the places where 90 percent of the children of this country go to school. Ninety percent of the children of this country are in public school today. But 90 percent of the benefit of this bill does not go to public schools. A minimal percentage of the benefit of this bill is going to go to the people who most need it, in the places that they most need it, for the reasons that they most need it.

It is not enough to talk about putting more teachers into our classrooms if the teachers are not the right kinds of teachers, if the teachers do not get paid the right amount of money, if you cannot attract the right kinds of teachers because you do not pay them the right amount of money, if you do not put them in a school situation where there is the minimal level of safety so they can function in a way that does not put them at jeopardy, at risk of life and a whole lot of other things that are part of the problems in the public schools of America. We have a lot of people who are prepared to abandon that because of those problems rather than try to fix those problems.

But you cannot build enough charter schools, you cannot provide enough vouchers to save a whole generation from the current crisis of education in this country for that 90 percent of our kids who are in public school. You cannot do it. And what this bill amounts

to is a Band-Aid, a tiny little Band-Aid on a system that needs triage, a system that is basically floundering, but part of the reason that it is floundering is because this is what we do.

We come to the U.S. Senate and we do not debate the real problems of how you turn this system around. What do you do in a school that is floundering in the inner city where parents do not have the options of a private school, where there is no place to take their voucher, where there is no place for them to somehow find a place that is a sanctuary for their children? Do you abandon that school?

Well, the Senator from Illinois tried to come in here and say, ''Let's not abandon that school. Let's provide the resources to guarantee that that school can be fixed up and decent.'' What did we do? The U.S. Senate rejected that. The U.S. Senate is suggesting that it is OK to help those people for whom a tax benefit is a benefit, and if you do not get the benefit of the tax benefit, too bad. Sure that is going to save some kids. I do not deny that. That is really nice for people who can take advantage of that benefit. But what about all the rest of the people who are stuck in that system who do not even have a way of filing a tax return and getting a tax credit, don't know anything about an IRA, can't put away enough money to have an IRA or who are stuck in a system, as they are in Washington, DC, or elsewhere, that just does not function?

I am going to be the first person to say that we have to talk differently about the whole education system. We have to talk differently on our side of the fence about the things that we have been stuck in the cement on ideologically, about things like tenure and a whole lot of other third rails of American politics.

And we also have to ask our friends on the other side of the aisle to face the reality that those 90 percent of our children who are stuck in those public schools desperately need us to help them have schools that function, that do not freeze them out of the classroom or bake them out of the classroom, to give them the opportunity to be able to learn, and that learning is a function of a whole bunch of things.

Every blue ribbon school I visited, the first thing I have noticed is, boy, do they have a wonderful principal. And almost without exception, that principal is operating outside of the normal workings of the system. They work to deal with the school committee. They work to deal with the parents. They work to deal even with the union, and teachers can be moved when they need to be moved. And, by God, you get a school that works all of a sudden.

What we ought to be talking about is how we make every public school in the system fundamentally a charter school within the system. We could do that if we really wanted to. We could do that if we were not stuck in this sort of, gee, we are going to fight for vouchers, and we are going to be over here, and we are going to protect the people who do not like the vouchers, and, by God, we are going to talk past each other in the most important debate that this country has faced. That is what we are doing.

This is the single most important subject in front of the country, because we have kids who come to school today in the first grade who do not even have the capacity of a first-grade level to read numbers, to repeat colors, to recognize shapes. And that is where the problem for our teachers begins, with a whole different set of children. People who sit there and say, ''Gee, our school system ought to be the way it was with the little red schoolhouse,'' are not willing to acknowledge that we are living in a very different world.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DORGAN. I yield 4 additional minutes to the Senator.

Mr. KERRY. I thank the Senator.

The PRESIDING OFFICER. The Senator is recognized for an additional 4 minutes.

Mr. KERRY. The problems that our teachers face today are different from anything that ever existed previously in our lives. Kids come to school with different baggage. And teachers are expected to perform a whole set of functions which they are not able to perform, which they have not been trained to perform, and in many cases which they are simply not allowed to perform because the political correctness of the school system or the political correctness of the school boards, and the politics of it, deny them the ability to be able to do the things that you can do in some of these other schools.

I think people who are looking to those other schools, for example, are right. They are right. You have to look around to where education is really happening. You have to look to where kids are coming out with higher test scores, with better values, with a better sense of discipline, with a sense of order, and with opportunity in their lives.

But why is it that we are incapable in the Senate of finding the ability to look for the common ground where we could find the best of what happens in parochial schools, the best of what happens in charter schools, the best of what happens in blue ribbon schools, and make it happen in all of our schools?

We did not try in this debate, in my judgment, because I think the Senate was busy talking past each other, creating a lot of 30-second advertisements for campaigns and fundamentally setting up a structure where the kids are once again the victims of our unwillingness to meet these issues.

We need a lot of fundamental reform in our school system, and I will speak considerably to that over the course of the next weeks. But I regret that in the course of this debate good ideas were left languishing.

Let me give you an example. There was one amendment that passed by 63 votes which provides incentives for States to establish and administer periodic teacher testing and merit pay programs. I am for that. I voted against it though. Why did I vote against it? Because it takes the money from teacher training programs for the very people who are trying to improve, who are in the system today, who have to have ongoing efforts in order to meet the standards that we want them to meet.

So why could we not guarantee at least that we would protect the current structure sufficiently and find the capacity to provide the merit pay and have the testing? And I think that what has happened generally here is the process of robbing Peter to pay Paul, because we are unwilling to acknowledge the size and complexity of the overall reform effort that is necessary.

My hope is we will come back to this effort after the President has gone through his effort. Or perhaps the conference committee will totally rewrite this with a miracle. My hope is we will come back and write a bill that will adequately reflect the full measure of reform that is necessary and, most importantly, the full measure of commitment to the public school system of this country.

My friend from New Jersey said this is not a voucher system. Well, it is not. It is not a direct voucher system. But you cannot tell me if 52 percent of the benefit goes to people in private schools and all of a sudden they are getting $2,000 instead of $500, that that will increase support for the public school system when they now have increased dollars in their pocket to send their kids to more private schools. It is a backdoor voucher system. It is providing a savings account that, in effect, has the impact of a voucher system because it strengthens parochial and private at the expense of the public school system and diminishes the base of support, the foundation for that system.

I will vote against it. I hope the Senate will come back to have a real debate on education in the future.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, in a moment I will yield to the Senator from New Hampshire, but I do want to point out to the Senator from Massachusetts that so far, until we hear from Senator GREGG, the Senators who have come to the floor to speak about the education savings account in a favorable forum were Senators BYRD, FEINSTEIN, LIEBERMAN, CLELAND, and TORRICELLI—all Democrats. Despite the difficulty we have had, this has been a very significant bipartisan debate—not as partisan as the Senator characterized.

We will next hear from the first Senator on our side of the aisle in support, No. 1.

No. 2, you are right when you say these statistics are befuddling. But at

the end of the day, over a 10-year period over $10 billion gets saved in these accounts. Half goes to children who are in public schools and half goes to children in private. The construct of who benefits is identical, to the exact same people who were defined in the education savings account that the President and we adopted last year. It is identical. It is the same targeted community, same targeted community.

The point that neither one of us can really settle, I believe it is statistically insignificant, the number of people—there will be some who will change schools because of the savings account. I think it is very limited. In other words, the reason that half this money—they represent a third of the people, but half the money in private, is because those folks are already paying the public school system and they know they have a higher tuition, so they save more.

In that sense it skews 50/50. But it is still $5 billion going to public schools and $5 billion going to help students in private.

Mr. KERRY. Will the Senator yield?

Mr. COVERDELL. I yield.

Mr. KERRY. That is exactly what I said in my comments: 52 percent versus 48 percent. That is almost even. But when you take that 48 percent and look at their income levels, you have the largest percentage——

Mr. COVERDELL. Those are the same income levels as set in the IRA for higher education which has been celebrated by both parties and the President.

Mr. KERRY. A second point is most of those people are putting away for higher education because they have no place to put it in terms of the public school unless they might choose to spend it on a computer or something, but there is no proof they will do that. There is no proof here as to how people will be able to spend their money. I will not get into how you go down that road.

The underlying component of this that is so disturbing, after you finish that analysis, is this, and I think the Senator from Georgia will have to acknowledge it. You are still leaving that vast 90 percent out there, most of whom in the worst situations are stuck in situations where this will not improve their lives, their education, their capacity to move forward. That is the great dilemma that so many of us have with this.

As I said, I like savings accounts. I want to vote for a savings account. I cannot do it in the structure that has been put in this bill. That is my regret.

Mr. COVERDELL. I would like to come back to it. I did want to respond to the Senator. I appreciate the Senator giving me an opportunity to respond.

I now yield up to 15 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized to speak for up to 15 minutes.

Mr. GREGG. I thank the floor leader, and I wish to congratulate the floor leader for his excellent work in moving this bill forward. This is a very important piece of legislation for improving the quality of education in this country, and specifically for empowering parents to have more of a role in choosing how their child is educated and being sure their children have the resources to obtain the type of education which parents want for their kids. It really is not a radical idea. It is a very reasonable idea. So reasonable it is hard to understand why there would be opposition to allowing parents to be able to save more, to use that savings for the benefit of their children, to educate their children. So I certainly congratulate the Senator from Georgia for his excellent work in bringing this legislation.

I wanted to speak on a couple of specifics and then generally on the bill. There was an opportunity which I was going to undertake, along with Senator GORTON, to offer an amendment to try to clarify some of the issues relative to IDEA, especially in the questions dealing with the teacher role, in dealing with children who have special education needs but turn out to be violent. We did pass the IDEA reauthorization bill last year, which I worked hard on. I was proud to participate in it.

Unfortunately, the Department of Education has not followed the rather explicit instructions from the Congress on how regulations should be issued under this bill. As a result, the question of how we deal with the school situation involving a child who is a physical threat to other children in the classroom and to the teacher has not been properly addressed. My amendment would have addressed that. It was an amendment which I worked on. Senator GORTON was the prime mover of such an amendment earlier last year, although it was the same amendment.

The issue here, of course, is making sure that such language, should it be brought forward, does not allow school systems to in any arbitrary or capricious or inappropriate way bar the special-needs child from the classroom. That would be absolutely unacceptable.

I headed up a school that dealt with special-needs children, and I understand, I think, this issue as well as anyone who is addressing it here in this Senate. I am very sensitive to the importance of making sure that nothing happens which would undermine the capacity of the child who is mainstream, and who is gaining from that mainstream experience, to receive that experience they have under the law.

There is also a need to address the fact that in instances of true physical violence, teachers, principals, other children in the classroom, find themselves sometimes put in a position where they have no way of adequately dealing with a child who is a physical threat to them. In fact, there have been a lot of instances which reflect this problem.

Without the Department of Education addressing the issue, which it should have addressed, it is probably going to be appropriate to address the issue in some other form such as this. We decided not to move forward on that because we did not want to complicate this bill any further than it had already been complicated, and therefore we—Senator GORTON and myself—reserved our amendment on that point.

I must say, the special education community, which I have worked with rather aggressively over the years—I have been probably their greatest champion on a number of issues, specifically on getting funding and on working on the last bill—has reacted, I think, overreacted to the proposal. They did not see the proposal. They simply characterized it and went forth to inform their constituency—misinform their constituency would be more accurate—as to what it would have done, which is ironic and inappropriate considering the support I have given that community.

On the second point, which was the number of amendments which we saw here which were an attempt to basically move dollars from this COVERDELL approach from the A+ plan into special education, a number of amendments were brought forth, and specifically the Dodd amendment, which I wanted to address because I didn't have a chance in the 15-minute limitation of time to respond on these points. I have led this fight in the Senate now for 3 years—well, actually since I got here, but I have actually been successful over the last 3 years—to try to increase funding for special education. The Federal Government made a commitment that it would do 40 percent of the cost in special education. When I arrived here, having served as Governor, that commitment was not being fulfilled. In fact, the Federal Government was only doing about 6 percent of the cost of special education.

The fact that the Federal Government was failing to do its share of special education costs was having a disproportionate and unfair impact on the local school systems, and it was especially, in my opinion, putting the special-needs child and the parents of the special-needs child in an untenable position in local school board meetings, where they were being looked at as siphoning off resources from other activities of the school systems. They had every right to those resources, but unfortunately because the Federal Government wasn't paying the cost of that education, those resources had to come from other places. So the Federal Government has been totally irresponsible in this area of funding special education.

As a result of my efforts and the efforts of Senator LOTT, first we passed a commitment to fully fund special education to 40 percent, and we followed that up with making the Budget Act make that statement, and followed it up by having the first bill put forth by

the Republican Senate being S. 1, a commitment to full funding for special education. Then we followed all those words up with hard dollars. Two years ago, we increased the funding of special education by almost $700 million. We followed that up with another almost $700 million—I think it is over $700 million in the first year. We have dramatically increased funding in special education, not as far as we need to go, but we have done that. The Republicans did that. We had no support from the administration on this initiative and only marginal support when it came to the actual votes on those budgets from the other side of the aisle on this initiative.

So we have a track record of having delivered on this issue. The great irony here—another great irony—is that the amendments brought forth by the other side of the aisle were paper amendments meant to paper over, I think, the irresponsibility of this administration and the other side of the aisle on the issue of special ed because, once again, just a few weeks ago when we passed the budget in this body, we saw that the administration and the other side of the aisle were not willing to put their name on the line on the cause of special education and funding special education.

The Republican budget increases special education by $2.5 billion. I don't think any Democrats—or maybe one or two—only a small number of Democrats voted for that budget. The President's budget that was brought forward and voted on in committee increased special education funding by a measly $35 million—$35 million. That was basically a nonexistent event that would have probably been used for administrative overhead down at the Department of Education. That $35 million probably would never have seen the light of day in any school system.

So we made the commitment, and when it came to casting the vote, we cast the vote to increase special education funding. Now this cause has been taken up by the Speaker of the House, who talked about this, and the chairman of the House committee on this issue, and again the majority leader is aggressively pursuing it as well as myself. We intend to fulfill our obligations for special education funding as a Congress under Republican leadership.

So when we saw these amendments coming at us, we had to almost smile at the political grandstanding of it because that is what they were, just political grandstanding. If those folks really want to fund special education, we are going to give them the chance to do that. We are going to be bringing bills out here that do that. I wish they had been there on the budget amendment. Please take those votes and those amendments for what they were, which was trying to paper over their own lack of effort in this area in the face of what was a hard action on our part of delivering hard dollars out to the school systems for assistance to special education.

