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Senate

The Senate met at 9:45 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Sovereign God, ultimate ruler of this Nation, the one to whom we are joined with millions of Americans across the land in humble repentance on this National Day of Prayer, we know that repentance is confessing our needs and returning to You. In so many ways we have drifted from You, Holy Father. Forgive us when we neglect our spiritual heritage as a Nation. Help us when we become dulled in our accountability to You and the moral absolutes of Your commandments. Without absolute righteousness, morality, honesty, integrity, and faithfulness, our society operates in frivolous situational ethics while the prosperity of our times camouflages the poverty of the soul of our Nation.

May this day of prayer be the beginning of a great spiritual awakening. Wake us up to the realization that all we have and are is Your gift. Draw us back into a relationship of graceful trust in You that will make our motto ''In God We Trust'' not just a slogan but a profound expression of our dependence on You to guide and bless this Nation. We confess our false pride and express our full praise. Today we renew our commitment to You as Lord of this land and of our personal lives. Hear the urgent prayers of Your people and bring us back home to Your heart where we belong.

Today, gracious God, we join the Nation in mourning the death of John Cardinal O'Connor. We thank You for his leadership, for his prophetic powers, and for his obedience to follow You in social justice.

Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE CRAPO, a Senator from the State of Indiana, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. CRAPO. Mr. President, today the Senate will immediately begin consideration of the Abraham-Mack amendment regarding merit pay for teachers. Following that debate, Senator MURRAY will be recognized to offer her amendment regarding class size. No time agreements have been made with regard to these amendments, and therefore votes will occur at a time to be determined in the future. Senators will be notified as votes are scheduled.

The Senate will not be in session tomorrow. However, it is expected that debate on the Elementary and Secondary Education Act will continue next week.

I thank my colleagues for their attention.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABRAHAM. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

EDUCATIONAL OPPORTUNITIES ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2, which the clerk will report.

The bill clerk read as follows:

A bill (S. 2) to extend programs and activities under the Elementary and Secondary Education Act of 1965.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 3117

Mr. ABRAHAM. Mr. President, I send an amendment to the desk on behalf of Senator MACK, myself, and Senator COVERDELL, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Michigan [Mr. ABRAHAM], for himself, Mr. MACK, and Mr. COVERDELL, proposes amendment numbered 3117.

Mr. ABRAHAM. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. WELLSTONE. Mr. President, I have a unanimous-consent request regarding debate on this amendment. I think we will probably go back and forth, but on the Democratic side, after Senator KENNEDY and Senator MURRAY speak, I ask unanimous consent I follow them in sequence as we alternate back and forth.

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

Mr. ABRAHAM. Mr. President, my assumption is that the unanimous-consent agreement that was entered into

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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and envisioned, we would alternate between sides if there are speakers on each side, but that it would govern the order in which the Democratic side speakers would address the Senate.

The PRESIDING OFFICER. That is the Chair's understanding. The Chair, under the unanimous-consent request, will alternate between sides. The speakers on the Democratic side are Senator KENNEDY, Senator MURRAY, and Senator WELLSTONE, in that order.

Mr. ABRAHAM. Mr. President, title II of the bill before the Senate today includes a provision called the Teacher Employment Act—or TEA. This provision combines the current ESEA, title II, Eisenhower Professional Development Program and the class-size reduction program, for a total of $2 billion, which is then made available to states and local education agencies for teacher development programs.

Our amendment would amend the TEA provision—and expand the scope of allowable uses of title II professional development funds to allow states and local education agencies to use these funds for the development and implementation of teacher testing, merit-based pay, and tenure reform programs.

Mr. President, I believe that a qualified, highly trained, and highly motivated teacher is the key to a quality education for America's children. Most of our colleagues would agree.

Teachers play a special and indispensable role in our children's education. Nothing can replace the positive and long-lasting impact a dedicated, knowledgeable teacher has on a child's learning process.

The National Commission on Teaching and America's Future found that while class size reduction has the least impact on increasing student achievement and that teacher-education—teacher quality—has the most impact on student achievement.

Our amendment is designed to improve the quality of our teachers. It puts into practice the common sense we all share—the sense that teachers should be trained in the area they teach, that outstanding teachers should be rewarded, and that a teacher's promotion should be based not just on longevity but on performance.

Let me explain why I believe this amendment is important. First, I believe that teachers should know the subject matter they teach. Unfortunately, this is not always the case in many classrooms around the country. According to the Department of Education, one-third of high school math teachers, nearly 25 percent of high school English teachers and 20 percent of science teachers, are teaching without a college major or minor in their subjects. Teacher testing allows school districts to better target those teachers in need of additional professional development. By pinpointing the strengths and weaknesses of teachers, schools will be able to place teachers in their area of specialty and help those teachers in need of additional professional development.

A recent study, using student math scores on the Tennessee Comprehensive Assessment Program for two large Tennessee metropolitan area school systems, at the University of Tennessee at Knoxville ranked teachers based on five objective rankings of effectiveness. By the fifth grade, students who had studied under ''highly ineffective'' teachers averaged 54 to 60 points lower on achievement tests than students who had spent the 3 years with ''highly effective'' teachers.

I believe that States and local districts should be allowed to use Federal funds for teacher testing programs to determine which teachers are effective, and for which teachers additional professional development would be of assistance.

Second, I believe that outstanding teachers should be rewarded with merit-based pay increases. Teachers who motivate and inspire their students and put forth the extra effort to improve and expand their own skills should be rewarded. In the business world, employees who go the extra mile and exceed expectations are financially rewarded for their dedication and hard work. Are teachers, tasked with educating and shaping our children lives and futures, any less deserving of merit-based pay rewards?

Merit-based pay would reward teachers for exceptional teaching—providing added incentive to excel at a demanding and challenging profession. A senior associate at the Educational Trust, an advocacy group for the poor, once referred to high-poverty schools as boot camps for teachers.

Shouldn't there be the option of rewarding teachers who choose to take the more difficult path or who inspire less advantaged students to perform at a level well above that of their peers? I believe every one of us understands that teachers do, indeed, deserve these rewards. And, what is more, our kids deserve the improved educational experience such rewards will produce. Finally, I believe that teachers should be promoted to higher positions based on performance and subject expertise, not just on the longevity of their tenure.

Tenure reform ensures teachers will be held accountable for their overall performance in the classroom. According to U.S. News and World Report, the presiding officer's own State of Kentucky's tenure reforms—which includes exhaustive performance evaluations of teachers and schools and accountability for poorly performing teachers and administrators—have dramatically improved many of that State's worst performing schools. All of these reforms can vastly improve the quality of instruction in the classroom, which will provide students with the educational tools necessary to succeed in this new demanding economy they confront. I believe we ought to permit the States and local districts to use federal funds to design, develop, and implement these reforms—should they decide to do so.

Now let me now explain what this amendment does and does not do. It permits—and I stress word ''permits''—states and localities to use these funds for teacher testing, merit pay, or tenure reform programs. It does not mandate or require them to set up these programs—nor does it penalize them if they choose not to. It gives States and localities the freedom to decide precisely how these programs should be designed and how they should be administered. It does not require the States and local districts to do anything with the information gathered from testing or which tests to be used. Nor would they be required to base merit pay decisions on the outcome of the teacher tests. This amendment does not dictate that Federal funds must be used for tenure reform or establish criteria for such reform. Again, it only permits States and local districts to use funds for those purposes if they choose, based on how they choose.

While it could be argued that teacher testing, tenure reform, and merit-pay programs are already permissible uses under the Teachers Empowerment Act provision, we believe that explicitly listing these programs would eliminate any uncertainty among the states and local districts, granting them the freedom to full develop and implement the programs which will best target their specific needs in teacher professional development. This amendment is based in the same principles as the legislation that passed the Senate last Congress with bipartisan support by a vote of 63–35.

In conclusion, I would like to recognize a very simple fact. We in Washington too often focus on these issues from simply a national perspective. I think this debate we have had over the last few days clearly focuses on the important, critical role States and especially local school districts must play in the development of quality education in our Nation.

This amendment is designed to give even more flexibility to the States and the local districts to use these Federal funds for programs that we believe can help to improve their quality. There are no mandates. This is simply a permissible use that we would be providing.

In summary, we think this legislation can be improved by the amendment. We look forward to hearing discussion on it today. We believe it is important to reward quality teachers of this country for their commitment to ensure our children will be taught by the most qualified and knowledgeable individuals available.

I will have more to say on this as we go forward. I know there are other Senators wishing to address the issue. I note the presence of Senators MACK, WELLSTONE, and KENNEDY, so I yield the floor and I will speak again at a later point.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, generally around here if there is someone who is proposing the amendment, they are recognized to make opening comments. I understand there is a cosponsor on that. I think they should be entitled to also make opening comments. We will be glad to hear from the other cosponsor of the amendment if he would like to speak first.

Mr. MACK. I am glad to let my colleague go first.

Mr. KENNEDY. Mr. President, I will just make a brief opening comment. I want to start off by mentioning where we are on the issue of teacher training and teacher enhancement that is being addressed by my good friend from Michigan. Under the Republican bill, there is $2 billion for teacher quality and class size—that is a total of $2 billion. Included in that, is $1.3 billion which is presently allocated for the class size reduction program that has been implemented for 2 years in a row. Therefore, the 29,000 teachers teaching today in grades 1, 2, and 3, who are getting paid out of class size reduction program funds, will effectively be receiving pink slips because the Republicans are taking that program's money and putting it into the Republican bill.

Second, part of that $2 billion is the $350 million that is currently being used in math and science professional development across the country. The $350 million program, named after President Eisenhower, helps local schools to develop the capability of math and science teachers. It has been a good program and is working effectively around the country.

So, the Republicans want to wipe out the new teachers who have been hired for the first, second, and third grade; they want to end the Eisenhower math and science professional development program.

On the other hand, our total proposal on the Democrat side is $3.75 billion. We have $2 billion which is for professional development, mentoring and recruitment, and $1.75 billion for class size reduction. We had, as part of our debate yesterday, included our $3.75 billion in the democratic substitute. Last evening, I reviewed what we did in our particular proposal and the guarantees we provided for teacher quality and education. We made sure in our amendment that there was going to be a guarantee of funds for professional development. The other side only mentions ''a portion of funds for professional development''. It is ironic to hear my friends talk about the importance of professional development, when they barely target any funds in their existing bill for professional development. ''A portion can be spent.''

Furthermore, their bill does not guarantee any funds for mentoring programs, which we all know are so important and effective for retaining teachers.

We find the turnover of teachers serving in title I underserved areas averages 50 to 60 percent in 4 years as compared to those who have mentoring, which can make a great deal of difference to teachers. Their amendment does not address the issue of how to resolve the high turnover rate issue. It does not guarantee that teachers are going to get special skills to help students with disabilities or limited English proficiency. It does not give priority to developing math and science training programs.

When all is said and done, our Republican friends have come up with nothing to ensure that a certain amount of these funds go for professional development, mentoring programs, recruitment programs—activities we know are proven to improve teacher quality and retention.

We were anticipating, maybe unreasonably so, that in the areas that are tried, tested, and true, such as enhanced teacher training in the classroom, that our friends were going to come up with something. Basically, what they came up with is merit pay and testing of teachers. We have listened carefully to what the Senator stated. We are, as I mentioned, somewhat interested in the fact that these are the two areas.

In looking through the studies and reports of incentives for teachers to advance their capability of academic achievement and results, the cumulative studies are very compelling and are rather common sense.

Obviously, the academic background of the teacher's expertise is enormously important. But, we still are finding out that of the more than 50,000 teachers who were hired this past year, the majority of those serving in high-poverty areas are not fully qualified. We need to do something about this. We find there is a higher turnover rate in high-poverty schools. We know that if the schools want to hold on to new teachers, mentoring by experienced teachers, is effective. Studies have shown this.

Also, it is very evident that there ought to be continuing education and professional development for all teachers. As the information comes in and more studies are conducted, it is clear that professional development ought to take place not outside the school but in the classrooms and schools.

These are the models which have had the greatest success in ensuring all of our teachers are of the highest quality. For those who are not going to measure up, after evaluations and professional development, they ought to be given their fair due in terms of a hearing, but then moved out of the educational system.

That is what we believe, that is for what we stand, and that is included in our educational provisions. Those are the issues that we feel are important.

I ask the Senator whether he knows of any States that have embarked on a merit pay program.

Mr. ABRAHAM. My understanding is States have experimented with merit pay programs since the 1960s. I can recall in the late 1960s when I was an intern working in the education office of the Governor of Michigan, we were looking at various experimental programs, learning from models from places such as North Carolina and other States that were experimenting with those programs.

It seems to me this is not a new proposal at all. It is one with which various States have experimented and employed in different ways for a long time. That was my first experience with it, I think in 1969, 1970.

Mr. KENNEDY. I asked the question because last night I tried to find out which States have merit pay programs, and I was unable to find any.

Currently, there is nothing prohibiting States from implementing merit pay programs. If it is so successful, I would have thought we would have had several States already doing it and demonstrated that it has improved student achievement.

I can give the Senator a number of places where it has been tried and dropped. In Fairfax County, VA, they developed a merit pay program in the last few years, but the program was dropped.

I am all for incentives for teachers who move ahead in their academic achievements and accomplishments. We ought to provide incentives to encourage professional development and more advanced degrees. I am all for schools that are able to move ahead, and for giving flexibility to the States and the educational districts to provide financial incentives to do that. But in the areas where we are talking about rifleshot programs, which this amendment does, for particular individuals—I can, probably like the good Senator from Washington, Mrs. MURRAY, think of teachers who are teaching in some of the toughest schools in Boston, in Holyoke, MA, and in a number of other communities, who are showing up every day, working hard, facing extraordinary challenges where almost a third of all the children attending those schools are coming from homes where there is either physical abuse or substance abuse. They deserve combat pay.

But that isn't what this is really about. This is about individuals and principals giving individual financial incentives. What we want to try to do is to make available—at least on our side—the kinds of financial resources available to local communities, for whole school reform.

I know the other side believes that States should have block grants—blank checks—but we want to support tried and tested programs that have worked.

I have a very interesting study here that was just completed by the National Commission on Teaching & America's Future, the Consortium for Policy Research in Education. A review of 65 studies of science teaching concluded that teachers' effectiveness in

teaching science depends on the amount and kind of teacher education, disciplinary training, and the professional development opportunities they experience later in their careers.

That is what we should have, the continuing, ongoing availability and requirement that there is going to be a continuing upgrading of the skills of teachers. That is what they want.

What we have seen to be a strong determinant of teacher effectiveness stems from the quality of the teacher's initial teaching education and certification, and, second, later, professional development. Studies done over the last few years have shown this to be true.

In listening to our colleague speak, I was just trying to find out where his programs have been effective.

I yield at this time and then will come back to the issue. There are others who want to speak.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, let me make just a couple of comments before I give my prepared remarks.

It is interesting how this debate is being engaged rather vigorously so quickly and so early this morning. I remind my colleagues that this is basically this same amendment that was adopted by the Senate 63–35 in the last Congress.

I imagine the reason for it is that all of my colleagues received a letter from the National Education Association, the teachers union, in opposition to this amendment. This letter from the National Education Association on behalf of its 2.5 million members strongly urges opposition to the amendment offered by Senator ABRAHAM and myself. They are opposed to it because it authorizes ''federal funds for [the purpose of] testing of current teachers, tenure reform, and merit pay.''

I find it interesting that the NEA previously came out in support of testing—NEA President Bob Chase has said the NEA:

> . . . wholeheartedly supports and endorses the recommendations of the National Commission on Teaching and America's Future's new report, ''Doing What Matters Most: Investing in Quality Teaching.''

The report recommends: Teachers should be licensed based on demonstrated performance, including tests of subject matter knowledge, teaching knowledge, and teaching skill.

The report recommends: To encourage and reward teacher knowledge and skill, we should develop a career continuum for teaching linked to assessments and compensation systems that reward knowledge and skill.

That sounds to me like a broad endorsement of the concept of testing teachers to understand where they are with respect to the knowledge they have in the courses they are going to be teaching. I think it clearly indicates the idea of moving away from pay being based on someone's seniority to one based on merit—pay should be based on the ability to teach, the ability to be able to show, in testing, that they have the knowledge in the areas in which they are teaching.

So I make that comment to begin.

Further, with respect to questions about merit pay, again, my colleague already referred to the fact there have been States experimenting with this idea since the late 1960s. But Denver, CO, has a merit pay system. Interestingly enough, the Secretary of Education, Secretary Riley, when he was Governor of South Carolina, endorsed merit pay.

In Florida, we encourage teachers to participate in what I believe is the National Board for Professional Teaching Standards. If a teacher in the State of Florida successfully completes that process and becomes certified by this board, they are going to receive a bonus. I think that is merit pay.

So this idea that I think the Senator from Massachusetts tried to imply, that this is something no one is pursuing and there is no value to it, I would say, is not accurate.

Mr. President, I rise today with my friend and colleague, Senator ABRAHAM, to offer this critically important amendment. It focuses on the single most important, yet most overlooked, aspect of education—the quality of America's teachers.

Education is the engine of social and economic progress, and the ladder of opportunity. The rungs of that ladder must be supported by exceptional teachers. I have little doubt that the American spirit of ingenuity and innovation will continue to lead the world in providing new economic opportunities, expanding medical research and improving the quality of life for everyone. But there is a catch. For our children and grandchildren to achieve the high standards we expect of them, we must provide them with the tools they need to help them excel. The economic security of our children depends upon the quality of their education.

Each time we debate education reform in America, there is a growing sentiment that continued viability of the American dream could slip away simply because our children are unprepared to face tomorrow's challenges. The academic performance of America's students in international exams can hardly be considered world class. In fact, the longer our students attend American schools, the further behind they fall in performance. Consider these statistics:

While America's 4th graders score above the international average in math tests, they continue to trail students in countries like Austria, the Czech Republic, Hong Kong, Japan, Korea, the Netherlands, and Singapore. By the 8th grade, American students barely meet the international average, and by the 12th grade, American students lag far behind their international peers.

In science, U.S. students score above the international average in both 4th and 8th grades. But, in 4th grade, U.S. students are outranked by only one country—Korea. By the 8th grade, thirteen countries outrank U.S. students.

Again, that is an indication that the longer they are in school, the further behind they fall with other countries in the world.

In international physics tests, American 12th graders ranked sixteenth, and far behind countries like Russia, Slovenia, Latvia and the Czech Republic.

In both math and science, the performance of U.S. 12th graders is among the lowest in the industrialized world. Of the 21 countries that participate, the United States placed 16th in science and 19th in math skills.

Our students will be denied basic opportunities because they have not been adequately equipped to face a new, competitive, and global economy. We can and must do better.

Without qualified teachers in America's classrooms, all other attempts at reform are meaningless. We have long focused on the need to hire more teachers—as many as two million over the next decade. Our focus shouldn't be on the number of teachers, but rather, on the quality of those teachers.

As long as students are compelled to attend school, we should be compelled to staff those schools with the best and brightest teachers. Parents all over the state of Florida, and I imagine the same is true around the country, are concerned that the success—or failure—of their child's entire academic year will be determined by the quality and expertise of their child's teacher. Studies show that the most important factor in determining student success on standardized tests is the teacher's ability to present the material. As States are taking important steps to challenge their students with high-stakes tests for promotion and graduation, we must encourage states to step up to the plate and provide students with teachers who are better prepared than ever before.

Further complicating the situation is the shortage of teachers nationwide, which has led many school districts to assign teachers to subjects for which they have no formal training. Four million American students are currently being taught English, Math, or History by teachers who have neither a college major or minor in the subject they are teaching. Four million kids!

Mr. President, maybe I have a slightly different perspective in looking at these numbers today than I would have, say, 5 or 6 weeks ago. Priscilla and I were just blessed with our first granddaughter. We already have three grandsons, but this is our first granddaughter. While all of us in the family are engaged in the early days of raising that little baby and trying to get through the night, we are also concerned about the future for little Addison. Is she going to be among the one out of five students in America being taught English by a teacher who doesn't have a major or minor in English?

Think about that for a moment. I think one out of four math students are being taught by teachers who do not have a minor or major in that subject. So when I think about little Addison's future, and I realize the competitive world in which we live today, and how much more competitive it is going to be in the future, I know she is not going to be able to compete and have the same opportunities we all have enjoyed if she doesn't have an education second to none. Frankly, that can only come about as a result of having high-quality teachers in the classroom—teachers who my son and his wife, Ann, can be comfortable in knowing have the knowledge and expertise to provide that education.

Requiring secondary school teachers to earn a major or minor in their subjects might make sense if there were not a clearly superior policy that could be adopted instead, such as requiring teachers to pass a subject knowledge test for the subject areas they teach.

Teacher testing is an important first step toward upgrading the quality of instruction in the classroom. Testing provides a valuable opportunity for teachers to demonstrate knowledge of subjects for which they do not hold a major or minor degree. It will also enable principals to evaluate their staffing needs and to staff classrooms with the most qualified teachers. You simply can not teach what you don't know.

Common sense also dictates that we should not focus solely on under-performing teachers. We must also recognize that there are many great teachers who are successfully challenging their students on a daily basis. Teaching is one of the most important and challenging professions. While many excellent, enthusiastic, and well prepared teachers already work in America's schools, their work often goes unrecognized and unrewarded. Salaries for teachers lag far behind other professions for which a college degree is expected or required, and as a result, many exceptional teachers leave the profession and others who would be exceptional teachers never even consider teaching.

We have created a system of clear incentives for our best teachers to leave the classroom. Instead, we should be enacting policies to keep the best and brightest teachers in the classroom. To do this, we need to evaluate and reward teachers with a compensation system that supports and encourages them to strengthen their skills and demonstrate high levels of performance. That, in turn, will enhance learning for all children.

Today, schools compensate teachers based almost solely on seniority, not on their performance inside the classroom. It rewards underperforming teachers and penalizes exceptional ones by grouping them together in a single pay scale based primarily upon length of service. Merit-pay would differentiate between teachers who are hard-working and inspiring, and those who fall short. It is true that good teachers cost money. But the fact is, bad teachers can cost more because they limit the education of a child and his or her ability to contribute to society.

We hear quite often that merit pay won't work in public schools because it is too difficult to compare the accomplishments between teachers teaching smart, wealthy, well-disciplined, well-fed children versus those teaching poor, inattentive, hungry and unruly children. These conditions are no different than the differences faced by other professionals like doctors or lawyers who face both unwinnable cases or deadly diseases. Teachers should also be rewarded proportionately to their accomplishments in enhancing student learning, attitudes, and behavior.

This is not to suggest that simply throwing more money at schools and teachers will rescue schools from mediocrity. Some suggest we try throwing more money at the problem, although I would point out that we have already tried that. The United States spends more money per pupil than any other industrialized nation, and as I mentioned earlier, our children are not achieving high levels of performance on international standardized exams. The reality is that no amount of money will save mismanaged, bureaucratic, red-tape ridden schools from failure. And no amount of money will rescue a student who is placed in a classroom led by an unprepared, unenthusiastic, and uninspiring teacher. This debate is less about money and more about giving teachers a greater stake in the education they provide. We can do this by offering them real incentives to do their best so that their dedication and expertise will be recognized and rewarded. This will benefit all students.

Our amendment, known as the MERIT Act, will enable states to use their limited federal dollars on a number of initiatives to enhance teacher quality. First, this amendment provides funding for states to develop rigorous exams to periodically test elementary and secondary school teachers on their knowledge of the subjects they are teaching. Secondly, this amendment provides funding to states to establish compensation systems for teachers based upon merit and proven performance. Finally, this amendment provides states with resources to reform current tenure programs.

This broad approach will enable states to staff their schools with the best and most qualified teachers, thereby enhancing learning for all students. In turn, teachers can be certain that all of their energy, dedication and expertise will be rewarded. And it will be done without placing new mandates on states or increasing the federal bureaucracy.

Last Congress, the Senate passed a similar amendment with bipartisan support by a vote of 63–35 during debate on the Education Savings Account legislation. Unfortunately, the President vetoed that bill, despite his previous support for teacher testing.

I look forward to working with my colleagues as we continue the fight to give dedicated professionals, who teach our children, a personal stake in the quality of the instruction they provide. I hope there will again be broad, bipartisan support for this amendment. I thank the chair and I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Washington is recognized.

Mr. COVERDELL. Mr. President, I was going to ask a question of the Senator from Florida. I am not trying to speak. Will the Senator yield for that?

Mrs. MURRAY. I will yield for a quick question.

Mr. COVERDELL. When the Senator from Florida brought this amendment to the floor, he was talking about an experience in Los Angeles at a school. In deference to the Senator from Washington, I want to keep it brief, but I wonder if he could allude to that briefly.

Mr. MACK. Mr. President, that is a story I remember very well. To cut it short takes away, I think, the strength of its message. So maybe a little bit later on in the debate we can discuss it, but I would be glad to yield the time back to the Senator so she can continue.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Thank you, Mr. President.

Mr. President, on our side, I ask unanimous consent that Senator WELLSTONE be followed by Senator DORGAN.

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

Mrs. MURRAY. Mr. President, I congratulate the Senators from Michigan and Florida for addressing an issue I think all of us really need to address; that is, how do we recruit and retain good teachers in our classrooms today?

I think all of us whose kids are in public schools want to know our child will go to school and get the best teacher in that school. The question before us is, How do we make that happen? How do we ensure every one of our kids gets a really good teacher?

I have to say I am disappointed in the proposal our colleagues on the other side of the aisle came up with on merit pay. We have heard a lot of slogans in this debate. So far, from the other side, we have heard about private school vouchers, block grants, and now we are getting merit pay and testing for teachers. They all sound really good.

But I assure my colleagues, as someone who has been a teacher, someone who has been a school board member, someone who served in the State legislature, slogans don't teach kids; they don't keep good teachers in our classrooms; they don't improve test scores.

We are right in looking at the question of how we assure that we have good teachers. I was on a school board.

I have debated the issue of merit pay, which, by the way, school districts can now do and which State legislatures can now do.

As a Senator, I ask you to give us an example of a current school district that has merit pay in place that is working. We have not heard of any. I will tell you why. Because when you get down to the question of what does merit pay really do and you start to look at it, you realize that merit pay doesn't accomplish what we really want in ensuring that all of our kids get a good education.

Good current educational policy and curriculum standards are what we want to teach our kids today. It is not how to sit at a desk, listen to an adult, do everything right all day long, and not move but, rather, how to work together in teams and how to work together with other students because that is what is required of them when they get into the workforce. Very few jobs today have a single person sitting at a desk doing the same task all day long.

Merit rewards an individual teacher pitted against another teacher rather than encouraging teachers to work together in their building to improve the education of all of our children.

That is what we are trying to teach our children. The best way to do that is by example—encouraging teachers in a building to work together. Certainly different teachers in every building have different skills. Certainly some of them do better with one child, or another child, or another curriculum piece.

We must encourage everyone to work together rather than saying we are going to pick the best three or four of you and give you an extra incentive; we encourage a teacher to come and be the principal's pet, or to be there to work the longest, or to try to show that they are somehow better than the other teachers. You start getting teachers pitted against each other. That is not what we want in a good school building. We want all the teachers supporting each other.

The best schools I have been in are ones where all of the first grade teachers get together after school, or support each other throughout the day, or share their curriculum. Who is going to share their curriculum, or share the good things that work in their classroom, if that means they may not be the teacher who gets the merit pay? That is why school boards and States have not enacted merit pay. It is simply another slogan we put out here.

I think we really need to concentrate on what works. How can we ensure that we recruit the best and brightest? How can we ensure that people want to go into the teaching profession, that we keep the best and brightest, and help those who need additional skills to be the best and the brightest?

Think back through your own education. I don't know how many Senators have gone to public schools all their lives. I have, my kids have, and I have been in them. I know. When I look back at my education, or my children's education, and I think about all the teachers I had—think about this: Which one would you pick to get merit pay? It is difficult to do because all of us have had really good teachers. Our kids have had good teachers, and all of us have had good teachers.

I will tell you something. I remember well when my kids were in elementary school and my son had a teacher for whom I didn't particularly care. I was at a meeting with some friends. I complained about the teacher. And, surprisingly, another one of my friends said: You do not like that teacher? That is the best teacher my child has ever had. Why? Because that teacher didn't connect with my son but did connect with her son. Different kids learn different ways. Different kids connect with different adults. A teacher may do really well with one child and not well with another.

Tell me, how are we going to pick which teacher gets the merit pay? By the parents who like the teacher the best? By the teacher who is the toughest, who may do well for some kids but not well for others? By the teacher who does the most testing in their classrooms? By the teacher who passes a test, maybe?

I can tell you this. I have had teachers in my own life and in my kids' lives who were brilliant but who had no way of communicating with the kids they were teaching or how to teach what they held in their own head.

I ask my colleagues, and I ask those who are listening, how would you pick which one of your very own teachers or which one of your kids' teachers should receive merit pay? Do you think you can do a fair job?

That is what we are doing in this amendment we are debating today. Somebody is going to have to pick. Somebody is going to have to choose that curriculum. Instead of encouraging teachers to work together, whatever that criterion is which some principal decides is going to be how they choose a teacher to get merit pay is going to create disincentives in their own building and antagonism in their own building. I don't think that is what we need to be encouraging.

I think we need to address the issue of getting the best and brightest teachers in our classrooms. We do not pay any teacher enough, I am here to tell you, particularly those teachers who are in our toughest schools, who have the kids with 99-percent-free and reduced lunches in their elementary schools. I have been in those schools—kids who come and hear 70 different languages in one school district, kids who come to school who have not even lived in a home, or in the same home for more than several weeks, kids who come to school whose parents may not have come home last night, who may not have eaten last night, who have seen tremendous difficulties in their own lives.

We need to make sure those kids get a good teacher. But those are incredibly difficult challenges, and those are the incredibly difficult classrooms.

If we are going to provide extra pay for a couple of teachers only, I say let's give it to those teachers who are teaching in the most difficult circumstances. We should be giving them combat pay for their difficult circumstances. Certainly, I will tell you that those teachers who are in those classrooms are not likely to be the ones who get merit pay if it is based on any kind of teacher testing, or testing of their students, because they have the toughest kids in their classrooms.

Merit pay, if you do it on testing, rewards those teachers whose kids come to school ready to learn, whose parents are there helping them, and who come from the communities that have the resources in those schools.

Let's be very careful about what we are promoting. Let's be sure that we tell kids in our high schools and colleges that we want them to teach; we need them to teach. We know we need the best and the brightest in our classrooms, we know we need teachers who are professionals, and we know we must reward them.

I know that doesn't address the question my colleagues brought out about: What about those poor teachers? What about those teachers who aren't qualified?

I can tell you what we are asking teachers to do today is tremendously different from what we asked teachers to do 10, 20, or 30 years ago.

If you got your teaching degree back in 1972 and you are teaching in a classroom today, I assure you that no one in your college taught you how to use a computer. No one taught you how to develop your curriculum to use technology. No one thought you would need the math skills our students need today. No one thought you would be teaching in a classroom with many different languages or cultures. No one thought you would have the discipline problems you have.

Let's take those teachers who got their degree back in 1970, 1975, or 1980 and give them the professional development to get the skills they need in today's classrooms.

I have talked to teachers who feel extremely frustrated. They tell me if I were in a private business and the requirements had changed as dramatically as our public schools had in the last 30 years, they would have sent me to professional development.

We lack the resources and haven't provided the resources in our public education system to give our teachers the professional development they need. Let's not condemn them for that now. Let's do what is right and help provide professional development for our teachers in a way that is constructive so we can keep people who want to be in the classroom but have not been able to keep up.

I think we can revise some of the systems of tenure; many districts have

done that. I think that is a good way to proceed.

It is pretty darn frustrating to be a teacher today. They listen to the debate on the Senate floor and they hear about all the horrible teachers who cannot pass tests. These are people with college degrees who chose to be in our classrooms with our young kids. These are people who we should be supporting. We should be supporting them with incentives to be in the teaching profession. We should support them with quality pay. When teachers work for $23,000 a year and are told they have to go back and pay for a test to stay in this profession, or pay to go back to school, how do they do that? I don't know how they do that. I don't know how a single mom with a couple of kids who is teaching and earning $23,000 or $25,000 a year would ever be able to continue to be in our classroom, even if she were in the best classroom, if we required her to go back to school to take tests.

There is one problem with this underlying amendment I have not mentioned, and I don't think anybody has. There is no money here. It requires testing, and there is no money. That money will have to come from somewhere in the districts. The districts will not have the money, and likely they will require the teachers themselves to pay for it. That has been the practice in the past.

I understand the motive behind the slogan. I understand the desire to tell the good teachers in our classrooms that we appreciate the work they are doing. However, I think we should reward all teachers with better salaries. I think we should provide better training for teachers, more professional development for our teachers, give them the skills they need. If we want to come back and say we have done everything for these teachers to give them the best skills and they still don't make the grade, then there is something to say about this underlying amendment. We haven't done that yet. We have left our teachers behind. As a result, we have left our students behind.

In closing, there are tremendously good people in our schools today who are trying their best and working very hard. I think they deserve the most accolades we can give them. We should not be denigrating them.

We do have some excellent ways of rewarding good teachers today. On my staff, I have a woman named Ann Ifekwunigwe, an Albert Einstein Distinguished Educator. She has been with me on my staff as a fellow for the last year and has done an outstanding job. She is actually an elementary schoolteacher from the Los Angeles Unified School District. She is a great example of what we are already doing. Ann worked very hard and received her national board teacher certificate in California. Once you have done that in California, teachers then get a 15-percent salary increase and a $10,000 bonus.

There are ways under current law to encourage and help pave the way for teachers who want to get additional training which benefits all of our students. We should encourage those. I don't think we should be just using a slogan of merit pay, saying we will pick a couple of teachers out of our schools and tell them they are better than the rest of the teachers, without understanding the consequences of what may happen.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, the Senator from Washington has asked the wrong question. She is looking for examples as to where merit pay is being used successfully and she just cited California. I am not familiar with that program, but it is a certification that led to a bonus and merit pay.

I remind the Senator of the remarks of the Senator from Florida. In Denver, CO, teachers earn additional bonuses if they show student improvement. Secretary Riley, of this administration, previously endorsed merit pay when he served as Governor of South Carolina. Florida law provides bonuses to teachers who are nationally certified by the National Board for Professional Teaching Standards, and can earn additional bonuses if they mentor another teacher in getting nationally certified as an additional bonus.

The superintendent of education from the State of Arizona was recently in our Capitol and lauded the concept of merit pay for teachers who have outstanding capabilities, pointing out this concept is important in order to retain people who are getting better and better. You need to be able to reward that teacher and keep that teacher in the system; otherwise, the individual is likely to leave.

Let me simply say I am quite taken with the argument given by the Senator from Washington which, in theory, runs against everything we do in this country—that there should be no reward for achievement; everybody has to be treated identically or they won't be able to work together.

That message is taught from elementary to high school to college to professional sports, where everybody has to work as a team—but is everybody treated the same way? What corporation in America could function that way? You would pay the salesman who sold 2 vacuum cleaners the same salary as one who sold 10. The American way is one of honest, fair competition and reward. We do not have a system where everybody is dumbed down. Yet this is an argument that people won't be able to get along if one is more successful than the other. The way it has always worked in this country is that person was a role model that made everybody else try to reach that standard to be as successful, to do as well.

Competition makes better products, better performers. The competition of ideas in our democracy makes ideas truer and more honest. Competition is healthy, not detrimental. The whole country is built on the back of it.

