

proceed. There would be a much stronger opposition if the bill were to be voted on right now, without some of the requests that we have made for amendments—amendments that I think are simple enough that they could have been agreed to as part of a package.

I want to say right up front that my vote was not a vote in favor of taxes. I want to reduce taxes. I want to stop new taxes—particularly at the Federal level. That is a goal we should all work toward. Federal income taxes, FICA taxes, unemployment taxes, and user taxes are always at the top of the list of burdens on working Americans and small businesses. I want to tell you that this bill doesn't reduce any of those taxes. This bill is an easy way for us to look good. We get to be the tax cutters by placing mandates on the other levels of government. We are tying the hands of local government to be able to finance itself, and we make ourselves out to be the good guys.

I wish all the Members who voted for cloture today would get as serious about reducing Federal taxes as they seem to be about reducing local taxes. This bill will create an unfair playing field. Congress does have a constitutional responsibility to regulate interstate commerce, and I understand the desire of the bill's sponsors to protect and promote the growth of Internet commerce. But I am concerned that we are picking the tax winners and the tax losers. I want to tell you, the local Main Street retailers will be the losers, unless we have some corrections in this bill.

There is also nothing in this bill to protect against fraud. The barriers to entry are so low in the Internet commerce and so hard to track that it is difficult to draw comparisons with catalog companies. Catalogs can be tracked. Those orders can be tracked. The Internet is a whole different problem.

The fraud that can exist in it can go so far as to have a retailer in a town set up an Internet web site in a State that does not have sales taxes. And when you go to purchase in that store, you would purchase through their other corporation in that tax-free State and free yourself from paying any sales tax. That is nice if you do not have to pay sales tax, except most of the States in this Nation rely on some form of sales tax for education money. Some States, including mine, rely on sales tax. There is no income tax in Wyoming. There is no income tax in several other States. There are provisions in the bill for States that do not have income tax to be represented on the commission. I think it is imperative that there be a provision in this Internet bill that those States which do not have an income tax but do have a sales tax also have representation on that committee.

There should also be a requirement for legislative suggestions from the commission. Right now the commis-

sion in this bill is required to give a report. A report on what? I think it ought to be much more specific than that and actually get into the instructions for legislation, the actual wording for the legislation that would ensure an end to the moratorium and be sure that we have something we can actually use. There should be a strong reporting requirement for the commission.

I look forward to debating this bill in the coming days. I am not opposed to the idea, but I think we have to move closer to the House version of the bill. The House bill does empower the commission to look at the remote sales issue. It does require the commission to produce legislative recommendations. These are important components of the bill that are necessary to keep it fair for small retailers and small governments.

I come from government that is closest to the people. I was a mayor for 8 years, and I served in the State legislature for 10. In Congress, we make decisions every day that affect the lives of millions of people, but they do not live at the Federal level. They live at the local level. In local government, you make decisions every day that affect the lives of your friends and neighbors, ones who know you and know what you are working on. There is a big difference.

I am very concerned with any piece of legislation that mandates or restricts local government's ability to meet the needs of citizens, and this bill does exactly that. It may not seem like a big restriction, and it may not exceed the \$50 million limit that Congress set in the Unfunded Mandates Reform Act, but it does establish a national policy against State and local government interference. It takes an affirmative step that ties the hands of local government.

What am I asking here? I am asking that we actually talk about some of the amendments that we need to have that maintain the status quo for State funding—not increases the tax, not decreases the tax, maintains the status quo. There are States that rely on this tax at the present time, and I will do everything I can to make sure that we do not take away the possibility, or the right, for those States to continue to operate.

We have to plug the loophole of the possibility for fraud, the possibility for fraud during the 2 years that there is a moratorium. If that gets established and allowed, we will have some of that happening for the rest of the time, and States again relying on the money will not have it.

That is a brief explanation. I will have an opportunity, I am sure, to expand on those considerably, but we do have concerns. That is why we are trying to make sure that we have an opportunity to have those addressed and to make sure they are addressed up front.

I thank the Chair and yield the floor.

#### MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12:30 p.m. with time equally divided between the Senator from Minnesota, Mr. WELLSTONE, and the Senator from Vermont, Mr. JEFFORDS, or their designees.

Ms. COLLINS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I yield myself 15 minutes from the control of the time of the Senator from Vermont, Senator JEFFORDS.

The PRESIDING OFFICER. The Senator from Maine is recognized.

#### HIGHER EDUCATION AMENDMENTS OF 1998

Ms. COLLINS. Mr. President, as a Senator from a State with an excellent record of accomplishment at the secondary education level, but a discouraging low rate of participation in higher education, I am extremely pleased to rise in support of the conference report on the higher education act amendments of 1998. Mr. President, I have had no higher priority than bringing this important legislation to completion this year.

I am very proud of the record of Maine's primary and secondary schools. We have one of the lowest high school dropout rates in the country, and we rank in the top third of the Nation for residents over 25 years old with high school diplomas. More important, the academic achievement of our schools is impressive. Education Week's "Quality Counts" assessment found that the performance of Maine's students in mathematics, science, and reading was at the very top of the Nation.

Unfortunately, Mr. President, there is one dark cloud in this otherwise very bright and sunny picture, and that is the low rate of participation in higher education by Maine's high school graduates. That low rate results not from a lack of interest or lack of ability, but rather from a lack of opportunity. The legislation we are considering today holds the key for young people of limited means to get through a door that, often for financial reasons, would otherwise remain closed to them.

This reauthorization of the Higher Education Act continues the historic commitment begun 40 years ago when Congress enacted the National Defense Education Act. In the NDEA, Congress stated, "The security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women."

In 1958, Congress was thinking of security in terms of the cold war and the recent launch of Sputnik by the Soviet Union. However, Mr. President, this statement remains equally valid today—although the challenge to our