On the bill overall, what we have here is a choice between the status quo—and I have heard basically almost an unlimited defense of the status quo from those folks who oppose this piece of legislation—and people who want to empower parents to have more of a role in the education of their children. Now, I know that money is a factor in education. We all know that. I know that the building is a factor in education. I know that the number of kids in a classroom is a factor in education. I will tell you something. In my experience, and I think probably in the experience of anybody who is going to be honest, the single most significant impact on a child's education is the parental involvement and the parental activity. What this bill does is it brings the parents into the process more aggressively. It gives the parents a new tool to be able to help their children out as they try to move through this maze of education which we thrust at them.

Why would we not want to do that? Well, I can't think of any reason. This is a parent-empowering amendment and proposal. The opposition really comes from people who seem to think that this threatens the status quo. That is where the opposition is coming from. They see this as a threat to some structure that presently exists out there. That has been the basic underlying theme of the opposition. Well, is the status quo so good? Is it so extraordinary and doing such a wonderful job that it should not be shaken a little bit? This is not a big shaking up; it's just sort of a little vibration. I am not sure this would appear on the Richter scale, but it is a significant and good step. It is a good step, but it is not a dramatic shaking up of the status quo. I can think of some things we should do to dramatically shake up the status quo, and hopefully we will. But this is a step in the right direction. It is a parent-empowering step, confronting the defenders of the status quo on education.

I have to tell you, the status quo in education isn't cutting it. We know that as a society. Parents know it. Businesses that are trying to hire people coming out of our educational system know it. Regrettably, the world is seeing it. We have gotten to a point really where, in many instances, in many of our most cutting industries that are producing the jobs in this country, they are having to hire people from outside of the country because they don't have the educational expertise to do it, or they don't have enough educational expertise in this country. So the status quo is not working. We need to take some new, original approaches. Clearly, the proposal before us, the A+ accounts, is an attempt to empower parents to do something, to give parents an opportunity to do something to help their kids get a better education. What an appropriate purpose that is.

We had a whole series of amendments and other ideas on how we should improve education. We had an amendment to build more schools, an amendment to change the teacher ratios, and an amendment to do after-school planning. These were all nice ideas, but they don't belong in this body. These are ideas that belong in a school board meeting. If these Senators want these ideas to move forward, they should go back home to their school board meeting and suggest it. These are local control issues. We should not be taking resources out of the local community, sending it to Washington, draining it off from the one program in Washington that we are not funding, which is special ed, which should be funded, and sending it back to the community and say that they have to do this or that with those dollars. You have to build a building, or you have to cut down your class size, or you have to do an after-school program with those dollars. That is a local control issue. That is where it belongs, in the local school board. They make those decisions.

Let's give the local communities the flexibility to have the resources, and let's give them the resources to have the flexibility to make decisions as to whether they want a new school building or new art course or a foreign language course, or whether they want a new teacher who teaches some sort of high-grade technical computer science.

The local school board knows best on that. But for us here in Washington to basically be taking the resources out of the local community by not fully funding special education and then telling the local school board that we are going to send the resources back covered with strings and directions, and, by the way, all of the things the local school board traditionally has control over, but we decide to take them over in Washington because we know better than you do. It is absurd. But it is classic Washington. I am glad that all of those items were defeated because they should have been defeated. Let's defeat them and send them back to the local school board.

Again, I congratulate the Senator from Georgia. He has brought forward a concept and an idea that is going to empower the parents to be able to help their kids get a better education. I cannot think of any better sentiment or any better purpose for any bill. I look forward to its final passage.

I yield the floor.

Mr. COVERDELL. Mr. President, I appreciate very much the remarks of the Senator from New Hampshire. He was for a long time a Governor, and he is someone who understands the issues very adroitly. I appreciate very much the comments he came to the floor to make this evening.

I conferred with the other side. Senator GORTON has another calendar event that he needs to attend to. So we will turn to the Senator for up to 10 minutes.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Washington.

Mr. GORTON. Mr. President, I am given to understand from the debate on

the floor this afternoon that I have made many new friends along with the Senator from Georgia. Senators on the other side of the aisle who were totally unable to find a good word for his bill over the course of the last month or two have suddenly said how desperately they wish to vote for his bill if it were not for the Gorton amendment having been added to it.

Mr. President, the Gorton bill basically takes $10 billion a year of Federal money for our public schools, of which about $2 billion is used by bureaucrats today, and says that we prefer classrooms to bureaucrats. We would like to allow each State, if it wished to do so, to say that the whole $10 billion went into our schools rather than to have roughly $2 billion of it siphoned off by Federal and State bureaucrats.

I suppose it is perfectly appropriate for Members of this body to believe that without those bureaucrats in Washington, DC, and in our State capitals, all of that money would be wasted; that our school board members, our superintendents, our principals, our teachers, and our parents, don't know what they are doing and that we must set national priorities for them and tell them there are certain things they must spend the money—that we have collected from them and returned to them—on.

That, however, has not been the argument against the Gorton amendment so far. More than one Member this afternoon opposing it talked about how it damaged disabled children. It doesn't include the aid for disabled children. It is not affected by it at all. It is totally irrelevant to that subject. Others have said how it destroys the fight against drugs in our public schools, or for safety, or for mathematics education, and the like.

Mr. President, it may very well be that, for example, the principal debater against this, the senior Senator from Massachusetts, knows more about what the Boston schools need than does the Boston school committee, but I am reasonably confident that he does not know more about what the Wenatchee, WA, school district needs than do the teachers and parents and school board members in Wenatchee, WA.

That amendment takes about one-third of the money, $10 billion out of $30 billion a year that goes to the Department of Education here in Washington, DC, for common school education, and it says that States, like that system of Federal regulation and the narrow Federal categorical aid program, are perfectly free to retain it without change, but that those States that think that either their States or their local school districts might possibly do better without those Federal regulations and with more money will have that option for a 5-year period. The State can adopt the policy under which it is the State educational agency that makes the determination as to how this money can be used, or the States can opt.

It is my preference, and was the only option a year ago when I first proposed it and this amendment was agreed to, that each of the 14,000 school districts in the United States can make those choices for themselves. It may be that the Wenatchee school district, or any other, will feel that the precise requirements and the exact amount of money in the Safe and Drug-Free Schools Act is what the Wenatchee school district ought to spend on that subject. But if it were allowed to make those choices, that school district might decide that it wanted to spend more money on that subject from the Federal Government, and perhaps in a slightly different way than the set of Federal regulations set out for every school district in the country, and it might, if it is very fortunate, decide that it could get by with less and put more of that money into teaching English, or mathematics, or computer sciences.

Mr. President, I suppose one can say that to allow that kind of discretion would be disastrous to our schools; that there is no way that it is appropriate for us to trust those local school board members wisely to spend the money collected here in Washington, DC, and send it back for school purposes. But I believe that if there is to be an argument against that, it ought to be on the basis of what the amendment says and not the statements of those who have not read it.

To repeat. It does essentially two things. It takes this $10 billion and says each State may continue the present system, may have a State-based system or may have a local-based system for a period of 5 years, at the end of which time, I think, perhaps we might know a little bit more about what works best.

It does something else. It says that this bill stays in effect only as long as Congress keeps, modestly at least, increasing the amount of money it puts into our schools. I would have thought many on the other side of the aisle would have liked that effective guarantee, a real incentive for us to do our job for education. Evidently, however, there is in this body a view not widely shared in the United States, a view that the present system is so close to perfect that we do not dare experiment with it; that we are doing so well with our Federal policies, that we are so successful that we should not experiment with them at all. For those who believe that bureaucrats are more important than classrooms, or at the very least that bureaucrats here in Washington, DC, should run our classrooms, and that they should retain literally billions of dollars that could otherwise be spent in the classroom, opposition to the amendment was appropriate and taken well.

But for those who believe that there is not only great concern, perhaps the greatest concern, for children in a given part of the United States on the part of those children's parents and their teachers, their principals, their school board members, and a degree of competence and knowledge about what those communities and schools need, this amendment offers a new chance and a real experiment. It isn't permanent. Can I say that there is no question but that it will be a better system? Of course not. I think it will be. I am sure we will learn when there are States that accept each of these three alternatives.

But to say that it is some kind of disaster, to say that without this guidance, without these requirements from the Department of Education in Washington, DC, without our wisdom, 100 Members of this body, with all we know about schools, that we will irretrievably damage the educational fabric of this country is simply wrong. I regret having deprived my friend and colleague from Georgia of so many friends and so many supporters. I strongly support his bill, as he does mine.

But it does seem to me that there ought to be enough tolerance in this body, enough faith in the American system that we are willing for a period of time to let some States in this country try to operate under State-mandated rules and others to let school districts make their own decisions. The amendment that a small majority of this body passed yesterday does just exactly that, nothing less and nothing more.

Mr. DORGAN. Mr. President, let me take just a couple of minutes. I understand that the Senator from Georgia will be yielding time to the Senator from Florida. But before he does that, let me take a couple of minutes to respond to some of what I have heard.

There have been interesting discussions on the floor of the Senate about this legislation, and it is clear that different Senators see this issue from a different perspective. Many people come to the floor to talk about public education. Well, our proud tradition of public education began in this country in 1647. The Colonists in Massachusetts first developed tax-supported public schools, and we have had from that time on in this country an understanding about the desire and obligation to create a network of taxpayer-financed public schools in this country.

I defy anyone to come to the floor of the Senate and show me a country anywhere in the world that is as successful as this country has been, that has produced as many scientists and engineers, as many mathematicians, as many well educated men and women coming from our public school system. In fact, even today, do you know a country out there that you would like to trade places with, a country with a better economy than ours?

Oh, you can point to some areas where you might say, gee, this country has a better education system than ours. Many countries take only its top students and run them up the ladder and say to one group of students, you

are more appropriately going into another area, and to the best group, we say we are going to direct you toward higher education. And we are going to compare that group to the American students, the students that have universal opportunity. What a great tradition we have of affording every young boy and girl in every school entering every classroom door the opportunity to be the best they can be because our public education system gives them that opportunity.

It is interesting to me that there is a kind of ''blame America first'' notion that somehow nothing works here. Again, tell me, with what country would you change places? I have two children in public schools. They are wonderful public schools. Both have wonderful teachers. I am enormously proud of what they are doing. They are doing harder work in those public schools in both grades than I did—much, much harder work than I did when I was in school.

I also read to a young boy in the Everybody Wins Program. Yesterday, my power lunch for an hour was reading with a young third grader in a school here in Washington, DC. And I understand the challenges of different schools. Some have more resources than others. I understand that not all is right with our education system. We have plenty of challenges, some external and some internal, in our education system.

A week ago yesterday I was in the school in Cannon Ball, ND, on the Standing Rock Indian Reservation—in a public school in a public school district with a very poor tax base. This is a school with 145 students and 40 teachers and staff—180 people in a school, part of which is 90 years old and has been condemned as a fire hazard. 180 people using 2 bathrooms and 1 water fountain; second graders, third graders, fourth graders, fifth graders in a choir room that is about 12 foot by 12 foot, that they can only use occasionally because the stench of the sewer gas seeps into the classroom and drives them into another classroom. The other classrooms are only 8 foot by 12 foot in many cases, and the children sit in desks only a half inch apart with their desks touching because there is not enough room in that school and in those classrooms. And too many students they simply put in an open area, and one teacher will teach two classes at the same time by spending 15 minutes talking to one group and then 15 minutes talking to another group of students, in the same room, and by going back and forth all day long.

The question I ask is, Who defends this underlying bill where we say here is the priority of need in education? It is a tax subsidy. The majority of the money from the subsidy will go to the parents of fewer than 10 percent of the children in this country who attend private schools. That is the priority of need identified in this bill. And the question of school construction and modernizing the school buildings so that the wiring will allow kids to access the Internet, those priorities somehow don't matter; they apparently represent some ranking of need well down below the tax issue.

We are told, if we talk about the desperate repair and construction needs, that what we are talking about is decisions that ought to be made by the local school board. In this case, the local school board doesn't have any money. They have no tax base with which to issue bonds to repair this school. And there are plenty of other schools like it. To the second grader that I mentioned earlier this week, little Rosie Two Bears at that Cannon Ball school, who says, ''Mr. Senator, will you buy me a new school,'' I say, ''Well, we are talking about that in Washington, DC.''

Can we provide some help perhaps to that school district to deal with school construction, to give those kids some help? It seems to me the people who are defending the current legislation are saying that issue doesn't matter to us, that ought to matter to somebody else. Crowded classrooms, too few teachers, crumbling schools, those issues don't matter to us; they belong in some other debate.

In fact, the amendment that was offered by Senator GORTON, who just spoke, is an amendment that says let us take a substantial amount of money in the Department of Education and block grant it. That is a seed that comes from the same garden planted by those who want to abolish the Department of Education. In fact, abolishing the Department of Education is a part of the 1996 Republican national platform. They want to eliminate a national role in education, but they don't want to say that publicly. They don't want to offer it publicly on the floor of the Senate, so they do something slightly different called a block grant.

And I say to them, if you want to do that, why be a tax collector? Why collect the taxes, run it through Washington and send it back in a block grant. That's like passing an ice cube around; all you do is get a smaller cube every time you pass it. If you decide that safe and drug-free schools is not a program of national interest and national importance and you want to tell the States this is not something that represents a national interest, it is fine if 5 schools or 5 States want to do it, and if 45 States want to do it, that's OK, too; we will send you all the money for it, and you do whatever you want. If we decide there is not a national interest in having safe and drug-free schools or title I or, for that matter, a half dozen other programs, then why would we collect the tax money for it and send it back? Why not say to the local districts, you collect the taxes and you decide how to spend it. That is the way the system ought to work.

We don't run the local school boards and we should not. We have done some targeted financing in certain areas that have been enormously successful. For example, with title I we have provided specific investments and opportunities for the very lowest income kids in this country. Those investments would not have been made and could not have been made by the local school districts. They are very important, and I am enormously proud of what we have done in this and other areas.

Do I believe we should take those programs apart and block grant them? Absolutely not. Why take a giant step backwards? The defenders of the legislation before us are the folks who come here and say, ''Well, gee, we should not worry about that. We are a U.S. Senate. This is not a national issue.''

If education and achievement and competitiveness in the international arena is not a national issue—I am not talking about running the local schools; that is a local issue—then I do not know what is a national issue.

So, I say to my friends who come here to speak in defense of the current bill, Rosie Two Bears was in school today in a school that in most cases none of you in this room would send your children to. That school is not going to get fixed with any help from us, despite the fact that President Clinton called for it in his State of the Union Address. I support this effort, and I think a number of others in this Chamber support some initiative to provide incentives to those school districts that don't have the opportunity and don't have the resources, ''We are going to help you a bit,'' because we believe that any kid who walks through any classroom anywhere in this country ought to have the expectation that they are going into a room that they can be proud of, a room in which learning will take place, a room in which education will prosper, a room in which young minds will blossom. That is not the case today in some areas, and we know it.