I appreciate the remarks of the Senator from Florida. I think he is probably somewhat stunned someone remembered something that was said months ago, but it was such a compelling story about the role of teachers in education, and he has been kind enough to stay.

As part of my remarks, I ask the Senator if he might relate to those in the center of this debate that great story of what he found in a very special school when he went to Los Angeles.

Mr. MACK. I thank the Senator for the opportunity to do this. A number of years ago, my wife and I visited a school called the Marcus Garvey School in Los Angeles. I went there because I was trying to learn more about the different types of schools in America—what works, what does not work. While I am going to be talking about the Marcus Garvey School, I am not endorsing or embracing everything the school does. But the thing that stood out to me was the role of the teacher in this school. So this is what happened.

I went to the Marcus Garvey School and met the administrator, the principal, the owner of the school—all one person, Anyim Palmer, who was in a room probably no bigger than 10 by 10, filled with furniture that was probably 35 or 40 years old. The phone was on a stack of papers. There was no secretary. When the phone rang, he answered it. The point I am making is there were not a lot of amenities. This is basic stuff. This is a building with rooms in it, an administrator, teachers, and students.

He said: I want to take you down and show you what some of our students are doing. Unfortunately, the school is not filled today because of the time of the year it is.

Priscilla and I went down to a room where there were three different groups of children being taught in the same room. The first group of students we saw were 2-year-old children. Again, I emphasize 2-year-olds, not second graders; 2-year-old children. There were eight of them sitting at a little table. The teacher said to the children: Show the Senator and Mrs. Mack how you can say your ABCs. You can imagine the cute little voices of those children as they recited their ABCs. When they finished that, the teacher said: Now that you have done it in English, do it in Spanish. So then these little 2-year-old children went through their alphabet in Spanish. When they finished that, the teacher then said to them: Now do the alphabet in Swahili, and they did that as well—2 years old.

We went across the room to where 3-year-old children were doing math problems. The teacher said to me: Give one of the students a math problem. As I would suspect most people would have done, I gave a problem such as 5 plus 8—you know, pretty straightforward. But, again, 3 years old. She

said: No, no, no, give them a tough problem. So I said something like 325 plus 182. And this 3-year-old child, standing at the board, put down little dots, wrote down a number, another series of dots, wrote down a number and got the right answer at 3-years-old.

We went across the room where 4-year-old children were reading. We were told that these children were reading at the second, third, and fourth grade level. They were 4 years old.

We went into another room in this facility where there were 5-year-old children. A little boy was asked to stand up and recite for me, in the proper chronological order, every President of the United States. That little fellow stood up, looked me right in the eyes, and he rattled right through every President of the United States in the proper order. I must admit I knew he did that because they gave me a cheat sheet to look at. He was 5 years old.

Every time we went to a different area and saw these students, these children at work, Priscilla and I would say to this person who was taking us around: How can this be? How can this possibly be? What makes this work? Every single time we asked the question, the answer was: It is the teacher. It is the teacher. It is the teacher.

Anyim Palmer challenged what was then considered the best private school in Los Angeles County, their sixth grade against his third grade students. I think it was in math and English. You know who won—Anyim Palmer's third grade beat the sixth graders. How did he do it? What he said to me was: It was the teacher.

What I found out later is Anyim Palmer was a public school teacher in California who became so frustrated and angry that the system was failing to teach children in his community that he quit the public schools and started his own school. Do you know what he did? He also trained his own teachers. He said: Forget everything you have learned. I am going to train you. I am going to teach you how to teach.

Again, I thank the Senator for asking me to restate that story. It made a major impression on me. We can talk about all these other things, but we must focus on how to make sure that the teacher standing up in front of our children and grandchildren has the knowledge in the subject they are teaching—this is not fancy. We are not asking for special degrees. I am asking a very simple question. If a teacher is standing in front of my little granddaughter, Addison, a few years from now, I want my son and his wife to know the person who is teaching their little daughter has the knowledge in the subject they are teaching. That does not seem to be an unreasonable request to make.

I thank the Senator for asking the question. I yield.

Mr. COVERDELL. I thank the Senator from Florida. He has been at this some time. But let me just ask him, he is a principal coauthor of the measure. Is there anything about this measure that is a mandate?

Mr. MACK. I say to the Senator he is exactly right, there is no mandate. As strongly as I feel about it, I would like to, but I do not think that is our role. I think we can make some serious mistakes by mandating certain things, to say to a particular school district or a particular State they have to do what I say. They might say, what if we put this kind of testing program into effect but our concern is we need more computers. We need more books. We need—whatever.

This is not a mandate. It never has been a mandate. It never will be a mandate, at least as far as the Senator from Michigan and I are concerned. It is merely a statement of importance and it says to the schools if they want to, these dollars can be used for the purpose of developing the concepts for creating tests, developing some merit pay program, or in reforming tenure, all three of which we think can in fact go to the heart of the matter about what is necessary to improve the ability of the teacher.

The inference was made earlier that somehow or another those of us who are talking about this are out to degrade the teachers in this country. That is absolutely a false challenge. Most of us can remember those teachers who made a difference in our lives, who challenged us, who demanded from us that we do better. Each of us responded in a little bit different way. But we understand the importance of having good, quality teachers, and there are a lot of them. That is why we put the merit pay in, to recognize that.

Again, as to this notion that somehow or another if we were to put in place a merit pay system that, highlights teachers who are doing well, and encourages those who are not teaching our children to do better and somehow or another people would know and there would be divisions that would take place, let me tell you something. There is probably not a school in America where every teacher doesn't know who is carrying the load and who is not. You do not need a merit pay program for students and teachers alike to know who the good teachers are. You can just hear the kids talking about it: Boy, I hope I don't get in so-and-so's class.

It doesn't take a merit program. Merit pay is not going to do that. Children and parents already know the good ones and those who are not carrying their load.

What we are trying to do is the right thing.

Mr. COVERDELL. My colleague would agree, would he not, that the merit pay might keep that good teacher in that system longer than otherwise? At some point, we know we are losing good teachers because outside interests are seeking that kind of talent.

Mr. MACK. I certainly hope it would do that. I believe it would. As both of us have indicated, the State of Florida has developed a program that provides an incentive for teachers to get certification by a national board. If they receive that certification, they get a bonus.

They also get a bonus if they encourage another teacher to do the same thing.

What we are saying is, we are recognizing, not only through the dollars but through our interest, the importance of that individual teacher and the importance of the quality of that individual teacher. I believe it would encourage them to stay in the system longer. Most of the teachers love the children they are teaching. They want them to do better. We just need to give more encouragement to those teachers.

Mr. COVERDELL. I thank the Senator from Florida and the Senator from Michigan. I see the Senator from Minnesota is prepared to speak. He has been very accommodating. I have a few other things to say, but I am going to yield so he can proceed with his remarks. A little later today, I will have another opportunity, I am sure, to speak again. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank my colleague. I reserve my right to the floor and yield to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 3118 TO AMENDMENT 3117

Mr. KENNEDY. Mr. President, I send a second-degree amendment to the desk on behalf of myself and the Senator from Washington, Mrs. MURRAY.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself and Mrs. MURRAY, proposes an amendment numbered 3118 to amendment No. 3117.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 1 of the amendment in line 4, strike all after ''Reforming'' through the end of the amendment and insert the following: ''and implementing merit schools programs for rewarding all teachers in schools that improve student achievement for all students, including the lowest achieving students;

''(B) Providing incentives and subsidies for helping teachers gain advanced degrees in the academic fields in which the teachers teach;

''(C) Implementing rigorous peer review, evaluation, and recertification programs for teachers; and

''(D) Providing incentives for highly qualified teachers to teach in the neediest schools.''

Mr. MACK. I suggest the absence of a quorum.

Mr. WELLSTONE addressed the Chair.

Mr. MACK. I suggest the absence of a quorum.

Mr. KENNEDY. Mr. President, the Senator from Minnesota yielded without losing his right to the floor and is entitled to recognition.

Mr. WELLSTONE. I believe I have the floor.

The PRESIDING OFFICER. I already recognized the Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair. Mr. President, I will first respond, to make this a debate format, to some of the points I heard raised. I also will speak to the second-degree amendment.

One of the points that was made is that the focus on teacher merit is important because it leads to retention of teachers. I want to cite the National Commission on Teaching & America's Future, a report that came out in 1996 in which they spelled out the key elements for effective teacher retention: A, organize professional development around standards for teachers and students; B, provide a yearlong inservice internship; C, include mentoring and strong evaluation of teacher skills; and D, offer stable, high-quality professional development.

The second-degree amendment is about implementing merit schools programs for rewarding all teachers in schools that improve student achievement for all students, including the lowest achieving students.

Over and over, we have been here making sure those students who come from difficult circumstances and do not do as well are the students to whom we pay special attention.

B, providing incentives and subsidies for helping teachers gain advanced degrees in academic fields in which the teachers teach;

C, implementing rigorous peer review, evaluation, and recertification programs for teachers;

And D, providing incentives for highly qualified teachers to teach in the neediest schools.

In many ways, what is in the second-degree amendment mirrors what the National Commission on Teaching & America's Future tells us we need to do to have the very best teachers and retain those teachers as well.

I speak on behalf of the second-degree amendment. I want to talk about where I strongly dissent from the amendment my colleagues from Michigan and Florida have laid out: the emphasis on reforming teacher tenure systems and the emphasis on establishing teacher compensation systems based on merit and proven performance. Then I will talk about testing teachers periodically in the academic subjects in which they teach. I will talk about each one.

I am the first to admit that the tenure system does not always work the way we want it. I am the first to admit there are some teachers, unfortunately, in our schools who do not add to children but subtract. Sometimes they are tenured teachers, and that is when it gets tough. There is a reason for tenure, and the reason for tenure is to make sure teachers are free to express their ideas.

Albeit, I taught at the college level, but I am a perfect example of someone who benefited from tenure. First, I had to fight to get it. That is a 20-hour speech. The point is, there is no doubt in my mind that tenure was what gave me the protection to freely express my ideas on campus.

When we talk about education, we want students introduced to a variety of ideas, and we do not want teachers put in a position where they do not feel free to express their viewpoint, where they do not feel free to teach the way they believe they should teach, to teach students the way they think they should teach students because they worry about capricious, arbitrary decisions that might be made.

I now will talk about compensation based upon merit and then talk about teachers being tested periodically, and to give the example of Denver, CO, I think, raises yet another question. That has to do with this path we are barreling down with all the emphasis on standardized tests.

It is unbelievable. We have a trend in the country—and thank goodness people are now starting to look at it—where we are going to measure a student's academic performance on the basis of a single standardized test when all the people who have developed those tests tell us we should never use a single standardized test, and when we have not done what we should do to make sure every student has the same opportunity to do well on those tests. Let me do that parallel with teachers.

Let me give an example. I can see how this could very well happen given this proposal. If, for example, how well teachers are doing is based on how well students are doing, which is, in turn, based upon standardized tests given to students at as young an age as 8, if one is teaching in a school in an inner city, if one is teaching in a school in rural America, if one is teaching in a school where these kids come to kindergarten way behind, where they come from poverty homes, where they come from pretty difficult circumstances, and they do not have the resources they need, it could be your students are not going to do as well. Do we then argue the teachers do not show merit?

In addition, what kind of tests are we talking about using? The people who have done the professional work on having the very best teachers have said that in addition to having the decent salaries, in addition to putting an end to the bashing of public school teachers, in addition to making sure teachers have the resources with which to work, in addition to making sure we invest in the infrastructure of the schools, that we have the technology programs, that we have a manageable class size, in addition to all that, we want to have good peer evaluation, we want to have mentors, we want to have good programs during the summer, such as the Eisenhower program which has been eliminated in this block grant program which enables teachers of math and science to come together to compare notes and become revitalized and renewed. We want to do all of that. None of that is in this proposal. None of it is in the Republican bill, S. 2.

I say to my colleagues, not only does this amendment out here on the floor reflecting S. 2 do precious little to, No. 1, attract the very best into teaching, and, No. 2, to retain the very best in teaching—by the way, we have some of the very best teachers right now in public schools.

You know what, colleagues. Here is my challenge. I will tell you one of the ways we can retain good teachers is to stop bashing public school teachers. Some of the harshest critics of public school teachers on the floor of the Senate could not last 1 hour, I say to Senator SCHUMER, in the classrooms they condemn.

When I go into schools and talk to the students—and I am in a school every 2 weeks—I ask them: What do you think makes for good education? The first thing they say is: Good teachers. That is the first thing, even before, I say to Senator MURRAY, lower class size.

Then I ask: What makes for good teachers? And then we get into this discussion about what makes for good teachers.

By the way, I never hear students say the really good teachers are the teachers who engage in drill teaching, worksheet learning.

They hate it. They say the good teachers are the teachers who fire their imaginations, get them to connect themselves personally to the material they are talking about—none of which is ever reflected in these standardized tests.

Then, later on in the discussion—let's say there is an assembly of 600 students—I ask: How many of you are interested in going into public school teaching? I will tell you, I am lucky if it is 5 percent—maybe it is 10 percent—who say they are. This occurs at the very same time we are talking about over the next 10 years needing 2 million more people to go into education to become teachers, at the very same time we all say we care so much about education.

Then I ask the students: Why not? I want to tell you, colleagues, when these young people talk about whether or not they are going to go into public school teaching, and why they do not want to go into public school teaching, I guarantee you, they never say the reason they are not going to go into public school teaching to become public school teachers is because they are not going to have these merit tests.

They do not say: If there were merit tests, and we would have standardized tests to determine how we are doing to see if we are qualified to teach, then we would be really interested in becoming public school teachers.

They say two things discourage them from becoming public school teachers. No. 1 is that salaries are too low. By the way, a lot of women say—they are very honest about it—there was a time when maybe they would have had to go into teaching. They don't have to any longer in terms of opportunities for them.

The second thing they say—I think this needs to be said to some of our colleagues—is that they would be disrespected. I say to Senator MURRAY, who has probably had this discussion in Washington State, they have put more of an emphasis on being disrespected than the salary. They say there is just very little respect.

Then I say to them: Wait a minute. You are the students. Are you disrespecting your teachers?

They say: Well, you know, on our part, we do not give the teachers the respect they deserve. But it is a problem in the community as well.

So I say to my colleagues on the other side, rather than bringing amendments to the floor of the Senate that do not speak to what it is we should do to attract the very best teachers into public school education, what we should do—some of which is in the second-degree amendment that we now present—is put an emphasis on rewarding schools for doing well with the students and providing subsidies to help teachers gain advanced degrees in academic fields—who could argue with that?—and implementing good peer review. That really matters.

I say to Senator MURRAY, we were both teachers. Senator MURRAY, I think, would agree to having good evaluation and also providing incentives for highly qualified teachers to teach in the neediest schools. I thank my colleagues, Senator KENNEDY and Senator MURRAY, for having that provision in the amendment. That makes a great deal of sense.

The Abraham amendment which basically talks about maybe trying to figure out ways of ''reforming'' tenure systems, which I think means getting rid of tenure—let's be clear about what we are talking—and then talks about the teacher compensation systems based upon merit and proven performance, and then right away goes to periodic testing of teachers, is ridiculous. What kind of test are you going to use?

Now we are going to have standardized tests of students all over the country. Now we are going to have a single, standardized test for teachers all over the country. It is all going to become educational deadening. It is all going to discourage really talented people from wanting to teach. It is going to lead to drill education. It is going to focus attention away from what we all should be doing to make sure kids do well in school. It does not represent a step forward.

So I say to colleagues, I come here as someone who views education as the most important issue—that has been my adult life, education—to speak strongly in support of our second-degree amendment and to speak strongly in opposition to the Abraham-Mack amendment.

One final time I have to say this. I want to issue a warning. Albeit, the language is ''may,'' but there is Federal money involved here. I want to, one more time, say that we are, in the name of ''reform,'' talking about standardized testing everywhere.

I tell you, we should just listen to the students. I ask every Senator—Democrat and Republican alike—over the next 6 months, to try to spend a good deal of time in the schools in your States. Maybe many of you do. I am not implying the Senator from Michigan does not.

I find very little interest in standardized tests as representing a real indication of reform. I find the interest is in the discussion of smaller class size, the discussion of how to get really good teachers, the discussion of really good child care, prekindergarten, and the discussion of the decaying physical infrastructure of schools. I find a lot of the discussion, frankly, about what happens to kids when they go home and what happens to kids before they go to school. I find a lot of the discussion, in the best schools, about how teachers feel free to teach. They team teach. I heard Senator MURRAY talk about that. It is really very exciting. I would say that is the direction in which we should go, not in this other direction.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I am pleased to have the opportunity to speak because I believe the right participation by the U.S. Government in the educational process of our children is fundamental to our success as a nation in the next century. It is important for us to understand that we have a limited role in this area.

Mr. President, 93 percent of all the funding for education—93 percent; that is basically $13 out of $14 spent in education—comes from State and local governments. Frankly, I think that is a positive, not a negative. I think when people invest their own resources, when they invest the resources they have control over, they are likely to do so very effectively.

But it is appropriate, and as a matter of fact beneficial, when the Federal Government decides to be of assistance in the area of education. When we are involved, I think there ought to be some principles that we should follow in order to make sure we maximize the positive impact we can have in terms of the achievement standing of children. I use a term such as ''achievement standing'' or the ''capacity to achieve'' because I think that is what we are interested in, in education.

The question is, What do we want out of education? I think we want children whose capacity to do things, whose capacity to learn, and the things that they have learned, have been enhanced substantially.

It is nice to have school buildings. It is nice to have teachers. It is nice to have education programs. But ultimately, the purpose for which we develop resources and to which we devote the resources, is to elevate the capacity of children to learn.

How do we improve what happens to children?

I have had some opportunity to be aggressive and active in this area at the State and local level in government. Having spent 8 years as the Governor of my State, and visiting many of Missouri's 550 or so school districts, I know it is the focal point of the community in almost every setting. It is the objective of that community to elevate the standing of students, asking how do we help students do more?

Different communities have found different ways of inspiring students, preparing students, building students, and elevating what happens in the classroom. I think that is what we should be involved in.

During my time as Governor of the State of Missouri, the State board of education was so convinced about getting parents and teachers involved in the education of children, because it motivates children to be achievers, that we had a slogan that said: ''Success in school is homemade.''

Talking about localizing what we do in education, if you take it all the way to the home, you have localized it about as much as possible.

As a matter of fact, during my time as the president, or chairman—I forget the designation I carried—for the Education Commission of the States, it was an emphasis we agreed upon nationally that energizing parents and energizing the local community was the way in which we get the most return for our school dollars, as study after study has shown. And the anecdotal evidence is incredibly strong that cultures that involve parents and local officials in making decisions for what can and will work are the cultures where education succeeds.

So the ingredients of public school success include the very important point of getting students motivated as a result of the active participation of their families.

The House Committee on Education and the Workforce Subcommittee on Oversight and Investigations answered this question about what are the ingredients of educational success in a report released in July of 1998. The report was called ''Education at a Crossroads: What Works and What's Wasted in Education Today.'' The subcommittee found that successful schools and school systems were not the product of Federal funding and directives but instead were characterized by—here are the ingredients—parental involvement in the education of their children; two, local control; three, emphasis on basic academics; four, dollars spent in the classroom, not on distant bureaucracy and ineffective programs.

I believe these are the ingredients that are necessary for all of us to understand if we are going to talk about elevating the performance of students, which is why we speak about this issue today, because there are noble objectives and there are programs that may sound novel and noble, but if they don't elevate the status of students, we will have failed miserably.

I am concerned that too often the Federal program which finds its first consumption of resources in the administration of the program and the bureaucracy at the Federal level very frequently then goes to the State bureaucracy at the State level, but it doesn't get all the way to the student.

But there is more to my concern that the proposal just doesn't get all the way to the student. Frequently, when it gets all the way to the student, it directs an activity or a devotion of the resource which is not called for in the circumstance of the student.

So there are two principles that are operative here: First, that we get the resource all the way to the student so that the resource is spent in the classroom and not in the bureaucracy. The second principle is, let the resource be spent, once it is at the level of the student, on things that make a difference in terms of performance and student achievement in the classroom.

It would be appropriate, I think, to have some sense of satisfaction of getting a resource all the way to the classroom and not having the shrinkage of the bureaucracy that takes the resource away. But if the resource gets to the classroom and the expenditure can only be for things that aren't needed or directly pertinent to student achievement, we will have lost the battle anyhow.

Yesterday, I had the opportunity of addressing this body, and I had the unhappy task of detailing the fact that for tens of thousands of individuals at the State level in our educational effort their entire existence is consumed with filling out Federal forms; that we are serving the bureaucracy with paperwork perhaps more effectively than we are serving the students with education.

If the active participation by parents, community leaders, teachers, and boards of education at the local level is what really energizes schools to elevate the level of student achievement, maybe we should not have so much direction from the Federal level about how much and where the money should be spent.

I think that is pretty clear as a part of this bill which has been offered by our side; that we want to get the resources to individuals in the classroom, and not only deliver the resources to the classroom but to make sure that the best use for those resources can be determined by those who know the names of the students and the needs of the school rather than some hypothetical best use being developed a thousand miles away by bureaucrats who know, in theory, that generally the country needs X or Y but do not have very much awareness of specific needs in specific classrooms, in specific districts, in particular towns, counties, or communities all across America.

So this principle is, one, to get resources to the classroom and, two, to let the people who know the names of the students and the needs of the schools make the decisions. That is of fundamental importance.

When you gather at the Federal level the character of the programs and say we will make all the decisions about what is done, and we may want to get the resources to you but we will tell you what you have to do, that is the equivalent of hanging a sign on the schoolhouse door: ''Parents need not apply.'' It is the equivalent of saying to them, as much as we think you are an important part of education, you won't get to help make a decision about the way the resources are devoted, about the kind of program that is conducted, because, as a matter of fact, we will make those decisions for you in some remote bureaucracy.

I think the key to what we want to do is to empower those individuals at the local level by, first, sharing the resources with them as efficiently as possible, not shrinking it by running it through bureaucracy after bureaucracy and, second, empowering them by saying, once you have the resources, you have the right and opportunity to spend it in ways you know will benefit the students in a specific setting.

We have watched as we have lived with the sort of status quo in education, with the Federal Government trying to impose its ideas on the country, and we aren't showing the desired results. When you are not getting the right results, if you keep doing the same things, you are asking for difficulty. The industrialist puts it this way: Your system is perfectly designed to give you what you are getting.

If we like what we are getting in education, we should just keep doing what we are doing. But if we think we can do better —as a matter of fact, if we think we must do better for the next generation of Americans, if we recognize that the world is exploding in a technological, developmental sense, and that for people to be at the top of the list, they are going to have to be able to deal with technology and they will have to have high levels of achievement and capacity in terms of education, I think we are going to have to confess that we must do better. And in order to do better, we have to change what we are doing.

It is virtually impossible to do better if we just do the same thing over and over. I think State and local governments need the kind of flexibility that we provide, and I think when we try to restrict that flexibility, when we try to restrain the capacity of the people who know best what their own children need, who witness what will motivate, on occasion, success in those students, we tell them they can't use that judgment, awareness, and knowledge, they can't use their proximity to the problem as a basis for developing a solution, as a matter of fact, we are hindering the process.

I stand to speak in favor of this measure which will not only move resources to the local and State level but will provide the authority and flexibility so those resources can be devoted to students in classrooms in ways that are known by the individuals who know—teachers and students—and to the needs of the institution to improve performance. I believe that is the key.

For us to persist in doing what we have done with the status quo, to persist with a system that finds more and more people disenchanted because they find their hands tied, and they want to do one thing they believe will help their students but the government says, no, they have to do something else, which isn't that helpful, or, even in order to do something else, they have to file a stack of papers that will take people out of the classroom, moves people away from education.

For the Federal Government, according to a study in Florida, to administer Federal dollars, it is about six times as expensive as it is to administer a State dollar. That is six times the paperwork volume that is basically involved.

We ought to begin to wonder whether those individuals who actually have the stake in the circumstances, their child in the school, why we should distrust them and impose this sort of not only rigid set of requirements but this rigid audit trail which requires six times as much administration as a State or local dollar does to deliver educational capacity to children. That is something we ought to be leery of. We ought to say, wait a second. Why would we want to spend all of that money in administration and second-guessing those who know best about their own children, their own future, and who have a stake in this issue, which is the important stake, and that is the achievement of the students?

I think we ought to ask ourselves what happens in education when there is more nonteachers in the education system than there is teachers in the education system? When the administration of education and the tens of thousands of full-time equivalents across the country mandated by the Federal Government consume the resources instead of the resources getting to the classroom, we ought to ask ourselves: Is this the way for us to really be achievers?

We know when people have the right opportunity to succeed and the right resources, they can get the job done—my colleagues and I have talked about it over and over again—when they have the right opportunity in terms of resources and the right authority in terms of flexibility.

I think those are the two keys we have offered to the American people by this measure on our side as a way of allowing them to use the money they

have paid in taxes to elevate the capacity of the students who will chart the course of America in the next century.

We want for our children high levels of achievement. The children are the focus. The classroom is the focus. It is the place where it happens to those on whom we focus—the children. The ingredients of success are not great bureaucracies. They are great teachers, great classrooms, and great students. And it involves parents. When we tell parents the bureaucracy will make the decisions, we shunt them aside. We tell them they need not apply. That is a dangerous strategy and damaging to our students.

Our Federal programs haven't worked, and just doing more of it won't improve our performance.

My grandfather's admonition was, ''I sawed this board off more times, and it is still too short.'' If you keep sawing it will still be too short. You have to change your conduct.

We should change the focus at the local level; States and local governments need the ability as it relates to teachers. As Senator ABRAHAM said, we are not going to mandate that the States and local communities deal with teachers in any specific way. We want to authorize them to be able—with the resources they earned and paid in taxes—to devote those resources in such a way that they believe it will result in elevated performance for the students.

That is the long and the short of what we ought to be doing. The status quo is unacceptable. America will not survive on a continuing basis in the long term with our students being last on the list of those among industrialized nations. It doesn't matter if we are first on the list of expenditures. It doesn't matter if we have more resources devoted to the process that is eventually sucked into the bureaucracy or devoted to things that do not pay off. What matters is that students achieve. We cannot long endure as the leader of the free world if our students are the last on the list. Being the leader and being last doesn't fit.

It is time for us to focus our energies, resources, and authority to make good decisions for the elevation of student capacity. That will make a difference at the local level. That is why this measure is such an important measure.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, in order to try to inform the membership, we are attempting to establish a time situation so Members will know. We wanted to have a very brief comment on this second degree to the underlying amendment, and then to move ahead with an announcement which will be agreed to by leaders that would spell out how we would proceed from that time. That is in the process of being worked out, as I understand it. But we are reasonably hopeful that in a very short period of time we will either have a vote on this, or perhaps we could set it aside and start considering other amendments. We are prepared to do it. I will see what the mood is after I address the Senate for just a few minutes at this time.

Mr. President, I will speak briefly about the second-degree amendment that Senator MURRAY and I have offered. I think there has been a good debate and discussion about the importance of well-trained teachers, continuing and ongoing professional development, and also incentives for teachers who want to try to have a continued academic degree and who go through various certification processes.

Our amendment, as Senator WELLSTONE pointed out, seeks to do the merit program on a whole school level that rewards all teachers in the schools; improve achievement for all students, including the lowest achieving students; provide incentives and subsidies for helping teachers with advanced degrees; and implements a rigorous peer review evaluation recertification that takes in many considerations during the course of a year. It is a very rigorous program where teachers are evaluated by master teachers, where there is a video sample of their work evaluated. We believe that is consistent with other provisions of the Democratic alternative.

We are saying to the parents of this country that we are including in our educational program, recommendations that work—that have been tried and tested.

We differ with our Republican friends who say let's have a blank check and send it to the State capitals. Let's have block grants and let the Governors make the decisions and judgments about what they are going to do.

We differ with that. That is why we offered this second-degree amendment.

You could say: What is your evidence in terms of these particulars schoolwide? I want to correct the Record of my good friend from Georgia who said Secretary Riley tried merit pay in North Carolina. It is true. He did try it. It is also true he also decided that it failed after the State spent $100 million. They changed their program to the merit schools program, which is working, which is exactly what we are doing today. You now have probably the most successful school district in the country, which is in North Carolina, which is using just the kind of program that we are talking about. We are seeing the development of the same kind of program in the State of Kentucky.

In North Carolina, the State focuses on whole school achievement and overall student achievement for reward. The State doesn't believe that individual activities can be isolated to determine what produced the improvements in student achievement—it's a whole school effort. Therefore, the focus is rewarding the whole school. Rewards are given to the school, and all teachers and the principal benefit.

If any State wants to use their 93 cents out of any dollar for the objectives that the Senator from Michigan points out, they are free to do so. We don't prohibit it. If they want to do it, they can do it. We are saying with our 7 cents of the money that is going out in the local community, we are going to support tried and tested programs that have been successful.

I asked earlier in the day what States permit individual merit pay, and we still do not have an answer. What we know on our side, for example, is supported by a CRS Report dated June 3, 1999, ''Performance-Based Pay for Teachers.'' It states that many individual merit-pay plans were adopted as a means to increase teacher accountability and improve classroom performance. But, these plans not only failed to improve student achievement, but also destroyed teachers' collaboration with each other and teachers' trust in the administrators.

Instead, the more recent shift toward group-based, whole school incentive pay plans, allows teachers to focus on fostering overall student learning. These plans encourage teachers to work together within a school in a noncompetitive environment.

We support States that have merit pay with regard to whole school programs, merit pay for enhanced academic accomplishment, merit pay for evaluations and the recertifications. All of those are very worthy and are permitted and encouraged in our amendment.

We listened earlier about an excellent school in New Haven, CA, one of the poorer districts in California. Classroom teachers, while still working with children, have opportunities to have their knowledge and skills rewarded both financially and by returning something to the profession.

In New Haven, classroom teachers carry out internship programs, develop curriculum, design technological supports, and create student standards, assessments, and indicators of student learning.

Using a combination of release time, afterschool workshops, and extensive summer institutes, the district involved more than 100 teachers—nearly two-fifths of K through 4— on the language arts and math standards committee during 1996–1997 year.

During the summer of 1997, nearly 500 teachers, approximately 65 percent of the certified teachers, participated in district-sponsored staff development activities. The district had 24 different workshops in technology alone, offering a wide variety of different areas, including math and science instruction, bilingual programs, and many others.

The district pays the teachers for the courses leading to the additional certification in the hard-to-staff areas, such as special education, math, science, and bilingual. If the district does not pay the teachers for their time directly, the work counts toward increments on their salary scale.

The district provides free courses that reap ongoing financial benefits for teachers.

The district is bringing the salary incentives for those who have successfully passed the National Board for Professional Training Standards. The NBPTS for teachers was instituted in 1987. Achieving the national board certification involves completing a year-long portfolio that illustrates teacher practices through the lesson plan, with samples of student work over time and analyses of teaching.

They found that this school district—one of the poorest and neediest in all of California, the New Haven Unified School District, in a low-wealth district—now has an excellent reputation in education. Twenty years ago, it was one of the poorest in education, as well as financially. Today, they have closed their doors to out-of-district transfers and moved up into one of the highest achieving schools in California.

This is how it was done with regard to the teachers. There are other elements necessary in terms of classrooms.

Finally, I mention in Charlotte, NC, Mecklenburg, they ran an annual achievement goals-bonus cycle. This is how they consider their school district. Based on the degree to which the schools attained a set of goals, including improvement in academic performance, advanced course enrollment, dropout rates, and student attendance, there were two levels of bonus awards—100 percent and 75 percent. Schools that earned 75 to 100 percent of the possible goal points were designated exemplary, and bonuses of $1,000 and $400 were awarded to teachers and classified staff. Schools earning 60 to 74 percent of the possible goal points were designated as outstanding, and the bonus amounts were $700 and $300 for teachers and staff, respectively.

We are for it. But we ought to do it in ways that work. That is what our amendment does. That is why it deserves to be accepted by this body.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Utah.

Mr. BENNETT. Mr. President, I rise to commend my friend from Michigan for his amendment. I endorse the amendment. I think it is only common sense that we deal with this issue. I will make some comments about the underlying bill and what I have heard in this debate and try to put it in some kind of context.

First let me outline what credentials I have to comment on this. About a dozen years ago, I was approached by the chair of the Utah State School Board and asked to chair the Strategic Planning Commission that was being followed by that school board to create a strategic plan for Utah schools.

Frankly, that was the experience that got me back into public life. I was very comfortably ensconced as CEO of a profitable company and thinking that would be my career for the rest of my life. Getting involved in educational issues, becoming chairman of that planning commission, and laying out a strategic vision for Utah schools got me immersed in the whole education issue.

What I discovered 12 years ago—a depressing thing, by the way, and nothing has changed in the intervening 12 years—was that the school system was focusing on the wrong issue. Indeed, we named our report ''A shift in focus'' because we said that was what was going to be necessary to solve the educational problem in this country.

All of the focus of the professional educators and people involved in education was on the system: How can we tweak, fine-tune, fund, change, somehow manipulate the system?

As we got into it, we said no, the shift should be from focusing on the system and how it works, to focusing on the student and what he needs.

I offered this analogy going back again to my business roots. In the automobile world, at one time General Motors focused entirely on the way they made automobiles. They said: These are the automobiles we make. Now, sales department, you go out and sell the automobiles to the public.

Toyota came along, a very small company, and said: We are going to ask the drivers what they want in a car, and we are going to focus on drivers rather than cars. As a result, Toyota came up with an entirely different kind of car from those General Motors was producing. The focus was on the driver and not the car. The focus was on the customer and not the company. The company that focused on the customer and on the driver did exceedingly well. Toyota grew from a tiny company to the second largest in the world making automobiles and became, for a time, more profitable than General Motors, until General Motors discovered they had to shift their focus.

Instead of saying, this is what we produce, you go buy it; like Toyota, they started asking the question: What do you want? We will go make it. Saturn, a General Motors venture, came out entirely of that activity.

That is the analogy I used when I wrote that strategic plan for Utah schools: Instead of focusing on the school system and how it works, focus on the students and what they need. We were asked to come up with a mission statement for education as we did that commission. The mission statement we came up with terrified the superintendent of schools in the State of Utah. He said: You can't say that because if you say that, we will get sued.

We went ahead and said it anyway. What we said was: The mission of public education is to empower students to function effectively in society. That is what we are here for, to empower students to function effectively in society.

No, no, no, say the professionals; the mission of education is to construct a system that does the following things.

We do not measure the system. We measure the ability of the students to function in society. If they cannot function effectively in society, they are not getting a decent education. That was a radical notion 12 years ago. As I say, 12 years have passed and very little has changed.

Those are my credentials. That is the background I had coming in and listening to this debate. As I listen to this debate, I have some very, for me, interesting reactions.

First, from our friends on the Democratic side of the aisle, we have had an eloquent, continuing, and unrelenting defense of the status quo. Any suggestion that we try to do anything different is met with a stonewall of criticism and fear that somehow something will change. There is an unrelenting defense of the status quo that has been the underlying theme of this entire debate, as far as my friends on the other side of the aisle are concerned.

Interestingly enough, an overwhelming defense of the status quo is not what the American people want to hear. So if we go out on the campaign trail for just a moment, we find the Vice President saying we need revolutionary changes in education. There is an article that ran in this morning's Washington Post, which I ask unanimous consent to have printed at the end of my remarks, written by George Will.