I have great respect, incidentally—I have said this on a couple of occasions—for the Senator from Georgia. He has handled himself with great skill in this debate, and I have great respect for him. However, we differ with respect to the priority of needs. That's the only place we differ. I see our priorities as very different than he does. I would like very much for us, if we have $1.6 billion, to debate about what we do with the $1.6 billion. Let us consider the range of needs that represent what we think are the national needs in education and then start at the top, pick No. 1, No. 2, or No. 3, and identify what we can do.

We don't do that. We bring this bill to the floor and we say, no, we are not going to deal with the top priority needs. We are going to establish tax subsidized accounts, 52 percent of the benefits of which will go to parents who have fewer than 10 percent of the kids in schools and say that is what represents our priority of need. I just say to you I think this shortchanges a

lot of children in schools in this country. I regret that we have been prevented from having the kind of debate we should have had on these issues.

Thirty minutes of debate on our side—30 minutes on this question of school construction as a national priority—because that is what we were told was allowed to us under the time agreement for an issue of significant national importance. This was not the kind of free and open and aggressive debate that we ought to have had on the range of priorities of needs that exist in education in this country today. It didn't happen this time. Maybe it will happen in the future. I think the Senator from Georgia will win this vote and lose the battle. Because this bill will be vetoed. But then perhaps we will be able to debate the entire range of needs and try to determine from that debate what kind of priorities we can achieve from each side.

I am not somebody who believes only one side has wisdom. I think, instead of getting the worst of what each side has to offer in this Chamber, both can offer. The only way to do that is to have a real debate, not a debate based on very narrow one-sided rules, but a debate in which we guarantee everyone in this Chamber can bring up the best ideas and we can have a real competition of ideas on the floor of the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I would like to respond to my good friend from North Dakota but, in deference to time—there will be other chances to do it—I am going to yield 15 minutes to the distinguished Senator from Florida. I might add, I think, as I listened to the Senator's remarks—he dwelled on construction. There is a key component of school construction in the underlying bill and its author is the Senator from Florida. So it is opportune that he would be here at this moment.

The Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, first to my good friend from Georgia and to my good friend from North Dakota, I wish to express my commendation for the quality of debate that is taking place this evening and that has taken place throughout the period of consideration of this legislation. This is, as we will all agree, important business that we are about. I believe that we all start from a desire to see that the young people of our Nation have the best possible educational opportunities. We may differ on the details of how we think we can achieve that objective, but we should respect our individual desires to achieve that goal.

It is ironic that we are having this debate on this week as we mourn the death of our former colleague, Senator Terry Sanford. Senator Sanford, in the earlier part of his career, was the distinguished Governor of North Carolina, from 1961 to 1965. During that period, he formed an alliance with the then-president of Harvard, who had written extensively on the needs of education in America in the postwar period. Then-Governor Sanford took the leadership in establishing an organization called the Education Commission of the States. The purpose of the Education Commission of the States was to assist in the national debate to rationalize what should be the role of the Federal Government and the individual States in meeting the educational needs of American youth.

It was agreed by the founders of the Education Commission of the States, under the leadership of Governor Sanford, that the primary responsibility for education in America is and should be at the local and State level. But it was also recognized that there were important national goals of education which justified a Federal participation. What were some of those national roles? One, which was particularly searing at the time of Governor Sanford, was the issue of civil rights; that the National Government had a responsibility of assuring that all children had their full, legal civil and human rights protected within the education setting; that education should be an opportunity available to all American youth. The Education Commission of the States recognized that the Federal Government had a particular role in higher education, specifically in assuring access to higher education for all American children.

We had just come through the period of the GI bill, at the end of World War II, and we were learning, as a Nation, the benefits that we had secured by the fact that millions of Americans who previously had no chance at higher education suddenly were given that opportunity and that that opportunity should not be limited to that one generation who fought and won World War II, but should be a permanent part of our national commitment to its own future. And a third important area was at-risk children, children who did not come into this world with the benefits and opportunities to be fully competitive and were going to require additional assistance because of their circumstances which were beyond their control.

Those have traditionally been some of the priority areas that have defined what should be Federal policy for education. I believe that as they were in the early 1960s, they continue in the late 1990s as important principles to determine what should be the Federal role in education.

For that reason, I am pleased with much of what is in this legislation, but concerned about other important provisions. I am concerned, for instance, about a theme that is running through several of the amendments that we have adopted, which essentially says that this thoughtful construction of a Federal role in education is no longer relevant, that we can treat all Federal education funds as if they are fungible, that they can serve any purpose that a State determines, that there is no longer an appropriate, focused Federal role in these areas such as access to higher education and at-risk children.

We have adopted not just in one place but in several places amendments, language that says essentially, notwithstanding any other law or provision, that any Federal education funds can be used for the specific object that the authors of that amendment thought were appropriate.

I do not believe that is tolerable education policy. It is not policy. It is the denial of a rational policy to direct Federal educational actions and resources.

For that reason, I am going to vote for this bill, but I will announce at this point that if this bill should come back from the conference committee containing these what I consider to be troublesome provisions, I will have to vote against the conference report. I believe there is a sufficient amount of good in this bill that it is not appropriate at this stage to pronounce its death; that, rather, we should try, with the opportunities that will be available to us in the next few weeks and with the confidence that I have in a person such as Senator COVERDELL—that we will be able to keep what is constructive and what is consistent with our tradition, keep those things that Senator Sanford would be pleased to have as part of his legacy of educational policy for America, and discard those that are not constructive and not consistent with our traditions.

Let me focus on those areas in which I believe there is substantial good embedded for our education and consistent with our tradition.

The fundamental thrust of this legislation is to increase the access to higher education. While much has been made of the amendment that bears the specific name of the Senator from Georgia as to its role in elementary and secondary education, if anyone looks at the actual numbers and how this will play out in the planning of the American family, the reality is that the program is going to have its principal utility in preparing a family to meet those enormous costs that are associated with higher education, and, thus, its principal contribution is going to be in making it possible for families to save and plan and prepare for the cost of college and university. And that is a good thing. We are going to spend approximately $1.7 billion to accomplish that.

But that is not the only area in which we are going to encourage access to higher education. There is another provision in this bill which was sponsored by the senior Senator from New York, Senator MOYNIHAN, which happens to have a cost over the same time period of approximately $2 billion, more than the cost of Senator COVERDELL's provision.

What will that provide? That will extend the current provision in the law that says an employer can provide higher education tuition to one of its employees so that that employee can increase his or her skills and wisdom and contribution both to the company and to his or her own goals, and that that employee will not have to take into the employee's income the value of that tuition provided by the employer.

That is clearly a provision aimed at making more certain, more stable, our concept of access to higher education through cooperation between employers and employees.

There is another provision which I have been active in advocating, and that relates to State programs through which families can purchase contracts to pay the tuition and, in the case of many States, the room and board for their child or grandchild or nephew or niece in advance of the time that that child is ready to enter college or university.

These plans, which now are in place in 21 States and will add another 13 States before the end of 1998, vary but have some similar elements. Those elements generally include the ability to purchase at a point in time the tuition for a child prior to the time that child is ready for college and, thus, lock in the tuition at its current level. Thus, the family is able to avoid tuition inflation, which has been running substantially higher than inflation in the general economy and higher than increases in family income.

It also provides an effective means by which families can plan and save for that large cost. It also fundamentally changes the nature of the question that a child will ask as they are growing towards college years. They no longer will have to ask the question, ''Will I be able to afford to go to college?'' Instead, they will ask the questions ''Will I be prepared to go to college? Will I work hard enough? Will I make adequate grades? Will I be able to distinguish myself so that I will be admitted to the college for which I have already made financial preparations?''

I think that will be a very important step toward increasing the level of motivation and quality of learning.

There has been a cloud over these plans, the plans that Senator LANDRIEU sponsored when she was the Treasurer of the State of Louisiana, the plans which many Members of this Senate have been involved with in their individual States, and that cloud was that the Internal Revenue Service has said these plans are taxable and, therefore, sent a chilling signal to States considering the establishment of the plan and individual families' participation.

In the last two years, in what I think were very wise decisions, this Congress eliminated the taxability of the plans on an annual basis. That is, as the interest accrued in the account for a particular child, that accumulation would no longer be subject to Federal income taxation.

The provision that is in this bill, which happens to have approximately the same cost to the Federal Treasury of $1.7 billion as the underlying provision of the Senator from Georgia, will say that when the funds are transferred at the time of commencement of college education from the State higher education tuition trust fund to the individual university to which the student is now going to be enrolled, that that transaction will also be nontaxable. So the family can be assured that every dollar that it invests, every dollar that is accumulated in the fund during the period that the child is maturing to college age, will be used for that child's education.

I believe that with the adoption of this provision, we will find many more States that will establish a State plan and many more families than the over 700,000 who are currently participating will participate in this means of preparing for their child's higher education.

At the end of the day with this legislation, we will have Senator COVERDELL's bill which will provide one means through an educational savings account to prepare for higher education, we will have Senator MOYNIHAN's provision that will provide for the adult who is studying through the financial assistance of his or her employer, and we will have State-based plans fully tax free providing another vehicle by which Americans, youth and adult, can see that they will have the resources to meet their goal of higher education.

That is a good thing. That is consistent with the role of the Federal Government which we have established at least since the GI bill in World War II and the definition of the Federal role in education as established by then Governor Terry Sanford.

Another issue which is a very serious one, for which Senator DORGAN has just made an excellent plea, is the issue of school construction. This is a national crisis. The General Accounting Office completed a study a couple of years ago which indicated the cost of bringing existing schools up to appropriate educational standards was in the range of $110 billion to $120 billion. There is not a comparable figure as to what is the cost of building new schools to meet the demands of a growing student population and to keep class size at reasonable levels, but the best estimate is that it is at least the equal of that cost of rehabilitation.

I believe that this is an area in which the Federal Government has a role and needs to play a more effective partnership with the States. We are already doing a significant amount to assist the States. We are providing that States have access to tax-free financing when those financings are done directly to a public agency for purposes of public education.

In this bill we have a provision which may be arcane but which will be significant, particularly to many small and rural school districts. And that is a provision that builds upon action taken a year ago in which we allow a school district that issues no more than $10 million per year in tax-exempt bonds to keep the difference between the interest that is earned as a lender of the funds prior to paying construction vendors and the interest which it pays to the bondholders.

As an example, a typical school district might issue a bond issue and pay 6.5 percent interest to bondholders who do not have to pay tax on this interest received. For the period of time before it actually begins to spend that money to construct a school, it may be able to loan that money for 8.5 percent. This would allow the school district to keep that 2 percent differential, which is referred to as arbitrage.

This proposal will make this arbitrage rebate exemption available to districts issuing up to $15 million in bonds, rather than the current $10 million. This will be particularly valuable to those small school districts who only occasionally are in the business of building that elementary school that they may only construct once every 50 years in order to meet their needs.

Another important provision which I think will be, if adopted, the beginning of a new and creative approach to public education construction assistance from the Federal level is called the private activity bonds. Private activity bonds are bonds issued by a public agency on behalf of a private concern in order to serve a public purpose. These bonds today are primarily used in areas such as airports, seaports, mass transit facilities, water and sewer facilities, solid waste disposal facilities, housing for low-income and affordable housing. Those are the kinds of areas in which this type of financing is currently available.

By the adoption of a provision which is in this bill, we will make this available for the first time to public schools. The irony is that under provisions that are already in effect, private schools, both at the higher education level and at the primary and secondary level, are benefiting by private activity bonds. This creates parity by allowing public schools for the first time to participate directly in private activity bonds.

Some examples of how this might work—let me give an example that is currently in a stage of finalization in Orange County, Orlando, FL, which is the home of one of the most rapidly expanding school populations in the country.

I ask if I could have 3 more minutes to close.

Mr. COVERDELL. I yield 3 more minutes to the Senator from Florida.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Florida.

Mr. GRAHAM. I thank the Senator.

In the Orange County school district a proposal that is close to becoming a reality involves the school district working with the private developer

who will build a public school which will be co-located with a YMCA facility. The school district would make payments on the building at 2 percent interest for 5 years. At the end of that 5-year period the school district will receive the building and lease out space to the YMCA, a creative example of financing co-location, being able to use the school as a means of meeting a variety of the needs of the children of that community. This use of private activity bonds will accelerate the creativity and innovation of school districts, particularly those that are facing crushing demands by escalating student population. This provision in the legislation before us has a cost of approximately $400 million. If I had a criticism, I would say both of these provisions, the one for the small and the rural schools and that for the fast-growing schools, are inadequate to the challenge. But in the one case it is building on progress that we made last year, on the other it is starting a new departure which I think will have tremendous long-term benefit.

So it is for provisions like those that I will vote for this legislation. It is my hope, as I indicated, that with the good will and effort of people like Senator COVERDELL, and Members of my side of the aisle, that in conference we can take the ideas that are consistent with our tradition of a Federal role in education, build upon them, shape them, and bring them to the point that they can serve important, constructive purposes for the youth of America; with those ideas which may have been introduced, I would say, more for theater than for serious public policy, they can be discharged and will not cause the good ideas to be placed in jeopardy.

I want this legislation to become law. I want to see the benefits in terms of access to higher education, school construction, and the other valuable provisions which are included in this bill to be made available to the children and communities of America. Therefore, I will vote for this legislation. And I wish it well as it moves on to the next stages of its journey.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. COVERDELL. Mr. President, I want to acknowledge that the work of the Senator from Florida has been immense. All of the provisions that deal with school construction in the underlying bill have been basically the genesis of the Senator from Florida. He has been consistent and persistent, and I want to compliment that work here this evening while he is here.

I yield the floor.

STATE PREPAID TUITION PROGRAMS

Mr. SESSIONS. Mr. President.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Thank you, Mr. President.

Mr. President, I would like to engage the distinguished Senator from Georgia in a brief colloquy to discuss extending to all private college prepaid tuition plans the same tax treatment that public college prepaid plans receive.

Currently, 16 states, including my home state of Alabama and the distinguished Senator's state of Georgia, have established prepaid tuition plans that allow resident families to lock in today's tuition rates for tomorrow's education. Income taxes on the accrued interest in these accounts are deferred until the account is cashed in to pay for college and these taxes are paid at the student's tax rate, which is typically lower than that of their parents.

Mr. President, as valuable as these plans are, however, there are drawbacks. Specifically, the plans typically cover only in-state public universities. Therefore, if a student decides to attend an out-of-state school or even an in-state private school, then the savings accrued in the prepaid plan are less valuable because states typically redeem only the principal and some nominal interest to account for inflation.

Mr. President, as my good friend from Georgia would agree, this places private schools at a distinct disadvantage vis-a-vis their public counterparts.

Mr. COVERDELL. Yes, the Senator from Alabama is correct. Under current law, private colleges are at a distinct disadvantage to their public counterparts.

Mr. SESSIONS. I appreciate the Senator's comments. I would like to ask the Senator from Georgia further, to clarify for me, that under this legislation, H.R. 2646, the A+ Education Savings Account Bill, is there no provision in the bill to place private college prepaid tuition plans on equal ground with public prepaid tuition plans?

Mr. COVERDELL. The Senator from Alabama is correct. Under this bill, HR. 2646, the A+ Education Savings Account Bill, there is currently no provision that would provide the same type of tax treatment for parents and students to use for private college and university state pre-paid tuition programs.

Mr. President, I have met with the Heritage Foundation, and informed them that it is my intention to work to include private colleges and universities into this bill in Conference so they will be eligible for parents and students who choose to attend these private universities and colleges by using state pre-paid tuition programs.

Mr. SESSIONS. I would just like to convey to my good friend from Georgia, that I was prepared to offer an amendment to his bill that would remedy this inequity, by providing private schools the same fair and equitable treatment as is currently provided to public institutions of higher learning.

However, it is my understanding that the Senator from Georgia plans to work with the Senate Finance Committee Chairman, Senator ROTH, and our other colleagues during the conference on this bill to fix this disparity and provide a level playing field for private universities and colleges. Is this a correct characterization of the Senator from Georgia's intention to do so?

Mr. COVERDELL. I would say to my good friend from Alabama, that he is correct. I am committed to fight for the adoption of this provision in conference.

Mr. SESSIONS. Mr. President, I would like to thank my colleague for his strong support on this issue and I look forward to working with him through conference and in support of this bill once it returns to the Floor.

SAME-GENDER EDUCATION AMENDMENT

Mrs. HUTCHISON. I ask unanimous consent to engage my colleague, Senator TORRICELLI, in a colloquy with regard to my recently-passed same-gender education amendment to the Coverdell-Torricelli A+ bill.

The PRESIDING OFFICER. Without objection, so ordered.

Mrs. HUTCHISON. Thank you, Mr. President. I want to thank Senator TORRICELLI and my other colleagues who voted in favor of this important amendment yesterday. I think the Senate's strong 69 to 29 vote in favor of this amendment sent a strong signal that same-gender education should be made available as an option to parents and their children enrolled in public schools. I understand, however, that you have additional questions about the amendment and the issue of same-gender education.

Mr. TORRICELLI. I thank Senator HUTCHISON, thank for setting aside this time today, and for her leadership on this issue in the Senate. I certainly share your support for making same-gender education available to more parents and their children. The benefits of same-gender education have been demonstrated in the context of private and parochial schools, and the evidence is strong that these same benefits await public education, if the legal uncertainty surrounding this issue were lifted.

That is why I was pleased to support your amendment—to allow schools to move forward with same-gender programs, if they deem appropriate, and not with the fear that by doing so they risk losing federal financial support. Nevertheless, during the debate on your amendment, concern was raised as to the legal status and impact of your amendment, and some claimed your amendment allowing same-gender education funding could lead to discrimination against one sex or the other. Could you please elaborate as to why you believe that your amendment complies with both Title IX of the 1964 Civil Rights Act and the Equal Protection Clause of the 14th Amendment?

Mrs. HUTCHISON. I thank Senator TORRICELLI very much for his statement and for his very important question. States, school districts, and individual public schools all over the country have either tried to implement same-gender programs and have been forced to end them, or have been dissuaded from even trying by the threat

of lawsuit or termination of federal funds by the Department of Education.

The fundamental purpose and intent of my amendment, then, is to make it clear to these schools that it is the will of Congress that they be allowed to institute voluntary same-gender programs if they believe it will help further their important mission of educating students of both sexes. In no way, however, could this amendment possibly allow discrimination against either girls or boys.

As you know, the text of my amendment is straight forward. It simply adds same-gender schools and classrooms as one of the allowable uses for federal funds under Title VI of the Elementary and Secondary Education Act. As you also know, Title VI is a very flexible block-grant program that can be used for virtually any education reform effort a school district wishes to try, arguably including same-gender programs. But in order to receive Title VI funds for a same-gender school or classroom, the amendment requires that school district offer, quote ''comparable educational opportunities for students of both sexes.'' This requirement is completely consistent with the requirements of both Title IX and the Equal Protection Clause.

Mr. TORRICELLI. What is the opinion of the Senator from Texas on how Title IX and the Equal Protection Clause impact same-gender education?

Mrs. HUTCHINSON. Title IX of the 1964 Civil Rights Act prohibits sex-based discrimination by any school receiving federal funds. However, by explicit omission, Title IX does not apply to admissions at same-gender public schools. This is confirmed by Department of Education regulations that allow public, same-gender schools, as long as comparable courses and facilities are offered to both sexes. That word, ''comparable,'' is the precise word used by the Department in their own regulations. They do not say ''equal''—they say ''comparable.'' My guess as to why they chose not to use the word equal is they came to the same conclusion as I did when drafting my amendment—that ''equal'' means ''the same,'' and that requiring two or more schools or two or more classrooms, (same-gender or coed), to be exactly the same would pose a nearly impossible administrative and legal burden for any school official to meet. It also simply misses the point that in some respects the educational needs of boys and girls are different, and that these differences cannot and should not be ignored. An all-girls or all-boys school that simply ignored the fact that they were teaching only boys or only girls would be an exercise in futility, and educators know it. Enforcing some ''equalness'' standards, then, would not only fail to clear the way for schools to try same-gender programs, it would very likely ensure the end of such efforts in the future.

I would also note that the language of Title IX simply exempts admissions to same-gender public schools; it does not go on to say that this exemption only applies if a school meets either a comparability or an ''equalness'' standard. So ensuring that same-sex schools afford comparable opportunities for both sexes, as my amendment does, in fact strengthens the existing protections of Title IX against gender discrimination in schools.

With regard to same-gender classrooms within co-ed public schools, the Department of Education requires that there be a sufficient showing that a single-sex class is necessary to overcome past discrimination against one sex. But this purely agency-created requirement is nowhere to be found in the language of Title IX, and is in fact contrary to the language and intent of the statue. It seems clear that Congress would not allow same-gender schools but prohibit same-gender classrooms, absent some onerous and ambiguous showing of past discrimination. This defies logic and the legislative history of Title IX. So, at least with regard to the use of the education reform funds identified in my amendment, I would seek to reverse this unnecessary and overly burdensome department-imposed requirement.

In fact, it was our colleague, Senator COLLINS, who pointed out how burdensome this requirement really is. She recounted how she had visited an all-girls math class in Presque Isle, Maine. Despite the tremendous results she described in terms of watching girls really excel at mathematics, the school was forced to undergo a host of, as she described them ''regulatory hoops'' in order to be allowed by the Department of Education to continue to foster this success among girls in math. This is both unnecessary and unwise if we truly want to encourage achievement.

Mr. TORRICELLI. I also noted during the debate that someone cited the recent Supreme Court case involving the Virginia Military Institute in claiming that your amendment did not meet the standard for equal protection of the laws of the 14th Amendment to the Constitution. How would you respond to that?

Mrs. HUTCHISON. As you know, in that case the Supreme Court struck down the state-supported VMI because the state of Virginia failed to, quote ''provide any comparable single-gender women's instituion.'' My amendment follows the Supreme Court's own language and requires that programs offer ''comparable'' opportunities for both sexes.

I should also highlight that while the VMI case is certainly in keeping with my amendment, it was a case about higher education, which clearly involves different considerations with regard to the different needs of male and female students than elementary and secondary education. The only major case in which the Supreme Court directly dealt with the Equal Protection Clause as applied to K–12 education was in *Vorchiemer*, which involved a challenge to an all-girls academy in Philadelphia. In that case, the Supreme Court upheld a Third Circuit ruling that this single-gender public school did not violate Title IX or the 14th Amendment Equal Protection Clause. The court in that case explicitly held that there are legitimate differences between boys and girls that can justify separate educational programs in order to provide the best education possible.

I appreciated the questions that were raised about this amendment, and I sincerely wish to engage them to see how we might best address their concerns. I hope our discussion here today has been helpful in clarifying some of these questions, and I would certainly be happy to answer any additional questions you or other individuals may have.

The one point I do not wish to get lost in this discussion, however, is that you and I and the other supporters of this amendment simply wish to protect single-gender education as an option. If someone is opposed on principle to single-gender education, that's fine. They can keep their children in a co-ed environment and even oppose single-gender education when their local school board brings it up. But the decision will be made at the local and individual level. Parents and their children and administers serving the community will choose, and that is what this effort is all about.

Mr. TORRICELLI. I thank the Senator again for taking the time to clarify some of these points on her amendment. I look forward to continuing to working with you to provide families with greater educational opportunities.

Mrs. HUTCHISON. Thank you, and I yield the floor.

Mr. CHAFEE. Mr. President, this week the Senate has been debating a proposal that would enable families to invest in tax exempt savings accounts. The funds from these savings accounts could be used for educational expenses from kindergarten through college, including the cost of tuition at private and religious schools.

I voted against this proposal in the Finance Committee, and I intend to vote against it today. If the President vetoes this bill, I will vote to sustain his veto.

At first blush, this proposal sounds appealing. Why shouldn't parents be encouraged to save for their children's education? The problem is that the ''encouragement'' the proposal would provide, costs more than $1.6 billion over 10 years and, according to the Treasury Department, 70 percent of the benefits go to the richest 20% of Americans. That is money that would be better spent on improving public schools, particularly low-income, urban schools where most of the problems exist. Also, it permits families to use funds from these tax-exempt accounts to pay for tuition at private and religious schools. Doing so would mean that the federal government is subsidizing private and religious education.

I believe that the Federal role in education must be to support public schools. Nearly 90% of students attend public schools. Our nation's public schools are required to take children who come to school at any time of the year, children with disabilities, children whose primary language is not English, children with disciplinary problems, and children with low IQs.

Private schools have the ability to select the smartest and the least difficult students, with the fewest challenges to overcome. Families who send their children to private schools typically come from higher income levels, yet it is these families who would receive the greatest benefits from education savings accounts.

There have been a number of amendments to this bill. Some of the amendments that I opposed have merit, and I would like to take a moment to explain my reasons for voting against them.

Senator MOSELEY-BRAUN offered an amendment that would have provided tax incentives to help pay for school construction. Although her amendment failed, Senator MOSELEY-BRAUN has been very successful in making us all aware of the deteriorating conditions of our nation's school facilities. I voted against her amendment because I believe her approach would be very difficult for the IRS to administer, and I have concerns about using Superfund taxes as an offset.

Senator GORTON offered an amendment, and, although I have serious concerns about its effect, he has highlighted an important problem with federal education funding. I share his view that states should have some flexibility in spending federal education funds. They should be able to target these funds to schools with the greatest needs, but I don't agree that $10 billion should be given to the states in block grants without the appropriate committees holding a single hearing. Also, the Commissioner of Education in my state had very serious concerns about the impact of this amendment. Next year, when the Elementary and Secondary Education Act is up for reauthorization, I hope that consideration is given to Senator GORTON's point of view and that appropriate hearings are held.

I wholeheartedly agree with Senator MURRAY's desire to encourage smaller class sizes, particularly in the primary grades. In fact, in 1987, I introduced a bill that would have created a demonstration program on small class sizes. Regrettably, the Labor Committee never held hearings on my bill. I voted against Senator MURRAY's amendment because I am concerned about providing short term federal support for hiring new teachers. How would the school districts pay to keep 100,000 new teachers after the federal funding expired? This is a question posed by representatives from local school committees in Rhode Island when they visited my office earlier this year.

Finally, I voted for Senator ASHCROFT's amendment to prohibit federal funds from being used for national testing. Unlike many of my colleagues, I am not opposed to national testing. Parents should be able to compare their child's performance with children across the United States. Parents should be able to compare the performance of their child's school with schools across the state and throughout the nation. Nevertheless, I agree with Senator ASHCROFT that it is Congress' responsibility to authorize a national testing program before federal funds can be used to implement such a program.

Regardless of the outcome, we have had a good debate on a very important issue, namely the federal roll in education in America.

Mr. BAUCUS. Mr. President, it is with mixed feelings that I rise today to oppose, H.R. 2646, the A+ Education Savings Account Act. I am pleased to see that we in the Senate are discussing educational issues. It is an important debate that the American people need to hear. However, I simply don't believe this bill takes our nation's education system in the right direction.

One of my highest priorities is preparing Montana's children for the challenges of the 21st Century.

Education is the only way to improve our economy and keep our kids in-state working at good jobs that help them achieve the kind of future we want for all Americans.

In the area of education I have taken it upon myself to do more than legislate. Because legislation can only accomplish so much. I have worked hard to put over 350 surplus computers in Montana schools. I've encouraged companies to donate funding for computer hardware and software. I've prepared a comprehensive guide on technology funding which has been distributed statewide.

My office also conducted and compiled a survey of Montana schools' technology needs. And I hold weekly internet chats with students throughout Montana.

In working toward ensuring that every child has strong technological, verbal, written , math and critical thinking skills, I have visited over 100 schools during the last year. A lot of these schools are barely making ends meet. Often times teachers and principals are put in the agonizing position of deciding between new books or computers. New desks or a new furnace. While our public schools are in such straits I believe it is unfair to subsidize attendance at private schools.

These institutions are charged with educating all children, not just those who are able to pay or who meet certain requirements.

Public education is a mainstay of our democracy. It is the great democratizer of the American people. Ninety-seven percent of children in America attend public schools. Public education is a promise to all children: if you work hard and commit yourself fully, you can receive a quality education. And you can achieve anything.

Public education is a promise of opportunity—a promise of open doors. And that is a promise which should be our number one priority to uphold.

Unfortunately H.R. 2646 will not open the doors of educational opportunity for the average American family.

This bill would primarily benefit those who are already most able to afford a private education. Those making less than $50,000 per year, will receive a tax cut of only a few dollars from this bill.

Wealthier families who are in a much better position to save money, will have much larger accumulations of tax-free earnings.

According to the Joint Committee on Taxation, 52% of the tax benefit from this bill would go to the 7% of families whose children attend private schools. The other 48% of the benefits would go to the 93% of the families whose children attend public schools. The average benefit to a family with children in private schools would be $37 while the average benefit for families with children in public schools would only be $7.

Expanding the definition of qualified education expense will result in revenue losses of $760 million over five years and $1.6 billion over ten years. That's money that could be better invested in improving crumbling school buildings, buying computer equipment, paying teachers more and making classes smaller in our public schools.

Public education faces more challenges today than ever before. But rather than diverting precious resources and students from our public schools we need to face these problems head on.

Simply abandoning public education does a disservice to every American—it breaks the promises that our country is founded on.