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

(See Exhibit 1.)

Mr. BENNETT. He is talking about the Vice President's recent talk on education, and he quotes the Vice President as saying:

> Today, I am proposing a new national commitment to bring revolutionary improvements to our schools—built on three basis principles. First, I am proposing a major national investment to bring revolutionary improvements to our schools. Second, I am proposing a national revolution—

And so on. According to Mr. Will, the Vice President used ''revolution,'' ''revolutionary,'' or ''revolutionize'' 8 times in his speech and ''invest,'' a word we know means spending, 14 times.

As Mr. Will concludes in his article:

> The basic Gore position is that the public schools are splendid, and at the same time desperately in need of revolutionary investments.

I find a disconnect between the Vice President's rhetoric out on the campaign trail and what we are hearing on the floor today because any attempt on the part of the Republicans to produce something that is different is attacked. Anything we say let's experiment with is attacked. The overwhelming defense of the status quo is underlying everything our friends on the other side of the aisle are saying.

From the prospect of the position I had as chairman of that strategic planning commission, I want to look at this fearsome, frightening, Republican proposal that would go into such new ground as to somehow threaten the status quo. It is the most timid, it is

the most small, tiny, incremental kind of revolution I have ever seen.

The bill the Republicans are putting forward is, to put a number on it, something like 98-percent status quo. It funds the programs we have now, and it funds them generously. It supports the programs we have now, and it supports them solidly. But it says, putting the smallest toe at the very edge of the smallest possible body of water: Couldn't we just try a couple of things? Couldn't we give 10 States the chance, if they want to—no mandates, no requirements—just 10 States the chance, if they might want to, to try something out? In another area, couldn't we just try 15 States? Boy, that is bold and revolutionary and going to upset the whole world—15 States, if they decide they want to, might be able to try a few things a little differently.

These are the threatening kinds of Republican proposals that are coming along that are causing our friends to be so excited about anything that might in any way upset the status quo. If a State finds the Republican proposal is so revolutionary and threatening that it will destroy the State's ability to deliver education to its children, the State does not have to accept it. There is no mandate in this bill at all that says any State has to do any of the things we are giving them the opportunity to do. This is just the first tiny step. From my position as chairman of that strategic planning commission, I would look at the Republican proposal and say: This is timid. This is not nearly what is needed.

But I come here and discover it is denounced as somehow so threatening that it is going to bring down the entire educational edifice of the United States. But I repeat, at the same time, there is that kind of attack on Republican willingness to innovate and to even allow States to try a few things. At the same time that kind of attack is going on, the Vice President is going up and down the country demanding revolutionary improvement with major investments. I would like to know what those revolutionary improvements are. I would like to know, in the context of this bill, what changes in the status quo in revolutionary fashion the Vice President has in mind. If you get to the details, the only revolution he is calling for is spending more money on programs that already exist.

Let's take a look for just a minute at some past history. I want to read an excerpt from the Washington Post, talking about schools in the District of Columbia. It says:

> Alarmed by the crises confronting Washington youth, a group of community leaders is urging sweeping changes in D.C. public schools.

That does not sound like the status quo is so wonderful.

And another:

> A new consumer guide to the nation's public school system ranks only two urban school systems lower than the D.C. schools.

Again, the status quo is not so wonderful. The interesting thing about these quotes from the Washington Post is that they appeared there in 1988, 12 years ago. For 12 years, Republicans have been trying to bring about some changes in the D.C. public schools. I have stood on this floor and debated this issue in the context of the D.C. appropriations bill. Every time we try to try something different in D.C., we are told no, we cannot upset the status quo.

Here is another quote from the Washington Post:

> The malaise that infects the District of Columbia public schools runs deep. . . . There are problems in every phase of the educational process. There are school system employees who display no interest in the advancement of students, while excellent teachers and administrators are smothered by confusing and contradictory directives. . . . Instruction is inconsistent. At many schools, the audit said, test results have not been shared with parents and teachers. . . . The teacher appraisal process has been a joke. In the 1988–1989 school year, not one teacher received a conditional or unsatisfactory rating. On average, 22 percent of the teachers received no evaluation at all. While some excellent teaching was observed, the audit said, the predominant classroom activity involved students copying exercises and directions from books while teachers graded papers at their desks.

This appeared in the Washington Post in 1992, some 4 years after the first articles appeared in the Washington Post.

What revolutionary changes are we talking about? Every time the Republicans come to the floor and ask for an incremental change, we are told, no, you are undermining the confidence in public schools.

For over a dozen years now, in at least the Nation's school district where we have some degree of influence, the public school system has failed the children of the public schools.

As I listen to this debate and relive my experiences from memory as being chairman of the Strategic Planning Commission for the Utah State board of education, I realize how timid public policymakers really are, how anxious they are to talk about revolutionary improvements when they are running for office, and how anxious they are to stifle any attempt to bring to pass any sort of revolution when they have the opportunity to make a policy decision.

We must recognize, as I said before, this bill as what it is. The underlying bill is not a revolutionary bold attack on the status quo. I wish it were. There are many things that can and should be done. This is just the most timid kind of probing into possibilities, and yet even that is too much, even that is too fearful for those defenders of the status quo.

I go back to my original analogy. When it was first suggested to General Motors that they might produce some smaller cars, that they might try to go after the market that Toyota was beginning to discover, there was a mantra that ran through General Motors and Ford and the big three generally, and it was: Small cars mean small profits. It was repeated over and over.

By repeating that mantra to themselves, these auto executives convinced themselves that the status quo was just fine, and they watched the Japanese come into this country and take market share away from them to a degree that, to some extent, threatened their existence.

It was only after the marketplace told them they should be focusing on the driver and what the driver wanted rather than on their own systems and what they were comfortable producing that they finally began to compete in the world marketplace for automobiles and began to produce the kinds of cars Americans wanted to drive.

Now American manufacturers are competitive, and we drive American cars with the understanding that they are well built, they have good fuel economy, and they give us the value for the money, an understanding that, frankly, 15 or 20 years ago, Americans did not have.

Why can't we have that same understanding with respect to education instead of being so overwhelmingly concerned with the system and how do we tweak the system and how do we defend the system and this is the way we teach and, by George, the students have to sit there and take it.

Why can't we say: What do the students need to function effectively in society? Why can't we assess the student needs, the student challenges in the future, and the student responsibilities and then say, OK, if that is what the student needs, we will provide it? If the student needs skill in the English language, to a degree that he or she does not have it now, we better figure out a way to get it to them.

The main problem with our school system is this: Our school system is built on the industrial model. Indeed, it was created as we went through the Industrial Revolution. Stop and think about it for a moment.

Our schools are factories. That is, the model on which they are built is the factory model, with the student as product and the teacher as worker. Indeed, we organize the workers into unions, which is just the same thing that happens in a factory.

Here is the product. The product is wheeled into the English room where the English worker pours English into the product for 45 minutes. The factory whistle blows, and the product is wheeled into the math room, where the math worker pours math into the product for 45 minutes. The factory whistle blows, and the product is wheeled into the social sciences room where the social science worker pours social science into the product for 45 minutes, and so on.

It is organized along the industrial model, student as product, teacher as worker.

After the product has gone through enough class time exposures, we stamp a certificate on it, which we call a diploma, and send the product out into

the world saying: You are now educated, and the certificate we have put upon you proves it. We spend more attention to seat time than we do to the ability of the student to perform.

If I may digress for a moment and give you an example of how pervasive this whole mentality is from my own State, I want to talk about one of the members of our commission. We had a professor in educational psychology at Brigham Young University who was a member of the Strategic Planning Commission, which I chaired. I will not give you all of this history, except to tell you he made a commitment early in his life that he would return some day to the tiny rural community in Utah where he grew up and give something back to that community. It was an emotional kind of commitment made as a teenager when the people in that community raised enough money to send him to the University of Utah to get a college education, something he never could have afforded on his own.

As I say, he is a professor, graduated Ph.D. from Stanford, one of the Nation's leading authorities on small school problems. The position of superintendent of the school district in which his old hometown was located became vacant. He said to his wife: I am going to apply for that position.

She said: Come on, that's so far below what you do and what you are qualified for professionally.

He said: No, I made a commitment years ago that I would someday return to my hometown and give back to that community, and here is a way I can do it. I can go there, be the superintendent of schools, try a whole bunch of innovative things, and make a major difference. I can fulfill that age-old commitment I made as a teenager to go back to my community.

He applied for the position. He was told that he was not qualified for the position because there were certain gaps in his academic record that were required for that particular assignment. All right, he said, I will fill those gaps.

He went around to his colleagues in the School of Education at Brigham Young University and said: Give me the test. I have to have this particular class on my transcript. Even though I am a Ph.D. from Stanford, I have to have this particular class. Give me the test. I will take the test and demonstrate proficiency.

They said: No, no, no, no, no, no. You have to take the class. We can't give you an examination to find out whether you are proficient. You have to take the class.

He said: Some of these classes I teach.

They said: It doesn't matter. You have to sit in the classroom for the prescribed number of hours or we will not certify you as being educated.

He did not become the superintendent of schools in that particular rural district. This demonstrates the commitment that runs through the entire educational community, to seat time as the ultimate measure of educational ability.

What we are saying in this bill is, let's take a tiny, incremental, very tentative step towards looking at the needs of the student instead of focusing on the structure of the system, toward saying if somebody teaches a class, let's just assume that he knows what is in that curriculum and does not have to sit through it in order to acquire the requirements of the system.

Let's move from the industrial model paradigm that has the student as product and teacher as worker to a system with the student as worker—student, you are responsible for your own education—and teacher as coach. Teacher, help the worker understand where to go to get this information, to look for that skill, and so on.

In the process that means, ultimately, we will have a system that funds the student rather than the system. We will have a funding system where the money follows the student wherever the student, as worker, decides he or she needs to go, with the teacher, as coach, saying: You may have made a wrong decision. Look at the options. Look what you could do over there. Let me help you. Let me coach you. Let me support you. But understand, the ultimate responsibility for your education is yours, not mine.

That kind of a paradigm shift in thinking throughout the entire educational system would be truly a revolutionary improvement rather than the kind of changes or improvements that the Vice President has in mind when he uses those phrases.

I thank the Chair and the other Members of the Senate for your indulgence. As I have gone on this trip down memory lane of my own involvement with schools, I close with this one last anecdote.

When we were laying out, for an employee of the Utah board of education, some of the things we wanted to do and wanted to see happen in Utah's schools, he looked at me with great horror and said: We can't do that overnight. He said: Understand, we are trying to make these sorts of improvements. We are trying to make this a better situation for kids. But we can't do it overnight. You are too impatient. You come out of the business world where you can make a decision and then have it implemented. We can't do that. He said: But give us credit for moving. We will move in this direction, but we won't get there for 15 years.

I said to him: Now, wait a minute. Fifteen years?

Think of that in terms of the life of the student. That means the students who are entering this system as kindergartners, this year, will not see any improvement in their entire career because they will graduate before 15 years as seniors from high school.

If you think it is salutary that we can get changes moving slowly, and they will be effective in 15 years, you are just saying that a kindergartner entering school today is doomed to stay in the status quo his or her entire career through elementary and secondary education.

As the quotes I have read indicate, I was right. Students who entered as kindergartners, at least in the District of Columbia, are now graduating as seniors with no improvements, no changes. That is tragic.

To condemn a youngster as a kindergartner to no changes, no improvements, no experimentation at all, just to defend the status quo, and say, we are moving towards these changes, and they will come 15 or 20 years from now, is not something with which I want to be associated.

The Republican bill is not threatening. The Republican bill is not revolutionary. The Republican bill is the tiniest kind of incremental opportunity for States to experiment. We ought to pass it.

I yield the floor.

EXHIBIT 1

A LESSON PLAN FOR GORE

(George F. Will)

If AL GORE keeps talking incessantly about education, someday he may slip and say something interesting. But he avoided that pitfall—anything novel would offend his leash-holders, the teachers' unions—in his Dallas speech last Friday, unless you find interesting this unintended lesson, drawn from his speech, about how schools are failing to teach future speech-writers how to write:

''Today, I am proposing a new national commitment to bring revolutionary improvements to our schools—built on three basic principles. First, I am proposing a major national investment to bring revolutionary improvements to our schools. Second, I am proposing a national revolution in . . . ''

By November the salient issue may be not education but: Can Americans bear a president who talks to them as though they are dim fourth-graders? Whoever writes GORE's stuff knows his style, the bludgeoning repetition of cant, as in his almost comic incantations about Republicans' ''risky tax schemes.'' In Dallas, GORE used ''revolution,'' ''revolutionary'' or ''revolutionize'' eight times and ''invest'' (a weasel word to avoid ''spending'') or some permutation of it 14 times. And—it is as reflexive as a sneeze—he used ''tax scheme'' three times, ''risky tax cut'' once and threw in another ''scheme,'' referring to vouchers, for good measure.

GORE's grating style in Dallas suited his banal substance, which was Lyndon Johnson redux. The crux of GORE's plan is more spending of the kinds that are pleasing to teachers' unions. Such as: ''My education plan invests in smaller schools and smaller classes—because we know that is one of the most effective ways to improve student performance.''

Actually, we know no such thing. Pupil-teacher ratios have been shrinking for a century. In 1955 pupil-teacher ratios in public elementary and secondary schools were 30.2-to-one and 20.9-to-one respectively. In 1998 they were 18.9-to-one and 14.7-to-one. We now know it is possible to have, simultaneously, declining pupil-teacher ratios and declining scores on tests measuring schools' cognitive results. If making classes smaller is such an effective route to educational improvement,

why, after 45 years of declining pupil-teacher ratios, are schools so unsatisfactory they need to be ''revolutionized'' by GORE's ''investments''?

GORE's Dallas speech proves the need for remedial classes not only in prose composition but in elementary arithmetic, too. He says that George W. Bush's ''tax scheme, if enacted, would guarantee big cuts in spending for public schools.'' Well.

Bush's proposed tax cut over 10 years would involve just 5 percent of projected federal revenues. And federal money amounts to just 7 percent of all spending on public elementary and secondary education. Tonight's homework assignment, boys and girls, is to calculate how trimming 5 percent of federal revenues could necessitate ''big cuts'' in education, 93 percent of which is paid for with nonfederal funds.

GORE's vow that every new teacher hired under his program would be ''fully qualified'' probably is an encoded promise that all new teachers would be herded through the often petty, irrelevant and ideologically poisoning education schools that issue credentials to teachers. Education schools feed their graduates into, and feed off, the teachers' unions. Those unions sometimes push for state legislation that keeps the education schools in business by requiring teachers to pass through them.

''There are,'' says GORE, ''too many school districts in America where less than half the students graduate, and where those who do graduate aren't ready for college or good jobs.'' Washington has lots of public schools that fit that description, which is why none of GORE's children attended one.

Most failing schools serve (if that is the word) poor and minority children, whose parents increasingly favor meaningful school choice programs—programs that give parents resources to choose between public and private schools, thereby making the public school system compete. GORE is vehemently opposed to that. The ''dramatic expansion of public school choice'' he promises would enable students to choose only among public schools, thereby keeping students from low-income families confined to the public education plantation.

What would be ''revolutionary'' would be a GORE education proposal that seriously offended the teachers' unions. But he is utterly orthodox in his belief that public schools are splendid—and desperately in need of revolutionizing investments.

''Fundamental decisions about education have to be made at the local level,'' said GORE at the beginning of last week's litany of proposals for using federal money, and the threat of withdrawing it, to turn the federal government into the nation's school board. To the classes GORE needs in remedial composition and arithmetic, add one on elementary logic.

The PRESIDING OFFICER. The distinguished Senator from Nevada is recognized.

Mr. REID. Mr. President, to alert the membership of what we are trying to do, we have been in touch, of course, with the majority. We would like to finish the pending amendments the Abraham and Kennedy amendments, in the near future. Then what is anticipated by the leadership, as I understand it, is to go to the Murray amendment.

Senator MURRAY has graciously agreed to the time agreement of an hour and a half, evenly divided. Then we would go to the LIEBERMAN amendment. I have spoken to Senator Lieberman. He agrees to 2 hours on his side, and the majority could take whatever time they believe appropriate on that amendment. Then we would go to the Gregg amendment.

The only thing we are waiting on is a copy of the Gregg amendment. We have not seen that. As soon as that is done, with the concurrence of the majority—which we have kept advised during the entire morning—we would be able to enter into an agreement. It is up to the majority leader, of course, as to when the votes would take place.

I see the majority leader on the floor. What we would like to do, prior to an agreement—we have had Senators waiting here most of the morning. They would like to speak. Senator DORGAN would like a half hour; the two Senators from New York would use 10 minutes of Senator DORGAN's time to speak about the death of Cardinal O'Connor. Senator FEINGOLD wants 12 minutes to speak on some matter. I really don't know what that is.

I did not know the majority leader was on the floor. I was just trying to alert everyone as to what we are trying to do.

Mr. LOTT. Mr. President, if the Senator would yield, I did not hear all of what he said. I was back in the Cloakroom preparing to come to the floor.

Mr. REID. If the Senator would yield, what we would like to do when we finish this, which should be momentarily—either having a vote now or setting it aside—is to go to the other amendments after Abraham, Kennedy. Senator MURRAY, who has the next amendment in order on our side, will agree to an hour and a half on her class size amendment. Following that would be Senator LIEBERMAN. There has been agreement his would be the next amendment. He has agreed to 2 hours on his side on that. He indicated he did not know if the majority would need that much time. But whatever the majority wants, that would be the case.

Then it is my understanding we would go to the Gregg amendment, with no time agreement as far as we are concerned. We have not seen the Gregg amendment. We have been waiting for some time now. It is on its way. But the route sometimes is circuitous to get here. I did indicate, I think we have some Members who have been wanting to speak all morning.

Mr. LOTT. Mr. President, if Senator REID would yield, I understand that you are waiting to see the Gregg amendment. Of course, we would like to see the Lieberman alternative also.

Do we have that?

Mr. REID. Yes. It is my understanding that Senator LIEBERMAN has been in touch with members of the majority for the last several days.

Mr. LOTT. But I do not know that we have seen the language. That is what I have to make sure of, just like you need to see——

Mr. REID. I think you have. But if you haven't, that is certainly available.

Mr. LOTT. Of course, as far as the timing, we have Senators that are very interested in speaking on the pending matter, in addition to the ones you have mentioned.

I must confess, I was a little surprised that there was a second-degree amendment offered to Abraham-Mack. I thought when we entered that earlier agreement we would have the four that were agreed to. While there was language in there that said that, I guess, relevant second degrees would be in order—or perfecting amendments—I had the impression we were kind of not going to do that.

So the fact that there is now an amendment to the Abraham-Mack amendment I think puts a different spin on things. Our people need to be able to review that and speak on the second-degree amendment.

In addition, I see Senator ABRAHAM, who is the sponsor of the underlying amendment. Basically, what I am saying is, I think it is going to take more time than we had earlier thought that it might take. And then we would want to look at, are we going to have a second-degree amendment or second-degree amendments on the Murray amendment? That would certainly change the mix once again.

We need to make sure we have enough time on both sides for people to speak on Lieberman and Gregg once we have seen those. Everybody is working in good faith, and it is a little complicated. We could have objections on either side about what might be offered as second-degree amendments. We have some people on both sides who are now saying they want to offer noneducation, nonrelevant amendments, and we have been trying to stay on the education issue. It has been a very healthy debate, and everybody has stayed in close touch. We would like to continue that.

I have to work with some people on our side who want to offer some amendments sort of out of line. I think people not even on the committee who want to offer amendments at this point would be pushing the envelope. We ought to at least give the chairman and ranking member and people with education amendments a chance to make their pitch.

So rather than take up a lot of time, I would like to talk with the Senator from Nevada about the amendments and the time that might be needed. We will try to get something worked out and come to the floor soon to get something agreed to. In the meantime, continue with the debate and we won't be losing time—valuable time, as a matter of fact.

Mr. REID. If the leader will yield, the purpose of this was to try to move a number of amendments along. From what the leader has said, it is going to be very difficult today to go beyond the Murray amendment. We will certainly try to cooperate, but it may be difficult.

Mr. LOTT. It may be difficult, but we can see what might be able to be done.

Mr. REID. The one thing I would like to do is make sure that the—we have had Senators over here waiting literally all morning to speak for a short period of time. I know Senator ABRAHAM wants to speak on his amendment and that of Senator KENNEDY. I would like to propound a unanimous consent agreement that Senator DORGAN be recognized for a half hour, that 10 minutes of that time be allotted to Senators SCHUMER and MOYNIHAN to speak about the death of the New York Cardinal, and that Senator FEINGOLD be allowed to speak for 12 minutes.

Mr. DURBIN. I would like to ask the majority leader if he would yield for a question.

Mr. LOTT. Yes.

Mr. DURBIN. I am relatively new to the Senate. The House rule used to say committee members could offer only germane amendments. Do I understand the majority leader is suggesting that as a standard in the Senate?

Mr. LOTT. No, I didn't suggest that. I am saying that members of the committee have education amendments and would like to have them offered. We have some members on both sides of the aisle now who are saying, ''I want my amendment to be next,'' and I am not inclined to be impressed with that suggestion. We need to go forward with the way we have been trying to proceed and get our work done. But, no; the way it works around here is, if you can horn your way into a debate that is underway, then that is the way it is.

Mr. DURBIN. I thank the majority leader.

Mr. REID. Mr. President, how about my request?

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Reserving the right to object, Mr. President, just to facilitate the flow here, let me make sure we have some sort of a sharing of time, alternating back and forth. The Senator's proposal was 30 minutes for Senator DURBIN, 10 minutes for Senators SCHUMER and MOYNIHAN, and 12 minutes for Senator FEINGOLD.

The PRESIDING OFFICER. Will the Senator repeat the unanimous consent request.

Mr. REID. What I proposed is that Senator DORGAN be recognized for 30 minutes, with 10 minutes of his time being allotted to the Senators from New York, and that 12 minutes be allotted to Senator FEINGOLD. They have been here literally all morning.

Mr. LOTT. Mr. President, I ask unanimous consent that immediately following the block of time for those speakers, an equal amount of time be allocated to Senator ABRAHAM and to myself, or my designee. I know the Senators from New York are going to talk about the Cardinal's death.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Reserving the right to object.

Mr. SESSIONS. Mr. President, I would like to speak after Senator ABRAHAM.

Mr. LOTT. Mr. President, I amend my request that Senator ABRAHAM be recognized first, and then Senator SESSIONS, and any remaining time will be used by myself or my designee.

The PRESIDING OFFICER. Is there objection?

Mr. ABRAHAM. Reserving the right to object, although I would like to speak on the amendment, as well as the second degree, because of a ceremony taking place in the Capitol rotunda now, of which I am to be a part, I may not be in a position to immediately follow the final speaker. I suggest that perhaps we might slightly modify the Senator's proposed unanimous consent agreement to allow for the fact that I may be unable to be here right at that time.

Mr. LOTT. Mr. President, we will make it simple. I ask unanimous consent that when this block of time is completed, as outlined by Senator REID, there be an equal amount of time on this side for me or my designee.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I yield to the two Senators from New York to use their 10 minutes of time now to speak about the death of Cardinal O'Connor.

The PRESIDING OFFICER. The Senator from New York, Mr. SCHUMER, is recognized.

TRIBUTE TO JOHN CARDINAL O'CONNOR

Mr. SCHUMER. Mr. President, I will use 5 minutes and then yield to my senior colleague from New York for 5 minutes.

It is with a heavy heart that I rise today to honor the memory of His Eminence, John Cardinal O'Connor. As you know, His Eminence was a man of immense honor and conviction, a man who dedicated his entire life in service to our Nation and the betterment of humanity. He was completely loyal to Catholic doctrine but was able to reach out to New Yorkers of all races, religions, and ethnic and economic backgrounds. His loss is New York's loss, America's loss, and humankind's loss.

Today, all New Yorkers mourn this profound loss. And while today will be one filled with great sorrow, I believe that during this period of grief, many will find moments of joyous reflection in thinking about the innumerable ways this servant of God was able to touch the lives of millions.

Earlier this year, I rose alongside a number of my colleagues in the Senate and called upon this body to support legislation to honor the enormous contributions made by the Cardinal to religion, humanity, and service to America, by bestowing upon him the Congressional Gold Medal.

The measure passed unanimously, and I had the honor to personally present His Eminence with a framed copy of that legislation, and although he was weakened, you could see a man of peace. He believed he had accomplished much of his life's goal and was proud of what he had done, although in his own modest way. It is my prayer that all of us, when our time comes, may feel just that way.

The Cardinal cared about the poor, the sick, and the elderly. He would be giving a speech on Catholic doctrine at the cathedral one hour and the next hour would quietly slip off and minister to an AIDS victim in a hospice. He was a man of great intelligence and of great passion. He was a man who believed and didn't flinch from those beliefs but at the same time had a unique ability to reach out to others who might not believe what he did. He served, of course, as a military chaplain and at the same time was a voice for the poor. He cared about working people and spoke up for the union movement repeatedly.

He loved all of God's children, and he will be forever cherished and remembered by people of the Jewish community for bringing Jews and Catholics closer together. I truly believe that much of the Vatican's rapprochement with the Jewish community worldwide started with His Eminence Cardinal O'Connor. He served as an international ambassador, traveling the world over, to: Israel, Jordan, Haiti, Bosnia-Herzegovina, and Russia, as a messenger of peace, humanity, and freedom. Wherever war, oppression, and poverty have threatened to weaken the human spirit, he has been there—a tireless servant of the Roman Catholic Church and as an American citizen.

John Cardinal O'Connor was an institution in New York, a beacon of hope and inspiration who, from our cherished St. Patrick's Cathedral championed the simplest of causes—the betterment of humanity. He was a man that I respected a great deal because of his unwavering commitment to his convictions, even when we disagreed.

So, last night, Mr. President, New York, America, and the entire world lost one of our greatest treasures. This morning, the earthly world is a bit poorer for the passing of this great man and the heavenly world a bit richer. I thank you and my colleagues for allowing me to express, on behalf of all New Yorkers, the profound sense of sorrow we feel today with the loss of Cardinal O'Connor.

I yield the remainder of my time to the senior Senator from New York.

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

Mr. MOYNIHAN. Mr. President, on February 22, my beloved colleague, the junior Senator from New York, introduced legislation to authorize the President to award a gold medal on behalf of the Congress to John Cardinal O'Connor, Archbishop of New York, in recognition of his accomplishments as

a priest, a chaplain, and a humanitarian.

Congress finds that His Eminence, John Cardinal O'Connor, was a man of deep compassion, great intellect, and tireless devotion to spiritual guidance and humanitarianism.

I think it is a special note that the Cardinal joined the Navy Chaplain's Corps in June of 1952 during the Korean conflict. He served with elements of both the Navy and the Marine Corps and saw combat action in Vietnam.

He later served as chaplain of the United States Naval Academy and was appointed Chief of Chaplains of the Navy with the grade of rear admiral, from which position he retired 4 years later.

In May 1979, he was ordained a bishop by Pope John Paul II. He then served as Victor General of Military Ordnance—now the Archdiocese for Military Services—until 1984.

This son of a working-class laborer, a union man from Pennsylvania, found himself, on the one extreme, in the jungles of Vietnam saying mass in foxholes and asking himself, as he saw the deaths on all sides of all the combatants, why?

He came back with that same courage to the Archdiocese of New York. There are 2.37 million of us, and we have been rancorous from the first, and continue so. He quickly adapted to that environment and adopted some of those characteristics.

But he was a wonderful priest. As my friend, Senator SCHUMER, said, he was a healer and a man who reached out to others.

He is in his heaven now. As we mourn his passing, we celebrate his life.

Mr. President, I yield the floor.

EDUCATIONAL OPPORTUNITIES ACT—Resumed

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, this has been an interesting and certainly a thoughtful debate about education. This is exactly the topic we ought to be discussing in the Senate. We have a lot of folks in this country who care about the state of education and the condition of America's schools. They say America's schools are failing its children. What shall we do about that?

Before us is the reauthorization of the Elementary and Secondary Education Act. We debate this law every 6 years, and at that time we talk about what kind of policies we believe will work for America's schools and what kind of policies will give us the kind of education system we can have pride in. Are our children walking through classroom doors that give them the best opportunity for a good education?

Let me also say that I am a little tired—not only in Congress but in politics and in discussions generally—of the notion in this country of blaming America's teachers first.

I visit a lot of classrooms. I see a lot of teachers and a lot of students. In most cases, the teachers I see in America's classrooms are extraordinary men and women who do a wonderful job with our children in America's schools. They have a very tough job. Their students come to schools all over this country with problems that affect how well they will learn. There are children who are hungry, without a caring parent, who are regularly faced with violence, guns, behavior issues. All sorts of issues come to school with children. We have to respond to those and deal with those issues. But this notion of somehow blaming America's teachers is wrong.

Let me talk for a moment about who has new ideas. I was listening a while ago to a speech that I thought was interesting. But the notion was that only the majority party had new ideas, and somehow the Democratic caucus in the Senate was offering proposals that are just the same old thing.

The majority party offers, as its version of how to fix our education system, to provide block grants. Is there anything new about block grants? Block grants aren't new. In fact, this is the oldest idea in politics, and it is an idea that doesn't work.

We have very serious problems with our schools that we need to help solve. A lot of schools are in radical disrepair.

I was at a school Monday in North Dakota. It is a school whose student population is almost exclusively Native American. These young Indian children are attending a school that is not in good repair. They know it. I know it. The teachers know it. The school board knows it. This is a school that doesn't have much of a tax base because it is on an Indian reservation. It is a public school district, but does not have much of a tax base.

This is a school that doesn't even have an athletic field. Is there a place for these children to go out and run? Is there a place for them to play football or to practice soccer? No. This is a school without an athletic field.

As we were going through the classrooms in this school, the principal said to me: Senator, is there any chance you could help us try to get an athletic field for these kids? They have too much energy. They have so much energy and want the opportunity to go out on an athletic field to play football, or play soccer, or perhaps run track. But we don't have the money.

Again, this is a school without a tax base so they don't have the money.

As I was touring the school, the teacher said: Now, children, are there any questions you would like to ask the Senator?

One little kid in the third grade raised his hand real high, and he said: Yes. Mr. Senator, I would like to know how many bathrooms there are in the White House.

I thought: Gosh, that is a funny question. How many bathrooms are there in the White House?

One little kid on the other side of the room said: I think there are 18.

Another little boy said: I think there are 46.

I said: You are both probably right. It is probably between 18 and 46.

Do you know in that school, with 150 kids, they have only two bathrooms, a boy's bathroom and a girl's bathroom? I guess he was thinking it would be a luxury to have a lot of bathrooms.

That is the sort of question that comes from a third grader. But it relates to the condition of the school. The third grader knows that he is not walking into the same kind of school that other kids are. This school needs repair.

One of the new ideas we proposed—that has been opposed, incidentally, by the majority party—is to provide the opportunity to repair, renovate, and rebuild America's schools that are in disrepair all around this country. But there is not much interest in that. Instead, the response is, let's send them block grants, and then pray that someone will use it for the right thing.

We have some experience with block grants. In fact, title I started out as a block grant a long time ago. However, Congress quickly learned that the funding was not helping the poor children who were intended to be the beneficiaries.

Let me give just a couple of examples of what title I was used for: They bought three tubas in one school. Another one used it for band uniforms. Another bought 18 portable swimming pools. That is block grants.

Of course, these block grants won't go directly to the schools. The block grant funds will go to the Governors. Then the school districts are going to have to go begging to the States asking: Can we get some of that Federal money you have back there in block grants?

We think maybe a new idea would be to say, let's renovate, remodel, and rebuild those schools that are in disrepair around this country, and let's help the local governments that do not have the resources to accomplish that task. We think a new idea might be to say, let's help those schools that are radically overcrowded, with kids sitting with an inch between their desks in a classroom, with 35 students taught by 1 teacher. We know better teaching goes on in the classroom when you have 1 teacher and 15 students or 1 teacher and 20 students, so let's decide to help schools reduce the size of their classes.

When someone says there are no new ideas, it is just that they have not heard them. We have talked about them. They have not heard them. They have not been willing to vote for them.

There are a lot of things we can do to improve education. I agree that we cannot throw money at problems, but I also believe we cannot withhold the resources necessary to fix this country's schools. We cannot send kids to inferior schools and ask why we didn't get a good student out of that school. We

cannot send kids into crowded classrooms and wonder why test scores are not higher.

As I said before, some of the most wonderful, dedicated people I have met are the teachers in classrooms, spending their days with our children. We can and should make some changes on the question of the teacher certification process. We ought to have alternative certification programs for people who later in life want to go back into a classroom and teach kids. They shouldn't have to go through a teacher's college or a curriculum that is long and difficult.

Let me give an example. There was a rather wonderful major league outfielder who played ball for the Baltimore Orioles who was going to teach physical education at a school in New York. Wouldn't you want your kid being taught how to hit by a major league outfielder? But he didn't have the proper teacher certificate so he wasn't kept in the school system.

What if Bill Gates decided he wanted to come into your school and teach a class on computers? He doesn't have the certification. What if Michael Jordan was willing to teach your child to play basketball in a physical education program? Do you think Michael Jordan and Bill Gates are not qualified? Of course they are.

We can find mechanisms by which we provide alternative certification for professionals and others who want to go into the classroom to help in this country. We can and should do that.

But to those people who spend all of their time beating up on America's schools, I wonder how they think we got to where we are in this world with our education system? How on Earth did we do that? Is there a place in the world anyone wants to trade places with? I don't think so. Do we want to trade our education system for the one in Haiti, Zambia, or Bangladesh? I don't think so. How about Germany? How about France or Italy? Do we want to trade it? I don't think so.

This country has invested a substantial amount of money in something called universal education. We did it because we don't believe in segregating kids and deciding some kids have talent to go here and other kids have the talent to go there. We decided all kids ought to have the opportunity to make the most of their education.

I have two children in school this morning. They are both the most wonderful children in the whole world. I love them to death. I want them to have the best education possible. I don't know what they will be when they grow up. My son, when he was 10 years old and we were going over an English lesson together, that he didn't need to study English because he was going to be a miner. I said: A miner? He said: I'm going to mine gold and I don't need to read and spell. I said: When mining gold, you have to be able to read and sign contracts. Over time, he changed his occupation choice, and he has had several other choices since then. We spend time every night with our children doing homework because we believe education is a priority for them. I want them to go through a classroom door I am proud of. I want them to go into a school I am proud of. I want them to have teachers I am proud of.

Dating back to my great-grandmother who homesteaded on the prairies of North Dakota and raised children who raised children who raised me, this education system has been a wonderful boon to most Americans, including our family. My father had to quit school in the sixth grade because his mother died and his father was in an institution for tuberculosis. In sixth grade, he quit school in order to go to work to help his uncles raise his sisters. The proudest day of his life, it seems to me, is one day when, without ever having given us a hint, he told us at the supper table that he had, at age 55, just passed the GED test. Then he gave us a big smile. He didn't even tell us he was taking it. This meant a lot to him.

Education has enormous value. Every American family who cares about its kids understands that. This debate is not about two sides, one of which has new ideas and the other which has no ideas. It is a discussion about a range of approaches with respect to the education system and how we make it better.

I don't think our public school system is awful. I disagree with those who do. Go to school. I have been to schools that are awful schools, but do you know why? Because of all the other influences from which those kids come. I have been to schools with metal detectors at the front door. Shortly after I visited one of those schools, a kid was shot at the water fountain because another kid bumped him. The student who shot him got a gun through the metal detector, even though a security guard was sitting there.