By any measure, the schools in my own state are doing a good job. In 1997 Montana continued to top the nation in ACT scores (fourth highest in the country) and our state's SAT scores continued to be 37 points above the national average in math and 40 points above the national average in verbal skills.

Montana, like nearly half (47%) of the states, has a policy prescribing class size.

Since 1970 Montana and national student/teacher ratios have stayed virtually parallel, with Montana maintaining a ratio of about two fewer students per teacher than the national average. Beginning in the mid-1990's Montana's statewide ratio of 14.8 students per teacher is only one fewer that the national average of 15.8 students per teacher. Class sizes in most of Montana's middle and larger sized school districts are roughly equal to the national average.

Unfortunately the salary scale for Montana teachers has not kept pace with the national average. In 1996 our

educators were paid 16% less than the national average.

Federal funding plays an increasingly important role in public education. After stagnating in the late 1980s and throughout the 1990s, Federal revenues now pay more that 10% of Montana's public schools costs; or 2% more than in 1983. Unfortunately, during this period state revenues committed to education have declined. In 1993, state revenues paid for 53.8% of school costs but have now fallen to around 49% of total school expenditures.

Montana is not willing to rest on its education laurels. Our State Board of Public Education is evaluating new standards for math and reading proficiency.

The State Superintendent of Public Instruction recently stated that ''(i)t's time to raise the high bar on education'' by forging ahead with development of new standards for science and communications, English, writing, speech and debate.

Rather than providing tax benefits for those who can already send their children to the best schools, we need to invest in education systems like Montana's that have a proven record of success while insuring that public schools that do not perform well are held accountable for their performance.

We are called upon today to discuss our nation's education system. And I welcome the debate that all sides will give. However, I urge my colleagues to support public education—support the promise that we hold out to all children regardless of faith, race, income or ability.

Oppose the A+ Education Savings Account Act. And hold open wide the door of opportunity for all America's children.

Mr. KEMPTHORNE. Mr. President, I am here today to support the A+ Education Savings Accounts bill the Senate is currently considering.

Many Americans, including single mothers and low and middle income families, face the dilemma of how to afford the best possible education for their children. The A+ bill is good legislation that gives all families education opportunities they may not have otherwise.

During my years as a United States Senator, I have learned that the true measure of the legislation we propose and pass comes from my constituents in Idaho. A letter from a northern Idaho school teacher named Brad Patzer perfectly expresses why the Senate should pass this bill. The Patzer family has one child in 2nd grade and the other in kindergarten. I would like to share with you an excerpt of Mr. Patzer's sentiments regarding the educational future of his two children. Brad wrote, ''. . . I believe that the power of choice needs to rest with parents and I agree that this IRA would provide more equal opportunities for those willing to make their children's education a priority.''

The Patzers, like most parents, do not want their children's impending education costs to prevent them from receiving the highest quality education. They want flexibility to make good choices both about day to day K–12 educational expenses and the future enrollment of their children in college. This legislation accomplishes these goals.

The A+ Education Savings plan will aid families and school districts all over the country. As we contemplate the rising costs of education many would believe those comments are solely directed to higher education. As we have learned in recent years, however, parents are having equal difficulty in paying for their kids elementary and secondary schooling. The A+ legislation begins by increasing the current contribution limit of $500 for educational IRA's to $2000. The scope of this IRA is also expanded to allow contributions to be used for day to day elementary and secondary education as well as future college costs. This provision allows parents to save for their future college expenses while at the same time covering expenses during their child's younger years. For example, if a family deposited an original $2,000 in an A+ account at the time of their child's birth, they would have a savings of $4,522 by the time the child reaches kindergarten. Another provision in this bill would establish a tax free status for state-sponsored prepaid tuition programs, allowing students to withdraw from an account, tax-free, that was established years before the student approached his or her college years.

In addition, the A+ bill proposes a new, and creative method for constructing schools. The private sector would be allowed to use tax exempt financing to build schools, and would then be able to lease those facilities back to local school districts. After a designated number of years the facilities would then become the property of the leasing school district. In the bill's current form, Idaho is authorized to issue up to $10.2 million of these new type of bonds; $5 million for wherever the need is the greatest and another $5 million for high growth school districts. Under the bill, however, only a few school districts would be eligible to utilize this bond. I have raised, with the floor manager of the legislation, my concern that economically depressed school districts, not just high growth areas, should also receive special consideration. To be issued, however, these bonds must conform to conditions imposed by Idaho state and constitutional law. The floor manager of the bill, the senior Senator from Georgia, has said he is willing to work to see whether this issue can be addressed when this bill goes to conference with the House of Representatives. The measure retains current federal law that allows school districts, with voter approval, to issue an unlimited amount of tax-exempt bonds for school construction.

As I mentioned earlier, the A+ bill allows for the establishment of a tax-free savings account for each American child. It also contains a special provision for the use of such accounts for children with special needs. Specifically, the bill waives the age limit for children benefiting from such accounts for those students with special needs. I feel this is an important acknowledgment of the financial concerns which can come with being the parent of such a child. We reauthorized the Individuals with Disabilities Education Act because we wanted to improve the way we educate special needs children. This provision will help parents expand on what we have already done.

I would also like to thank my colleagues for their support of my Student Improvement Incentive Grant amendment. This amendment provides states with a new option for how to use their federal education dollars. Under my amendment, states will be able to use these funds to reward schools which demonstrate excellence. Such a system will help create competition between schools to encourage improvement in education. Most importantly, in creating this new option, we did not increase federal regulation, federal spending, or federal oversight of our schools.

I support the pending legislation because it gives parents more financial tools to meet education needs. The bill creates educational savings accounts which allow parents to place as much as $2,000 per year, per child in a designated savings account. These after-tax, non-government dollars would earn interest at a tax-free rate and could be used for education expenses (home computers, tutoring, tuition) associated with any K–12 school. With help of my amendment we have also established a precedence to raise the level of excellence within our schools. This legislation is not the sole answer to the future of America's education, however, it is a step in the right direction. I would urge my colleagues to recognize the significant role this educational savings plan could have in the future of many American students and their families. I would urge my colleagues to support and pass this legislation.

Ms. MIKULSKI. Mr. President, I rise today in opposition to H.R. 2646, the Education IRA Tax Bill. I oppose this bill for three reasons. First of all, it is does not meet the education needs of America's children. Second, it does not support the mission of either public or private education. Third, it does not meet its stated goal of providing economic relief to America's families.

Mr. President, this bill is ineffective in serving the education needs of our children. One of my priorities as a Senator for Maryland is standing behind our kids. I believe this priority should also be at the heart of the Senate's agenda. The bill before us does not reflect what America's priorities in education should be.

Let me state clearly that I believe that education should be a non-partisan issue about what is good for our

kids and the future of our country. Fighting for education does not mean pitting our schools or our people against one another. It should not be about private schools vs. public schools, or wealthier people vs. people with more modest means of educating their children.

This is not what education is about. This is not what the business of the Senate is about. We are here to do the very best we can for ALL of the people of America, not just a select few. We have a duty to help ALL of the children of America to prepare themselves for the 21st century.

We need to be able to look toward a future that promotes a sustainable, robust economy. A key element to our future is educating those who will be governing our future. We need to invest in our children's education so that they can skillfully navigate our country into the ever expanding world markets. They need the skills to become productive members of our workforce. Our children need the educational tools that allow them to understand the complicated economic mechanisms that govern our modern world.

While the Coverdell IRA bill purports to be a pro-education bill, it does nothing to improve the education of the majority of our students. Coverdell does nothing to ensure our kids have the tools they need to cope with these important issues as future leaders and hardworking adult citizens of our country.

Support for public education must be the priority for federal investment. Coverdell represents an actual divestment in public schools. The Coverdell bill costs $1.6 billion dollars over the next ten years and gives the majority of the benefits to only 7% of the families with children in school. Even those benefits are meager ones. For example, the average family with children in private schools stands to benefit only $37 a year in tax exclusions.

This $1.6 billion can be much better spent following an agenda that truly gets behind our kids. The Senate should support and pass legislation that offers real solutions to address the problems faced by our schools.

Students cannot learn in overcrowded schools that are falling down around them. Schools in every state in this country are in desperate need of repair. This year, K–12 enrollments reached an all-time high of 52 million children and they will continue to rise. It is estimated that we will need to build 6,000 new schools by 2006 to maintain current class sizes. Leaky roofs and overcrowded classrooms are the real problems that need to be addressed, not whether an average $37 per year tax benefit is what is best for Americans and education.

We should target scarce federal resources to finance the construction and modernization of our public schools. These are the schools that 93% of our children attend. These schools will help many communities provide modern, well-equipped schools that can be wired for computers and technology so the children can get the education they need to succeed in the 21st century. These are also the same schools that may house after-school education and safety programs which our children need.

We need to place our priorities on hiring new teachers. I supported Senator KENNEDY's amendment to hire 100,000 new teachers and to make certain that they are well qualified in the areas we need them most.

Under the 1994 Crime bill, we agreed to add 100,000 cops to police forces throughout the country. My own state of Maryland has added over 1,200 cops—who are out in the community fighting crime. I know what a difference they've made in preventing crime, and in ensuring that those who commit crimes are apprehended. Our streets are safer because of this program. Think what a difference 100,000 new teachers could have made. I am disappointed that this amendment was not approved.

The Coverdell bill does not meet any of these dire education needs—for school repair, for school construction, for more teachers and smaller class sizes. It is silent on these critical needs.

The Coverdell bill is ineffective in supporting the mission of either public or private education. I believe that public education—the choice of 93% of America's families—must not be shortchanged by the federal government. But let me be clear that I support our private schools as well. I am a proud product of parochial schools. What I am today I owe in large measure to the sisters who educated me in Baltimore's parochial schools. They nourished my intellect, and they nourished my spirit.

So I know about the value of private schools and I support private schools. But I believe there are better ways to support private school education. The federal government already provides substantial assistance in support of private education. There are a range of federal programs that private schools can take advantage of which are designed to serve a variety of school student and teacher needs.

For example, there are 366 private schools in Maryland that take advantage of ''Innovative Programs,'' a federal program available to both private and public schools. Innovative Programs supports a broad range of local activities in eight primary areas including technology, reform implementation, disadvantaged children, literacy programs, gifted programs and some Title I and Goals 2000 activities or programs. I believe that better use of the resources tied up by this bill—some $760 million over the next five years—could be better used through supporting existing programs that benefit both public and private schools.

Finally, Mr. President, this legislation is ineffective in providing economic relief to America's families. I know how hard many families of modest means struggle to give their children the best education possible. The Coverdell bill has been presented as a tool to give these families some financial relief. But, that is a hollow promise. The average family with children in private schools would receive tax relief of only $37.00 a year. $37.00, Mr. President. I know that every dollar counts, but $37.00 a year is not going to make much of a difference in the average family's budget.

The bottom line is that the education IRA will not fix our crumbling schools or help us bring qualified teachers into our classrooms. The education IRA will not bring the information superhighway to public schools. In fact, it will bring very little benefit to the majority of Americans and no benefit at all for Americans who cannot afford to contribute money to these savings accounts.

For these reasons, I must oppose this legislation.

Mr. MCCAIN. Mr. President, I want to cast my wholehearted support for a very important piece of legislation for our children and our nation's future, H.R. 2646, the A-Plus Education Savings Account Act. As my colleagues know, this bill would provide families with the economic freedom to save their own money, tax-free for their children's elementary and secondary educational needs.

I am excited that the Senate is about to pass a bill which addresses the unique educational needs of all our children while making significant strides toward improving their academic performance. This bill is an important step toward returning to parents and communities the means and responsibility to provide for their children's education. This is why I support the A+ bill and will continue to support innovative, flexible programs which focus on the best interests of our children, our future.

As an original cosponsor of this legislation, I have consistently worked with my colleagues to ensure passage of this bill and have looked forward to the day when it would pass the full Senate.

Unfortunately, I will be unavoidably absent for the final vote on this crucial education measure. I am very disappointed that the vote on final passage for this measure was unexpectedly delayed. If I had been able to be present this evening, I would have voted yes for this bill.

Again, I want to reiterate my commitment for this bill and regret my absence for witnessing the passage of such a monumental measure. Finally, I would like to take a moment to applaud the leadership of my colleague, Senator COVERDELL and his staff for his commitment to this proposal. He has fought tirelessly on behalf of our nation's children and should be commended for his efforts.

Mr. ALLARD. Mr. President, today I encourage my colleagues to support legislation which will open doors to education opportunities for parents and children throughout our nation.

Education savings accounts are a sensible step toward solving the education crisis in America by allowing families to save their own money to pay for their child's educational needs.

This bill would empower parents with the financial tools to provide for all the needs they recognize in their children—needs that teachers or administrators should not be trusted to address in the same way that a parent can.

These accounts would provide families the ability to save for extra fees, tutoring, home computers, S.A.T. preparation, transportation costs, or in cases of violent incidents, would allow a family to consider another public or private school.

This kind of tax relief is especially important for parents who are working two jobs with no extra time to help with homework, or those who do not feel adequate in their own knowledge to tutor their children.

As parents, I know that my wife and I were the best judges of our children's needs because we truly cared about their future.

And as all parents realize, I knew that I was in the best position to address those needs.

As a small businessman, I would have welcomed an opportunity to accrue tax-free interest to help pay for more opportunities in education for my children.

Far too many parents find that their hopes to provide the best education for their children are crushed as they realize the costs involved in accomplishing this task.

Contrary to popular myth, 75% of the children who would benefit from this bill are public school students. The new estimates released by the Joint Tax Committee appear to disprove the claim that public school revenues would be reduced by A+ accounts.

The Joint Tax Committee estimates that by the year 2000, 14 million students will be able to benefit from this bill, with 90 percent of those families earning between $15,000 and $100,000 a year.

This savings is not reserved for the wealthy but instead lifts the burden from our nation's hard working lower and middle class families.

This bill is good for families—it's good for schools—especially public schools.

Since parents would be spending their own money, it fuels parental involvement in their children's education.

And because it gives them increased resources that can be used for education at their own child's school, it encourages parental involvement in the schools as well.

Tax-free savings accounts may not fix our nation's education system, but they will give parents an opportunity to make a difference for their own children and their own community's school.

Our tax code has always encouraged various deductions and credits for investment in physical capital, but why have we never encouraged investments in human capital?

Education for our children is the most worthwhile investment we have—one that we should protect and foster growth.

This bill is a positive step towards reform and choice in our public school system.

Why anyone would vote against tax relief for America's families and improving education for all of our nation's children at the same time is difficult for me to understand.

I thank the Senator from Georgia, Mr. COVERDELL, for introducing this bill.

I believe that the working families in our states will thank us for handing them an opportunity to invest in their own children.

Mr. LAUTENBERG. Mr. President, I rise in strong opposition to the Coverdell bill. This bill will undermine our public schools and provide the bulk of the tax breaks to wealthy individuals.

Mr. President, before I talk about the Coverdell bill, I want to make two points. First, I am not opposed to tax cuts for families which help them make ends meet and invest in their children. For example, last year I supported the $500 family tax credit and the HOPE Scholarship $1,500 tax credit for college tuition both contained in the 1997 Taxpayer Relief Act. I also believe that we can enact further targeted tax cuts for hard working middle class families this year without tapping the surplus.

Second, I am not opposed to private schools. In fact, I commend the teachers and administrators in private schools for their work. And I strongly support the mission of the private schools in my State. Catholic, Jewish, and other parochial and private schools provide an excellent education to thousands of New Jersey children.

But I am also a strong supporter of our public school system, because 93 percent of all children go to public schools. They come from all different, racial, ethnic, religious, disability, academic and financial backgrounds. They are generally poorer than children who go to private schools. They tend to live in unsafe neighborhoods—surrounded by crime and drugs. They mostly attend schools that are in need of great repair. Many have no textbooks and ancient computer equipment that does not provide them access to the internet.

Mr. President, these children should be our highest priority. And I will never give up on them.

I strongly believe in educational equity—the ability for all kids to have access to an excellent education with modern facilities and talented teachers. But the Coverdell bill will only make our educational system less equitable. If we pass it, we are turning our backs on our public schools.

Mr. President, as ranking member of the Budget Committee, I must tell my colleagues that Federal budgeting is a zero sum game. And since this bill effectively spends money to help private schools, we cannot spend more for public schools. It is that simple.

Unfortunately, our public schools have enormous financial needs. For example, our schools need a tremendous amount of modernization. In fact, our existing school buildings are in such poor shape, the General Accounting Office estimated that we need to spend $112 billion on repairs and renovations. Fourteen million children—mostly from poor or inner-city school districts—attend schools that need extensive repair or replacement.

But the needs of our public schools do not stop here. They need modern computers. They need to be hooked up to the internet. They need more teachers to reduce class size. That is why the President proposed hiring 100,000 new teachers. We also need greater funding for educating disabled children. And the list goes on and on. That is why the 93 percent of all American children who attend them should be our number one priority.

Mr. President, this bill is also unfair as a matter of tax policy. While we are awaiting final figures from the Treasury Department, I would like to point out the tax distribution of last year's Coverdell bill. Under last year's Coverdell bill, the average tax benefit for the richest 20 percent of all Americans would be $96. But do you know what the average tax benefit would be for the lowest 20 percent of all Americans? One dollar! One buck!

Mr. President, this means that the richest Americans would get ninety-six times the tax break that the poorest Americans would get under the old Coverdell bill. Now, I understand that this new Coverdell bill is slightly modified, but I understand that the same dramatic inequity still exists.

We simply should not pass a tax bill that is so skewed toward the rich. Any tax relief should be focused towards middle class Americans—people who work hard to raise their families.

Mr. President, the Democratic alternative to this bill meets part of our educational needs in an equitable manner. It will provide tax incentives for employer paid education and pre-paid college tuition plans that exist in many states. It also provides $22 billion for school modernization. This will mean that thousands of schools across our country will have better science labs, safer classrooms and smaller class size.

If we pass the Democratic education plan, along with the President's proposals to hire 100,000 teachers to reduce class size, increase the number of tutors available and create new education opportunity zones, we will see real improvements in our educational system both public and private.

Mr. President, I am pleased that the President has indicated that he will veto the Coverdell bill. It will hurt our public schools and provide a tax break

for the rich on top of it. When it comes to our public school children, this bill says ''let them eat cake.''

I ask my colleagues to oppose this legislation for the sake of the millions of children who walk through the public school door house every day and seek a solid physical and educational foundation.

Mr. DORGAN. Might I, before I yield time to the Senator from Delaware, Senator BIDEN, inquire of the Senator from Georgia—those we know on our side who have requested time include Senator BIDEN for 5 minutes; Senator KENNEDY for 5 minutes; and Senator DASCHLE for 10 minutes. That represents the list of all of those we know who will be here to speak.

Could the Senator from Georgia indicate to us the list that he has so we might determine when we might be headed for a vote?

Mr. COVERDELL. My list is Senator DOMENICI, the distinguished Senator from New Mexico, and my closing remarks. We are 15 minutes or less. That would put a vote around 7:30.

Mr. DORGAN. Mr. President, if that is the case, it might be useful for Members to understand that some time in the next 35 minutes or so we might be heading toward a vote. So with that, I yield the 5 minutes to the Senator from Delaware, Senator BIDEN.

Mr. DOMENICI. Would the Senator yield?

Mr. BIDEN. I would be glad to yield.

Mr. DOMENICI. I want to be clear, on my time I would like to yield part of my time to Senator BINGAMAN on a Steve Schiff memorial we want to introduce. We will not take much time.

Mr. COVERDELL. Fine.

Mr. BIDEN. Mr. President, I have listened to and been involved in this debate now for weeks before this got to the floor, and since it has gotten to the floor, and now in the final moments. And I find myself in an unusual position. I think the claims made by everyone on both sides of this issue are greatly exaggerated.

Although I have voted against vouchers, and have voted against direct funding to private schools, I strongly support, and have since I got here in 1973, the use of the Tax Code to indirectly assist private schools.

My friend from North Dakota talked about how the public schools are getting short shrift, but so are the private schools. The private schools I went to were Catholic grade schools where the average income I expect was lower—I know it was lower in the neighborhood I lived in—than the average income in the public schools. I will not belabor this, mainly because no one is interested and, secondly, because I do not have the time.

I think when we get here on the floor and people say, this is really about priorities, I agree. And if the debate really were whether or not to spend this money for aiding higher and elementary and secondary education, all three—and about $300 million of this bill is for secondary and elementary education through the Tax Code—I would say that is a legitimate debate.

The truth is, most of the people who are voting against this are voting against it because in principle they don't think the Tax Code should be used this way, period. They have no desire under any circumstance—and they think it is anathema to our system—to help even indirectly private schools.

So I find myself in strong disagreement and in a distinct minority in my party on that view. Consequently, I voted against a whole lot of things I have supported for 20 years, because most of the initiatives that were brought up that I supported were in lieu of—in lieu of—this use of the Tax Code, this IRA, which is going to be a very, very small amount of money for most people, by the way.

Then having done that—and I do not in any way suggest that the sponsor of this legislation had this in mind—along came an amendment that trumped everything for me. I have always been an extremely strong supporter of public schools. I have supported education for the 25 years I have been here. With every major education initiative, I have played a small part, at least in my vote, along with the Senator from Massachusetts, who has been the leader in this body on education issues since I have been here.

So along comes an amendment by Senator GORTON that essentially emasculates the notion of Federal participation in the education process in our country. I am not suggesting that he is not philosophically committed to the notion that there should be no Department of Education, that it should all be local. But, I think that is malarkey. I think that is absolutely ''brain dead'' in terms of what this country needs. That is my view.

So now I am faced with a dilemma. I want to support this bill. But, in helping a little tiny bit those parents who send their kids to private schools—over the objection of my friend Senator KENNEDY and others—in the process, from my perspective, I would be voting to emasculate the Federal responsibility in education by shifting all programs to a block grant.

I find it ironic, by the way, all this talk from Republicans about, ''We don't want any directed education programs, we want block grants,'' and then everyone voted for a Republican-sponsored amendment to create a new directed Federal Government education program which is not a block grant.

At any rate, I can no longer support this bill. It really makes me angry with myself that I can't vote for this bill. All these years trying to get a little bit of fairness, in my view, for private and parochial schools. It is just about to happen, and I can't vote for it now because it undermines everything I have believed about the role of the Federal Government in education for the last 25 years.

So I say to my friend from Georgia, who has been straight up with me, upfront with me, the whole way—our offices are across from one other—although we met on this and strategized on this, and, I think to the chagrin of my Democratic colleagues, although I helped play a part in getting this bill to the floor, now I can't vote with him.

Now, if you go to conference and this is dropped—that is, the foolishness of the Gorton amendment—and the bill comes back here without the Gorton amendment in it, I will vote for it and I will vote to override a Presidential veto. But I cannot vote for it in its present form.

The reason, Mr. President, I wanted to vote for the Education IRA proposal is because I believe in it. I have always believed—and I voted as far back as 1978—that we should find some way to help financially those parents who wish to send their children to the school of their choice.

That does not mean that I support every effort to provide tax dollars or tax breaks to support private education. But, I have supported—and will continue to support—reasonable, appropriate, constitutional measures that do not take money away from the public schools to help middle-class and lower-income families who choose an alternative to public schools.

Let me also say that my support for this bill—and similar initiatives—should in no way be viewed as an abandonment of public education. Yes, there are some supporters of this bill who believe that there should be no Federal role in education or that the Federal government should not help States fund public education or that we should decrease our commitment to public education. I have not, do not, and never will subscribe to that philosophy.

I have supported and will continue to support increasing funding for public schools and for programs to help the public schools—Title I for disadvantaged children, Goals 2000 academic standards, safe and drug free schools, special education, school construction, and smaller class sizes, to name a few examples. Public education must be our top priority. But, no matter how much those on both sides of this issue try to make it so, this is not an either-or choice—where you either support public education or you support families who choose an alternative to public schools. That is a false choice.

Now, having said all that, Mr. President, let me explain in some detail why I believe it to be true—why I believe this bill is reasonable and appropriate, and does not undermine public education. In doing so, I need to review some of the provisions of this bill, which my colleagues are familiar with. I do this because as I have talked to people about this bill—and as people have talked to me—it is clear that there is a lot of misunderstanding about it. So, let me take a few minutes to explain exactly what this bill is and is not.

This bill is not is a voucher bill. It does not provide a voucher or grant to pay for private schools. This is not a tuition tax credit bill. It does not give a tax write-off for the costs of tuition at private schools. And, this is not a bill to aid private schools. It does not give private schools a dime of tax money.

What this bill does is simply say that the interest earned on a family's savings that are used for education will not be considered taxable income. Let me be more specific.

Last year, we established Education IRAs for higher education. This was a proposal that I had originally introduced in 1996 as part of my comprehensive bill—known as the ''GET AHEAD'' Act—to make college more affordable for middle-class families. Under last year's tax bill, families can now put up to $500 per year into an Education IRA and if that money is later used to pay for the costs of higher education, the interest on that savings will not be taxed.

This bill does two things to build on last year's law. First, it increases the amount that can be put into the account each year from $500 to $2000. Second, for families with incomes under $160,000, the bill allows funds in an Education IRA to be used—without having to pay tax on the interest—for the costs of a child's education at any level—elementary, secondary, or higher education—and at any school, public or private, or for home schooling expenses.

There is no tax deduction for the amount put into the savings account. And, there is no tax deduction for the entire cost of a private school education. Those are myths. This bill simply says that interest earned on Education IRAs—which already exist for higher education—will not be taxed if the money is used at any level of education. What is the harm in that? I see none. We are simply expanding existing Education IRAs so that people can use their own money to pay for elementary and secondary education costs.

Now, Mr. President, here is something interesting. The cost of this proposal is estimated by the Congressional Budget Office to be $1.6 billion over ten years, paid for by closing loopholes in the current tax law—not by taking money away from public schools. But, about $1.3 billion of the cost is expected to result from Education IRAs used to help finance the cost of a higher education. Only $300 million—and, remember, that's over a 10-year period—would result from Education IRAs used to help pay for elementary and secondary education. In other words, less than 20 percent of the cost of this proposal is a result of Education IRAs being used for elementary and secondary education costs—what all the hullabaloo has been about—and some of that would be used by families with children in public schools.

Let me repeat that. Under this bill, Education IRAs can be used to help families whose kids attend public schools. If parents need to buy their kids public school uniforms, they can use this money. If parents need to buy their kids a computer, they can use this money. If a child needs an after-school or summer tutor, parents can pay for that tutor using this money.

How is that a disaster that will befall this nation's public school system? The answer is, it is not. That is a rhetorical exaggeration by opponents of this bill, who are trying to have it both ways. On the one hand, they claim that this bill is significant because it will undermine public education, and on the other hand, they argue that this bill is meaningless because the tax benefit for the average family, they claim, will be $37 per year. Which is it—significant or meaningless? It cannot be both.

The truth is, this bill in the aggregate will have only a marginal impact. But, to some families, it will be a real help. And, so I believe that this bill is an appropriate way to reach a desirable goal—assisting parents who wish to send their children to the school of their choice.

Finally, Mr. President, although I support this bill, let me say that I am disappointed with the way the Republican leadership chose to bring up this bill. I am disappointed because we did not use this opportunity to have a serious debate on education in this country. By any measure, as I just noted, this bill will have only a small impact. And, it will help primarily—not exclusively, but primarily—families whose children attend private schools. I support it out of a sense of fairness.

But, meanwhile, there are 45 million public school children in this country. And, we have schools that are falling down, classes that are overcrowded, and children who have nowhere to go and nothing to do when the final school bell rings at 3:00 in the afternoon. Even if the Education IRA proposal becomes law—which I think it should, and I hope it will—it is not a fix for the problems of America's schools, and we should not pretend otherwise. No matter how important I think this bill is, it is not about making our public schools better. We could have put more money in building and repairing schools. We could have put 100,000 new teachers in our elementary school classrooms to reduce class size. We could have funded after-school programs to help keep kids off the streets and away from crime. We could have done all of these things in addition to the Education IRA proposal. But, we did not.

We have missed the opportunity to think big and have instead gone forward with a bill that gets by with something small. Nonetheless what is being done here is important, and I look forward to voting for it if the Gorton amendment is dropped.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I thank the Chair.

(The remarks of Mr. DOMENICI and Mr. BINGAMAN pertaining to the introduction of S. 1978 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DOMENICI. Mr. President, this is a very important education bill before us today.

It is a revolutionary education bill.

It encompasses a major philosophical shift.

This legislation is as significant as when we, as a society, decided that it was okay, in fact desirable, to teach girls to read. It is as big of a philosophical shift as when the Supreme Court struck down separate but equal schools in the 1960's.

This bill stands for the proposition that during a time when our technological capability is undergoing exponential change, education also needs exponential change not incremental tinkering.

To understand the magnitude of this proposed change, start with old adage ''follow the money.''

The Gorton amendment takes the money and provides three different paths for it to follow. Instead of a myriad of overlapping programs, each with its own set of guidelines, principles, and educational commandments, states are given maximum flexibility. Flexibility not only on ''what'' to do with the federal education dollars but ''how'' those federal dollars should be delivered to states.

States can opt to send funds directly to local school districts minus the federal regulations; or—states can decide they want their federal money to be sent to the state education authority without federal regulations or—states can opt to continue to receive federal funds under the current system.