That school has a crowd control problem as much as it has education problems. It is not because they are bad people running the school. It is because that school inherits all of the other problems of its surroundings. I think we need to understand that and help change it.

We can do better in education. I am not suggesting everything is great. We can do better in education. But I know my kids do more homework than I did. I graduated from a tiny high school class of nine in Regent, North Dakota. I am enormously proud of the education I received in that school. Are the kids there getting a better education today than I did? Yes, of course they are—more homework, more opportunities, bigger libraries, the Internet. They have access to any library in the world through the Internet.

As we look at what we do to improve our schools, I think the most important thing is to improve those crumbling facilities, reduce class size, and then require accountability. I am all for accountability.

There is a provision in Senator DASCHLE's substitute, which I will also offer as a separate amendment, to provide parents with a school report card. I get a report card about how my son and daughter are performing. I want a report card for the public school they attend, a report card that every parent and every taxpayer in this country should get, comparing their school to other schools in their district, in their state, and in other States. How is that school doing? Is it passing or failing based on a series of criteria—student performance, graduation and retention rates, professional certification of teachers, average class size, school safety, parental involvement—which is critically important—student dropout rates and student access to technology. How is that school doing? We deserve a school report card as parents and as taxpayers.

That ultimately will provide the accountability we should get. Yes, we ought to hold our education system accountable. We will have an opportunity to vote on school report cards as part of the Bingaman amendment, and if the Bingaman amendment fails, on an amendment I will offer separately.

The secret to education is not such a secret. Successful education comes from teachers who know how to teach, students who want to learn, and parents who are involved in their child's education. When all three of these elements are present, education works and works well.

Evaluate this country—where it has been, where it is now, and where it is going—and ask yourself if we have accomplished things through our education system of which we are proud? You bet we have. We have spliced genes, we have invented plastic silicone and radar, built rockets, and developed vaccines to prevent polio and small pox. Have we done something significant, all of it coming from our education system? You bet your life we have. Can we improve it? Sure. But we will improve it with new ideas—not tired old ideas called block grants.

I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Wisconsin is recognized.

AIDS AS A SECURITY ISSUE

Mr. FEINGOLD. Mr. President, I rise today to express my deep disappointment in the failure of the conferees to the African Growth and Opportunity Act to accept the Feinstein-Feingold amendment regarding HIV/AIDS drugs in Africa. When the Senate was debating that legislation last year, Senator FEINSTEIN and I offered our amendment, which was accepted by the bill's managers, Senators ROTH and MOYNIHAN, to address a critically important issue—an issue relating to Africa's devastating AIDS crisis; an issue that has cast a dark shadow on U.S.-African relations in the past.

Our amendment was simple. It prohibited the United States Government

or any agent of the United States Government from pressuring African countries to revoke or change laws aimed at increasing access to HIV/AIDS drugs, so long as the laws in question adhere to existing international regulations governing trade. Quite simply, our amendment told the executive branch to stop twisting arms of African countries that are using legal means to improve access to HIV/AIDS pharmaceuticals for their people.

The Agreement on Trade Related Aspects of Intellectual Property Rights, or TRIPS, allows for compulsory licensing in cases of national emergency. Approximately 13 million African lives have been lost since the onset of the crisis. According to the Rockefeller Foundation's recent report, ''on statistics alone, young people from the most affected countries in Africa are more likely than not to perish of AIDS.'' Consider that: more likely than not to perish. If these do not constitute emergency conditions, then I don't know what does.

This was a very modest amendment to begin with, but the final version of the amendment discussed by the conferees was a true compromise. It was not as strong as I would have liked it to be. But it did push our policy closer to the right thing. I want to take this opportunity to thank Senator FEINSTEIN, Senator MOYNIHAN, Senator ROTH, and their staffs for working so hard on this amendment. Senator FEINSTEIN was a tireless advocate on this issue, and I have no doubt that she will continue to fight, as will I, for the right thing when it comes to access to HIV/AIDS pharmaceuticals. And Senator ROTH, in particular, made it a priority to hammer out this issue, and I thank him for that.

But despite these efforts, despite the concessions that Senator FEINSTEIN and I made, despite the fact that this is the right thing to do, the Feinstein-Feingold amendment was stripped in conference. The opposition to our amendment is baffling. How do the conferees who killed this provision justify pressuring these countries, where in some cases life expectancies have dropped by more than 15 years, not to use all legal means at their disposal to care for their citizens? Without broader access to these drugs in Africa, more people will suffer, more people will die—that is a simple fact.

As I said on this floor not long ago, I cannot imagine that ordinary Americans are urging their representatives to oppose the Feinstein-Feingold amendment. I cannot imagine that anyone would try to prevail upon my colleagues to oppose this measure—except perhaps for pharmaceutical companies. The pharmaceutical industry does not fear losing customers in Africa, because they know that Africans simply cannot afford their prices. But they do fear that taking this modest step in this time of crisis could somehow, in some ill-defined scenario in the future, cut into their bottom line. This is the same pharmaceutical and medical supplies industry that gave more than $4 million in PAC money contributions and more than $6.5 million in soft money contributions in 1997 and 1998.

How could this irresponsible and callous decision to strip the Feinstein-Feingold amendment from the conference have been made? I have some idea. Some may have bowed to the pressure of the pharmaceutical industry. And some members just don't get it.

In particular, some of the public comments about this issue made over the weekend by a leading Member of this body demonstrated such a misunderstanding of the problem that they cannot go unanswered.

Over the weekend, some troubling remarks were made about the administration's recognition that HIV/AIDS, an infectious disease that currently affects 34 million people worldwide, is a security issue.

First, a leader of this body disputed the fact that AIDS is a security issue. He is wrong. Anyone who believes that a dramatic drop in population, a massive reversal in economic growth, a societal disruption of unprecedented proportions, an entire generation of orphans growing up on the streets—anyone who believes that those things are not destabilizing is terribly misguided. Anyone who does not understand that the U.S. will be profoundly affected by the terrible consequences of AIDS in the developing world had better think again.

But it didn't stop there. It went further. It was suggested that the administration is using the issue cynically to appeal to ''certain groups'' who were not identified.

Is it pandering to ''certain groups'' to stand up and say that a disease that infects more than 15,000 young people each day is an issue of grave concern? Is it political posturing to get serious about the massive destabilization that can occur when the most productive segment of a society is wiped out by disease? Is it only some mysterious narrow constituency that is concerned about the prospect of millions of orphans growing up on the streets, without any guidance or education? After witnessing the shocking violence that resulted, in large part, from the masterful manipulation of disenfranchised youth in West Africa over the last decade, I think we all have to take this threat seriously, and acknowledge that the threat is fueled each day by the withering scourge of AIDS that today is galloping through so much of the developing world.

Let me just paint a portrait of the region most affected by AIDS—sub-Saharan Africa. As the ranking member of the Subcommittee on Africa, I have always felt very strongly about the issue of AIDS in Africa. I have raised it in meetings with African heads of state. I applauded the U.N. Security Council's decision to address the crisis earlier this year. I support the administration's call to increase the resources directed at the crisis, and I am glad that the U.S. is finally getting serious about this threat.

Thirteen million Africans have been killed by AIDS since the onset of the crisis, and according to World Bank President James Wolfensohn, the disease has left 10 million orphaned African children in its wake.

In Botswana, Namibia, Zambia, and Zimbabwe, 25 percent of the people between the ages of 15 and 19 are HIV positive.

By 2010, sub-Saharan Africa will have 71 million fewer people than it would have had if there had been no AIDS epidemic. That is why we must acknowledge that the AIDS epidemic is becoming a crucial part of the context for all that happens in Africa and for all of our policy decisions about Africa.

Until this week this Senate has been moving in the right direction on these issues. I have been pleased to work with many of my colleagues in a bipartisan effort to raise the profile of the epidemic and to work toward a comprehensive package aimed at addressing this crisis. It disturbs me a great deal to think that Members of this body have somehow failed to hear us, or perhaps refused to listen.

This is not a partisan issue. It is deadly serious. I plead with all of my colleagues to look again at the AIDS epidemic in Africa and to consider its global implications.

Those implications are fast becoming strategic and economic realities that will kill millions and drag down all of our efforts on international development and the promotion of freedom and stability around the world. We need to get our heads out of the sand right now, resist the impulse to gain partisan advantage, and join together to seek solutions to the AIDS crisis before we reap global disaster.

U.S. policy on access to HIV/AIDS drugs will come up again in this body. All of the complex issues relating to this crisis—prevention strategies, care for orphans, mother to child transmission—none of these issues is going away. And while this Congress fails to do the right thing, while some fail to grasp the magnitude of the epidemic and its consequences, AIDS will continue to take its terrible toll on families and communities, on economies, and on stability around the world.

I yield the floor.

EDUCATIONAL OPPORTUNITIES ACT—Resumed

The PRESIDING OFFICER (Mr. GRAMS). Who yields time?

The Senator from Georgia.

Mr. COVERDELL. Mr. President, as I understand it, our leader, or his designee, has balancing time to that which is used on the other side. I believe Senator SESSIONS' name was even evoked, that he would utilize some portion of that. How much time does the leader have?

The PRESIDING OFFICER. The leader has 32 minutes.

Mr. COVERDELL. Mr. President, I yield from the leader's time to the Senator from Alabama 15 minutes.

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

Mr. SESSIONS. Mr. President, I am excited and pleased about the direction this Senate is attempting to go in reforming Federal involvement and participation in education today.

I have been traveling my State since January. I have been in 15 different schools. I have been impressed with what the teachers and principals are trying to do. There are a lot of good things happening in a lot of schools all over America. But I hear more and more frustration from those people who are dealing with our children in our classrooms, who know our children's names, who are answerable to our people in our communities to run education. They are very frustrated that what we are doing in Washington complicates their lives, makes them more difficult, and frustrates their ability to actually teach children.

I know some of my friends on the other side of the aisle so frequently use the word ''accountability.'' They say ''we need accountability—accountability.'' I have been listening to that. Not too long ago it finally dawned on me—I have been in this body for just over 3 years, on the Education Committee just over 1 year—what they define as accountability. They define accountability as a Federal program that mandates precisely how the money is spent.

That is not accountability. Accountability is, when money is coming from the Federal Government, the State government, the city government, and the county government: Is learning occurring? Are children learning? We need to determine in America if children are learning. In some schools they are and in other schools they are not, or there is so little learning as to be, in effect, a waste of our money. To pour more money, even with targeted rules from the Federal Government, into a school system in Alabama, Texas, Pennsylvania, or New York is not the way to improve learning. That is not accountability.

We need to ask ourselves, after 35 years of this basic Elementary and Secondary Education Act—and it is a primary Federal act; there are some 700 programs for education. ESEA is the biggest. We have been growing it for 35 years. It is now up to 1,000 pages of rules and regulations and paperwork that fall on our teachers and principals.

I have been talking intensely to those people. They do not believe it is necessary. They believe many of the things we are doing complicate their lives, make it more difficult for them to teach, and frustrate them. In fact, we are, as many people know, losing a lot of good teachers. Discipline problems, paperwork problems, lack of appreciation for the work they are doing, no difference between a great teacher who works at night, does his homework, meets with students after school, prepares carefully written tests—there is no difference in what they get paid from a teacher who has no interest in their work, just comes to class, presides over it, does not do a lesson plan, gives weak or almost insignificant tests, and does not worry about whether the children are learning or not.

I was in Selma, AL, last Friday, visiting the Selma City School System. Selma has 45,000 people. They created a sixth grade school. They call it the Discovery School. The teachers and principals got together and developed a program on how to improve learning for the city of Selma. All the sixth grades were there. Every student has to be involved in an artistic endeavor. I saw their ballet performance. I saw their tap dance performance. They have music, art, and other forms of artistic endeavor. They believe, as national statistics show, that music and art can enhance learning in other courses. That is their decision, and they have teachers who are committed to it and excited about it. They were very proud of the performance of those kids.

I went into a class called sports math. Sports is big in Alabama and in a lot of States. Kids are interested in sports. When one talks about batting average, that includes people's weight, height—all these factors. This is a good way to take children's natural interest in an event such as sports and convert that to a learning process of math. It is an extra class they can do.

I met a teacher who had gone to Russia with our NASA program. She taught a special class on space, and they were excited about that.

They had some great teachers there. I met the mother of Doc Robinson. Doc Robinson—of course, sports fans might know him—is the senior graduating guard from Auburn University, one of the top teams in the country this year. He will probably go in the first, second, or third round of the NBA draft. His mother teaches in Selma. She is a wonderful lady and excited about education in that school.

What is it that makes us think we can develop some plan for teaching sixth graders in Selma, AL, better than those people? That is a question we need to ask ourselves. What is it that makes us think we can mandate more effectively than they can? They care about their children. They are their own children. Doc Robinson graduated from that Selma school system, just as other children did.

That is an important factor for us to consider. I know there has been a lot of thought about how we are going to handle other issues people think are important. One of the issues that has been talked about a lot is class size. They say class size is the most important thing. Numbers do not show that to be the most important thing. They do not show that. There is a lot of debate about that. Maybe it is extremely important under certain circumstances. It may not be so important in other circumstances.

Maybe the Selma school system would rather create this new Discovery School and work on funding it for the next 2 or 3 years, get it straightened out, and then add a new teacher to reduce class size the third year down the road. I am not prepared to say what it is.

Why do we not think we ought to trust the people who elected us to run the school system? They elected the school system. There is a lot that has been said about this.

There has been a study by Michigan Professor Linda Lim who did comparative studies of U.S. and Asian schools and found that class sizes of 50—and we are down around 20 or fewer now—50 plus in places such as Taiwan have not kept those schools from performing better than ours. The basics of Professor Lim's findings are that nothing—not spending per student, not class size, not computer access—makes the critical difference in the end. Rather, motivation is what matters. We need parental involvement, plus teachers who want to teach and are skilled and children who are prepared to learn. They must all work together to achieve results.

We talk a lot in our State about improving textbooks. I think we ought to improve textbooks. I am very concerned about the quality of our textbooks. A year or so ago, Senator ROBERT BYRD delivered one of the most impressive speeches I ever heard on education. He called the modern textbooks ''touchy-feely twaddle.''

Regardless, what difference does it make if we have a $500 textbook for every child in the classroom and those students will not read it? That is what I ask students when I talk with them. Alabama has a tough graduation exam. If a student does not meet this exam, they will not get their diploma. It is considered to be the toughest exam in America. The children are worried about it. A substantial number may not pass.

When I talked with these students, they expressed their concerns to me, to which I enjoyed listening. I asked them: Do you come to school in the morning, and do you get a good night's rest? Do you pay attention in class? Do you do the homework your teacher assigns? Do you read your lesson at night? Oh, you don't? Do you know students who do not do that? And they all agreed that they do. I said: Why do you think you should get a diploma from high school if you do not at least put in your part?

What we are finding, and what a lot of experts believe, is that a teacher who can motivate a child is more important than whether he is teaching 18 people or 25 people. That is a key factor.

There is a study by the University of Rochester economist Eric Hanushek. He studied 277 separate published studies on the effect of teacher-pupil ratios and class-size averages on student achievement.

We ought to get a pretty good result from this. They published this all over America. He found this: That only 15 percent of those studies suggested there is a statistically significant improvement in achievement as a result of smaller classes; 72 percent of the studies found no effect at all. That is surprising to me. I would not have thought that. But that is what he found. And he found that 13 percent found reducing class size had a negative impact on achieving. That was reported in the Education Week, a journal of professional educators.

The Department of Education, under President Clinton, reports that although American students lag behind other students in international testing, American classrooms have an average size of 23 students. That is very few students compared with the averages of 49 in South Korea, 44 in Taiwan, and 36 in Japan.

I am not saying we ought to increase our class sizes. I think having a small class size is fine. But for this Congress to mandate to professional educators, Governors, State superintendents, county superintendents, and principals all over America that we are going to give you money only for reducing class size is not wise. I am telling you, America, that is not a good thing for us to require, to mandate. In a particular community, that may not be the most important thing. There are some real numbers that question that policy.

Washington, DC, this city of which we are a part, has an average class size below the national average. Yet it ranks near the bottom in academic achievement. Furthermore, we should not forget that class size in American schools dropped from 30 in 1961 to 23 in 1998 without any improvement in standardized test scores.

So I would suggest maybe having superior teachers and motivating schools are the things we need to be looking for. That is not going to come from some Senator in Washington or the President of the United States but from actual teachers in classrooms who know our children's names, who care about them as human beings.

Indeed, in 1988, the U.S. Department of Education concluded that reducing class size would be expensive and probably ''a waste of money and effort.'' I do not know if it is a waste of effort. I just say this. It may not be the most important part of our budget dollar.

We are trying to do that in Alabama. We are working hard to reduce class sizes. We are actually getting down within this national goal range already. But it does come at great cost.

What if you have 18 classrooms in a school, and they are averaging 25 students per classroom, and you want to bring it down to 20 students per class or 18 students per class? How many more classrooms do you have to build? How many more teachers do you have to hire? How much more air-conditioning and structure and upkeep is required? I am just saying, we do not know enough to mandate that. That is all.

I know the polling numbers look good. You go out and ask the American people: What would you like to do about schools? You give them a bunch of choices, one being: Reduce class size. They say: Yes, I would like to reduce class size.

Before I looked at these numbers, I would have thought there would be a much greater correlation between smaller class size and learning in a classroom than there apparently is shown by all the statistical data.

I am just saying, we do not need to be reacting to polling data. We do not need to run a poll and ask what is the No. 1 idea somebody might have to improve education, and then do only that, after looking at the numbers and finding out that might not be the best approach.

Of course, teacher quality is something about which Senator MACK and others have been talking. How can we nurture that? I taught 1 year in a sixth grade class in the public schools of Alabama. My wife taught a number of years. Our kids have gone through schools in the State and had a good experience. My two daughters graduated from a major public high school in the city of Mobile. We have been to the PTA meetings at Murphy High School. We named our dog Murphy. We loved our high school and participated in it. My daughters were editors of The Annual. They also attended other schools in the city. We were involved in that.

We want to see the quality of education improve, but it is not always what somebody might say in response to a polling question.

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

Mr. SESSIONS. I ask unanimous consent to speak for 2 additional minutes.

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

Mr. SESSIONS. Mr. President, with regard to the quality of teachers, that is where we need to focus. Senator MACK has offered this amendment as a breakthrough to try to have some merit pay. I am telling you, I have taught. My wife has taught. We have been active in schools. Everybody who knows anything about education, who has had children in school, knows that some teachers give so much more and are so much more valuable than others who have maybe lost their enthusiasm or just do not have the capability. That is quite clear.

To say to those exceptional teachers, who are being sought by high-tech computer companies and chemical firms, that we cannot pay them any more money, that they have to receive the exact same pay as somebody who does not perform as well, is not good policy, not if we care about learning.

But if we care about bureaucracy, if we care about the educational establishment in Washington—if we care about that —if that is who is jerking our chain, then we do not give more pay to people who do better, then we do not give more pay to people who give their heart and soul to it, as I know they do.

I have been a member of a supper club in the city of Mobile for a long time, over 25 years. Three of those people are full-time career teachers. I know how hard they work. I know how concerned they are for their children. Some teachers are just not that way.

So why is that proposal so threatening? It would not be mandated. It would allow a certain amount of this money to be used for special merit pay. What is wrong with allowing a school system to do that? I think that is an important matter. I am delighted that amendment has been offered. It will be adopted and become law. We need to do that.

According to a Fordham Foundation study called ''Better Teachers: Better Schools,'' we know that if students have teachers who have college degrees and have been specifically certified to teach math, those students score significantly higher on standardized tests than if the teacher did not have those credentials.

Why shouldn't we pay more? Do you know what we do for the military? We are finding we need pilots, so we give them special bonuses to reenlist. We find we need special skills in certain computer areas, so we are allowing the military to pay more money for that.

How are we going to keep math teachers who are in such demand in the private sector today, if they are exceptionally well trained and capable? How can we deny them any additional pay when we need them so desperately in the schools?

I think we ought to look at that and improve on that.

The Fordham study also points out that approaches focusing on inputs, courses taken, time requirements met, time spent, and activities engaged in, rather than on outputs, student achievement, how they are learning, and what their scores are on tests, are counterproductive.

Do you see what that is saying? That is saying we should not put our money just on going through the motions of education. We should not invest our money in that. What we need to do is identify the kind of education in which learning occurs, where students are improving in their knowledge and support that—output, not input, issues.

So if our bill were to pass and become Federal law, we would begin to focus on the outputs of academic achievement by poor students because ESEA is primarily focused on the poor, low-income schools and low-income students instead of focusing on inputs.

The Teacher Empowerment Act—and Senator GREGG will speak about that—

is so important in that regard. I will mention one more point, and I see the Senator from Oklahoma is prepared to speak.

Let me mention this. I have been in, as I said, 15 schools, and I am familiar with public schools in this country. I will tell you, one of the most significant problems we face is the ability of teachers to discipline children. They have been denied that by lawyers—Federal rules and regulations—and it is disrupting the classrooms and making it difficult to teach.

I have a stack of probably 40 letters here, some of which would break your heart, from teachers who tell me stories. I intend to read some of them before the debate is over, perhaps a lot of them. I want people to hear what is happening in schools in America today. You may say it is the teacher's fault. What we will find out is that a lot of the reasons they can't maintain discipline in school is because of Federal law, what we do here under the Disability Act. We were supposed to fund 40 percent of the cost of that when the law was mandated; we were supposed to pay 40 percent. The truth is that the Federal Government now is paying 11 percent of the cost. Yet it is a full mandate on our schools in America.

Schools have met the challenge. They are doing what we tell them to do, at a great cost. We had the superintendent of a school system in Vermont testify at an education hearing that 20 percent of his school system costs—20 percent at least—was focused on disability students. We have gone beyond what we meant by that.

Originally, our goal was to make sure that children who were deaf, blind, or in a wheelchair would be allowed to participate fully, mainstreaming them in the classrooms in America. I certainly support that.

What has happened now is under the Federal regulation, children declared disabled are not allowed to be disciplined, and the children are learning this; they know it. It is really a problem, which these letters will show.

Unfortunately, it has now been twisted beyond its original intent. Teachers and principals are faced with regulations and laws that must be utilized before a disruptive or even violent child may be removed from a classroom—even for a short period. We should not continue these kinds of rules and regulations that keep schools from dealing with disruptive, aggressive, violent, gun-toting students.

I have continually received complaints about the problem in every school I go to. They say it is the No. 1 problem with the Federal Government. My friend, David Whetstone, in Baldwin County—and I have known Dave for a long time from when I was a former U.S. Attorney and State attorney general. He came to Washington personally to talk to me about this story. We discussed a case which received national attention in both Time Magazine and on ''60 Minutes,'' in which a student was described as the ''meanest kid in Alabama.''

My friend, Dave Whetstone, told me of the circumstances in which this violent, disruptive young man was kept in the classroom under these Federal laws. I want to tell you what happened to this young man and see if you don't understand why teachers and principals are concerned about what we do here.

The school had to assign an aide to this young man because he was declared emotionally conflicting. That is a disability, apparently. He had to stay with him all day long throughout the school day. The aide would get on the schoolbus with him in the morning, sit with him in class all day, and go home on the schoolbus at the end of the day because of his disruptive behavior. The aide had to be paid by the school board, of course, and the taxpayers of the community. Can you imagine what it was like being a teacher in that situation? The student used curse words in class on a regular basis and to the principal on a regular basis and was continuously disruptive. But our Federal law said, basically, he had to stay in the classroom.

Eventually, the young man was going home one afternoon on the schoolbus and reportedly attacked the bus driver. When the aide tried to restrain him, he attacked the aide.

My friend, the prosecutor, brought a creative legal action against the student to try to stop it. He was shocked to find out that was a law in the public schools of America. He found that there were at least six other students in that one school system with the same type problems.

I have received letters from experienced educators all over the State of Alabama expressing their concern about this Federal regulation.

Let me mention a few other experiences. None of these come from the same school. This is a quote from a letter:

> We have a student who is classified emotionally conflicted, learning disabled, and who has Attention Deficit Disorder. While this student has been enrolled, students, teachers and staff have been verbally threatened with physical harm. Fits of anger, fighting, and outbursts of verbal abuse have been commonplace. Parents and students have expressed concern over the safety of their children due to the behavior of the young man. Teachers have also become extremely apprehensive toward the presence of the student due to his explosive behavior. His misbehavior has escalated to the point that the instructional process of the entire school has been jeopardized.

Another one:

> I have taught for 25 years. I plan to continue teaching, but the problems with discipline are getting out of hand. We are not allowed to discipline certain students. Any student labeled as ''special needs'' must be accommodated, not disciplined. A student recently brought a gun to my school. He made threats to students and teachers, which he claimed were jokes. I was one of the teachers.

The teacher was threatened with a gun.

> This student has been disruptive and belligerent since I first encountered him in the ninth grade. Now he is a senior. After bringing a gun to school, he was given another ''second chance.'' He should have been expelled. What was his handicap? He has had problems with mathematics. While this may be an extreme situation, it is not isolated. Teachers are told to handle discipline in the classroom. The Government has taken most of the teachers' rights away, our hands are tied.

Talk to teachers. Many special education teachers have told me that the discipline proceedings are going to drive them out of the profession. I believe it will be a tragedy if we lose proven, dedicated teachers because of shortcomings of a Federal law that is not fulfilling its purpose.

That is not the purpose of the Disabilities Act—to keep violent, disruptive kids in the classroom when they are disrupting the teacher's ability to teach and learning isn't occurring. This is not restricted to any State; it is all over the country. That is why in the past, Senators ASHCROFT, FRIST, GORTON, and others have worked hard to end this problem. We must continue to do so.

Mr. President, I know others would like to speak at this time. There is so much that we need to talk about. I would like to, and will, share in a few minutes, perhaps, a letter from a young teacher in an elementary school class who talks about the day she walked out of that classroom, walked through the parking lot, got in her car, never to return—because of this kind of stuff. It is happening. We need to put an end to it, and we can do it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, first of all, let me address something that the Senator from Alabama was talking about. He gave so many good, concrete examples of the discipline problem we have in our public school system. It is a very real thing. I appreciate him bringing this up and the fact that we know why we are having this, with all the mandates and requirements.

I want to tell you a story. You talk about the discipline problems. I want to give a concrete example of how one ended up in doing a great disservice to the children of Oklahoma and other places.

I have kind of a unique situation at home. I have a wife and two daughters, all three of whom teach or have taught. My wife taught back in the fifties, when we were first married. As our four children were growing up, I remember so well the youngest one—I call her the runt of my litter—Katie, always wanted to be a schoolteacher just like her mom, and her mom's discipline was accelerated math.

So Katie was in school. She got her degree and got her master's in math education. She is really an accomplished teacher, because she loves the kids. She was active in Young Life because she liked to be around troubled

kids and help them with their problems. When someone is a dedicated person like that, that means they are a much better educator.

To make a very long story short, little Katie had wanted to teach the same thing her mother did. When she finally got all of her degrees, she came to the school where her mother taught and where Katie and her brothers and sisters all went to school. After she got the job, it wasn't only that she got a job in the same school as her mother, but she taught the same course in the same school in the same classroom that her mother had taught in 30 years before. She was rejoicing. It had just been a few years before that that she had gone through that school.

She taught there for 4 years, and she came to me one day literally in tears. She said, ''Daddy, I feel like a traitor because I have to leave to go to another school district.'' I said, ''Why? This is where your mother taught. This is where you went to school. Our whole family went to school there. It is a tradition.'' She said, ''I teach math, and the kids are so disruptive and not listening. There is no discipline. When you send them to the principal's office, the principal says, 'Our hands are tied. We can't do anything about it.''' So it continues. Consequently, these kids are not getting an education.

This is in the fourth week of the beginning of the school term. She said, ''I told the kids, 'If you do not get the basics right now at the beginning of the school term, you are going to fail the class.' They all shrugged their shoulders in unison, and said, 'We don't care.'' And the parents didn't care. There is no way that the school was going to discipline those children.

Katie quit. She went to a private school. She is now involved in teaching and is an accomplished teacher. The public school system lost. I am a prejudiced daddy. I admit that. But they lost one who is considered by the parents and fellow teachers and certainly students as one of the best math teachers that taught, including my wife, in that school. It is all for one reason: There is no discipline.

That is what local emphasis is all about. I think we can untie the hands of the local school districts and let them do it. On the bill we are considering today, I would like to go further with vouchers in getting into more choice. But this is certainly a good personal first step.

I would like to mention one other thing before the Senator from Alabama leaves the room because I want to make one comment about a program that works and one that we are going to try to change and get fully implemented. That is called impact aid.

I know the Senator from Alabama is interested in this because Alabama would qualify for $12 million of impact aid. Last year they got $2.4 million. They are at 20 percent of where they should be.

Impact aid is a Federal program that really works. By and large, it is not something that is giving something to somebody. It says to go the Federal Government, you have come in here with your military installations, with your Indian reservations, or any other Federal type of program, and because of that those lands on which you are working are off the tax rolls. So there is no property tax coming in. Yet while you are doing that you have brought in with you a large number of children. Those children have to be educated in our educational system. Yet there is no funding there to offset the cost of not being able to collect revenues from those lands that are on various installations. This as one of the rare programs we can talk about that is not just something good for students, but it is an obligation that we have to these students. Oklahoma, I might add, is in a very similar situation.

What we are proposing in a letter that we encourage people to sign, and which the Senator from Alabama has already signed, is that we need to phase in full funding for impact aid. Over a 4-year period of time, we start with 6 percent. Then we move on up until we have 100 percent.

This is a program that I think of as a moral responsibility to keep our word with local school districts because when we don't do that the amount of money they have to spend to educate that child is taken away from other programs such as computers and teacher-pupil ratios. This is something I think is an obligation and something that we should strive for. Hopefully, we can get the language in here.

I don't care if it ends up being an entitlement, as much as I hate to say that. This is a responsibility that we have.

Mr. SESSIONS. Mr. President, as the Senator knows and as I understand, the Government said it desires to fully fund this. It is not meeting the commitment that it made. Is that correct?

Mr. INHOFE. That is correct.

Mr. SESSIONS. In terms of the overall education budget, it is small in cost. But for those schools impacted, it is a very big deal for them.

I thank the Senator for his leadership. I think this is an important issue.

Mr. INHOFE. It is a big deal, because in my State of Oklahoma there our five major military installations. I hear from people all the time in Lawton, OK, and Fort Sill. Of course, we have a very large number of children who are being educated in the public school system, but there is no money coming from the tax base. This is a Government installation.

The local districts sometimes have ideas that are better than those ideas emanating from Washington. I will share one personal experience. I can remember many years ago when I was in the State legislature; I made it a practice to always come back to Tulsa from where we met when the kids had some kind of a function, a school play or something. I remember coming in one time and seeing my oldest son, Jimmy. At that time he was in the fourth grade. He was beaming. He said, ''Dad, guess what?'' He said, ''You know I am in the fourth grade.'' I said, ''Yes. I know that, son.'' He said, ''Guess what. In reading I am in the fifth grade.'' I said, ''How in the world did that work?'' He said, ''It is a brand new, something that has never been tried before. But they are taking me at the level where I am because I am better than the rest of the fourth graders. So I am in the fifth grade.''

I thought back to when I was in grade school. I went to a little country schoolhouse where they had a wood-burning stove in the middle of the room. There were eight rows of seats and eight grades. I was in the first row because I was in the first grade. My brother was in the second row because he was in the second grade. My sister was in the eighth row because she was in the eighth grade. We had one school teacher. I think back now and wonder if he was really the giant that I remember.

When you needed discipline, as the Senator from Alabama was talking about—at that time they had a great big board. If you messed up, you were disciplined the right way. Anyway, when they would teach the classes, they would line you up. I would go with the first graders. In spelling, for example, when you missed a spelling word, you had to go up there and get a swat on the rear with this great big paddle. I have to tell you that I was a very good speller. I was in the third row. That taught me a lesson.

So I thought about that program that Jimmy talked about. This probably happened 30 years before then. It was a brandnew and innovative program. Programs that emanate from the Federal Government are not always the right ones.

We need to unshackle the hands of the teachers, the parents, and the local school districts to give them greater flexibility and greater opportunity to do a better job of teaching our children.

I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, from our side we have had a good discussion of the Abraham amendment. We had a brief discussion, but I think a good exchange, on the second-degree amendment with regard to the best way to provide incentives that will have a direct result in enhancing academic achievement and accomplishment for students. We are under the strong impression, based upon the best experience and the record to date, that is the best way to go.

Of course, as we all know, the 93 cents out of every dollar spent locally is within the domain of the State. If the Governors want to go ahead with a program outlined by the Senator from Michigan, they will still be able to do it. While the legislation represents a small percentage of the dollars that will be expended, at least on our side, we feel very strongly we want included in the legislation, programs that are tried, true, and tested and have had a sound record of performance. That is expressed by our second-degree amendment.

We are prepared to move toward the consideration of the Murray amendment that dealt with the class size. I think it is appropriate following this discussion on teachers. As I mentioned earlier today, of the $2 billion from S. 2, the Republican teacher proposal, $1.3 billion of that comes from the class size program which they effectively eliminated. Mr. President, $300 million is from the Eisenhower math and science program which is in existence now, which I think is a pretty good program. They are ending that program. They are only adding some $300 million to do all of the things they talked about in terms of enhancement of academic achievement for teachers and teacher support. This is in contrast to the amount we are proposing on the Democrat side, $3.75 billion, that we have outlined in the debate and discussion yesterday.

We hoped we would be able to go ahead with the Murray class amendment. We are prepared after that to move to the Lieberman proposal. There aren't any real surprises in the Lieberman proposal. Senator LIEBERMAN and others have outlined that in considerable detail. The language has been passed over to the other side. We wanted to go on giving the Senate the option to be able to consider the alternatives in S. 2 just on the teacher programs, both the recruitment and mentoring, and the academic enhancement and achievement for teachers. We wanted also to have a good debate on the proposal of Senator HARKIN on modernization of our schools. We wanted to debate the after-school programs. We wanted to debate the excellent proposal of Senator MIKULSKI on the digital divide. We wanted to debate our strong accountability proposal of Senator BINGAMAN.

There are no real mysteries about where we are. I imagine we will get an opportunity to talk about safety and security in schools. There is very little surprise about the programs and our amendments.

We understand we want to go back and forth, but we are quite prepared to move ahead. We have been virtually free of any quorum calls since this legislation was laid down. That is rare. On Monday, we had seven speakers from our side, seven speakers from the other side. We went until almost quarter to 7, starting debate at 1 o'clock, and free from any quorum calls. That was true Tuesday evening and yesterday as well and has been true up until now. We are getting close to 2 o'clock. We are not in tomorrow. On this side we are prepared to get into debates and discussions on these items. They are at the heart of education reform. They have been demonstrably effective in helping and assisting the schoolchildren of this country.

I listened to my colleagues before 1 o'clock talking about all of the challenges we are facing educating children in underserved areas—all of which is true. What I didn't hear is how they believe they felt their bill would solve it. That is the question. Everyone can come to the floor and talk about the challenges we are facing with children in underserved areas. We all understand that. But when I hear time after time, speech after speech, we have a problem out there and we have to do something about it, I think it is beginning to sound empty.

Generally speaking, we identify a problem and we try to identify the solution to the problem. That is not being done here. The reason it is not being done is because the Republican proposal is basically a blank check, a block grant to the Governors.