States are supposed to be laboratories for government experiments. The Gorton amendment allows this experimentation so that Congress will have some concrete examples and data to see how each approach works.

This bill stands for the proposition that the best decisions regarding education are local decisions and this amendment gives the federal purse to the local decision makers.

This bill stands for the proposition that our schools need to do things differently. Too many kids are merely getting ''social promotions'' to keep them in a class with their age group regardless of whether they have learned their lessons. It is a sad state when many of our graduates can't read the diplomas they receive at graduation.

Too many schools don't teach the basics any more, and what they do teach isn't taught very well.

Another important philosophical shift encompassed in this legislation is the long-overdue, common-sense revelation that it is reasonable to expect teachers to pass a competency test before we can expect our students to be able to pass tests. I am pleased that this bill includes a provision providing for teacher testing and merit pay.

The bill now includes an amendment to provide new grants to states that (1) test K–2 teachers for proficiency in the subject area they teach and (2) has a merit based teacher compensation system.

In line with my belief that teacher competence is key to improving American education, this bill creates incentives for states to establish teacher and merit pay policies.

I believe the best teachers should be rewarded for their efforts to educate our children. A little competition in our public schools would be a good thing for rewarding these teachers who excel at their profession and motivating those who may need to improve their performance.

The MERIT amendment would use the Eisenhower Professional Development Program (Title II) to provide incentive funds to states that establish periodic assessments of elementary and secondary school teachers, including a pay system to reward teachers based on merit and proven performance.

The legislation would not reduce current funding for the Eisenhower Professional Development Program. Incentives will be provided to states that establish teacher testing and merit pay programs. The amendment permits the use of federal education dollars to establish and administer these programs.

The Eisenhower program, established in 1985, gives teachers and other educational staff access to sustained and high-quality professional development training. In 1998, the Congress approved $28.3 million, $10 million more than in 1997, for the Eisenhower program to provide in-service training for teachers in core subject areas.

The President requested $50 million for the Eisenhower program in 1999, an increase of $26.7 million above the $28.3 million provided in 1998. New Mexico received $2.4 million in 1997 for all 89 school districts. The President funds his 1999 request at the expense of Title VI, Innovative Program Strategies, which New Mexico also heavily utilizes. He requests no funding for this program, which received $350 million in 1998.

This is but one step forward in our bid to improve the educational performance of American students. This amendment supports the principle that all children deserve to be taught by well-educated, competent and qualified teachers.

This bill also builds upon the education savings accounts enacted last year. It expands the amount of money that can be saved and expands its uses to include K–12.

About 14 million individuals are expected to sign up for these accounts by the year 2002. Contributions can be saved to cover college expenses or used when needed to pay for a wide range of education expenses during a student's elementary and high school years. Examples of eligible expenses include text books, computers, school uniforms, tutoring, advanced placement college credits, home schooling, after-school care and college preparation courses.

A tutor can make the difference between success or a student falling hopelessly behind.

A computer can open the world, as well as cyberspace to a child. Children growing up in homes with computers will be the achievers. I am afraid children growing up in homes without computers will be at a disadvantage. This bill will allow money from an education savings account to be spent on a computer, software, and lessons on how to use the computer.

The bill has several solid worthwhile provisions.

It raises the limits on annual contributions to an education IRA from $500 to $2,000 per year, and allows accounts to be used for K–12 expenses. The bill allows parents or grandparents to make the contribution in after-tax money each year.

The Accounts would grow with interest, and withdrawals for educational expenses would be tax-free. A+ accounts, as under current law, are targeted to middle income taxpayers. Eligibility phases out beginning at $95,000 for individuals and $150,000 for joint filers. Under these terms almost all New Mexicans would be eligible to set up one of these accounts.

The bill allows parents to purchase contracts that lock-in tomorrow's tuition costs at today's prices. This bill would make these savings completely tax-free.

Families purchasing plans would pay no federal income tax on interest build-up. Under current law, state-run programs allowed tax-deferred savings for college. However, savings in such plans, when withdrawn, are taxable as income to the student. This provision would benefit one million students.

Twenty-one states have created tuition plans. New Mexico has not yet implemented one but it does have a proposal under consideration. If the state finalizes it pre-paid tuition plan future students would be able to benefit. Prepaid tuition plans are a great way to secure the future.

The bill extends through 2002, the exclusion for employers who pay for their employees' tuition and expands the program to cover graduate students beginning in 1998. The exclusion allows employers to pay up to $5,250 per year for educational expenses to benefit employees without requiring the employees to declare that benefit as income and pay federal income tax on the benefit. One million workers including 250,000 graduate students, would benefit from tax-free employer-provided education assistance provision.

The bill also creates a new category of exempt facility bonds for privately-owned and publicly operated elementary and secondary school construction high growth areas. The bill makes $3 billion in school construction bonds over five years. This is enough to build 500 elementary schools.

I hope the Senate will complete its work quickly on this bill and that the President will sign it.

Mr. President, this education bill is a revolutionary education bill. When you look at it on its four corners as it has finally passed the Senate, it is not nibbling around the edges. It is asking we make some fundamentally different decisions about the Federal involvement in public education.

I am not sure everybody understands that the Federal Government's involvement is about 7 percent. So when we talk about our U.S. Government having an impact on education for kindergarten through 12, about 7 percent of the money spent in the public schools across this land comes from the Federal Government. That means 93 percent comes from the States, municipalities, counties, boroughs and the like.

From what I can tell, the Federal Government has been doing too much dictating for 7 percent of the resources that they give to the States, too much of a heavy hand trying to dictate outcomes with very little money. One of the worst examples of the Federal Government's involvement is when we decided we should help the disabled young people get into the mainstream of our public schools, a wonderful idea. Then we said we will pay 40 percent if you pay 60 percent. To this day, to this night as we stand here on the floor, the Federal Government has paid 9 percent, yet we impose regulations. The latest ones on the IDEA bill that implements our desire to help public education mainstream and educate disabled young people, this 9 percent has for many schools dictated such onerous mandates that some today are willing to violate the law in order to get before a judge to show that some of what we are doing is so arbitrary that it is not even common sense.

Now, frankly, the revolution is twofold, as I see it. One, we are going to take a third of our public education money and say to our States: You have three options. You can take this one-third of our funding, a number of programs, and leave it just like it is. You can stay with these categorical programs where we put up a tiny bit of money. We have bureaucracy and regulations coming out of everybody's ears as we try to impact on education with a little sliver of money, with a marvelous purpose and goal attached to it. So, one, you can take it and keep it that way. The other is, you can say: State of New Mexico, State of Alabama, you send that money right to your school districts to be allocated to them proportionately and let them decide how to use the money in the best interests of their problems. Third is for the State to say: We will administer the money to the school districts and let them spend it the way we dictate. In all events, it is a marvelous research project. There is no downside for our kids.

What we are doing is not working. So for those who stand up and worry about

this new change, what is working today? Things are getting worse. We just had a TIMMS report that looked at our math and science kids, and it said the following, plain and simple: Up to the 5th grade, we are doing great. From 5th to 12th, we go right off the log, like the Titanic, into the ocean.

We are at the bottom of the heap by the time the 12th grade arrives in the United States of America, the highest technology and science country in the world. We are sitting around worrying about one-third of the programs that we have been dumping on our school systems with highfalutin goals, and we are saying to the school systems that you can decide where to put that money. The other two-thirds we will leave the old way.

Now, that is a revolution worth putting right before the public and seeing what happens. The other one is a little bit of a movement in the direction of merit pay and expanded teacher education. Both of them are revolutionary ideas and neither of them will harm anyone—in particular, the young people of our country. The chances are they will help our young people.

I know the President is going to veto this bill, but I am as positive as anything that the change in public education from the U.S. Government will start with this bill. This bill is going to start a change that is going to be borderline revolutionary. We are either going to do more and accomplish more, or essentially we are going to find out why not.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I yield 7 minutes to the Senator from Massachusetts, Mr. KENNEDY.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 7 minutes.

Mr. KENNEDY. Mr. President, the Republican approach these days often seems to be ''one ideology fits all.'' They want to privatize everything. They want to privatize Social Security, they want to privatize Medicare, and now they want to privatize education, and that would be their biggest mistake of all.

People ask why this bill is so important and why this debate has been so hard-fought. The answer is clear. This is not just another ordinary bill, or ordinary day, or ordinary vote in the life of the Senate. The Republican Party is making a massive mistake, a mistake of truly historic dimensions, if they turn their backs on public schools, if that is the clear signal they are sending the country by pushing this misguided bill, because its fundamental purpose is to aid private schools, not help public schools. We all know that public schools have problems, but our goal should be to fix those problems, not ignore them or make them worse.

Over the past few days, the Senate has had the opportunity to correct the defects in this bill and direct scarce resources to the public schools that have the greatest need. But at every turn Republicans have chosen to make this bad bill even worse. The bill uses tax breaks to subsidize parents who send their children to private schools, and it is a serious mistake. It diverts scarce resources away from public schools that have the greatest need. It undermines the important Federal role in education, and it bans voluntary national tests. It does nothing to improve public schools. It does nothing to address the serious need of public schools to build new facilities and to repair crumbling existing facilities. It does nothing to reduce class sizes in schools. It does nothing to provide qualified teachers in more classrooms across the Nation that will be needed. It does nothing to provide after-school activities to keep kids off the streets, away from drugs, and out of trouble. It does nothing to help children reach high academic standards. It does nothing to improve the quality of education for children in public schools.

On issue after issue, the Republican bill undermines Federal support for education, and that is irresponsible. We know what it takes to achieve genuine education reform. The place to start is by resoundingly rejecting this defective bill that destroys the national commitment to improving education for all students.

The challenge is clear: We must do all we can to improve teaching and learning for all students across the Nation. We must continue to support efforts to raise academic standards. We must test students early so we know where they need help in time to make that help effective. We need better training for current and new teachers so that they are well-prepared to teach to high standards. We must reduce class size to help students obtain the individual attention they need. We need after-school programs to make constructive alternatives available to students. We need greater resources to modernize and expand school facilities to meet the urgent need of schools for modern technology and up-to-date classrooms.

We cannot stand by and enact a regressive bill to help private schools at the expense of public schools. It is clear that our Republican friends are no friends of public schools. This Republican anti-education tax bill is wrong for education, it is wrong for America, and it is wrong for the Nation's future.

Public education is one of the all-time great achievements of our country. Education is the key that unlocks the golden door of opportunity. Great leaders of a century and more ago understood that. They understood what may be the greatest experiment of all in American democracy. They insisted on free public education for all, and in doing so they laid the solid foundation that made this country the most powerful and most successful nation on earth in this century. None of us—no Republican, no Democrat—should retreat from that basic bedrock principle. Yet, this unacceptable bill does that. It hangs a sign for all to see on the front door of every public school in America: Abandon hope, all ye who enter here. Get out while you can, public schools have failed. Find a private school that will take you in and we will subsidize the cost.

I categorically reject that view. Public schools have not failed. Public schools are still the backbone of American education, and they always will be. Let's solve their problems, not abandon them. Let's defeat this bill and make a fresh start to do all we can to help our public schools.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Would the Chair inform us as to the current status regarding time?

The PRESIDING OFFICER. The Democrats control 41½ minutes, and there are 8 minutes 49 seconds left for the Republicans. I heard some discussion earlier about yielding that back.

Mr. DASCHLE. Mr. President, it is my understanding that I am the last speaker on our side, and then we have one speaker left on the Republican side. It is with that understanding that I will yield such time now as I may consume.

First of all, let me begin by commending the distinguished senior Senator from Massachusetts for his eloquence again just now and for his remarkable leadership on this debate for the last several days. He has been our quarterback, and he has been a real inspiration to many of us. I thank him, and I thank all of our colleagues who have done so much to contribute to this debate, who have done so in a civil way, who have done so in an enlightened way, who have done so with every good intention about raising the level of debate and talking about these critical issues, recognizing the significant difference of opinion that exists between our parties on this important matter of national concern.

This debate started out as really a difference of opinion on how we commit about $1.6 billion in resources to education. I have noted in the past that I have great admiration for the Senator from Georgia and his interest in pursuing ways in which to improve to education. I differ with him strongly on this particular issue. We have noted on many occasions as we have made reference to his approach that the original design of this legislation did little to address the real problems we have in education. We have argued on this floor on many occasions whether, with $1.6 billion, we should give tax relief largely to those in the most successful quintile of our economic strata. I am told about $37 in tax benefits would go to the top 20 percent of income earners in our country.

The question is, is that the best way for our Federal Government to commit

these hard-earned tax dollars? Should we provide that kind of tax relief, as laudable as the intentions might be and as a different an approach as it might be? Certainly we want to encourage saving. Certainly we want to find ways to reduce the overall cost to all American families of education. The question is, is this the right way? Is this the best way?

There are those who have argued that if you do not favor the status quo, that this is the approach we ought to be subscribing to. Mr. President, I have to say, probably of all the things that have been said on the Senate floor with regard to this issue and this debate, this is the one which perhaps I feel most vehement opposition to.

I am an ardent opponent of the status quo in many respects. I oppose simply accepting our current situation as fact. We know that there are things we can do, that we must do. In an information age, we cannot be content to simply sit back and say, yes, this is the best we can do. We can't be content when we are not number one when it comes to math and science. We can't be content when we know that there are people who are not getting a good education because we have not made the right commitments.

I defy anyone to challenge those of us who believe there is a better way than the underlying bill that somehow we are defending the status quo, because that could not be further from the truth. As evidence of that, I guess I would suggest, No. 1, that you look at the array of amendments that we have offered that would have changed the status quo, beginning with, first and foremost, the single most consequential reduction in property tax that we have considered on the Senate floor, at least in my lifetime. As much as $10 billion in potential property tax relief could have been part of this legislation. In my state of South Dakota, we could have reduced property taxes by as much as $25 million. If we had passed the Moseley-Braun amendment, we could have relieved the burden on state and local taxes, including property taxes, by $10 billion. We didn't have the votes. The majority voted against reducing property taxes by $10 billion. I want to change the status quo. That would have done it. That would have done it, in addition to recognizing the fact that three out of four school districts in this country have at least one school that is in dire need of repair.

I spoke to people in a school district not long ago who shared with me the fact that, when the winds in South Dakota exceed 40 miles an hour, the school has to be evacuated. When the winds in South Dakota exceed 40 miles an hour, they have to go home. We had a chimney that fell through the third floor of one of our schools in Hartford, SD. I could go on and on.

The fact is, we have an incredible problem with regard to infrastructure. While we legitimately commit, as we must, to highways, to bridges, to airports, and to the array of infrastructure challenges we have—and I am a strong supporter of the effort to do that—we ought to be committing to infrastructure for the most important part of our population, our children. You want to change the status quo? We should have voted to support the Moseley-Braun amendment. You want to support change in the status quo? We should have supported the after-school program supported and offered by the distinguished Senator from California. You want to change the status quo? We should have recognized that we have to go out and find over 100,000 new teachers in the next 3 years. That is real change in the status quo.

Now our Republican colleagues have come back with proposals of their own to change the status quo. As the senior Senator from Massachusetts has just acknowledged, the real question now is, do we privatize public education? Because that is exactly what we will do if this bill passes and is signed into law. We would privatize public education.

So while we started out with a bill that promised to do very little, we have ended up with one that would do real damage. We've gone from doing almost nothing for public education to doing serious damage to the fundamental appreciation of the importance in democracy of education as we have known it for 200 years. We do damage. If this legislation was ever signed into law, we would do serious damage, because we would abolish the promise of universal education for the people of the United States as we have known it. This promise has been largely responsible for the democracy that we have enjoyed with all of its richness. We would abolish all remedial education for disadvantaged children. We would abolish safe and drug-free schools. We would abolish the opportunities for schools to come to the people of the United States asking for assistance to acquire new technology in their classroom. We would abolish Goals 2000, which would set some goals for the whole country to achieve as we recognize the importance of the information age. We would abolish teacher training in math and science. We would abolish magnet schools. We would abolish school-to-work. We would abolish the ability to use voluntary national achievement tests in order to empower parents to find out just how their students are doing. The abolition of all of those tools and more are incorporated in what we are about to pass tonight.

Mr. President, this is a lost opportunity. Yes. But far more than that, during the debate on this bill, we have gone from doing little to doing damage—damage to our public educational system, damage to the opportunities that children all over this country ought to have when they walk into a classroom. We would abolish the national role in public education.

So the question tonight that we must ask ourselves is, do we support the continued role of public education, recognizing, as we do, the need to move beyond the status quo and fundamentally and radically find ways in which to improve upon the tradition of public education in this country? Do we do that? Or do we privatize education? Do we privatize it and take away whatever role the people of the United States have when we consider our educational challenges in the years ahead? That is the question.

I hope our colleagues will vote a resounding no on final passage of this bill.

I yield the floor.

Mr. ROTH. Mr. President, I'm pleased that we are moving toward passage of this significant bill. The importance of giving American families the resources and means they need to educate their children must be above politics.

Before I get into the specific benefits of the bill, let me remind my colleagues that with the exception of several school construction bond provisions—which were newly added this year—all of the concepts in this bill should be very familiar.

Mr. President, these concepts should be familiar because we have already endorsed them. The base provisions in the bill—which include the increase in the maximum allowable contribution to an education IRA, the use of the IRA for elementary and secondary school expenses for public and private schools, the tax-free treatment of state sponsored prepaid tuition plans, and the extension of tax-free treatment for employer provided educational assistance—all received bipartisan support from the Senate as part of the Taxpayer Relief Act of 1997.

Despite this Senate support, these provisions were dropped from the bill during conference negotiations. Because of opposition from the Administration, these particular elements failed to be included in the final version of the Taxpayer Relief Act of 1997.

Today we will show our commitment to these provisions—and to enact what this body has already determined makes good sense for American families.

Mr. President, it is important to note that this tax bill is not designed to answer all of the education-related issues that face this country. Those issues are too varied and complicated to be addressed by the federal government. They need to be solved at the state and local level—by schools, teachers, and parents working together.

Instead, this bill is designed to build on the innovative concepts that have been introduced in the last few years. Our goal is to improve the tax code so that it provides the necessary incentives to help American families help their children. These are much needed tools.

Over the past 15 years, tuition at a four year college has increased by 234%. The average student loan has increased by 367%. In contrast median household income rose only 82% during

this period and the consumer price index rose only 74%.

Our students—our families—need these resources to help them meet the costs and realize the opportunities of a quality education. The Senate recognized the importance of these provisions less than one year ago, voting in favor of them. I hope that my colleagues continue to recognize just how important they remain. The American people are counting on us.

The various provisions of this bill are important measures that will aid our students and parents.

The first major change in this bill increases the maximum education IRA contribution from $500 to $2,000. That increase is important on two levels. First, with the well-documented increase in education costs, it is essential that we provide American families with the resources to meet those costs.

I have long argued that it is essential to change the savings habits of the American people, and there are few things more important than the education of their children. Not only will saving in this way increase our investment capital, it will increase American's education capital as well. Anything that thwarts either of these objectives is short-sighted.

By using the tax code to encourage individual responsibility for paying for educational expenses, we all benefit. The expansion of the education IRA will result in greater opportunities for individuals to save for their children's education.

Mr. President, the next major change that this bill makes to education IRAs is that it allows withdrawals for education expenses for elementary and secondary schools and for both private and public schools.

As we recognized last year, it is a fundamental principle that a parent should have the right and the ability to make decisions about his or her child's education—to decide basic questions such as how the child should be educated and where the child should attend school.

This bill recognizes that just like for secondary schools, we should not establish a priority system where some elementary and secondary schools are favored over others. We should not forget that it is the taxpayer who funds the education IRA—that it is the parent who puts his or her hard-earned money into the education IRA.

Mr. President, it seems a matter of common sense, therefore, that the parent should be able to choose how to spend that money.

Mr. President, another provision in this bill makes state-sponsored prepaid tuition plans tax-free, not simply tax-deferred. This is a significant distinction, because it allows students to withdraw the savings that accumulate in their pre-paid tuition accounts without paying any tax at all. It means that parents have the incentive to put money away today and their children have the full benefit of that money, without any tax, tomorrow.

As I have already mentioned, forty-four states have pre-paid tuition plans in effect, and the other six are in the process of implementing such plans This means that every member of the Senate has parents and students back home who either benefit from this plan right now, or will benefit from this plan soon.

Mr. President, the Coverdell bill also extends tax-free treatment of employer provided educational assistance for graduates and undergraduates through the year 2002.

This particular program is a time-tested and widely used benefit for working students. Over one million workers across America receive tax-free employer provided education. This allows them to stay on the cutting edge of their careers. It benefits not only them, individually, but their employers and the economy as a whole. With the constant innovations and advancing technology of our society, it is vitally important that we continue this program.

The various provisions that I have just described are all ones that members of this body approved last year. They made sense then. They certainly continue to make sense today.

Mr. President, the Coverdell bill does even more than address the costs of attending school. In response to concerns from Members on both sides of the aisle, the Finance Committee agreed on some measures to provide targeted relief in the area of school construction.

The first provision is directed at high growth school districts. It expands the tax-exempt bond rules for public/private partnerships set up for the construction, renovation, or restoration of public school facilities in these districts. In general, it allows states to issue tax-exempt bonds equal to $10 per state resident. Each state would be guaranteed a minimum allocation of at least $5 million of these tax-exempt bonds. In total, up to $600 million per year in new tax exempt bonds would be issued for these innovative school construction projects.

This provision is important because it retains state and local flexibility. It does not impose a new bureaucracy on the states and it does not force the federal government to micro-manage school construction.

Mr. President, there is a second bond provision in this bill. That provision is designed to simplify the issuance of bonds for school construction. Under current law, arbitrage profits earned on investments unrelated to the purpose of the borrowing must be rebated to the Federal government. However, there is an exception—generally referred to as the small issuer exception—which allows governments to issue up to $5 million of bonds without being subject to the arbitrage rebate requirement. We recently increased this limit to $10 million for governments that issue at least $5 million of public school bonds during the year.

The provision in the Coverdell bill increases the small issuer exception to $15 million, provided that at least $10 million of the bonds are issued to finance public schools.

Mr. President, it is clear that the Coverdell bill contains numerous important provisions for the American family. As I have said already, many of these measures are ones that the Senate passed last year.

Anyone—students or parents—who is on the front line dealing with the costs of a quality education, must have been disappointed last year when we failed to give them all the tools that they needed. American families understand the need for these measures. They have now been waiting for a year. I am pleased today that we will, once again, address the needs of American families and students. I urge my colleagues to support the Coverdell bill.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I thank my colleagues on the other side of the aisle who made so many eloquent statements on behalf of the underlying bill. As is obvious, this has not been easy for them. They have been at odds with their Members in the caucus. We all understand that takes considerable courage. The Senator from Delaware, who explained the dilemma that he faced—and that I accept, but I appreciate his comity and the efforts to work through this long journey very much, even though he cannot vote with us at this point.

To my adversary, the other manager, it has been a very civil debate. We even ended up in agreement on the reading excellence amendment. I appreciate the comments that came.

I would particularly like to associate myself with the remarks of the distinguished Senator from West Virginia, a very moving statement. It reminded me of my father. That is another relationship. He began his career as a coal truck driver in the Midwest. But when the Senator from West Virginia described the schoolroom in which that excellent mind of his was educated, I wish everyone could have heard it. While we all want excellent facilities, it isn't necessarily the key component in education. His came from a two-room building with two buckets of water. My dad's was one room. It likewise had no heat nor facilities. But that is for another day. I would admonish everybody to read the speech, though.

Mr. President, the underlying bill is focused on children. In all these debates, sometimes it is buildings, it is tax policy, but at the end of the day what we are talking about is the desire of all of us to have the youth of our country be given a chance to fully participate in the greatest democracy in the history of the world.

At one point in the debate I indicated that an uneducated mind is not capable

of enjoying the full benefits of American citizenship and an uneducated people cannot and will not remain free. A core stanchion of American liberty envisions a citizen who can think well and participate. When we deny them those opportunities, as the Senator from West Virginia indicated we have been doing in growing numbers, we are condemning these people to something less than full American citizenship. The first thing they are denied is economic liberty. And when they are denied economic liberty, which is the second stanchion of American freedom, they are pushed to the periphery of society and before long they are pushed into those components of society that are a risk to the safety of persons and property, another component of American liberty.

So at the center of maintaining our democracy is the duty for each generation to make sure that all of its youth are capable of participating in American citizenship.

It has been alleged that public education is being abandoned here. I would like to point out that of the economic underpinnings of this bill, over 90 percent of it supports public education, whether it is school construction, whether it is assistance through an education savings account to come to students that attend public schools, whether it is support of all of our public institutions in State prepaid tuition policy, whether it is aiding employers in continuing education for their employees. A very small component, albeit a meaningful component, of the funding of this bill deals with helping families whose children are in private schools. But it is simply wrong to characterize this as abandoning public education. Far from it. It is one of the most significant new energies behind public education we have seen in a long time here.

Just to reiterate—we talked about these children—there are about 53 million children in our elementary and secondary schools. The Joint Tax Committee has repeatedly said that 14 million American families will be beneficiaries of the savings account. That means nearly half of the entire population in elementary and secondary schools will receive some benefit. We also know that because of the work to help prepaid State tuition, a million university students will be helped. And we know 250,000 graduate students will benefit from these programs that we are talking about here today, that 1 million American employees will benefit from helping employers assist them in continuing education, and that at least 500 new schools in high-population areas and rural areas will be helped here.

This is a very large piece of legislation affecting literally millions of Americans across the country on the basic belief that an educated mind is an absolute essential requirement for full citizenship in this American democracy.

Mr. President, I know we have had our differences. I think this is the beginning of a long debate. It could be upwards to a decade. I am pleased that the minority leader has agreed that the status quo is unacceptable. If we have at least achieved that, it has been a major breakthrough.

In closing, I thank all of my colleagues on both sides of the aisle for an incredible amount of patience. The hour is near.

On behalf of the leader, for the information of all Senators, these next two votes will be the last votes of the evening. The Senate will convene tomorrow at 10 a.m. and debate the State Department reorganization conference report under the parameters of the consent agreement of March 31. However, no votes will occur during Friday's session of the Senate.

On Monday, the Senate will debate the NATO treaty beginning at 12 noon. It is the leader's hope that we will have vigorous debate and, hopefully, even have a few amendments offered on Monday.

I announce to my colleagues that the next vote will occur at 5:30 p.m. on Monday, April 27.

Mr. President, I ask for the yeas and nays on final passage of the education bill.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The PRESIDING OFFICER (Mr. ALLARD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 102 Leg.]

YEAS—56

Abraham	Faircloth	Mack
Allard	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Graham	Nickles
Bond	Gramm	Roberts
Breaux	Grams	Roth
Brownback	Grassley	Santorum
Burns	Gregg	Sessions
Byrd	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Coats	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Stevens
Coverdell	Inhofe	Thomas
Craig	Kempthorne	Thompson
D'Amato	Kyl	Thurmond
DeWine	Lieberman	Torricelli
Domenici	Lott	Warner
Enzi	Lugar	

NAYS—43

Akaka	Bumpers	Dorgan
Baucus	Chafee	Durbin
Biden	Cleland	Feingold
Bingaman	Conrad	Feinstein
Boxer	Daschle	Ford
Bryan	Dodd	Glenn
Harkin	Landrieu	Reid
Hollings	Lautenberg	Robb
Inouye	Leahy	Rockefeller
Jeffords	Levin	Sarbanes
Johnson	Mikulski	Specter
Kennedy	Moseley-Braun	Wellstone
Kerrey	Moynihan	Wyden
Kerry	Murray	
Kohl	Reed	

NOT VOTING—1

McCain

The bill (H.R. 2646), as amended, was passed.

Mr. COVERDELL. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ACKNOWLEDGING THE HISTORIC NORTHERN IRELAND PEACE AGREEMENT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of Senate Concurrent Resolution No. 90.

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN), the Senator from Utah (Mr. BENNETT), and the Senator from Kansas (Mr. BROWNBACK) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 103 Leg.]

YEAS—97

Abraham	Feinstein	Lugar
Akaka	Ford	Mack
Allard	Frist	McConnell
Ashcroft	Glenn	Mikulski
Baucus	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Breaux	Gregg	Reed
Bryan	Hagel	Reid
Bumpers	Harkin	Robb
Burns	Hatch	Roberts
Byrd	Helms	Rockefeller
Campbell	Hollings	Roth
Chafee	Hutchinson	Santorum
Cleland	Hutchison	Sarbanes
Coats	Inhofe	Sessions
Cochran	Inouye	Shelby
Collins	Jeffords	Smith (NH)
Conrad	Johnson	Smith (OR)
Coverdell	Kempthorne	Snowe
Craig	Kennedy	Specter
D'Amato	Kerrey	Stevens
Daschle	Kerry	Thomas
DeWine	Kohl	Thompson
Dodd	Kyl	Thurmond
Domenici	Landrieu	Torricelli
Dorgan	Lautenberg	Warner
Durbin	Leahy	Wellstone
Enzi	Levin	Wyden
Faircloth	Lieberman	
Feingold	Lott	

NOT VOTING—3

Bennett	Brownback	McCain

The concurrent resolution (S. Con. Res. 90) was agreed to.