When we find out we don't have well-qualified teachers, what is the answer? Blank check to the Governor. We have trouble and difficulty in overcrowded classrooms and we have dilapidated schools. What is the answer? Blank check to the Governor. We have new technologies that are coming down the pipe, and we want to make sure we will have a balance, that we are not going to get into a digital divide using technologies that will separate the haves and the have-nots in our schools. What is their answer? Give it to the Governor.

We have tried that before and we have not gotten very satisfactory answers. We have not gotten satisfactory answers in the time from 1965 from 1970 when we had block grants. We found how the money was diverted for football uniforms and band uniforms and swimming pools, for a wide range of different kinds of activities that were distant and remote and unrelated to children who had very important needs.

We had the other side, with all due respect, that took the position, as we started off in the 1990s, that the best answer in solving these problems is to close down the Department of Education. That was their position: We do not want any Federal participation. We do not want any partnership. Close it down. That was their position in the early 1990s. That, and the rescission of funding that had been appropriated and signed into law by the President of the United States during that time.

I, for one, as I have said a number of times on the floor, I think most parents would agree, that at every single meeting the President of the United States has with his Cabinet, there is going to be someone there who is going to say to the President: What about education for the children of this country? When they are going to be meeting at the Cabinet table and deciding priorities in the expenditure of our $1.8 trillion, you want someone there who says: What about education, Mr. President?

The Republicans do not want that voice in the room because they do not want any Federal participation on that. That has been their historic position.

Now we have the time to have this debate. As others reminded us, we do not do it every year. We do it every 5 or every 6 years. We are having this debate now, just after the turn of the century. What is their answer? Instead of no more Department of Education, instead of cutting back even more in terms of the education budget, they say let's give it all to the States. Let's give it all to the States and let them make a judgment about it, virtually free from much accountability. All States have to do to get the money is to have an application and general outline of what the State intends to do to enhance educational quality. Then there is a long list of things that can be included in that effort. But also included are the words ''for any educational purpose.'' Who decides that? The Governor decides that.

This is their ''Uses of Funds Under the Agreement.''—Funds that may be available to a State under this part shall be used for educational purposes.

Every Governor can just make a decision that this is for educational purposes and then they are not accountable until after 5 years. Then there has to be a finding by the Secretary of Education that they have not made substantial progress in the area of education.

So their position is: Blank check, block grant, give it to the States, let the Governors do whatever they do. That in spite of the extraordinary record of the efforts of serious Governors, Republicans and Democrats alike, in the period of the 1980s and the 1990s, who said what we have a responsibility for is for the underserved schools in our States. There were eloquent calls for action by the Governors themselves. The National Governors' Conference, time in and time out, we found were asking for it, going back to 1986.

Governors Alexander and Clinton and Keene and Riley, urging they give greater focus and attention to underperforming schools and districts, and that States take over the academically bankrupt districts. Those were speeches being made in 1986. I am glad to hear they are being made by our Republican friends now.

Then, in 1987, 9 States had authority to take over, annex educationally deficient schools—only 9 out of 50. The call went out again in 1990, and again in 1998. The National Governors' Association policy: Support the State focus on schools, reiterating the position first

taken in 1988 in the National Governors' policy:

The States should have the responsibility for enforcing accountability and including clear penalties in cases of sustained failure to improve student performance.

Now we find there are 20 States that provide assistance to low-performing schools; 18 States apply some type of schoolwide sanction out of those 20. Now we have 20 States. It will take another 50 years, if we were going to get all the States to do what 20 States are doing now. But that is not good enough. Our Republican friends say give the money to the States, in spite of the facts. You have the record about what the deficiency has been at the gubernatorial level.

There are some notable exceptions, Republicans and Democrats alike. We are glad to recognize it. We pointed some of those out during the debate. But that has been the record. They have not measured up, done the job; they have not taken that responsibility.

We are not prepared, with the scarce resources here, to try to turn that over to the Governors one more time and expect they are going to do the job. No. We are going to insist that there will be incentives and disincentives for performance. That is what we do.

As I mentioned, whether you are talking about dedicating resources to turning around schools—in our particular program we have the resources to be able to do that. We make sure we are going to allocate scarce funds that each year are going to be set aside that can be utilized and will be effective in turning around failing schools. The schools are going to have to show annual gains for student performance.

We are to the point where we are going to insist there will be a report card that is given to every parent in this country about how their child's school is doing, every year. I think parents would like to know how their child's school is doing. We are guaranteeing that.

We asked our good friends on the other side how their bill is going to solve the issue of accountability. They cannot do it. We have been challenging them since the beginning of the debate. They cannot do it. We can. We are glad to go through these various provisions we have outlined about the assurance of real accountability of failing schools. If they fail, there are real consequences. After a period of time they are closed down. There is a whole new leadership for those schools if they are going to be reopened. Otherwise there is support for the children to go to other schools.

We also have a strong commitment to try to reach out to those children who are so often left out and left behind. We are talking about the homeless children. We have over a million homeless children in this country. We have over 700,000 children who are migrant children, who travel through this Nation at the various harvest times. There is a similar number of immigrant children who eventually are going to be American citizens. It is in our interest that they get educated. It is in our interest that they get educated, not cast aside.

Now, what does this Republican bill do? What it does is eliminate all those kinds of protections which have been out there now, guaranteeing those needy students are going to have their interests addressed. It sends the money back to the States, which prior to 1987 had not given those populations their attention.

I see the majority leader on the floor. If he wishes to address the Senate, I will be glad to withhold.

Mr. LOTT. I will be glad to wait until the Senator completes his remarks. I was going to try to bring the Chamber up to date on our hope of how to proceed. Senator DASCHLE is here.

Mr. KENNEDY. I will withhold.

Mr. LOTT. We are not ready to do that at this moment because we have to be sure everybody accedes, and so I will be glad to withhold.

Mr. KENNEDY. At any time the majority leader wants to propound the consent request, I will be glad to yield.

I wanted to read the 1987 report. In March of 1987, the Center for Law and Education sent a questionnaire regarding State practices and policies for homeless students to the chief State offices in the 50 States and the District of Columbia, and received 23 responses. The majority of the respondents, however, had no statewide data, so out of the 50, you got 23, and out of the 23, the majority had no statewide data on the number of homeless children within their jurisdiction, or whether these children were able to obtain an education.

The majority of States had no uniform plan for ensuring homeless students received an education—the poorest of the poor. Can those who want to give this money directly to the States tell us about programs that had been developed by the States prior to 1987? I have searched. I have looked. I cannot find them. Why? Because they were not a priority because they did not vote. Children do not vote, and the parents did not vote. We know the reasons, and that has been true with migrant and immigrant students as well.

As for the homeless children, we made marginal increases in the enhancement of those programs annually during the appropriations process, but we maintain our commitment. I wish we could be out here in a bipartisan way trying to find ways to strengthen these programs, to help those kids, to find out how we can be more effective. But oh, no, do my colleagues know what we are going to do? We are going to take those three programs, which is millions of dollars, and instead of continuing to target the homeless and neediest children, we are going to send that money to the Governors, to the State capitals to let them decide whether they want to be bothered by this.

The record is very clear: They have not historically, and there is little indication that they will today. If one looks over what is being allocated at the State level versus what the Federal Government is doing with programs in these areas, one will find they are begrudging support for these programs. There are certain exceptions, and we are always glad for that.

We enable students in failing schools to transfer to higher-quality schools. We say you cannot use more than 10 percent of the title I money for transportation. We let the local communities make the judgment of what they will do. Under the Republican bill, there is absolutely no cap. They can use the whole title I program for transportation.

On accountability, we find there continues to be a deficiency.

I will take a couple of minutes to go through the merit pay issue again and our particular proposal. Since we knew this was coming up, we tried to find out what different States have done and what has been successful.

We were reminded by the Senator from Georgia about a merit pay program that Secretary Riley instituted. It cost the State of South Carolina $100 million, and it was abandoned. I am sure my friend from Georgia does not realize it was abandoned. Probably those last words or last couple of sentences were missing in his presentation. They have switched to more of a school-based program.

In looking over the use of merit pay incentives for teachers across the country, one of the most successful has been in Dallas, TX. In 1991–1992, they implemented one of the most sophisticated accountability systems in the Nation. The centerpiece of it was that all staff in schools which increased student achievement received monetary awards. A 1996 study found when the scores were evaluated against the comparable school districts, the Dallas program had a very positive impact on test results. That is our amendment—schoolwide, with regard to that aspect.

In North Carolina, a State in which great progress has been made in education—I do not know why, but when we find out that some things work, as in the State of North Carolina, we do not try to share that with other parts of the country. We have tried to do that in this legislation.

North Carolina, in 1997, implemented its incentive program for whole school merit programs, and the legislature recently budgeted $75 million for the awards. More schools met their performance goals than expected. The second year required $125 million rather than scale back the level of the award. The legislature increased the budget to increase this successful program. It is working. We have no problem with our friend from Michigan on this type of merit pay program, but let's get it correct.

Mr. DODD. Mr. President, will my colleague yield?

Mr. KENNEDY. Yes.

Mr. DODD. First, I commend Senator KENNEDY for his comments. The alternative of rewarding schools as opposed to individual teachers is a very sound way of approaching this—the team environment, the team effort.

I find it somewhat ironic that the authors of S. 2 want to have the Federal Government stop dictating to the States and communities how the 7 cents on the dollar the Federal government provides for education is going to be used, yet in this amendment they have offered, they ask that this body to decide what certification or merit pay will be provided for teachers across the country. What works best is a decision that ought to be left to the States or the local communities. For the Senate to go on record to decide what will work best in the 50 States is in direct contradiction to the arguments I hear being made in support of the underlying bill, and that is: We do not know what we are doing here; we ought to leave this up to the local governments. Now we are going to decide, apparently, that teachers ought to get a pay increase rather than leaving that decision to the local level. It seems they have it backwards. Those decisions are best left at the local level.

As the Senator from Massachusetts has accurately pointed out, in State after State where it has been tried—it is not as if it has not been tried—it has not worked very well.

Instead of disregarding what is occurring at the local level, why not give them the chance in this area to decide what works best instead of trying to micromanage the pay or compensation of teachers based on some test that, as the Senator from Massachusetts said, would pit one against the other.

As he pointed out, there was an effort in Fairfax County, VA, to try this scheme. Maybe the Senator from Massachusetts can tell me again what was the experience in Fairfax, VA. They tried merit pay as a way to improve student performance, and what were the results of that experiment?

Mr. KENNEDY. The Senator is quite correct. They dropped that after a very short period of time because it was so ineffective in the outcomes for the students.

Mr. DODD. When they dealt with teacher merit pay for the whole school in New Haven—I gather it was New Haven, California, not New Haven, Connecticut——

Mr. KENNEDY. That is correct.

Mr. DODD. What was the experience there? Did the entire school benefit?

Mr. KENNEDY. There was a dramatic outcome in one of the poorest communities in California where they had schoolwide summer programs and they took all of the teachers—500 teachers—and gave bonuses to the whole school as the academic achievement went up. They also supported teachers if they wanted to obtain professional development or work towards advanced degrees. Finally, they gave encouragement for recertification, which is a very rigorous program of examination by senior teachers and review of the skills and talents of these teachers. But most of all, they gave support for the classes and the schools that were increasing academic achievement. It went from one of the poorest schools, in terms of academic achievement, to one of the best in California in a period of 7 years.

Mr. DODD. Lastly, I ask my colleague, does he know of any example, in his tenure in the Senate, where we have ever required merit pay for physicians, attorneys, architects, or any other profession you can think of? Has the Senate of the United States ever gone on record and said that as a condition of receiving Federal support, such as for health care plans or for legal issues, that we, as a matter of Federal policy, would require, in those professions, that they be required to be certified midcareer?

Mr. KENNEDY. Quickly, my answer would be no. Secondly, I think that—perhaps the Senator would agree with me—if we are going to give some extra pay, perhaps those teachers who are working in these combat conditions in underserved areas, whether they are rural or urban areas, might seem to be ones who could be deserving of it. That could be a decision that is made by the State.

But what I want to mention to the Senator, is that the States can do what the Senator from Michigan is proposing today, out of their 93 cents.

Mr. DODD. Correct.

Mr. KENNEDY. I have challenged the proponents of this to give us one State that is doing an effective merit pay for individual teachers program. We have not heard one. It would be nice if they said, oh, we have 15 States doing it and these are the results of it in academic achievement. They cannot give us one example.

Mr. DODD. If my colleague would yield, we have a number of former Governors here, some of whom support this amendment. I wonder if when they were Governors they supported this.

I see the majority leader on the floor. The minority leader and I certainly yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. I thank the Senator from Connecticut for allowing us to proceed with what I think is a fair agreement on how to proceed for the remainder of the afternoon.

We have had good debate this week on both sides of the aisle. There is a difference of opinion. When we get our unanimous consent agreement, or when we get it propounded and hopefully get an agreement, I do want to comment on some of the things I have heard over the past hour during debate and on the pending Abraham-Mack amendment.

But I think, first, it is important we get an understanding and agreement on how to proceed. Basically, the consent we would like to propound would be that the pending second-degree amendment be laid aside, and that Senator MURRAY be recognized to offer her amendment relative to class size, with no second-degree amendments in order, that we would ask consent for the votes to occur at 5 p.m. on the pending amendments, and the time between now and that hour be equally divided, and the votes would occur on or in relation to the amendments in the order they would be offered or have been offered. That sequence, of course, is the Kennedy second-degree amendment, the Abraham-Mack amendment, as amended, if amended, and then the Murray amendment.

Then we would ask consent that the next amendments in the sequence be basically in the following order: Lieberman, as an alternative; Gregg, with regard to Teachers' Bill of Rights; and McCain, regarding sports gambling.

We will see if we can get an agreement on that. If we cannot, then we will modify it in a way we hope we can get an agreement.

That is basically how we would like to proceed this afternoon. I think it is a fair way to proceed. We will be able to have another 2½ hours, hopefully, of good debate. Then we can have some votes.

Then we will have things lined up for debate on Monday. I hope that we can get in several hours of debate on the amendments that would be pending at that point—the Lieberman amendment, the Gregg Teachers' Bill of Rights, and other education-related issues about which Senators may want to talk. Then we would move toward votes on Tuesday and/or Wednesday and Thursday, if necessary. That is basically the outline of how we would like to proceed.

As soon as I hear further from Senator DASCHLE, we will propound that UC.

Mr. President, I ask unanimous consent, then, that the pending second-degree amendment be laid aside and that Senator MURRAY be recognized to offer her amendment relative to class size, and no second-degree amendments be in order. I further ask consent that votes occur at 5 p.m., with the time between now and then to be equally divided, and that the votes occur on or in relation to the amendments in the order in which they were offered, with no second-degree amendments in order.

The voting sequence is as follows: Kennedy, second-degree amendment; Abraham amendment, as amended, if amended; and then the Murray amendment.

I further ask consent that following these votes, the next amendments in the sequence be the following, in the following order, with no second-degree amendments in order prior to a vote on or in relation to the amendments. They are as follows: The Lieberman amendment, which is an alternative; the

Gregg amendment, dealing with Teachers' Bill of Rights; and the McCain sports-related gambling issue.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I object.

Mr. LOTT. Mr. President, Senator MCCAIN and I have discussed this matter. I understand he will be here momentarily. But I indicated to him that there might be an objection. We have now heard an objection. Therefore, I modify my consent to reflect the next two amendments be limited to the Lieberman and Gregg amendments as outlined above.

The PRESIDING OFFICER. Is there objection?

Mr. ASHCROFT. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, I would like to ask the Senator from Missouri to withhold his objection, and in order for one other Senator to arrive, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ASHCROFT. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. LOTT. Mr. President, I would like to say again, if I didn't say it sufficiently a moment ago, that I appreciate Senator MCCAIN's cooperation in agreeing for us to proceed even without an amendment he had hoped to get in the next sequence. But there was objection to that. He has agreed for us to proceed without an objection.

The same thing is true with Senator ASHCROFT. He has had a chance to review the situation. And our colleagues on both sides of the aisle have had an opportunity to look at the substance of the amendment. There are a number of Senators who have amendments they want to have considered. We hope as we go forward they will be in the lineup at some point.

For now, we are just trying to get the rest of the afternoon agreed to and debate amendments that we will also be debating on Monday. Then we will take it from there.

Mr. President, let me propound the unanimous consent request again and see if we can get it cleared at this point.

I ask unanimous consent that the pending second-degree amendment be laid aside, that Senator MURRAY be recognized to offer her amendment relative to class size, and that no second-degree amendments be in order.

I further ask unanimous consent that votes occur at 5 p.m. with the time between now and then to be equally divided, and the votes occur on or in relation to the amendments in the order in which they were offered, with no second-degree amendments in order.

The voting sequence is as follows:

Kennedy second-degree amendment;

Abraham amendment, as amended, if amended;

Then the Murray amendment.

I further ask unanimous consent that following those votes the next amendments in the sequence be the following, in the following order, with no second-degree amendments in order prior to a vote on or in relation to the amendments and the second-degree amendments must be relevant to the first degree they propose to amend. They are as follows:

Lieberman, which is an alternative;

Gregg, Teachers' Bill of Rights.

I believe that would be the request.

Mr. LEAHY. Mr. President, reserving the right to object, and I shall not, provided it is all right with the distinguished Senator from Washington State, would the leader be willing to amend that so I would be allowed to proceed for 5 minutes just prior to the distinguished Senator from Washington State on an entirely unrelated matter not requiring a vote or an amendment?

Mr. LOTT. I am not sure exactly when that would come.

Mr. President, we always try to accommodate Senators on both sides. But let me just say I would like to amend the request beyond what we have already asked to the effect that I be recognized to speak for 5 minutes to be followed by 5 minutes by Senator LEAHY. I had been waiting to try to respond to some of the things that had been said on the debate before we reached this point. If I could just get 5 minutes followed by Senator LEAHY, then we would go on with the regular order, if that is all right with Senator DASCHLE.

Mr. DASCHLE. Mr. President, I will not ask for time. As the majority leader has indicated, this does not in any way reflect what we have attempted to do beyond this agreement. We have some amendments on either side. Senator DODD has a very important after-school amendment that will come shortly after this lineup.

We also have Senator BINGAMAN, dealing with accountability; Senator HARKIN on construction; Senator MIKULSKI on digital divide; and Senator DODD's amendment will likely come up after this agreement. I know there are Senators on the other side who will be in the mix as well. No one should think this limits their ability to be heard and to offer their amendments.

I appreciate very much the cooperation of everybody.

I will not object.

Mr. REID. Mr. President, reserving the right to object, I want to say I objected to the McCain amendment not because of the content of his amendment, per se. He wants to bring up the NCAA college amendment at some subsequent time. That is his privilege. That is part of the Senate business.

One of the things I have tried to do, following the direction of the minority leader in consultation with the majority leader, is to keep this debate on this education bill on education. We worked very hard on our side to keep other matters off this bill—Patients' Bill of Rights, prescription drugs, minimum wage, and all kinds of other things. I don't want Senator MCCAIN or anyone supporting Senator MCCAIN's amendment to think I am doing this simply because it deals with the NCAA. It is because we are trying to move this education bill along. At some subsequent time on this bill or at some other time, if he offers that, I will be prepared to do whatever is necessary to put my views forward. But I just want the RECORD to reflect that it is not because of the content of this amendment. It is just an attempt to move education matters along with this bill.

I withdraw any objection I have.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The majority leader.

Mr. LOTT. Thank you, Mr. President. I thank Senator DASCHLE, Senator REID, Senator KENNEDY, Senator JEFFORDS, Senator ASHCROFT, and Senator MCCAIN for their cooperation.

Mr. REID. Will the leader yield for a second? I want to make sure the RECORD reflects that I withdraw my objection as to this unanimous consent and not the other ones propounded regarding Senator MCCAIN.

Mr. LOTT. Mr. President, along the lines of what Senator REID just said, both sides have been working to try to keep our amendments and our debate on the underlying bill, the Elementary and Secondary Education Act. This is a very important bill. Of course, its title is Educational Opportunities Act.

There is a lot that needs to be said. There is a lot that needs to be done to make sure our education and elementary and secondary schools are improved, that it is quality education, that it is safe and drug free.

We don't have to be out looking for amendments involving China, agriculture, or higher education, guns, prescription drugs, tax cuts, or anything of that nature, all of which may be or may not be meritorious. We have plenty to do and plenty we need to think about to improve, hopefully, elementary and secondary education.

I agree to an extent with what Senator REID was saying. I appreciate his cooperation and that of Senator MCCAIN, who agreed to go along with this request.

Let me respond in the broader sense to some of the things that have been said on this bill this afternoon. I have listened to the discussion by Senators. I think it is very important to note once and for all that this is education opportunity—not for 1965, not for 1985 or 1987, because I have heard that date used in some of the debate earlier, and

not even for 1995. This is about education in the new millennium. This is about how we improve the quality of education and how we improve the learning of our children for the remainder of this century.

We know there are many indicators that show our children's education is not safe, that it is not drug free, that it is not improving in many areas. In fact, many test scores are static or declining.

We have to do something different. We are not debating 1956, we are not debating what happened in 1985, and we certainly are not debating what happened in the early 1990s.

It has been alleged that all Republicans want to do is eliminate the Department of Education. Let me just make the RECORD clear why there are many of my colleagues who do not agree with me on this.

I am the son of a schoolteacher. I worked for a university, and I am not for, nor have I ever been for, eliminating that Department. I stood in the House of Representatives and voted for its creation. The majority leader and the Republican leader in the Senate certainly do not have that position. Let's not talk about the past. It is prolog. There have been good efforts. Some of them helped. Some of them didn't work.

It is time we think a little differently. Education is in this box because there are certain groups in this country that say this is the way it is going to be, this is the way it has been, failed or succeeded, and it is going to stay.

I don't agree with that. We have to start using some innovative concepts. We have to have more flexibility. We must have more accountability. We must have results. It has to be child centered, as we have been saying.

Some people say we must have mandates from Washington, DC; We know best in Washington, DC, in the Senate and the bureaucrats at the Department of Education, many well-intentioned and good people.

I don't accept that. I have faith in the parents at the local level. I have faith in the teachers and the administrators, yes, in the State governments. So it happens that more Governors right now are Republican than Democrat, but in the past the reverse has been true and test scores were not any better then. We have to try to find some solutions.

By the way, many of the good solutions in America for creating jobs, improving education, charter schools, improving health care, are happening in the States because we have given them a little more flexibility from the Washington level. My own State of Mississippi, poor though it is, just voted 2 weeks ago, and the Governor signed into law, a 5-year teacher pay increase to bring Mississippi up to the southeastern average. That is monumental legislation. It is a big financial commitment from a small, poor State. But they are doing the job. They are trying to make some progress with teacher pay raises. I know certainly they deserve it.

It is time for a change in education. We have to do better. Our scores as parents and leaders are not what they should be for improving education. If you want the status quo, go ahead and vote for title I, title II, all the programs as they are. Leave them as they are. I don't believe they are working the way they can; we don't give enough discretion as to how best to use them at the local level. If our districts and States are using them for pools, Heaven forbid, we should make sure that does not happen.

We have thoughtful ideas and I think this Abraham-Mack amendment is a good amendment. First of all, this amendment is optional. Shouldn't we encourage good teachers? Shouldn't we have merit pay for the really good teachers? Shouldn't we encourage them? The alternative is, if the overall school does good and improves, give all teachers a pay raise. That means that the worst of the worst get the pay raise along with everybody else, in spite of the job that he or she has done. That is not the solution.

It is not a mandate. Again, it is a choice for the States and the local education agencies to pursue quality teaching, a very important component in learning. It is optional.

Let me reframe the debate a little bit. I think there is fundamental disagreement. However, I think the American people agree with the approach we are taking, an approach of more flexibility, more choice at the State and local levels, accountability, encouraging quality teachers so that they won't leave teaching as my mother did after 19 years. She didn't get rewarded when she did a good job or spent extra time. She couldn't make a decent wage in that job.

I believe we have a good package. I commend the work. Let's continue to have debate on the amendments. I certainly hope the Kennedy amendment is defeated and the Abraham-Mack amendment is passed.

I yield the floor.

The PRESIDING OFFICER (Mr. L. CHAFEE). WHO YIELDS TIME? THE SENATOR FROM WASHINGTON.

Mrs. MURRAY. Mr. President, for my clarification, I understand my amendment is in order and the time between now and 5 o'clock is equally divided, is that correct?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 3122

(Purpose: To provide for class reduction programs)

Mrs. MURRAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Washington [Mrs. MURRAY] proposes an amendment numbered 3122.

Mrs. MURRAY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mrs. MURRAY. Mr. President, classrooms across America are less crowded today than they were a year ago, because this Congress made a commitment to hiring new teachers to reduce classroom overcrowding.

The progress has been overwhelming. Today, 1.7 million students are in less crowded classrooms—where they can learn the basics in a disciplined environment.

That is the type of progress we should continue. Unfortunately, this Republican bill abandons our commitment to helping students learn in less crowded classrooms.

At a time when we should be ensuring that every student can benefit from an uncrowded classroom, this Republican bill makes no guarantee that smaller classes will become a reality.

That is why I am on the floor today—to make sure that no student is stuck in an overcrowded classroom in grades 1–3.

I am offering an amendment which would authorize the class size reduction program in the Elementary and Secondary Education Act.

As a former teacher, I can tell you, it really makes a difference if you have 18 kids in a classroom instead of 35—parents know it, teachers know it, and students know it. By working together over the past 2 years, we have been able to bring real results to students.

With the first year of class size reduction funding, we have been able to hire 29,000 teachers across the country. Approximately 1.7 million students across the country are learning in classrooms that are less crowded than they were the year before. The average class size has been reduced by more than five students in the grades where these funds have been concentrated.

Forty-two percent of the teachers hired are teaching first grade. In these schools, the average class size fell from approximately 23 to 17 students, 23 percent of the teachers are in 2nd grade, and 24 percent are in third grade. In both of these grades, the average class size, where these funds were used, dropped from 23 to 18 students. In addition, districts are using approximately 8 percent of this money to support professional development so we can have teachers of the highest quality.

Let me take a moment to share a list of some of the benefits of class size reduction. Class size reduction produces better student achievement, something every Senator has been out here to say they support. It brings about fewer discipline problems. When there are fewer kids in your classroom you can maintain discipline; there is more individual attention, better parent-teacher communication—an essential to a

child's education—and dramatic results for poor and minority students.

Those are some of the ways smaller classes help students reach their potential. Those are the results we should be giving all students in the early grades. But today, there are still too many students in overcrowded classrooms.

Today, the average classroom in grades 1–3 has 22 students in it, students who are fighting for the time and attention of just one teacher, students who might not get their questions answered because their classmates are creating disruptions, students who aren't learning the basics.

Those students would be helped dramatically if we gave them a less crowded classroom with a fully-qualified, caring teacher.

Go out into your local school districts and talk to any teachers, and I believe they will tell you classes are overcrowded. It is not easy for local school districts to hire teachers on their own.

Believe me—I served on a local school board. This is one area where the Federal partnership really makes a dramatic difference for students.

I understand, as a former school board member, the pressure the school boards and others involved with the budget face in allocating scarce resources.

The pressure on how to spend these funds are immense, and in most district budgets, there is not money to reduce class size.

The Federal funds for the purpose of reducing class size are incredibly important for supplementing district budget to address the class size.

Let me share an example of how one of the districts in my State is using these funds. The Tacoma School District in Washington State received a class size reduction grant of a little over $1 million, and the district started a program called ''Great Start.'' That's one of the best things about this program. School districts can use this money to meet the unique challenges their students face. We know that not every school district is the same. We know that some schools need more help hiring teachers, and others need more help training teachers. That is why this program that we created 2 years ago is flexible.

So the educators in Tacoma decided they would focus the money on first grade. And, they decided that—in addition to reducing over-crowded classrooms—they were going to make sure that those new teachers had the best strategies for helping students. They set clear goals. For example, they set the goal that every student be able to read and write by the spring of their first grade year. They hired an additional 20 fully-qualified new teachers. And the difference has been dramatic.

Today, as a result of this program, those classrooms have an average of just 16 students. Those students are now better able to learn the basics with fewer discipline problems.

I am proud to say I have visited schools in Tacoma. I have seen the great strides those dedicated educators are making. But do not take my word for it. Listen to what one of the teachers wrote to me.

I received this letter from Rachel Lovejoy, a first grade teacher at Whittier Elementary School in Tacoma.

She writes:

> I knew first graders could make great gains, and this year they are.

Rachel is the type of teacher who goes out and visits every child's home in August before the school year begins. She meets their family and learns about that student's unique needs and challenges.

As Rachel told me:

> With 16 families, I can fit the visits into my room preparation with greater ease. What a great start to building that family atmosphere in my class.

Rachel tells me that because she has fewer students in each class she is better able to keep track of how each student is progressing.

Rachel also says there are fewer discipline problems in her classroom today:

> It is much easier to build a familial, caring community in the classroom with fewer children.

Rachel knows what makes a difference in the classroom, and she has a message for all of us about reducing class size:

> The research is there. Accept no excuses. Gives us lower class size and training, and let us do what we do best . . . teach.

That is what we should be doing and that is what the amendment I am offering today does. It shows teachers like Rachel that we will stand with them and help them create effective classrooms.

I was fortunate to receive a letter from Lori Wegner—the parent of one of the students in Rachel Lovejoy's classroom. She writes:

> With 16 children, Rachel is able to interact with each child on an individual basis throughout each day. Rachel is able to go above and beyond the basic requirements for testing the students' achievements and focus on each child's development in a way that is appropriate to the individual child.

Lori closes her letter to me by saying:

> Please give our teachers the opportunity to facilitate the development of each individual student to their fullest potential during these critical years of learning.

Not only do the parents and teachers in my community tell me it works, but national research proves smaller class size helps students learn the basics in a disciplined environment.

A study conducted in Tennessee in 1989, known as the STAR Study, compared the performance of students in grades K–3 in small and regular-sized classes. This important study found that students in small classes—those with 13 to 17 students—significantly outperformed other students in math and reading. The STAR study found that students benefitted from smaller classes at all grade levels and across all geographic areas.

The study found that students in small classes have better high school graduation rates, higher grade point averages, and they are more inclined to pursue higher education.

I repeat, students who are in smaller class sizes in first, second, and third grade have higher graduation rates, higher grade point averages, and are more inclined to go on to higher education. Isn't that what all of us want?

According to research conducted by Princeton University economist, Dr. Alan Kruger, students who attended small classes were more likely to take ACT or SAT college entrance exams, and that was particularly true for African American students.

According to Dr. Kruger:

> Attendance in small classes appears to have cut the black-white gap in the probability of taking a college-entrance exam by more than half.

Three other researchers at two different institutions of higher education found that STAR students who attended small classes in grades K–3 were between 6 and 13 months ahead of their regular class peers in math, reading, and science in each of grades 4, 6, and 8.

In yet another part of the country, a different class-size reduction study reached similar conclusions. The Wisconsin SAGE Study—Student Achievement Guarantee in Education—findings from 1996 thru 1999 consistently proved that smaller classes result in significantly greater student achievement.

Class-size reduction programs in the SAGE study resulted in increased attention to individual students. This produced three main benefits:

No. 1, fewer discipline problems and more instruction,

No. 2, more knowledge of students, and No. 3, more teacher enthusiasm for teaching.

The Wisconsin study also found that in smaller classes, teachers were able to identify the learning problems of individual students more quickly.

As one teacher participant in the SAGE class-size reduction study said:

> If a child is having problems, you can see it right away. You can take care of it then. It works a lot better for the children.

Parents of children in smaller classes notice the difference as well. The mother of a child who moved from a class of 23 students to a class of 15 students discovered that—she wrote this to me:

> The smaller class makes it possible for the teacher to get to know the kids a lot faster, so they can assess their strengths and weaknesses right away and start working from those points right away.

Discipline problems were also greatly reduced in smaller classes. One teacher said:

> In a class of thirty students, you're always redirecting, redirecting—spending most of your time redirecting and disciplining kids where you're not getting as much instructional time in.

Those are not my words, they are hers.

By contrast, another teacher said:

Having 15 [students], I'm so close to them. Generally, I don't have to say a thing; I just look at them and they shape up and get back to work . . . So I don't spend a lot of time with discipline anymore.

The empirical support for smaller class size is compelling. Smaller classes in SAGE schools produced high levels of classroom efficiency; a positive classroom atmosphere; expansive learning opportunities; and enthusiasm and achievement among both students and teachers. The SAGE study concluded that the main effect of smaller class size was greater student success in school.

Today we have the opportunity to authorize the class-size reduction program in this bill and ensure we do not abandon our school districts in their efforts to reduce class size, which have been so successful.

It is our opportunity to make a commitment to improving America's public schools.

I am offering this class-size reduction amendment to give Members of the Senate the opportunity to show parents, teachers and students that we understand that it's important to reduce the class size.

My class size amendment will continue the progress we have made over the past 2 years in dedicating funding to class-size reduction. It will bring us to a total of more than 43,000 fully qualified teachers nationwide.

Here are the specifics of my amendment:

This amendment would use $1.75 billion to reduce class size, particularly in the early grades, grades 1 through 3, using fully qualified teachers to improve educational achievement for regular and special needs children.

It targets the money where it is needed within states.

Within States, 99 percent of the funds will be disbursed directly to local school districts on a formula which is 80 percent need-based, and 20 percent enrollment-based.

Small school districts that alone may not generate enough Federal funding to pay for a starting teacher's salary may combine funds with other dollars to pay the salary of a full or part-time teacher or use the funds on professional development related to class size.

This amendment ensures local decision-making.

Each school district board makes all decisions about hiring and training new teachers. They decide what their needs are. They decide how many teachers they want to hire. They decide which classrooms to focus their efforts on. They decide what goals they want those students to reach. It is local decision making.

This amendment promotes teacher quality.

Up to 25 percent of the funds may be used to test new teachers, or to provide professional development to new and current teachers of regular and special needs children.

The program ensures that all teachers are fully qualified.

School districts hire State certified teachers so students learn from fully trained professionals.

This amendment is flexible.

Any school district that has already reduced class size in the early grades to 18 or fewer children may use funds to further reduce class sizes in the early grades; reduce class size in kindergarten or other grades; or carry out activities to improve teacher quality, including professional development.

The flexibility for these funds is seen throughout my State.

In Washington, the North Thurston school district is using all of their funds to hire teachers to reduce class size. At the same time, the Pomeroy school district, which is a rural district in eastern Washington, was able to use 100% of their funds to improve teacher quality through professional development. The Seattle school district even used a portion of their funding to recruit new teachers.

The Class-Size Program is simple and efficient. School districts fill out a one-page form, which is available online. Here is a copy of the one-page form from my State.

This is a copy. We hear from the other side about bureaucracy and paperwork. This is an example of how targeted Federal funding for a program really works. This is a one-page form. School districts fill it out, and they get the money. It is at their request. They do not have to ask for the money, but if they do, they fill out a one-page form and the money is available to them.

Teachers have told me, by the way, they have never seen money move so quickly from Congress to the classroom as they have seen with these class-size reduction funds.

Linda McGeachy in the Vancouver school district, recently commented, ''The language if very clear, applying was very easy, and there funds really work to support classroom teachers.''

Finally, this amendment ensures accountability. In Addition, the language clarifies that the funds are supplementary, and cannot replace current spending on teachers or teacher salaries. Accountability is assured by requiring school districts to send a ''report card'' in understandable language to their local community—including information about how achievement has improved as a result of reducing class size.

Before I close, I just want to make one final point. This class size program was a great idea when we passed it 2 years ago, and I was especially pleased that we had the support of so many of my colleagues from the other side of the aisle.

In fact, I have a press release from the Republican Policy Committee which was put out on October 20, 1998. It listed class size as one of the accomplishments the Republican Party had at that time. It says, ''Teacher quality initiative cleared by the President,'' and it lists class-size reduction funding as one of the major accomplishments during the 105th Congress. So this was a bipartisan proposal.

Throughout the last 2 years, we have worked together to make sure the language works for everyone involved.

We have seen the results come in. Mr. President, 1.7 million students have benefited from this policy. That really is why I find it so surprising that in this underlying Republican bill we back away from that commitment that 2 years ago we were touting as the way to go and as an accomplishment for both sides.

I am offering this amendment today to give both the Democrats and the Republicans an opportunity to show that they care about the students in America's classrooms and to keep that commitment we made 2 years ago.

Parents, teachers, and students across America want students to be in classes that are not crowded. Working together over the past 2 years, we have been able to help 1.7 million students learn the basics with fewer discipline problems. The results are in. Smaller classes are making a positive difference. The research proves it. Parents, teachers, and students have seen the results. We should be committed to continuing that effort and not abandoning it in the underlying bill.

That is why I am offering this amendment today, to make sure we continue the progress in reducing class size. Our children deserve the best. America deserves the best. This amendment gives it to them. I urge my colleagues to support it.

Mr. President, I reserve the remainder of my time.

Mr. WELLSTONE. Mr. President, I think my colleague from Ohio is going to go next.

I am only going to take 5 minutes. I ask unanimous consent that I follow the Senator from Ohio.

Mrs. MURRAY. I am happy to yield the time to the Senator from Minnesota after the Senator from Ohio speaks.

Mr. WELLSTONE. I ask the Senator from Ohio, how long does he intend to speak? However long is fine with me.

Mr. VOINOVICH. I am sorry, I can't hear the Senator.

Mr. WELLSTONE. I ask my colleague how long he may be speaking on the floor. It is fine with me however much time he uses.

Mr. VOINOVICH. I think I will probably be finished in 10 minutes.

Mr. WELLSTONE. I thank my colleague.

Mr. JEFFORDS. Mr. President, I am not sure what happened in that last colloquy.

The PRESIDING OFFICER. Simply, the Senator from Washington said she would yield to the Senator from Minnesota after the comments by the Senator from Ohio.

Mr. JEFFORDS. However, that time would be from the minority's time? I believe we are allocated time.

The PRESIDING OFFICER. That is correct.

Mr. JEFFORDS. Half the time to one side, half the time to the other side; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JEFFORDS. Mr. President, I yield 10 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. VOINOVICH. Mr. President, in the last couple of days I have had an opportunity to preside over the Senate. I feel compelled to make some overall comments about what I have heard and the difference between the Republican approach and the Democratic approach on this education reauthorization bill.

First of all, I think it is important everyone understand that the Federal Government only provides about 7 percent of the money for education in the United States of America. Sometimes when I listen to my colleagues, I think they think they are members of the ''School Board of America'' and do not understand that the overwhelming majority of contributions for education come from State and local government.

I have also listened to Senators depicting the Republican approach as a ''revolution'' that will change the way the Federal Government is going to be dealing with our schools. In fact, it was depicted by one Member of the Senate as giving ''a blank check to the States to conduct business as usual.''

I want to let you know that the States are not conducting ''business as usual.'' As the former chairman of the National Governors' Association, I worked with my colleagues—Democrats and Republicans—to reform education in this country. I think it would be wonderful if the Members of the Senate would really become familiar with what is going on throughout this country as State and local government change the way they deliver education and recognize the improvements that have been made.

The Republican approach that has been titled as ''revolutionary'' is the Straight A's Program. So that everyone understands, it basically says: Straight A's, of which I am a cosponsor, builds on Ed-Flex and allows up to 15 States to enter into a 5-year agreement with the Secretary of Education where the State can consolidate their formula grant programs, including title I, and use them for the educational priorities set by the State. In return for this flexibility, States will be held accountable for academic results. States that reduce the achievement gap will receive additional funds.

In effect, this is a waiver, given by the Department of Education, to 15 States that want it, for 5 years, to use education money differently from what is provided in the current categorical programs.

Now, another issue is title I portability. It applies to 10 States plus 20 school districts. The States and districts will apply if their education communities desire it. No district will be required by the Federal Government to have this portability. In other words, these are voluntary programs where States would come to the Department of Education and say: We would like to use this money differently from how it is now allocated under the categorical titles.

This is not what I would refer to as ''revolutionary.'' This sounds to me like the waiver program we had many years ago where the States could go to the Department of Health and Human Services and say: We want a waiver to do welfare a little differently in our State.

What I am hearing on the floor of the Senate is ''block grants are awful.'' I will tell you something. As a former mayor, I fought for the CDBG Program, Community Development Block Grant Program, which is one of the most successful block grants in the United States of America.

I hear some of my colleagues on the other side of the aisle say some of the same things I heard when I was Governor and I was down here with six or seven other Governors to reform the welfare system. I heard ''it's going to be a race to the bottom. The Governors do not care. The local government doesn't care. We in Washington, we in the Senate, care more about the people than the Governors and the local government officials.''

I would like to remind this body that on October 4, 1998, the President of the United States said:

> This great new experiment that we launched 2 years ago has already shown remarkable signs of success. Two years ago, we said welfare reform would spark a race to independence, not a race to the bottom. And this prediction is coming true.

Many Members of this Senate said it would be a race to the bottom, that this was not the right thing to do.

Again, on December 4, 1999, the President said:

> Seven years ago, I asked the American people to join me in ending welfare as we know it. In 1996, with bipartisan support, we passed a landmark welfare reform bill. Today, I am pleased to announce we have cut the rolls by more than half. Fewer Americans are on welfare today than at any other time since 1969. We are moving more than a million people a year from the welfare rolls to payrolls, 1.3 million in 1998.

He goes on to say what a great program it is.

How did it come about? It came about because we gave the people closest to the problem the opportunity to use money in a different way. We ended the entitlement, and we had a block grant for the States and said: You use the money the best way you can to make a difference in the lives of our welfare recipients.

That is fundamentally what we are asking for in our approach to education reform. We want to try something different.

We have had Title I for years and in the title I schools, we are not getting the job done. That is one of the reasons we passed Ed-Flex early this year. We want to build on that, give the schools the flexibility to use those dollars in the way they can make the most difference for our boys and girls.

I have heard: ''Build new schools, hire more teachers.'' We are building more schools. We are providing more teachers on the local level. I heard about ''a digital divide.'' In almost every State in the Union, the States have put fiber optics out to the schools, and put computers in the schools that the States have paid for. In my State, we have wired classrooms for voice, video, and data.

Parents ought to know how their child's school is doing. Most States have report cards now, so people can compare their kids' performance in their school versus another school down the block.

Let's take the National Board of Professional Teaching Standards. We are talking about rewarding teachers. I am a former member of the National Board of Professional Teaching Standards. In our State, people who apply and receive their certificate from the National Board of Professional Teaching Standards receive another $3,000 a year from the State of Ohio to recognize their extra professional competence. In the State of North Carolina, Governor Jim Hunt gives them $5,000.

We've talked about all kinds of new things Members of this Senate would like to see happening at the local level. I am saying most of it is happening on the local level. We talk about building new schools. Let me say that once you get started with building new schools, it is a never ending process.

The American public ought to understand that the backdrop of what we are doing here is shown on this chart. We are paying 13 percent of each federal dollar on interest; we are paying 16 percent on national defense; nondiscretionary is 18 percent; mandatory spending is 53 percent.

We have some real problems in this country. We have to take care of Social Security and Medicare. We have a problem with readiness in our Defense Department. And we have people saying: Let's get into new programs. Let's get into areas that are not the responsibility of the Federal Government. I am saying that the States have more of a capacity to deal with it. I went through the numbers. The National Governors' Association says there isn't one State in debt like we are—not one. Most of them have surpluses. If you talk about capacity to get the job done, they have more capacity to get it done than we have.

It is hard for me to believe that when you are in debt this much, when you are paying out 13 cents in interest on every dollar, you are saying we are going to get involved in some programs that fundamentally are the State's responsibility, and where the States have

more capacity to deal with the problems. So what I am saying today is that we must change our approach to education. All we are saying is give the States an opportunity to apply for a waiver, to use the money differently than what is in the categorical programs. They can use it for teachers. In my State, we have reduced class size in urban districts down to 15 students per class, and we have done a lot of the things in the states that we are talking about here. Let's just fund IDEA and make the money available so States can do that on their own.

We need to understand we have a role to play in education, but fundamentally it is a State and local responsibility. Our job is to become a better partner to the State and local governments, give them the flexibility to get the job done and then hold them accountable. That is what this is all about. I think that should be the debate. I hope that maybe by the time we get through with this bill, we can come together on a bipartisan basis and do something so we walk out of here and say to the American people that we have done something this year in education.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I yield 7 minutes to the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I will try to respond to the comments of my colleague from Ohio because I like it better when we go back and forth. He is a Senator I certainly respect.

I have two points. I want to get back to Senator MURRAY's point. On the whole general question of the Federal role, let me say to my colleague from Ohio that it is absolutely true that much of K through 12 is at the State level, no question about it. But going back to the history of the Elementary and Secondary Education Act—and I have said this three or four times—there is a reason why we have certain streams of money and targeting of programs, especially toward the most vulnerable children, because whereas the Senator from Ohio—and I have no doubt about the Senator's commitment to children, but the fact is, in too many parts of the country the verdict was very harsh at the State and local level. We decided, look, as a national community—and we reflected that—we are going to make sure we make a commitment to the poorest and most vulnerable children. I don't want to see us abandon that commitment. That is what this debate is about.

On welfare, with all due respect to the President—and my colleagues quoted the President—we have reduced the rolls by half. Anybody can do that. You just tell people they are off. The question is whether or not we met the goal of the bill, which was to move families from welfare to economic self-sufficiency. Guess what. Just about every single study I know of—and maybe you know of another one—has pointed out that in the vast majority of cases these mothers barely make above minimum wage, and many families have no health care coverage.

Families U.S.A. pointed out that we have 675,000 citizens who don't receive any health care coverage any longer because of the welfare reform bill. We had a study from Harvard-Berkeley that in all too many cases—they looked at a million children —because of this welfare bill, children were getting dangerous to inadequate, at best, child care. These are small children. Guess what. We have not made sure that there is good child care. We haven't made sure these families have health care coverage, and the States are sitting on $7 billion. Some States are supplanting that and using it to replace existing State programs and using that money for tax cuts. So we have some reasons to be concerned about how poor children will fare without some kind of Federal Government national commitment to them. That is my first point.

My second point has to do with this amendment. I thank Senator MURRAY from Washington for introducing this amendment. She pointed it out—and I will say it again—that across the country this year—and we did this in a bipartisan way—1.7 million first through third graders now attend classes with an average of 18 students because we were able to provide funding for 29,000 new teachers; 519 of them are in my State of Minnesota.

Now, the President's request for 2001 will bring Minnesota over $23 million more. I will say this again. I can give many examples. I will forget all the statistics. My daughter, Marcia, is a Spanish teacher. Hey, I am a Jewish father, so I think she is the greatest teacher in the country; and she is a darn good teacher from what I hear. She told me what it was like when she had 40 students. She teaches at the high school level.

Every time I am in a school, which is every 2 weeks in Minnesota, I talk to the students about education. They always talk about good teachers and about respecting teachers. They think teachers are disrespected. We talked about that this morning. They also talk about smaller class sizes. I tell you, it makes all the sense in the world. Talk to people in our States. They know it. With a smaller class size, they know that a teacher can give students the individual attention they need.

When you ask students: Who are the teachers you like, they say: They are not just the teachers who teach us the formal material; they are the teachers who get to know us; they are the teachers who relate to us; they are the teachers who we can come and talk to; they are the teachers who can give us special help; they are the teachers who can give us special attention; they are the teachers who know something about what we hope for in our lives.

Do you want to know something? There are a lot of young people who cry out for that kind of teacher and cry out for that kind of education. Do you want to know something else? One of the best ways we can get there is through smaller class sizes.

Yes, we have said through this amendment, as Democrats who represent people in our States, but I think it should be a bipartisan amendment. We believe it should be a decisive priority for the Senate to say that we are going to make a commitment—most of the funding is at the State level, but with the money we have and what we do to support school districts and to support principals and parents and teachers and students, let's make the best use of the money, and that is exactly what this amendment does.

I think this is a great amendment. I think it should receive 99 to 100 votes. Before it is all over, for all I know, it will.

I yield the floor.

Mr. JEFFORDS. Mr. President, I yield to the Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I have listened with great interest to the debate over the days and the hours of this week. It has been particularly interesting to me to listen to my colleagues on the other side of the aisle who have, in glowing terms, defended the status quo and have spoken in very rosy descriptions of the status of American education.

I will not recite once again all the very gloomy statistics and the very real statistics and the very undeniable reality of where we stand in American education and how we compare internationally with our competing young people around the world.

I believe one statement from the Vice President of the United States, AL GORE. His plans for education basically say enough about the status of American education. Vice President Gore, in unveiling his education plans, said:

> I am proposing a major national investment to bring revolutionary improvements to our schools. I am proposing a national revolution in education.

Now, the question I ask is, If you have to propose a ''revolution'' in education, does that not imply that there is a problem? If the status quo is as good as the Democratic side has said during the debate this week, then why is it necessary to say we are going to have a revolution in education?

The reality is that it is not good. The picture is not good, and that ''a nation in crisis,'' as it was called a few years ago, is still the truth when you look at American education, and a defense of the status quo is not satisfactory. The American people deserve more and deserve better.

Now, what we have from time to time are fads in education. We have the fad of the day or the fad of the year. That is what we are facing right now with the whole idea of class size reduction. Let me clarify. I think class size reduction is a wonderful thing. I think if teachers have fewer papers to grade and smaller classes, they have a lot of

advantages. My sister is a fourth grade teacher. I know she would love fewer students at times in that classroom. But I want to challenge the basic premise of what the Senator from Washington laid out before us in this amendment. I don't question her sentiment, her goals, her objectives, or her sincerity. But I think the research that is out there is far less conclusive than what we have been led to believe.

Class-size reduction is not the magic elixir that its proponents would like us to believe. The fact is pupil-teacher ratios have been shrinking for half a century in this country.

In 1955, pupil-teacher ratios in public elementary and secondary schools were: Elementary, 30.2; secondary, 20.9 to 1 respectively.

In 1998, they were 18.9 in elementary, and 14.6 in secondary.

That is a dramatic drop in the size of classes in this country.

Yet the fact is test scores went down for many years, and have leveled over to some extent. But they have leveled off at an absolutely unacceptable level.

Eric Hanushek of the University of Rochester has been one of the outstanding scholars in looking at the effects of class-size reduction. He concluded—and I think we should conclude that:

> A wave of enthusiasm for reducing class size is sweeping across the country. This move appears misguided. Existing evidence indicates that achievement for the typical student will be unaffected by instituting the types of class size reductions that have been recently proposed or undertaken. The most noticeable feature of policies to reduce overall class sizes will be a dramatic increase in the costs of schooling, an increase unaccompanied by achievement gains.

That is the sad reality.

Between 1950 and 1995, pupil-teacher ratios fell by a dramatic 35 percent.

We are trying to cure a problem with this amendment. That is being cured already in the States.

We have seen a dramatic 35-percent decrease. While we don't have all of the information for the last 50 years that we would like to have on student achievement, we have enough to conclude that the performance has been at best stagnant.

According to the National Assessment of Education Progress, our 17-year-olds are performing roughly the same in 1996 as they did in 1970. While we have seen this dramatic drop in class size, we continue to see a stagnant student performance.

The article ''The Elixir of Class Size'' concludes:

> There's no credible evidence that across-the-board reductions in class size boost pupil achievement. On this central point, the conventional wisdom is simply wrong.

Look at the Asian nations today that trounce us on international assessments. Those Asian countries have, on average, vastly larger classes with many times 40 and 50 youngsters per teacher. Yet in every evaluation, they are leading us on international comparisons of scores.

If lowering class size were the elixir that its proponents claim, we would be seeing a dramatic increase. We would be seeing an improvement in these academic scores.

If this were health care, and if this were a new tonic being brought before the Food and Drug Administration, I assure you additional experiments would be warranted; additional experiments would be required. But no scientist would say that efficacy has been proven. It simply has not.

There is a simple reason why smaller classes rarely learn more than big classes. Their teachers don't really do anything much different. The same lessons, textbooks, and instructional methods are typically employed, whether the class size is in the teens or whether the class size is 25. It is just that the teacher has fewer papers to grade and fewer parents with whom to confer, but getting any real achievement bounce from class shrinking hinges on teachers who know their stuff and use proven methods of instruction.

Of course, knowledgeable and highly effective teachers would also fare well with classes of 30 or 35. Jaime Escalante, renowned worldwide as the ''best teacher in America,'' packs his classroom every year with 30-plus ''disadvantaged'' teenagers and consistently produces scholars who pass the tough advanced placement calculus exam. But such teaching is not the norm in U.S. schools, and adding more teachers to the rolls won't cause it to be.

Much of the current enthusiasm for reduction in class size is supported by references to the experimental program in the State of Tennessee that Senator MURRAY made reference to in her comments. The common reference to this program, Project STAR, is an assertion that the positive results there justify a variety of overall reductions in class size.

By the way, this report is cited so frequently because there are so few studies on the academic impacts of smaller classes.

The study is conceptually simple, even if some questions about its actual implementation remain. Students in the STAR experiment were randomly assigned to small classes of 13 to 17 students, or large classes of 21 to 25 students with or without aides. They were kept in these small or large classes from kindergarten through third grade. Their achievement was measured at the end of each year.

If smaller classes were valuable in each grade, the achievement gap would widen. But that was not the fact in the STAR study. In fact, the gap remains essentially unchanged through the sixth grade.

While there may be some evidence that in kindergarten the smaller class sizes improved academic performance, as you go through grades 2, 3, 4, 5, or 6, the gap between the advantaged and disadvantaged students did not narrow. It remained the same.

Apart from all of that, I think we should be concerned about the Murray amendment because of the unintended consequences. I know what Senator MURRAY wants to accomplish. She wants to see improved schooling. She wants to see improved academic performance. She believes smaller classes will inevitably result in that, and that her amendment will achieve that.

So often is the case as we pass amendments for legislation in the Senate that they end up being consequences that we never imagined.

I want to share with you four of them which I believe will occur if the Murray amendment is adopted.

Teachers will leave the worst schools in the State to fill the newly created affluent slots.

That is what happened in many States where they have implemented these kind of programs.

There will be the unintended consequence of exacerbating the problem of less-qualified teachers being hired.

In California, Governor Wilson shrank California's primary classes. What happened was the veteran teachers fled the inner-city schools in droves lured by the higher paid, cushier working conditions of suburban systems that suddenly had openings. This exodus forced city schools to hire less qualified teachers, threatening the one ingredient that researchers agree is the most important to good education—teacher quality. In fact, in California they sacrificed teacher quality in hiring more teachers, and the schools that were hurt the most were those with disadvantaged students.

The West Education Policy Brief is the regional education lab for Arizona, California, Nevada, and Utah. This is what they said about class-size reduction. This is funded by the U.S. Department of Education.

> A fundamental condition for the success of the Class Size Reduction is good teaching. Class size reduction can exacerbate teaching shortages and lead to the hiring of unqualified teachers. In California, for example, since the implementation of the state's class size reduction program, the percentage of teachers without full credentials has jumped from 1% to over 12%, while the proportion of teachers with three or fewer years of experience rose by 9% and the proportion of teachers who had the least education, a bachelor's or no degree, increased by nearly 6% statewide.

Those are unintended consequence.

A second unintended consequence is driving us, if we adopt such an amendment, toward nationalizing education.

I didn't want to interrupt Senator MURRAY when she was making her presentation. But what I wanted to ask is, What does she anticipate happening when this authorization expires?

I am not sure whether it is 5 years or 7 years. Originally it was a 7-year proposal. At some point the authorization ended. Does the Senator anticipate the Federal Government will reauthorize and make this a permanent entitlement that the Federal Government will be funding teachers at the local level?

Or does Senator MURRAY anticipate that the States, the local governments, and the local school districts will be required to pick up the tab for the teachers hired during this 7-year authorization? It is one or the other. We will continue to fund them or they have to pick up the tab.

We had an experiment in the COPS Program, which has done a lot of good, by the way. When we funded the 100,000 policemen on the street, we funded it from Washington, DC. The State police and local law enforcement were calling me saying the money had run out on the COPS Program, the Government had to fund it again. We can't pay for the policemen we hired under the COPS Program.

My friends, that is exactly what will happen on the Federal teaching program. When the authorization ends, when the spending ends, somebody has to pick up the tab or we will exacerbate the condition we have now in the schools. I think this is an unintended consequence and a very serious consequence.

I have a serious problem with the idea of handing this over to the U.S. Department of Education. I see Senator KENNEDY on the floor. I am not among those who want to eliminate the Department of Education. I believe we are going to talk about accountability, making certain the Department of Education is accountable.

The most recent 1999 audit of the Department of Education showed the following: The Department's financial stewardship remains in the bottom quarter of all major Federal agencies. The Department sent duplicate payments to 52 schools in 1999 at a cost of more than $6.5 million. None of the material weaknesses cited in the 1998 audit had been corrected in the 1999 audit. Yet we want to turn over to the Department of Education the hiring of thousands of teachers? That ought to be done and funded at the local level.

A 1,150-student district in East Helena, MT, hired 2 teachers with the $33,000 Federal grant. The educators make about $16,000. The superintendent said: We have tremendous fear about whether this is going to be funded on an annual basis. But we have learned if you don't take advantage of whatever is available at the time, somebody else gets those dollars.

That is the attitude we are promoting. I don't blame that superintendent for wondering what will happen. Will the Federal Government pick this up as an entitlement or will they have to pick up the tab? What will be the long-term and the unintended consequences of such a program?

Bringing 100,000 teachers onto direct Federal support creates another permanent program of virtual entitlement. We are going to create a permanent entitlement if we go down this route.

The third unintended consequence in passing this amendment is moving education away from flexibility toward rigidity. I know Senator MURRAY insisted this preserves flexibility at the local level and local decisionmaking. We heard a lot of anecdotes in Senator MURRAY's presentation, and I will relate an anecdote heard this week.

An anonymous principal—I don't want to get her in trouble with the Department of Education or title I police, but she encouraged me to share this—is working on her Ph.D. She is very bright. She made a grant application with the Department of Education. Her title I supervisor suggested it be changed, and the title I supervisor wrote the application to apply for the classroom reduction program. And, as Senator MURRAY suggested, it was quickly approved. So much for local flexibility.

The title I supervisor said: You must take this teacher you have hired and move that teacher from one class to another class to another class to another class—90 minutes in each classroom with about 24 students in each classroom. The teacher who was hired would go into the classroom for 90 minutes. They would divide the class of 24 into 2 classes of 12. The new hire was supposed to keep separate grade books, separate grade reports. Every 90 minutes, they moved on to the next class.

The principal said to the title I supervisor: That is not what I need. We have 24 students, which is not a problem for us. Our teachers would prefer to do remediation: Rather than postponing remediation until summer school, have that teacher they hired do the remediation at the point of time the problem developed. The title I supervisor said: You can't do that. We will audit you. You will be turned in and lose your funding and lose that teacher.

That is not flexibility. That is the typical kind of prescriptive rigidity you expect from any kind of Federal education program. That is the unintended consequence. We move exactly away from what we intend to do with this legislation, which is to provide greater flexibility.

The fourth unintended consequence is to increase the inequality between rich and poor school districts. I will return to the example of California. A one-size-fits-all allotment per student, from the WestEd Policy Brief of January 2000 and a rigid 20:1 ratio cap on class size led to uneven implementation. Early evaluation findings support the concern that the very students who stand to benefit from class size reduction, poor and minority students, are least likely to have the opportunity to do so.

Schools serving high concentrations of low-income, minority English language students learned more slowly due to lack of facilities. They get the teacher and there is no place to put the teacher. Teachers are going into poor school districts with poor facilities. They have the classroom reduction personnel. They hire the teacher and they have no place for the teacher. The schools that need the help the most are those least likely to benefit. That is the WestEd Policy Brief conclusion funded by the U.S. Department of Education.

Let me reiterate. It will increase the number of less qualified teachers in the classroom. It will drive us toward a national control of education by creating a permanent entity. It will move education away from flexibility, which ought to be exactly the direction we are moving. It will increase the inequities between the wealthy and the poor school district.

Our bill allows true classroom reduction by providing flexibility and allowing funds to flow between programs. In so doing, the school can do what is most needed, whether it is classroom reduction, buying computers, hiring tutors, finishing that building if they need to, or whatever that local need is. If there is an elixir, that is a far better elixir than the illusionary classroom reduction magic potion.

I yield the floor.

Mrs. MURRAY. Mr. President, the example that was given was entertaining to listen to, but this amendment we are offering is incredibly flexible. It appears the example he is using is reflective of local ineptness, not Federal inflexibility in this amendment.

I yield 10 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Rhode Island.

Mr. REED. Mr. President, I rise to support Senator MURRAY's amendment and commend her.

I begin by talking about this issue of status quo that has been bandied about. Let me suggest what the status quo is in America. The status quo is that Governors and mayors and school committees fundamentally decide educational policy in this country. In fact, the Senator from Arkansas gave a good example of how a Governor really screwed it up. He decided he wanted smaller class size, but he didn't understand or recognize that you also had control for the quality of the teachers, so the result is in poor districts there are lots of unqualified teachers.

Is that an example of a Federal program run amok? No, it is an example of a Governor who got it wrong. What is the Republican proposal? Let's give Governors, including Governor Wilson, carte blanche to do what they will with educational policy. I can't think of any example that more closely undercuts this Straight A approach to education than the example of what was done in California.

It is much different than what Senator MURRAY is advocating. One of the reasons why there were problems in California, I suspect, is they did not have the extra resources necessary to ensure both smaller class size and teacher quality. That is why this program is adding Federal dollars to State resources and local resources, so we control both size of the class and the quality of teachers.

I also think it is interesting to note when talking about the collapse and

decline of American education, people point to international experiences. Frankly, most international systems are nationally based educational programs. Japan is one which has strong national standards which do not give money away to the head of the prefecture or the head of the province. They have national curricula. They have national teacher certification. So if you are going to have a comparison between why we are failing vis-a-vis other nations, recognize the approach the Republicans are proposing is diametrically opposed to what is done in most of the leading industrialized nations of the world. They are not talking about national anything. They are talking about vesting in every little State, every little community, the authority.

Sometimes, frankly, I guess this has been a useful debate. The Senator from Arkansas recognizes that Governors really mess it up sometimes. So I do not think we have to take that approach.

I think we can rely, not only on statistics and studies—and the Tennessee example has not been refuted—but just common sense. Ask any teacher. Ask any parent. Would you prefer to teach 30 children or 18? I suspect anyone in the Senate with children of school age, when asked whether they would prefer to have their child in a class of 30 or a class of 18, would say, unhesitatingly, 18. That is common sense.

That is what we are about here and that is what this amendment is doing. For the last 2 years we have actually embarked on this program. We are providing assistance and it is flexible, not in the abstract but in the particular. The Providence, RI, Superintendent of Schools wanted to engage in this approach, using extra resources to augment her teaching staff and reduce class size. She received from the Department of Education a waiver which allowed these resources to fund literacy coaches to co-teach in elementary schools 50 percent of the time and to deliver school-based professional development for the balance of the time. It was a flexible approach meeting local needs under the context of the existing legislation. So these theoretical concerns about a lack of flexibility are disproved when you actually look at what systems are doing and what they can do.

All of this goes to the real, fundamental issue. Are we going to continue our commitment to lower class size supported both by common sense and by the statistical reviews done already, particularly in Tennessee, or are we going to embark on a carte blanche check to Governors?

We have a good example in the previous discussion about a Governor who really got it badly wrong. It illustrates the status quo. The status quo is that Governors and local communities control the quality of teachers. They control fundamental policies. They get it wrong sometimes. Yet the whole Republican approach is give them more resources, give them a list of things they can do, as the menu in a Chinese restaurant, and then that is it.

There is also before us now an amendment by Senators ABRAHAM and MACK which would add to this list and diffuse even further our focus on disadvantaged children; programs and policies we know, based upon listening to teachers and parents and looking at research, could work to improve performance of schools. They want to add to the list merit pay and tenure reform and others, which I presume is their approach to professional development. But that is not going to directly improve the quality of teaching in the United States.

We know from research, from listening to witnesses at our hearings, that professional development today, in the States, is generally recognized by teachers as inadequate. They feel unprepared to deal with these issues. Is that a Federal problem? No. That is because of State policies, local policies. But we can help. In fact, if you look at most professional development across the United States, it is ad hoc, one-shot lectures or seminars or sessions. In fact, in 1998, participation in professional development programs in the United States typically lasted from only 1 to 8 hours during the course of a school year. That is absolutely insufficient.

We know from research and analysis that good professional development has to be in the school, embedded in the program. It has to be content based. It has to give teachers facility and mastery of the topic and the ability to relate with their children. That is not done with 1 to 8 hours. It is done constantly, persistently throughout the school year. That is what is done by an amendment that Senator KENNEDY and myself will be offering later. It provides support for that type of professional development which we know works, which will deepen teachers' knowledge of content, which will allow teachers to work collaboratively.

That is another failing in our system of professional development. Teachers come in in the morning; they rush from class to class. They might see the other teachers in the lunchroom for 20 minutes. They rush from class to class, go back in, and then they have to go home and take care of their families just as the rest of us. We need more collaboration. That is not in this bill, not even a hint of it.

We have to also provide the kind of opportunities for mentoring and review and coaching which we know work—not just rhetorically but actually give resources to the States if they want to do it, and to local communities if they want to do it. That is the approach I think will work. That is the approach that was a large part of the legislation I submitted, the Professional Development Reform Act.

I hope we can go ahead and not only support Senator MURRAY's well-thought-out, well-crafted proposal to reduce class size, but also to reject the Mack-Abraham approach and support, later in our debate, after deliberation, Senator KENNEDY's approach and my approach, which is for professional development that has been proven by practitioners to work to the benefit of children. I hope we can do that.

I think we have seen, perhaps inadvertently, what could go wrong. Talk about unintended consequences. I add, these are probably predictable consequences. There will be Governors who did what Governor Wilson did because of political pressures and other pressures: Embark on a program—maybe it is class size or maybe something else—that results in poor policy, poor results, and poor education for children.

Why do we assume, as the Republicans do, that it is all right to put those forces in train, in motion, by giving them money without accountability? I suspect what we have to do, and what we should do, is concentrate on those areas where we know we make a difference—particularly supporting disadvantaged children—and also supporting those efforts that have a basis in research and a basis in common sense: Lowering class size, improving the quality of professional development in teaching in America so you do not have the situation that they had in California. Smaller class size, perhaps, but poor teaching.

If we support the Democratic approach, we would help have both, smaller class size and better teachers, which I believe will result in better education.

I commend Senator MURRAY for her efforts. I hope in the course of this debate we can support the approach for professional development that Senator KENNEDY and I are promoting and in such a way make a real contribution to educational policy in the United States.

I yield back to Senator MURRAY such time as I have not consumed.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. I yield 15 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, the Senator from Washington has brought forward her amendment on class size on a number of occasions, and it has been well debated already. My colleagues on both sides of the aisle have expressed their view on it. But I do think there are still some points that need to be made.

Of course, the fundamental problem is one of philosophy. The essential theme of the proposal is that Washington knows best. It is a top-down proposal, a straitjacket to the local school districts and to the States. It is a demand. If you, the States, want to have education dollars coming to you from Washington, then you, the States, must do exactly as we tell you here in Washington. Flexibility or ideas which

This, of course, is different than the philosophy which we have proposed in our bill. Our bill, relative to teachers, says: Yes, if the local community feels it needs more teachers to reduce class size, it can hire teachers with the money to do that. But if the local community feels it needs to educate its teachers to do a better job, it can use the money to do that also. Or if it feels it has some teachers who are uniquely capable and need to be kept in the school system because there is a private sector demand for them that maybe will attract them out of the school system as a result of higher compensation in the private sector, then they can use the money to pay bonuses to assist keeping the teachers in the school system.

It is an attempt to say to that local school district: Here is the money you can have available to you from the Federal Government to assist you with making classrooms work better relative to the teachers' involvement in the classroom. You make the decision—you, the local school district—as to whether you need a smaller student-teacher ratio, whether you need better teachers, better trained teachers, or whether you need to keep your best teachers in your school system. We in Washington do not know the answer to that question. That is the opposite view.

I note, however, the problem we confront as a society is not necessarily that our classroom ratios are fundamentally out of skew. As some of my fellow colleagues have said, maybe it polls well to say, ''Class size, class size, class size, that's what improves education.'' But study after study has shown us that is not necessarily the case. Class size is not necessarily the driver of a quality education. In fact, if you look at it in historical perspective—people who look back on the old days as education working better in this country say in the 1960s or 1950s, you will see the class size ratio was really rather dramatically worse than it is today. In 1960, the class size ratio was 26 to 1 average in the nation. Today, for most States it is around 18 to 1.

Or if you look at our fellow competitors in the international community such as Japan or Germany or China or Singapore, where their students are performing much better than our students in the area of math and science, those class size ratios are in the 50-to-1 regime.

It is not necessarily the number of students in the classroom relative to the number of teachers. In fact, the study by the gentleman from Rochester which has been recited a number of times, Mr. Eric Hanushek, an economist at the University of Rochester, who looked at almost 300 different studies of the effect of class size on the academic achievement of students concluded it really was not class size that affected the students' achievement. It was—and this should not come as too big a surprise—it was the quality of the teacher.

If one looks around the country today, one will notice, especially in our low-income school districts, that teaching quality is in question because many of the teachers are teaching out of their discipline. For example, we know that in the area of math, almost a third of our secondary teachers did not major in math and yet they are teaching math. They did not even minor in math.

In the area of English, almost a fourth of our teachers did not major or minor in English, reading education, literature, speech, or journalism.

The same statistics hold true for science and languages, in many instances. The fact is that our teachers have not been trained in the subjects which they are teaching. If a local school district knows that, then they are going to try to improve the teacher's ability to teach that subject. They do not think there has to be more teachers in the classroom; they think the teacher in the classroom has to know the subject better in the discipline they are teaching.

Our bill gives that option to the local school district. It says they can improve the teacher's ability in that area of activity the teacher is teaching. That makes much more sense.

We also know that a poor teacher teaching in a class does tremendous damage to students. In fact, arguably, a poor teacher in a class can do more damage to students than a good teacher in a class does good. Bill Saunders, who headed the Tennessee study, determined that 3 years of high-quality teaching versus 3 years of poor-quality teaching can mean the difference between a student being enrolled in remedial classes versus a student making it in honor classes.

We know from a Dallas study that a low-quality teacher actually stunts the academic performance of the students in that classroom.

So it is the quality of the teacher we should be stressing, as well as the ratio of teacher to student. The only thing that is stressed in the President's proposal, as brought forward by the Senator from Washington, is teacher-student ratio. There is no emphasis on quality at the level that gives the schools the flexibility they need to address quality.

In fact, the whole program is a little skewed because, even relative to school districts, the program is designed not to reflect class size; it is designed more to reflect the level of income of the school system as to whether or not they qualify for the funds. There is a problem there.

We also know in our high schools, where 40 percent of the students qualify for free lunches, that 40 percent of the classes are taught by unqualified math teachers. That is even a higher statistic than we see here.

It means essentially that when one is in a low-income school district—and this chart shows that—they have even a higher likelihood of getting an unqualified teacher or at least a teacher who is not experienced or has not been trained in the area they are teaching.

The green bar reflects school districts where more than 49 percent of the kids receive free lunches, and in those school districts 40 percent of the teachers do not have math as their primary area of qualification. Yet they are teaching math. Thirty-one percent of the teachers in English fall into that category; 20 percent of the science teachers fall into that category.

We know from looking at what has been happening in the educational community, therefore, if we are concerned about low-income kids, we should not be so focused on class size as we should be on getting somebody teaching the math who actually understands math.

Today, unfortunately, that is not the case. In the low-income high schools across this country, many of the teachers simply do not have the math background they need.

What are we suggesting in our bill? Rather than saying to that high school, you must put the money into hiring a new teacher, we are suggesting the teachers they have maybe are not trained well enough in math, and if that is their decision, they can send them out to get better training or bring in people to help them get better training in that area.

We also know putting in place a compulsory class size ratio can create significant negative, unintended consequences because that is exactly what happened in California. When California went down this route, they ended up getting a large number of unqualified teachers and teacher assistants teaching students. This was especially true in the rural and low-income school districts in California.

As a result, we saw in California that they may have gotten better ratios, but they got poorer teachers. The only advantage to a poor teacher teaching a smaller class size is that fewer kids are subjected to that teacher. That is the only advantage of a reduced class size if a school has a poor teacher. It makes much more sense to follow the proposal we put forward, which is to give flexibility to the States as they address this issue.

Another point that needs to be made is that almost 42 States today meet the ratios which the President is requesting, an 18-to-1 ratio. Forty-two States already have that ratio as an average across their school districts. Of course, the President's proposal, as brought forward by the Senator from Washington, will not allow an average to get out from underneath the requirements in their bill. Every school district must have an 18-to-1 ratio before they can get out from underneath using the money for the purposes of hiring a teacher to reduce the class size ratio.

Even though the State, as a whole, may have reached 18 to 1, it does not

Even though the State, as a whole, may have reached 18 to 1, it does not matter. The fact is that most States in this country have reached the 18-to-1 ratio and, therefore, they probably have other things they would rather do with this money to assist the teachers they already have in place. Those other things include giving the teachers more opportunity to be better at the job they are doing, which should be our goal.

In addition to allowing teachers to be better at the job they are doing, our bill allows the school districts to do other things with this money. This chart reflects that. Under current law, which this amendment is essentially an attempt to expand, we have $1.6 billion committed to basically two purposes: professional development for math and science teachers. That is the Eisenhower grant which is not actually involved in this amendment. Class size is this amendment.

Under our bill, we take the Eisenhower grant and class size and we end up with $2 billion. We allow it to be used for a variety of areas where local school systems are in need of improving their educational and professional development for science, for math, for history, for English, and for reading; technology training for teachers; teacher mentoring, which is something that has worked very well, getting a high-quality teacher into a community of teachers and having that teacher pass on his or her knowledge; alternative certification, teacher recruitment, which is also critical in our society today, getting quality teachers into the profession; teacher retention, as I mentioned is important because of competition today; hiring special education teachers; or class size reduction.

If the local school district comes to the conclusion that it needs more teachers to reduce the ratio of teachers to students, then there is absolutely no limitation in our bill on them. They can do exactly that.

They can take all the money they receive under the TEA Act, Teacher Empowerment Act—which the amendment of the Senator from Washington would basically replace—they can take all the money, and they can use it for the purpose of reducing the student-teacher ratio.

If they decide, as many school districts will—because you saw the statistics. It is not necessarily ratio relationships which develop quality teaching; it is more likely to be a quality teacher who delivers quality teaching. So many school districts are going to choose to make their teachers better. We are going to give them that opportunity, that flexibility to do that.

Regrettably, the amendment of the Senator from Washington, which is essentially a restatement of the President's proposal, does not do that. I ask, How can there be resistance to a proposal which says, essentially: All right, school districts, if you want to reduce class size, you can use the money to do that. That is your choice. But, if, on the other hand, you have some other concerns that you, the principal, that you, the parent, that you, the teacher, that you, the community, believe is important to make that school work better relative to the teachers' ability to deliver a better education to the kids, then, in certain limited areas, you can pursue those opportunities. You can train teachers. You can make them better. You can keep teachers who are of high quality.

How can you resist an idea which gives those options to the State? The only way you can resist that idea is if you do not have any confidence in the local schools and the people who are running those local schools.

We have heard it again and again from the other side of the aisle that they do not trust the Governors—the Senator from Rhode Island essentially said that—that they do not trust the local school districts, that they do not trust the local teaching community, and that they do not trust the parents in those communities. Why? Because, according to the other side of the aisle, those folks failed with 93 percent of the money, and we in Washington had better tell them how to use the 7 percent we send them and manage the life of the local school district for them because they certainly cannot do it themselves, because there is some bureaucrat down here in downtown Washington, sitting in a building on the third floor in a room you cannot find, and I cannot find, who knows a heck of a lot better how to run Johnny Jones' educational opportunities up in New Hampshire than his parents in Epping, NH, his teacher, his principal, the school board in Epping, NH, or the Governor of New Hampshire.

It is an attitude of complete arrogance, an attitude that says, we know so much more about education in Washington than the people who have dedicated their lives to this issue and more than the Governors, who, by the way, have the primary responsibility for education. They are not going to turn to the African trade bill tomorrow. They are going to be turning to education tomorrow. They work on it every day, not just one week out of every year.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GREGG. I ask for an additional minute.

Mr. JEFFORDS. I yield the Senator an additional 2 minutes.

Mr. GREGG. I thank the Senator for his generosity.

They say they know so much more than the Governors, the boards of education, the principals, the superintendents, the teachers, and, most importantly, the parents. They say they can run the school systems from here in Washington.

As I have said before, it is as if the folks on that side of the aisle want a string. They want to run a string out to every school system in America, every classroom in America, from the desks on the other side of the aisle. They want to have hundreds of thousands of strings running out, and they are going to pull the strings and tell America how to run their classrooms.

It is an attitude which I cannot accept. It is an attitude which we have tried to avoid in this bill, by giving flexibility—subject to achievement, subject to accountability—to the local school districts.

Mr. President, I yield the floor and yield back my time to the Senator from Vermont.

The PRESIDING OFFICER. Who yields time?

Mrs. MURRAY. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Democratic side has 22 minutes; the Republican side has 14 minutes.

Mrs. MURRAY. I yield 10 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I thank Senator MURRAY for yielding me this time on the debate of this most important issue, of whether or not our kids are going to learn in a better environment by reducing class size, or whether we are going to go into some opposite direction.

I must say this debate on class size sort of reminds me of the movie ''Ground Hog Day.'' We keep having this debate over and over and over again, even though we know what the reality is.

We have already had 2 years of funding, and 1 year of the money has gone out. All you have to do is go out and ask the teachers. Just go out to your schools, where they have used the money for class size reduction, and simply ask them: Do you like it? Is it working? That is all you have to do. It is very simple. If you do that, you will find that teachers and principals and superintendents like this. They want our assistance to reduce class sizes.

What we did is we set a goal of no more than 18 students in grades 1 through 3. We have already provided funding for the first 2 years. Are we going to stop now and turn the clock back? That is what the Republicans want to do.

I must say that I listened to the remarks made by the Senator from Arkansas, Mr. HUTCHINSON, when he was talking about this issue. Quite frankly, the more I listened to him, the more I came to realize his argument is not against what we are doing, his argument is against local control because, obviously, it was either the principal or the superintendent who made the decision to float a teacher from class to class to class at 90-minute periods of time. That is certainly not in our legislation. They have the flexibility to do that.

I have visited many schools in my State and have talked about reducing class sizes. The teachers, parents, and students are thrilled with the results they are seeing after just 1 year. But instead of my talking about it, let me read what some of my constituents had to say.

I visited Starry Elementary School in Marion, IA. I spoke with Reggie Long, a first grade teacher for 30 years. She told me she appreciated the smaller classes. She said:

It's nice because I can give individual attention to the kids. We just give them so much academically now. If you don't give them individual help, they can't succeed and we can't succeed as teachers.

The superintendent of this school district said:

The key to effective teaching is getting to know the students and parents.

William Jacobson said that it is easier when teachers have fewer students in their classes.

Last year, Angie Borgmeyer, a teacher in Indianola had 27 students in her second grade class. This year she has 21. She said 27 was too many. She said:

It's very difficult with that many students. When you're trying to teach them to read and give them basic arithmetic, you need to be able to do it in a small group and give them individual attention.

So this program is simple. It is eminently flexible. It is very popular. It is time to stop playing politics with it. We heard about there being problems with applying for it, and the burdensome paperwork.

I have here in my hand an application from the Des Moines Independent Community School District, for an application they sent in for class size reduction. It has 1 page, 2 pages, a signature page and a letter. That is burdensome? For that they got $854,693.56 to reduce class sizes.

In closing, I will share some comments from students. I thought this was illustrative. I visited the McKinley Elementary School in Des Moines and Mrs. Kloppenborg's second grade class. These kids already know what is going on. I thought I would bring these. I will leave them on my desk. These are pretty pictures. Last year there were 34 students in each second grade classroom. This year, they have about 23. So this is what the second grade kids were saying about how they felt about their new class size. I am going to read just some of the letters they wrote. They drew these wonderful pictures.

This one by Alicia says:

I can spend more time with the teacher.

Leydy says:

I can learn more about reading in a small group.

Daniel says:

We learn more and get better grades.

He has a great picture. There is a kid in a desk saying, ''Hi, Senator HARKIN.'' I guess that is me saying hi because I have a necktie on. There is a kid in front of the teacher's desk and he is kneeling—it looks like with a report card. If I could, I would tell him it didn't work for me in the old days, and it is not going to work for him today, either.

Here is another one, but there is no name on this. It says:

I can make friends.

Another one says:

We have more space to do things like reading.

It is a nice picture of the bookshelves with all the books on there.

This one by Jessica says:

I can learn more because the teacher can help me.

This next one says:

I can learn more because I get more help.

He drew a picture of his hand on here.

If you look at all these, every kid they draw is smiling. Every kid is smiling. So, you see, these kids—and I visited this class—they know it. They can sense it. They feel it. They have more space and more time with the teacher. They get more individual help, and the kids love it.

When I was there, a few parents came over to the school. What they said to me was amazing. ''The difference between my child this year and last year is incredible,'' they said. ''They are getting more work done and learning better and they are happier; they come home happier.''

So, for the life of me, I can't understand what the argument is on the other side against our involvement in sending money out, no strings attached, with a lot of flexibility for teacher training. We have districts in Iowa that got the waiver because they already had class size reduction; they had reduced classes down to about 20, close to 18. They applied and got a waiver for teacher training. That is precisely what the Murray amendment does.

So it seems to me all of the arguments on the other side just boils down to politics. For some reason—perhaps because this was started under a Democratic administration, or perhaps because the amendments were offered by a Democrat—they are opposed to it. That should not be the way it is around here. It should be judged on the merits. We know from experience in the field that the merits justify this amendment to reduce class size and make sure our kids get the attention and education they need.

I commend Senator MURRAY, especially, for her long and stalwart support in class size reduction. I must say, Mr. President, around here a lot of times we defer to those who are experts. A lot of times when we have medical issue that come up, we defer to BILL FRIST because he is a doctor. I say to my friends, let's defer to a teacher. Senator PATTY MURRAY is a teacher. She was a teacher before she came here. Quite frankly, I think she knows a lot about what we need in public education. So I commend Senator MURRAY for her leadership on this issue.

The PRESIDING OFFICER (Mr. COVERDELL). Who yields time?

Mr. KENNEDY. How much time remains on the Murray amendment for the proponents?

The PRESIDING OFFICER. Eleven minutes remain under the control of the Senator from Washington.

Mr. JEFFORDS. Mr. President, how much time do I have?

The PRESIDING OFFICER. Fourteen minutes remain under the control of the majority.

Mr. JEFFORDS. I yield 7 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Chair recognizes the Senator from Washington.

Mr. GORTON. Mr. President, here we go again. Fourteen pages of the statute set out precise and detailed requirements to be imposed on 17,000 school districts around the country, the bottom line of which is that we know what they need better than any of them do. Fourteen pages of statute that, if the precedent has any value, will turn into 114 pages of regulations from the U.S. Department of Education, all under the mantra of smaller class sizes.

Well, in spite of conflicting views on the precise impact of smaller class sizes in various parts of the country, one may even start by admitting that in many cases this is a good idea. But this amendment says not only is it a good idea, it is the only idea; it is the only way to spend a very considerable amount of money in every single school district around the country, no matter what its own priorities. No matter what its own parents, teachers, superintendents, and elected school board members think, we are telling you right here—100 of us in this national school board—this is what you need.

Will it naturally put any more money into the schools? I doubt it. It is a large authorization, but we have already passed the budget resolution, and we pretty much know how much money there is going to be available for education. So, essentially, if it is passed and if it is appropriated for, it will come out of other educational priorities.

Let's just take one. Thirty years ago, and again 3 or 4 years ago, we passed 150 pages of a law for special education. Most of the Members who are voting today were Members of the Senate then. We promised we would pay 40 percent of those costs. Due primarily to efforts on this side of the aisle, we have gone from 8 percent to 11 percent. In another 30 or 40 years, we might get to the promise that we made with respect to education for the disabled. But that was a priority of 3 years ago. What we need now are another bunch of new programs which have one thing, one feature alone, in common. They say school board members, superintendents, principals, teachers, and parents all across the United States are not the best judges of what they need to provide a better education for our children.

The Senator from Arkansas, who is on the floor, has pointed it out, and the Senator from New Hampshire has pointed out that the bill before us, which will end up supplying as much money as the other bills will, certainly allows any school district with a primary goal of more teachers to use

much more money for hiring new teachers. It differs in the fact that it doesn't mandate that as the No. 1 priority for every school district. Maybe most will want to hire new teachers, and some will want to keep their best teachers in place by paying them more money. Some may want to use the money for physical infrastructure. Some may want to use it for specialized teachers and specialized courses that are not allowed under this amendment. Some may want to train their teachers better. Some may wish for more computers. But the most difficult virtue to practice in this body is the practice of letting go, saying we don't know it all; we can't set the absolute priorities for every school district in the United States.

Let's stick with what we have on the table at the present time. Let's stick with the bill that dramatically says the present system of more and more statutes and more and more requirements has not been a striking success over the last 35 years. Let's try, at least in a few places in this country, to let our schools' own people, our professional educators, those who care most, those who know our children, make the decisions that will affect their lives and their education.

Mr. BIDEN. Mr. President, I rise today in support of the amendment being offered by the Senator from Washington. A recent study by the University of Wisconsin-Milwaukee confirms what common sense should have been telling us all along—our children learn better when they are taught in smaller classes.

With enrollment at the nation's schools continuing to increase, and many of those currently in the teaching profession nearing retirement age, the fact of the matter is simple—we need more teachers. Under Senator MURRAY's leadership, we in the Senate began the class size reduction initiative a little over two years ago with the goal of hiring 100,000 teachers over a seven-year period and reducing class sizes in the early grades to a nationwide average of 18 students. Yet here we are today, faced with a bill which abandons this goal.

In 1998, my home state of Delaware recognized the need for more teachers and smaller class sizes. In July of that year, our governor, Tom Carper, signed legislation requiring all school districts in the state of Delaware to cap class sizes in kindergarten through third grades at no more than 22 students. That same legislation included a provision which increased state funding to help pay for one teacher for every 18 students. And with the help of the federal funding provided under the class size reduction initiative, Delaware was able to hire over 100 new teachers in 1999.

These teachers are in the classroom today. That means roughly 1,800 children are likely to get far more out of the hours they spend in school, and that they will move into the higher grades far better prepared. For these children in Delaware, and all the other children who are in smaller classrooms because of this initiative, this is literally a once-in-a-lifetime opportunity to get started on the right path. Yet this bill, without the Murray amendment, makes no promise of small classrooms.

We can fund all the education programs we want, but without enough quality teachers in every classroom to teach our children the basic skills necessary to succeed, these programs means nothing. We need to continue to promote smaller classrooms in grade school by continuing to help schools hire up to 100,000 additional qualified teachers to reduce class sizes.

The more individual contact our children have with their teachers, the more they are able to learn, and the better they perform on tests. Those are the facts. At a time when we are just beginning to make progress, now is not the time to abandon our children's future.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, will the Senator be good enough to yield 8 minutes?

Mrs. MURRAY. I would be happy to yield 8 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield myself 7 minutes of that 8 minutes at the present time.

Mr. President, just to review very quickly, there has been some suggestion about the fact that in so many different underserved communities teachers are unqualified. We recognize that. That is why we have a very vigorous program in terms of recruitment and training and enhanced professional development. Everyone ought to know that in the Murray amendment there are requirements to carry out effective approaches to reduce that through the use of fully qualified teachers who are certified or licensed within the States. The comments about the Murray amendment earlier about qualifications and being unqualified just are not relevant to this debate and discussion.

I will not take the time to review the obvious, but studies have been done. The Tennessee study of some 7,000 children in 80 different schools says it all. It was done recently. In grade 4, students who attended small classes K through 3 were 6 to 9 months ahead of the regular class students in math, reading, and science. By grade 8 these advantages grew to over 1 year.

In Wisconsin, a similar study called the Sage Study had similar kinds of results. Their report had the analysis that suggests the teachers in Sage classrooms have greater knowledge of each of their students, spend less time managing their classes, and have more time for individualized instruction, utilizing a primary teacher incentive approach. It is unquestioned. It is unchallenged.

We have been waiting to hear from the other side a challenge of the basic and fundamental results of the smaller class size with good teachers. That is out there.

We are strongly committed. Senator MURRAY, who has been fighting this fight for the past year, is committed to make sure we are going to have that availability to school districts across the country.

That is No. 1.

No. 2, I can understand the anguish that our Republican friends are having about teacher quality, and also about the expenditures. Under the Republican bill, there is $2 billion. They effectively wipe out the current class size. That is 30,000 teachers they take out of K through 6th grades. They take them out. Those are lost. They get pink slips in a program that is supposedly providing quality teachers. These are quality teachers. They get the pink slips because they are using $1.3 billion of the President's program. They wipe out the $350 million in current Eisenhower math and science. They only have $300 million new money.

I can understand their frustration as compared to our program which is $3.75 billion.

Finally, I would like to remind our Republican friends that when this amendment was first passed here, we had BILL GOODLING on this the first time we had the negotiations. Senator MURRAY was there during the early parts of the negotiation and was our leader.

This is what BILL GOODLING, who is the chairman of the House committee, said the first time we had the smaller class size.

> This is a real victory for the Republican Congress, but more importantly, it is a huge win for local educators and parents who are fed up with Washington's mandate, red tape, and regulation.

GOODLING said:

> We agree with the President's desire to help classroom teachers, but our proposal does not include a big, new, Federal education program. Rather, our proposal will drive dollars directly to the classroom and give local educators options to spend Federal funds to help disadvantaged children.

Interesting.

Here is the Republican Policy Committee, a dictionary of major accomplishments during the 105th Congress. Here is the Republican Policy Committee. They list 14.

Number 9: Teacher quality, initiative—cleared, cleared for the President.

> The omnibus FY99 funding bill provides $1.2 billion in additional education funds—funds controlled 100-percent at the local level—to school districts to recruit, hire, train and test teachers. This provision is a major step toward returning to local school officials the ability to make educational decisions for our children.

Here they are taking credit for the same proposal, the Murray proposal. Three years ago it was the Republican proposal. They are the ones issuing the press releases. They are the ones taking credit for it. All Senator MURRAY is

doing is continuing that program. It is the same program. The President is putting up the money. It is the same program. It was good enough at that time for Mr. GOODLING, and it was good enough for the Republican leadership to take credit.

Here is what former Speaker Newt Gingrich said about it at that time. He called it ''a victory for the American people. There will be more teachers, and that is good for all Americans.''

Here is what DICK ARMEY said.

Well, I think, quite frankly, I'm very proud of what we did and the timeliness of it. We were very pleased to receive the President's request for more teachers, especially since he offered to provide a way to pay for them. And when the President's people were willing to work with us so that we could let the state and local communities take this money, make these decisions, manage the money, spend the money on teachers as they saw the need, whether it be for special education or for regular teaching, with a freedom of choice and management and control at the local level, we thought this was good for America and food for the schoolchildren.

The same program today, the same program that we are going to be voting on, the same one, endorsed by ARMEY and endorsed by Gingrich and GOODLING.

What is it with our Republican friends that they were so enthusiastic for this program 3 years ago, taking credit for it, putting it on the list of major achievements of the Congress? Now we hear out here: No, no; we can't; Oh, Lord, we cannot have this new program. We can't have it. It has all kinds of problems. Oh, Lord. It has problems. It has problems.

Come on. We have been making an attempt in this area. You ought not be out taking credit for it if that is what you are interested in. And I am sure Senator MURRAY would be glad to offer you cosponsorship on this program and go with you up to the gallery when we have the celebration. I will go with Senator HUTCHINSON, with Senator GORTON, and the rest of our friends.

This is something that is basic and fundamental and successful. We have heard more speeches around here about the problems that we are facing at the local level. This program is tried and tested with good results and excellent outcomes for children. Teachers themselves embrace it. It was endorsed by Republicans 3 years ago. It is the same program. It was good enough for them then; it ought to be good enough for them now because mostly all of it is good for the children of this country.

We hope this amendment will be successful.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. I yield 2 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. Thank you, Mr. President. I thank Senator JEFFORDS.

I say to Senator KENNEDY that I never shared the enthusiasm that some did. But, fortunately, there is a better way for class size reduction. It is in this underlying bill.

Earlier in my remarks, I made a reference to an example in Arkansas in which a class size reduction grant was given. The title I supervisor said to the principal that against her wishes the hired teacher would have to be rotated among classes for 90 minutes in each class, even though the principal thought that was not the best use. She wanted to use that person for a point of time for remediation to help these who needed remediation in their school work.

After I spoke, Senator MURRAY and Senator HARKIN both said that it sounded to them as if my beef was with local control. I simply want to clarify that my beef is not with local control. My beef is title I police. My beef is with a rigid, inflexible Federal program that overrules what is best for the children so as to comply with the prescriptions of the Federal U.S. Department of Education. That is why we have a better way.

I want to clarify for Senator MURRAY and Senator HARKIN. It was not the principal's decision, not the superintendent's decision, not the classroom teacher's decision. It was the decision of the title I supervisor in what she said was compliance with the Class Size Reduction Program. My beef is not with local control. My beef is with the program that has that kind of rigidity built into it.

I thank the chairman for yielding me 2 minutes of the remaining time.

I yield the floor.

Mrs. MURRAY. Mr. President, I yield 15 seconds to Senator HARKIN.

Mr. HARKIN. I want to respond to the Senator from Arkansas. This amendment has nothing to do with title I, but this amendment has to do with class size reduction.

Mr. JEFFORDS. I yield 5 minutes to the Senator from Michigan.

Mr. ABRAHAM. Mr. President, I will speak about my amendment and the second-degree amendment to it which I did not address earlier.

The amendment Senator MACK and I have offered today essentially allows title II funds to be used for three purposes not specified in the underlying bill: First, for teacher testing programs, to ensure that teachers teaching our kids have the skills and knowledge about the subject matter they are teaching; second, for merit pay programs that could identify and reward teachers who perform exceptionally; third, tenure reform programs that shift the focus on teacher advancement and promotion to a broader subject of categories beyond mere longevity.

We believe these will make a difference in terms of improving the quality of teaching. As I speak to parents in my State, there is no question they want teachers conversant with the subject matter they are teaching their kids. They want to reward and acknowledge exceptional teachers and make sure the process employed with respect to the schools and their communities is based on ability and merit.

We were criticized during the debate on only one of these, the merit pay proposal. That was the extent of the criticism leveled at this amendment earlier today. There then was a second-degree amendment offered. Interestingly, the second-degree amendment wiped away the two areas that were not subjected to any criticism—the teacher testing and the tenure reform proposals—in their entirety. It then replaced our merit proposal with a different one, one that rewards all teachers in schools that showed an increase in achievement by students.

Interestingly, I find it odd that the two areas that were not criticized earlier were eliminated from the secondary amendment, and I question the approach taken in the second amendment with respect to merit pay programs.

Our approach is a permissive approach we are offering as an option for the possible use of title II funds. No school will be mandated to do this. No school will be forced to do it. Under no circumstance will the Federal Government outline, identify, design, or in any way dictate the types of programs that would be used.

In the second-degree amendment, however, only one type of program of merit pay is proposed, and it has an odd component to it. It says all teachers in any school that shows certain types of improvement, to be a presumably later identified, would benefit from enhanced salaries or bonuses.

That means the worst teacher, in a school that showed overall achievement, would receive some sort of merit award. Meanwhile, the very best teacher who might be producing tremendous increases in achievement among his or her students in another school would not qualify. I see an inconsistency. I also question why the two sections of our amendment that were not criticized or even commented on earlier today have been entirely eliminated by the second-degree amendment.

The choice is simple. Our approach permits districts and State education agencies to use title II funds for programs they would design with respect to teacher testing, merit pay, and tenure reform. I believe that is a wise course to follow if our goal is to increase the quality of the teaching of our children in America today. I sincerely hope our colleagues will choose to follow that course by rejecting the second-degree amendment and supporting the Abraham-Mack proposal.

Mr. KENNEDY. Mr. President, our amendment focuses funds on what works. If the States want to use their 93 cents out of the dollar for purposes that Senator ABRAHAM has mentioned, they can do it. We are focused on what works: School-based merit programs for improving the achievement of all students in a school, incentives and subsidies for helping teachers earn advanced degrees, implementing and

funding vigorous peer review evaluation and recertification programs for teachers, and providing incentives to help the most fully qualified teachers to teach in the lowest achieving schools.

These are the programs that are tried, tested, and that work. That is the second degree to the proposal of the Senator from Michigan. I hope it will be accepted.

Mr. JEFFORDS. How much time remains?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. JEFFORDS. I yield 1 minute to the Senator from Michigan.

Mr. ABRAHAM. Mr. President, in response, I don't know how anyone can say that a program proven to work is one that rewards the worst teacher in a school that may, in fact, be producing a decrease in the achievement level of their students. I don't think that could possibly be argued to be an effective way to use Federal dollars. Yet that is what would happen under the proposed second-degree amendment.

Our amendment, on the other hand, opens the way for school districts and State education agencies to use these funds in the most effective way they deem possible to improve the quality of teaching. I look forward to the vote on this.

I thank Senator KENNEDY for his debate today.

Mr. JEFFORDS. I yield myself the remaining time.

I back up the statements of the Senator from Michigan. What we are dealing with on the first vote is whether or not to make more flexible the options with respect to the schools. The Abraham-Mack amendment does that. The second-degree is a strike of that and puts one option in and does not add but detracts from what we would have without that amendment.

The Murray amendment, again, restricts the availability of the class size money to one option—class size. In my State and many other States, that is not the problem. The problem is the quality of the teaching. We would rather spend that money to enhance the qualities of the teachers we have rather than to have it available for things we don't need.

I urge a ''no'' vote on the second degree, a ''yes'' vote on the Abraham amendment, and a ''no'' vote on the Murray amendment.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. We are about to have three very important votes. One will be on the class size amendment. First, the Senator from Arkansas mentioned in his remarks the WestEd Policy Briefing and spoke eloquently about the challenges, but he failed to talk about the tremendous benefits that were also in the report, including achievement gains and greater individual attention. The list goes on.

I ask unanimous consent to have the entire study printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

POLICY BRIEF

GREAT HOPES, GREAT CHALLENGES

Numerous states have enacted or are considering measures to reduce class size. Additionally, as part of a seven-year program to ensure an average class size of 18 for grades one through three, the federal government has committed more than $2.5 billion to a national class size reduction (CSR) initiative. These efforts stem from research findings on CSR's achievement benefits, as well as from its enormous popularity with parents, administrators, and teachers.

However, not all efforts have proven equally successful. In designing CSR programs, careful assessment of specific state circumstances should help states adopting or modifying CSR efforts avoid the unintended consequences that some programs have experienced and ensure greatest benefit from what is usually a considerable financial investment.

Benefits

Research in the primary grades shows that as class size shrinks, opportunities grow. Successful implementation of CSR has led to numerous benefits, which appear to last into the high school years, including:

Achievement gains, especially for poor and minority students.

Greater individual attention and teacher knowledge of each student's progress.

Improved identification of special needs, allowing earlier intervention and less need later for remediation.

Fewer classroom discipline disruptions.

Faster and more in-depth coverage of content; more student-centered classroom strategies, such as special-interest learning centers; more enrichment activities.

Greater teacher-parent contact and parent satisfaction.

Reduced classroom stress and greater enjoyment of teaching.

Challenges

Challenges for policy design arise in three major areas:

Teaching supply and teacher quality

A fundamental condition for the success of CSR is good teaching. CSR can exacerbate teaching shortages and lead to the hiring of underqualified teachers. In California, for example, since the implementation of the state's CSR program, the percentage of teachers without full credentials has jumped from 1% to over 12%, while the proportion of teachers with three or fewer years of experience rose by 9% and the proportion of teachers who had the least education, a bachelor's or no degree, increased by nearly 6% statewide.

Facilities

Inadequate facilities can impede schools' ability to implement CSR and/or compromise CSR's benefits. Whole schools or programs may also suffer if, for example, libraries, music rooms, special education rooms, or computer rooms are converted into classrooms, as has happened in some places. Many space-strapped schools have combined two ''smaller'' classes into one large one with two teachers. Wisconsin reports positive results from such team teaching; in Nevada, however, concern exists that team teaching has compromised CSR's success.

Equity

CSR policies can inadvertently worsen inequities. In California, for example, a one-size-fits-all allotment per student and a rigid 20:1 cap on class size led to uneven implementation. Early evaluation findings support the concern that the very students who stand to benefit most from CSR—poor and minority students—are least likely to have full opportunity to do so. Schools serving high concentrations of low-income, minority, and English language learner (ELL) students implemented more slowly due to lack of facilities. These same schools have the hardest time attracting prepared, experienced teachers and, thus, suffered a far greater decline in teacher qualifications than other schools. Finally, for many of these schools, the cost of creating smaller classes exceeded their CSR revenues, and to make up the deficit they diverted resources from other activities.

Recommendations

Crafting a successful CSR program is no simple matter. As knowledge from state and local experience continues to evolve, lessons are emerging that suggest important design elements for policymakers to consider, including:

Targeting

Since research shows that children in the primary grades and, especially, poor and minority children benefit most from smaller classes, it makes sense to direct CSR monies toward these children. Such targeting can also offset some of the difficulties inner-city and poor, rural schools face in attracting well qualified teachers and finding sufficient classroom space.

Teacher support

Schools will need to hire a number of new and, possibly inexperienced teachers to enact CSR policies. If the teachers are unprepared, resources for support, such as mentorship and training programs, will need to be considered. Research, experience, and a policy climate of higher expectations also suggest that novices and veterans alike will need support to learn new teaching strategies that capitalize on the opportunities smaller classes present.

Facility support

CSR initiatives require adequate facilities. If facility issues are not attended to at all levels, expensive investments in smaller classes are likely to be compromised.

Flexibility

CSR policies that allow flexibility in the use of funds help keep the focus on improving learning, teaching, and student achievement. In exchange for accountability, policymakers may consider options that allow schools and districts latitude to tailor decisions to the needs of their own circumstances and students—for example, allowing a class-size average rather than mandating a cap or encouraging creative scheduling.

Program evaluation

CSR programs should build in evaluation and research components, particularly focused on unanswered questions, such as the outcomes of creative approaches to CSR.

Mrs. MURRAY. Mr. President, we came together several years ago in a bipartisan manner, both sides of the Senate, Republican and Democrat, and said we have made a great accomplishment, we have targeted Federal funds to a program that we know will work, reducing class size. Studies show it, from the Educational Testing Service in 1997 to the Star study in 1989, to the Wisconsin State study, to the New York study which I will read to you very quickly. A teacher said:

Now that I have seen the difference a small class makes, I don't want to go back to being a policeman.

will learn the basics—math, reading, and science—that they will go on to college, there will be fewer discipline problems, and we will have accomplished something great.

Senator HARKIN has been out in his State, as many of us have, in the classrooms that are a direct recipient of our class size money. I challenge my colleagues to do the same because when you do, you can then walk away and say: I did something realistic and I can see it in the faces of these kids.

We have the opportunity now to continue that program, and I urge this amendment's adoption.

Mr. JEFFORDS. I yield the remainder of my time.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. COVERDELL. Mr. President, I ask for the yeas and nays on the Kennedy substitute.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mrs. MURRAY. Mr. President, I ask for the yeas and nays on the Murray amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ABRAHAM. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Is there objection?

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered on all three amendments.

VOTE ON AMENDMENT NO. 3118

The PRESIDING OFFICER. The question before the Senate is on agreeing to the Kennedy second-degree amendment, No. 3118. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware (Mr. ROTH) is necessarily absent.

Mr. REID. I announce that the Senator from Louisiana (Mr. BREAUX) and the Senator from Wisconsin (Mr. KOHL) are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana (Mr. BREAUX) would vote ''aye.''

The result was announced—yeas 43, nays 54, as follows:

[Rollcall Vote No. 91 Leg.]

YEAS—43

Akaka	Dodd	Kennedy
Baucus	Dorgan	Kerrey
Bayh	Durbin	Kerry
Biden	Edwards	Landrieu
Bingaman	Feingold	Lautenberg
Boxer	Feinstein	Leahy
Bryan	Graham	Levin
Chafee, L.	Harkin	Lieberman
Cleland	Hollings	Lincoln
Conrad	Inouye	Mikulski
Daschle	Johnson	Moynihan
Murray	Rockefeller	Wellstone
Reed	Sarbanes	Wyden
Reid	Schumer	
Robb	Torricelli	

NAYS—54

Abraham	Fitzgerald	McCain
Allard	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Roberts
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Byrd	Hatch	Smith (NH)
Campbell	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Specter
Coverdell	Inhofe	Stevens
Craig	Jeffords	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Voinovich
Enzi	Mack	Warner

NOT VOTING—3

Breaux	Kohl	Roth

The amendment (No. 3118) was rejected.

Mr. LOTT. Mr. President Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I ask unanimous consent that the next votes in the series be limited to 10 minutes each.

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

VOTE ON AMENDMENT NO. 3117

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3117. 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 Delaware (Mr. ROTH) and the Senator from Kentucky (Mr. BUNNING) are necessarily absent.

I further announce that, if present and voting, the Senator from Kentucky (Mr. BUNNING) would vote ''yea.''

Mr. REID. I announce that the Senator from Wisconsin (Mr. KOHL) and the Senator from Louisiana (Mr. BREAUX) are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana (Mr. BREAUX) would vote ''no.''

The result was announced—yeas 54, nays 42, as follows:

[Rollcall Vote No. 92 Leg.]

YEAS—54

Abraham	Feinstein	Lugar
Allard	Fitzgerald	Mack
Ashcroft	Frist	McCain
Bennett	Gorton	McConnell
Bond	Gramm	Murkowski
Brownback	Grams	Nickles
Burns	Grassley	Roberts
Byrd	Gregg	Santorum
Campbell	Hagel	Sessions
Chafee, L.	Hatch	Shelby
Cochran	Helms	Smith (NH)
Collins	Hollings	Smith (OR)
Coverdell	Hutchinson	Specter
Craig	Hutchison	Stevens
Crapo	Inhofe	Thomas
DeWine	Jeffords	Thompson
Domenici	Kyl	Thurmond
Enzi	Lott	Warner

NAYS—42

Akaka	Feingold	Mikulski
Baucus	Graham	Moynihan
Bayh	Harkin	Murray
Biden	Inouye	Reed
Bingaman	Johnson	Reid
Boxer	Kennedy	Robb
Bryan	Kerrey	Rockefeller
Cleland	Kerry	Sarbanes
Conrad	Landrieu	Schumer
Daschle	Lautenberg	Snowe
Dodd	Leahy	Torricelli
Dorgan	Levin	Voinovich
Durbin	Lieberman	Wellstone
Edwards	Lincoln	Wyden

NOT VOTING—4

Breaux	Kohl
Bunning	Roth

The amendment (No. 3117) was agreed to.

Mr. COVERDELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 3122

The PRESIDING OFFICER. The question is agreeing to amendment No. 3122. 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 Delaware (Mr. ROTH) and the Senator from Kentucky (Mr. BUNNING) are necessarily absent.

I further announce that, if present and voting, the Senator from Kentucky (Mr. BUNNING), would vote ''no.''

Mr. REID. I announce that the Senator from Wisconsin (Mr. KOHL) is necessarily absent.

The result was announced—yeas 44, nays 53, as follows:

[Rollcall Vote No. 93 Leg.]

YEAS—44

Akaka	Edwards	Lieberman
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mikulski
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Johnson	Robb
Byrd	Kennedy	Rockefeller
Cleland	Kerrey	Sarbanes
Conrad	Kerry	Schumer
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Durbin	Levin	

NAYS—53

Abraham	Frist	McConnell
Allard	Gorton	Murkowski
Ashcroft	Gramm	Nickles
Bennett	Grams	Roberts
Bond	Grassley	Santorum
Brownback	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Chafee, L.	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Specter
Coverdell	Inhofe	Stevens
Craig	Jeffords	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Voinovich
Enzi	Mack	Warner
Fitzgerald	McCain	

NOT VOTING—3

Bunning	Kohl	Roth

The amendment (No. 3122) was rejected.

Mr. JEFFORDS. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I hope we can continue to work in a bipartisan way and agree to an orderly process. We have had good debate and good amendments. I hope we can continue to do that.

I ask unanimous consent that with respect to the next sequence of amendments in order to S. 2, the offering of the amendment by Senator LIEBERMAN be temporarily postponed and that I be recognized to offer the Lott-Gregg amendment on Monday beginning at 3 p.m. I further ask consent that the Lott-Gregg amendment be temporarily laid aside when the Senate reconvenes on Tuesday in order for Senator LIEBERMAN to offer his amendment. I finally ask unanimous consent that when the Senate conducts the votes with respect to the two first-degree amendments, the votes occur in the original order as outlined in the consent agreement.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Reserving the right to object, and I do not intend to object, we will be voting on Tuesday. On our side—and the leader can correct me—there are probably seven substantive amendments. As the leader knows, having talked with all of us, we are willing to enter into time agreements on this so we can move the process forward. We want to try to do that in the early part of the week.

I know the leader has other matters for consideration by the Senate. Tonight we cannot make that request, but I hope both Senator DASCHLE and the majority leader can, at least in the first part of the week, see if we can enter into a time sequence.

We had good discussions and debate today. I believe with the debate we had on the substitute, plus on S. 2, we have covered the ground pretty well. There are some areas we perhaps need to give additional focus. There was no time indicated by the majority leader for disposition of those two amendments. I am trying to find out the intention of the leader so we can at least tell our people when they can expect some followup.

Mr. LOTT. If Senator KENNEDY will yield under his reservation so I may respond, Senator DASCHLE and I have been talking about this and other issues. We do not have votes scheduled on Monday because we have some Senators who have commitments they cannot change. That is the reason we rearranged the order. Plus, we do have some Senators who want to attend the services for Cardinal O'Connor in New York City on Monday.

Next week, we need to take up and consider, if possible, the Africa free trade and CBI enhancement conference report, which the House passed today by an overwhelming vote. We have to figure that into the mix during the day Tuesday, Wednesday, and Thursday.

Having said that, I believe we do have some additional amendments to which we can agree. I hope Monday during the day—I assume the managers will be here—Monday afternoon we can work on those amendments, and Monday morning, if we work toward having the vote or votes, if necessary, by noon on Tuesday, then we will have the next tranche of amendments worked out.

Let me say on Senator DASCHLE's behalf and mine, it is not easy because there are a lot of Senators on both sides who are anxious to participate, so we have to come up with some order. I got into that a little bit today with a couple of my colleagues on this side, and I know the Senator from Massachusetts was doing it on his side. We need to work with those Senators and get the next two, four—whatever we can get—agreed to and look forward to doing some of those Tuesday afternoon, and then we may have to look at moving Tuesday afternoon, perhaps, to the Africa-CBI conference report. We are going to make a good-faith effort on both sides, I am sure, to get the next tranche of amendments and look to have a vote Tuesday morning if at all possible, and I think it will be.

Mr. KENNEDY. I thank the leader.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

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

Mr. LOTT. I yield the floor.

SECTION 5-YEAR 302(a) ALLOCATIONS

Mr. DOMENICI. Mr. President, section 302(a) of the Congressional Budget and Impoundment Control Act of 1974 provides that the statement of managers accompanying a conference report on a concurrent resolution on the budget contain allocations, consistent with the resolution, of total new budget authority and total outlays among each committee of the House and Senate.

Allocations must cover the first year covered by the resolution and the sum of all years covered by the resolution. Unfortunately when we were preparing the statement of managers to accompany the fiscal year 2001 budget resolution, (H. Con. Res. 290, H. Rpt. 106–577) the table indicating the five-year allocation to the committees of the Senate was inadvertently omitted. The table indicating the first year allocation was included as well as both the first and five-year allocation for the House committees.

I have discussed this matter with the ranking member of the Committee on the Budget, Senator LAUTENBERG, and we have agreed that we would insert the appropriate table here in the RECORD and ask unanimous consent that this table serve as the 5-year allocation under section 302 of the Budget Act as if it had been included in the statement of managers at the time the conference report was filed in the House of Representatives. I therefore make that request now of the Presiding Officer.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

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FOR CONTINUED U.S. ENGAGEMENT IN THE BALKANS

Mr. BIDEN. Mr. President, next week the Appropriations Committee is expected to mark up several bills that will incorporate the Administration's supplemental request for this fiscal year. Included in this request is two point six billion dollars for peacekeeping and reconstruction in Kosovo and the surrounding region.

In that context, I rise to examine the rapidly changing conditions in the Balkans and to argue for continued vigorous American involvement in the region, including meeting the Administration's supplemental request.

Mr. President, since the end of the Cold War few, if any other parts of the world have commanded as much of our attention as the Balkans, particularly the area of the former Yugoslavia. This is no accident. The Balkans were the crucible for the First World War, played a pivotal role in the outcome of the Second World War, and persist as the only remaining major area of instability in Europe.

As every thoughtful political leader in London, Paris, Berlin, Rome, Madrid or other capitals will attest, if the movements in the countries of the Balkans toward political democracy, ethnic and religious coexistence, and free market capitalism do not succeed, the resulting turmoil will endanger the remarkable peace and prosperity laboriously created over the past half-century in the countries of the European Union and in other Western democracies.

Moreover, Mr. President, for Americans warning of this possibility is not merely an academic exercise. In political, security, and economic terms, the United States is a European power. We are tied to the continent through a web of trade, investment, human contacts, and culture to a degree unequaled by relations with any other part of the world. Instability that spread to Western Europe would directly and adversely affect the United States of America in a major way.

In other words, Mr. President, we do not have the luxury of being able to distance ourselves from the Balkans, no matter how emotionally appealing such a policy may appear at times.

As someone who visits Southeastern Europe on a regular basis, I fully understand how frustrating dealing with Balkan issues can be. Much of this stunningly beautiful area, with its jumble of ancient peoples, has seemingly intractable problems. Americans accustomed to quick solutions naturally become frustrated, especially since we have built up a large presence on the ground in several Balkan countries in the last few years and, therefore, know first-hand the complexities involved.

But the very diversity of the Balkans means that even if human history moved in a linear fashion—which it certainly does not—progress toward democracy, human rights, and free markets in Southeastern Europe would necessarily be uneven, moving forward in some countries, stagnating in some, and even regressing in a few.

Mr. President, this is precisely what has been happening; the region is experiencing ''ups and downs.'' Contrary to popular belief, undoubtedly influenced by the proclivity of the mass media to emphasize the negative, there have been several positive developments in the Balkans.

Slovenia, the northernmost country of the Balkans, is the region's success story. It has already established a solid democracy, and its transition to a free-market economy has been so successful that its per capita gross domestic product now exceeds that of a few members of the European Union. Slovenia seems certain to be in the next round of NATO enlargement, and it is one of the strongest candidates for EU membership.

Croatia, which suffered for a decade under the authoritarian rule of Franjo Tudjman, elected a new parliament this past January with a moderate, democratic coalition gaining a solid majority. The winner of the February presidential election, Mr. Mesic, is also a democratic reformer.

Already there has been signs of positive movement from the new regime in Zagreb, both domestically and in foreign policy. For example, the government has begun investigating corruption from the Tudjman era in the banking and communications sectors. In the international realm, the Croatian government has signed an agreement on cooperation with the International War Crimes Tribunal in the Hague. Moreover, the new government has closed down illegal television transmission towers in Bosnia and Herzegovina, which had spread ultra-nationalist programming from Croatia.

In fact, the hard-line obstructionist nationalist Croat leadership in Bosnia and Herzegovina is running scared, knowing that it has lost its patron, the former HDZ regime, in Croatia. It appears that the new government in Zagreb has pledged itself to full Dayton implementation, including a commitment to the integrity of Bosnia and Herzegovina as a state.

It is debatable whether the ''good example'' set by Zagreb will soon influence the situation in Serbia; but it is already clear that the change of government in Zagreb is causing Bosnian Croat leaders to re-think their strategy.

The local elections in Bosnia last month provided mixed results. In the Republika Srpska, Prime Minister Dodik's coalition lost ground, but there is still hope that the new government being formed will accelerate the pace of implementation of the Dayton Accords.

In the Federation, reformist Bosnian Croats did not have sufficient time to organize strong opposition to the entrenched HDZ nationalists. As the withdrawal of subsidies from Zagreb to the Bosnian Croat HDZ takes effect, however, the moderate Bosnian Croats may be able to increase their strength in the upcoming national elections.

The most heartening developments concern the Bosnian Muslims, the largest of the three major communities in the country. The Muslims have demonstrated an accelerating move away from the nationalist SDA party to non-nationalist alternatives, as demonstrated by their electoral victories in several of Bosnia's largest cities.

Mr. President, the southern Balkans also show several positive trends, some of them quite remarkable. At the Helsinki Summit of the European Union in December 1999, Turkey for the first time was granted the status of candidate for membership. To be sure, any realistic analysis of Turkey's chances would make them long-term, but the development in Helsinki is nonetheless a real breakthrough and is being received as such by the majority of Turkey's population.

Moreover, the devastating earthquakes that rocked both Turkey and Greece last summer elicited mutual expressions of popular sympathy from both peoples and have led to a significant warming of relations between these two long-time rivals.

Both Bulgaria and Romania are governed by Western-looking, democratic free-marketeers. The closing of the Danube by the NATO bombing in the air war last year has had an extremely damaging effect on their already shaky economies. Both countries, though, have embarked upon painful, but necessary reforms. The reformers will be sorely tested in upcoming national elections.

Macedonia, perhaps the most fragile country in the region, has survived the trauma of the Kosovo war, with its massive influx of hundreds of thousands of refugees, without the violent destabilization expected by many observers, and certainly intended by Milosevic. A newly elected conservative government includes an ethnic Albanian party, but the raw material for an ethnic conflagration persists.

The ''downs'' in the Balkan picture, which have been getting the lion's share of the publicity, are Serbia proper, Montenegro, and Kosovo.

Certainly the principal negative fact of life in the region is the continuing presence in power in Serbia of Slobodan Milosevic. My colleagues know well my feelings about this man. In 1993, six years before the Hague Tribunal made public its indictment, I called Milosevic a war criminal to his face at a meeting in his office in Belgrade.

Milosevic, quite simply, has been a disaster for the Serbian people. He has destroyed Serbia's economy, eviscerated its body politic, and debased its reputation internationally. It is not easy to start—and lose—four wars in eight years, but Milosevic has managed to do it. He is a man of only one ideological conviction: that he must hold

onto power in Serbia. To retain power he is ready to use any means, including ruining the lives of the people he theoretically represents.

Unfortunately, Milosevic clings to power through a combination of ruthlessness, tactical cunning, and the inability until now of the Serbian opposition to forge a permanent anti-Milosevic coalition that could be compelling for the Serbian electorate. There is some basis for cautious optimism that the political opposition in Serbia may be unifying in its opposition to Milosevic. Last month the opposition was able to bring out to the streets of Belgrade a massive crowd of more than two hundred thousand demonstrators against Milosevic.

The gangland quality of life in contemporary Serbia is demonstrated by the recent public machine-gun slayings of ''Arkan,'' the Yugoslav defense minister, and other ultra-nationalist figures. Most recently independent journalists in Serbia have been given implicit death threats—from no less a personage than Mr. Seselj, the deputy prime minister! These moves, however, bespeak the increasing weakness and fear of the Milosevic regime, not any strength.

I should add that another reason that Milosevic has been able to survive this cold winter is assistance from like-minded dictators. Over the past few months, China made a gift of three hundred million dollars, and Iraq contributed much needed oil. It is also extremely likely that Russia and Belarus have funneled assistance to Milosevic.

The United States Government is actively supporting the creation of a civil society in Serbia through targeted grants to a variety of independent media, citizens' groups, independent trade unions, and towns controlled by the democratic opposition.

Despite Milosevic's malevolent and unscrupulous behavior, I remain convinced that ultimately the pressure from below—and from within his government, party, and armed forces—will result in his fall from power. What is key is that we not lose our patience or our nerve. I will not put a date on Milosevic's fall, but fall he will, and the long-suffering Serbian people will begin to regain their dignity.

Montenegro, the junior partner in the Yugoslav Federation, is governed by a multi-ethnic, democratic coalition led by President Milo Djukanovic. The reformist government of this little republic of less than seven hundred thousand citizens is struggling to avoid being overthrown by Yugoslav President Slobodan Milosevic, who is currently scheming about how to undermine Montenegro's democratically elected government. His tools are the Yugoslav army and shadowy paramilitary forces loyal to him, plus economic pressures applied to its vastly smaller neighbor.

We have seen Milosevic starring in this movie before—- in Slovenia, in Croatia, in Bosnia and Herzegovina, and in Kosovo. Milosevic lost each time, in the process sacrificing hundreds of thousands of lives and causing untold material damage. I can only hope that he has learned his lesson.

Kosovo is another ongoing challenge for American policy and fortitude. Eleven months after the withdrawal of Yugoslav troops, Serbian police, and paramilitaries, the province is still struggling to regain a semblance of normalcy. The task is enormous: by the estimate of the U.N., some eight hundred ten thousand residents who fled during last year's war have returned to a province in which approximately two-thirds of the housing stock was destroyed or damaged beyond repair. Not an appealing base on which to rebuild a traumatized society.

In that context, the herculean efforts of the international civilian and military authorities have had a good measure of success. Despite the understandable headlines detailing revenge killings of Serbs and Roma by ethnic Albanians, and of Kosovar Albanians by other Kosovar Albanians, the fact is that the incidence of homicide has dropped dramatically over the last several months.

The serious upsurge in ethnic violence in the town of Mitrovica earlier this year shows that universal security in the province has yet to be achieved. The response of KFOR to Mitrovica was to send in additional troops, from different sectors. Also a special prosecutor was appointed by the United Nations to handle Mitrovica. Things boiled over there; now the flame has been doused and the lid is back on. We will have to keep an eye on Mitrovica and northern Kosovo.

Similarly, the Presevo Valley in southeastern corner of Serbia proper, which has a strong ethnic Albanian majority population, is a potential flashpoint. Radical elements have been training in the demilitarized zone between Kosovo and Serbia proper, occasionally staging hit-and-run raids on Serbian police. Their motive is clearly to provoke a larger conflict, and then to appeal to KFOR to bail them out. We should not fall for this trap. I am pleased that the Administration has made clear to the radicals that they are on their own, and has enlisted the help of responsible Kosovar Albanians to rein them in.

With respect to security in Kosovo, however, the overall trend is in the right direction. The drop in the murder rate is due largely to the excellent work of the forty-two thousand, five hundred KFOR troops in Kosovo, and increasingly to the more than three thousand, one hundred international police deployed by the U.N. Interim Administration Mission in Kosovo—known as UNMIK. Eventually four thousand, four hundred UNMIK police are to be deployed.

Our government must be sure to make its pledged payments to UNMIK on time and to pressure other donor countries to do the same. Cooperation between UNMIK's chief, Dr. Bernard Kouchner, and KFOR's commander has been superb. If Dr. Kouchner is given all the tools the way KFOR has been, then I believe he will be able to do his job successfully.

Incidentally, Mr. President, KFOR's commanders have been, in order, an Englishman, a German, and now a Spaniard—all under NATO's Supreme Commander in Europe, an American.

While profound mistrust of KFOR and UNMIK exists among much of the Serbian community in Kosovo, a hopeful sign is that observers from the Serb community recently joined the power-sharing system UNMIK has set up with a broad spectrum of Kosovar Albanian leaders.

Much of the Serbs' mistrust—and of widespread unease among the Kosovar Albanians—stems from the fact that although the homicide rate in the province has dropped, other forms of criminality are increasing. Particularly worrisome is the influx of organized crime elements from Albania across the porous, mountainous border into Kosovo.

We must not allow Kosovo to descend into gang-infested semi-anarchy. This is the principal reason that the promised international funding for UNMIK simply must be delivered promptly. I cannot stress this requirement enough. Our government must pressure the Europeans—who have assumed the primary responsibility for KFOR, UNMIK, and the Stability Pact for Southeast Europe—immediately to live up to their pledges.

Because of excellent work by the U.S. Agency for International Development and other national and international organizations, there are high expectations all over Kosovo that this spring and summer there will be reconstruction on a mass scale all over the province. We must be certain that the international funding is delivered in time, so as not to deflate the Kosovars' and the Kosovo Serbs' hopes and damage our credibility and that of our allies and other cooperating nations.

Mr. President, the more I delve into the details of the American and other international efforts to rebuild the Balkans—in Kosovo, in Bosnia and Herzegovina, in Albania, and elsewhere—the more respect I have for our outstanding men and women serving in often difficult and dangerous circumstances in our diplomatic service, our armed forces, and our aid missions. They are bright, they are dedicated, and they are getting tangible results. This is a side of the story that the American public should hear more about.

It is also important that the American public understands that the overwhelming majority of KFOR troops, the overwhelming majority of UNMIK personnel, and the overwhelming majority of development assistance are all being provided by our European allies and other friendly governments. Mr. President, one bright spot of the Kosovo story is that it shows that

burdensharing not only can work, but is working.

In Kosovo, perhaps more than anywhere else in the Balkans, however, even as we analyze serious current problems, we must never lose sight of what the situation would be if we had not acted militarily last year. Milosevic would have gotten away with vile ethnic cleansing on a scale unprecedented in Europe for decades, causing untold human misery, destabilizing Macedonia and Albania, irreparably harming the credibility of NATO, and possibly even fracturing the alliance.

No, the situation in Kosovo is far from good, but it is incalculably better than it would have been, had NATO, under President Clinton's leadership, not intervened.

In early February, at the Munich Conference on Security Policy, the U.S. Congressional delegation had breakfast with Lord Robertson, the Secretary General of NATO. As he so aptly put it, ''no one should expect a Balkan Switzerland to be created in a few short years.'' But that should not blind us, either to the significant progress already achieved, or to the continuing importance to the United States and to the rest of Europe of the struggle for lasting security in the Balkans.

We must keep our eye on the prize and redouble our efforts to rebuild and stabilize Southeastern Europe. So, once again, I urge my colleagues on the Appropriations Committee to fully fund, without conditions, the Administration's supplemental request for peacekeeping and reconstruction in Kosovo. The stakes are simply too high to do otherwise.

I thank the Chair and yield the floor.

PARK SERVICE SNOWMOBILE BAN

Mr. GRAMS. Mr. President, I want to take a few minutes today to talk about the Department of Interior's recent decision to ban snowmobiling in most units of the National Park System.

While the Interior Department's recent decision will not ban snowmobiling in Minnesota's Voyageurs National Park, it will impact snowmobiling in at least two units of the Park System in my home State—Grand Portage National Monument and the St. Croix National Scenic Riverway. In addition, this decision will greatly impact Minnesotans who enjoy snowmobiling, not only in Minnesota, but in many of our National Parks, particularly in the western part of our country.

When I think of snowmobiling in Minnesota, I think of families and friends. I think of people who come together on their free time to enjoy the wonders of Minnesota in a way no other form of transportation allows them. I also think of the fact that in many instances snowmobiles in Minnesota are used for much more than just recreation. For some, they're a mode of transportation when snow blankets our state. For others, snowmobiles provide a mode of search and rescue activity. Whatever the reason, snowmobiles are an extremely important aspect of commerce, travel, recreation, and safety in my home state.

Minnesota, right now, is home to over 280,000 registered snowmobiles and 20,000 miles of snowmobile trails. According to the Minnesota United Snowmobilers Association, an association with over 51,000 individual members, Minnesota's 311 snowmobile riding clubs raised $264,000 for charity in 1998 alone. Snowmobiling creates over 6,600 jobs and $645 million of economic activity in Minnesota. Minnesota is home to two major snowmobile manufacturers—Arctic Cat and Polaris. And yes, I enjoy my own snowmobiles.

People who enjoy snowmobiling come from all walks of life. They are farmers, lawyers, nurses, construction workers, loggers, and miners. They are men, women, and young adults. They are people who enjoy the outdoors, time with their families, and the recreational opportunities our diverse climate offers. These are people who not only enjoy the natural resources through which they ride, but understand the important balance between enjoying and conserving our natural resources.

Just 3 years ago, I took part in a snowmobile ride through a number of cities and trails in northern Minnesota. While our ride didn't take us through a unit of the National Park Service, it did take us through parks, forests, and trails that sustain a diverse amount of plant and animal species. I talked with my fellow riders and I learned a great deal about the work their snowmobile clubs undertake to conserve natural resources, respect the integrity of the land upon which they ride, and educate their members about the need to ride responsibly.

The time I spent with these individuals and the time I have spent on my own snowmobiles have given me a great respect for both the quality and enjoyment of the recreational experience and the need to ride responsibly and safely. They have also given me reason to strongly disagree with the approach the Park Service has chosen in banning snowmobiles from our National Parks.

I was stunned to read of the severity of the Park Service's ban and the rhetoric used by Assistant Secretary Donald J. Barry in announcing the ban. In the announcement, Assistant Secretary Barry said, ''The time has come for the National Park Service to pull in its welcome mat for recreational snowmobiling.'' He went on to say that snowmobiles were, ''machines that are no longer welcome in our national parks.'' These are not the words of someone who is approaching a sensitive issue in a thoughtful way. These are the words of a bureaucrat whose agenda has been handwritten for him by those opposed to snowmobiling.

The last time I checked, Congress is supposed to be setting the agenda of the Federal agencies. The last time I checked, Congress should be determining who is and is not welcome on our Federal lands. And the last time I checked, the American people own our public-lands—not the Clinton administration and certainly not Donald J. Barry.

In light of such brazenness, it's amazing to me that this administration, and some of my colleagues in Congress, question our objections to efforts that would allow the Federal Government to purchase even larger tracts of private land. If we were dealing with Federal land managers who considered the intent of Congress, who worked with local officials, or who listened to the concerns of those most impacted by Federal land-use decisions, we might be more inclined to consider their efforts. But when this administration, time and again, thumbs its nose at Congress and acts repeatedly against the will of local officials and American citizens, it is little wonder the some in Congress might not want to turn over more private land to this administration.

I cannot begin to count the rules, regulations, and executive orders this administration has undertaken without even the most minimal consideration for Congress or local officials. It has happened in state after state, to Democrats and Republicans, and with little or no regard for the rule or the intent of law. I want to quote Interior Secretary Bruce Babbitt from an article in the National Journal, dated May 22, 1999. In the article, Secretary Babbitt was quoted as saying:

> When I got to town, what I didn't know was that we didn't need more legislation. But we looked around and saw we had authority to regulate grazing policies. It took 18 months to draft new grazing regulations. On mining, we have also found that we already had authority over, well, probably two-thirds of the issues in contention. We've switched the rules of the game. We are not trying to do anything legislatively.

That is a remarkable statement by an extremely candid man, and his intent to work around Congress is clearly reflected in this most recent decision. Clearly, Secretary Babbit and his staff felt the rules that they've created allow them to ''pull the welcome mat for recreational users'' to our national parks.

As further evidence of this administration's abuse of Congress—and therefore of the American people—Environmental Protection Agency Administrator Carol Browner was quoted in the same article as saying:

> We completely understand all of the executive tools that are available to us—And boy do we use them.

While Ms. Browner's words strongly imply an intent to work around Congress, at least she did not join Secretary Babbit in coming right out and admitting it.

Mr. President, I for one am getting a little sick and tired of watching this

administration force park users out of their parks, steal land from our States and counties, impose costly new regulations on farmers and businesses without scientific justification, and force Congress to become a spectator on many of the most controversial and important issues before the American people.

It is getting to the point where I am not sure what to tell my constituents. I have been on the phone with snowmobilers in Minnesota and they ask what can be done. I start to explain that because of the filibuster in the Senate and the President's ability to veto, it will be difficult for Congress to take any action. I have found myself saying that a lot lately. Whether it is regulations on Total Maximum Daily Loads, efforts to put 50 million acres of forests in wilderness, or new rules to regulate a worker's house should they choose to work at home, this aAdministration just doesn't respect the legislative process or the role of Congress. Nor does this administration respect the jobs, traditions, cultures, of lifestyles of millions of Americans. If you are an American who has yet to be negatively impacted by the actions of this administration, just wait your turn because you were evidently at the end of the list. Sooner or later, if they get their way in the next few months, they're going to kill your job, render your private property unusable, and ban you from accessing public lands that have been accessible for generations.Regrettably, many of us in Congress are now left with the proposition of telling our constituents that we must wait for a new administration. I have to tell them that this administration is on its way out the door and they're employing a scorched earth exit strategy. And I have to warn them that the situation could get worse if a certain Vice President finds himself residing at 1600 Pennsylvania Avenue next year.

I have to admit, there is nothing pleasurable about telling your constituents to wait until next year. I think it is important to remember that, as Senators, we are the representatives of every one of our constituents. When I have to tell a constituent that Congress has lost its power to act on this matter, I am actually telling that constituent that he or she has lost their power on this matter. When I have to tell a snowmobiler that the administration doesn't care what Congress has to say about snowmobile in national parks, I am really telling him or her that the administration doesn't care what the American people have to say about snowmobiling in national parks. Well, I doubt any of us could've said that any better than Donald J. Barry said it himself.

When forging public policy, those of us in Congress often have to consider the opinions of the state and local officials who are most impacted. If I'm going to support an action on public land, I usually contact the state and local officials who represent the area to see what they have to say. I know that if I don't get their perspective, I might miss a detail that could improve my efforts. I also know that the local officials can tell me if my efforts are necessary or if they're misplaced. They can alert me to areas where I need to forge a broader consensus and of ways in which my efforts might actually hurt the people I represent. I think that is a prudent way to forge public policy and a fair way to deal with state and local officials.

I know, however, that no one from the Park Service ever contacted me to see how I felt about banning snowmobiling in Park Service units in Minnesota. I was never consulted on snowmobiling usage in Minnesota or on any complaints that I might have received from my constituents. While I've not checked with every local official in Minnesota, not one local official has called me to say that the Park Service contacted them. In fact, while I knew the Park Service was considering taking action to curb snowmobile usage in some Parks, I had no idea the Park Service was considering an action so broad, and so extreme, nor did I think they would issue it this quickly.

This quick, overreaching action by the Park Service, I believe, was unwarranted. It did not allow time for federal, state, or local officials to work together on the issue. It didn't bring snowmobile users to the table to discuss the impact of the decision. It didn't allow time for Congress and the Administration to look at all of the available options or to differentiate between parks with heavy snowmobile usage and those with occasional usage. This decision stands as a dramatic example of how not to conduct policy formulation and is an affront to the consideration American citizens deserve from their elected officials.

I hope we take a hard look at this decision and call the administration before Senate Committees for hearings. I have long believed that we can have an impact on these matters by holding strong oversight hearings and by forcing the Administration to account for its actions. We cannot, however, simply stand by and watch as the Administration continues its quest for even greater power at the expense of the deliberative legislative processes envisioned by the founders of our country. Secretary Babbit, Administrator Browner, and Donald J. Barry may believe they're above working with Congress, but only we can make sure they're reminded, in the strongest possible terms, that when they neglect Congress they're neglecting the American people.

I thank the Chair.

CONTINUING SENATE STALL ON JUDICIAL NOMINATIONS

Mr. LEAHY. Mr. President, I, again, urge the Senate to take the responsible action necessary to fill the 80 judicial vacancies around the country. The Senate has confirmed only seven judges all year. We are in our fifth month and have only confirmed seven judges. We have 80 vacancies. There are six nominations on the Senate Executive Calendar, including Tim Dyk, who has twice been reported by the Judiciary Committee. Mr. Dyk's nomination has been pending over 2 years. Does this all sound familiar? It is because the Senate continues to fail in its responsibility to the American people and the Federal courts to take action on judicial nominations.

The stall has been going on since 1996, with a few brief burst of activity when the editorial writers and public attention has focused attention of these shortcomings. When there is scrutiny, then the majority puts through a few more.

The Judiciary Committee is not doing any better. It has held the equivalent of two hearings all year. In 5 months, it has held the equivalent of just two hearings on judicial nominations. We heard from only two nominees to the courts of appeal and only nine to the district courts. The committee has reported only six nominees all year, just six.

I know the Senate has built in to the schedule a lot of vacation and a number of recesses. Maybe we ought to take a day or two out of one of those vacations and have some hearings and some votes on the confirmations of the scores of judges that are needed.

We have seen the majority announce with great fanfare that the Senate would have more hearings in the Judiciary Committee on Elian Gonzalez this year. The American public responded so loudly and correctly to that proposal for senatorial child abuse that the majority quickly backed off, trying to find some face-saving way to cancel the hearings. Well, without those hearings we had a whole day this week available. Instead of senatorial child abuse, why not have hearings on judges? We could have done that.

The committee markup scheduled for this morning was canceled. We could have used that time for a Judiciary hearing or proceeded and reported a few judicial nominees.

Most afternoons are free around here this year. We could have hearings a few afternoons a week and start to catch up on our responsibilities.

Over the last weekend, the President again called upon us to do our job and complete consideration of these nominations without additional delay. The Chief Justice of the Supreme Court, a Republican, has scolded the Senate in this regard.

I have urged the Senate time and time again to fulfill our responsibilities. I wish we would do this, take a couple days less vacation time, work a few afternoons, and confirm the judges that we need around the country.

A couple of years ago, I compared the Senate pace of confirming judges with

the home run pace of such players as Mark McGwire, Sammy Sosa, and Ken Griffey, Jr. Over the past couple of years when I have used this example of how much better they do hitting home runs than we do at confirming judges, my friend from Utah and I have gone back and forth with regard to this kind of comparison. He has said I should not be comparing the Senate to some of the greatest home run hitters of all time. I understand his reluctance since this Senate certainly has not been a home run hitter as far as confirming judges.

But when I looked at the sports pages today I was struck by how poorly we are doing. Keep in mind, that the Senate has been in session a couple of months longer than the baseball season, that we had a 2-month head start. Nonetheless, as of today, there are 27 baseball players who have hit more home runs than the Senate has confirmed judges. These are not just the stars. The Senate does not fail in comparison to just McGwire and Sosa, but in comparison to—I know these are names you will not all recognize and I see the pages coming to attention and see how many they know—the White Sox' Paul Konerko; the Cubs' Shane Andrews; the Rockies' Todd Helton; the Brewers' Geoff Jenkins; the Angels' Troy Glaus; the Royals' Mike Sweeney. Not legends yet, but fine people and players who have all hit more home runs than the Senate—even with a 2-month head start.

In fact, I may be doing a disservice to these major-leaguers by comparing them to the Senate. Why? Because these ballplayers are acting professionally and doing what they are paid to do. We are not acting professionally. We are not fulfilling our constitutional responsibilities. We are not doing what we are paid to do. We are refusing to vote yes or no on these judges.

The vacancies on the courts of appeals around the country are particularly acute. Vacancies on the courts of appeals are continuing to rob these courts of approximately 12.3 percent of their authorized active strength, as they have for the last several years. The Ninth Circuit continues to be plagued by multiple vacancies. We should be making progress on the nominations of Barry Goode, Judge Johnnie B. Rawlinson and James E. Duffy, Jr., as well as that of Richard Tallman.

I am acutely aware that there is no one on the Ninth Circuit from the State of Hawaii. I know that federal law requires that ''there be at least one circuit judge in regular active service appointed from the residents of each state in that circuit,'' 28 U.S.C. 44(c), and I would like to see us proceed to comply with the law and confirm Mr. Duffy, as well as the other well-qualified nominees to that Court of Appeals without further delay.

The Fifth Circuit continues to labor under a circuit emergency declared last year by its Chief Judge Carolyn Dineen King. We should be moving the nominations of Alston Johnson and Enrique Moreno to that Circuit to help it meet its responsibilities.

Earlier this year I received a copy of a letter from Judge Gilbert Merritt, formerly Chief Judge of the Sixth Circuit, concerning the multiple vacancies plaguing that Circuit. Judge Merritt was disturbed by a report that the Judiciary Committee would not be moving any nominees for the Sixth Circuit this year. We should be moving on the nominations of Kathleen McCree Lewis, Kent Markus, and Helene White. Judge Merritt wrote to us two months ago, stating:

> The Sixth Circuit Court of Appeals now has four vacancies. Twenty-five per cent of the seats on the Sixth Circuit are vacant. The Court is hurting badly and will not be able to keep up with its work load due to the fact that the Senate Judiciary Committee has acted on none of the nominations to our Court. One of the vacancies is five years old and no vote has ever been taken. One is two years old. We have lost many years of judge time because of the vacancies.
>
> By the time the next President is inaugurated, there will be six vacancies on the Court of Appeals. Almost half of the Court will be vacant and will remain so for most of 2001 due to the exigencies of the nomination process. Although the President has nominated candidates, the Senate has refused to take a vote on any of them.
>
> Our Court should not be treated in this fashion. The public's business should not be treated this way. The litigants in the federal courts should not be treated this way. The remaining judges on a court should not be treated this way. The situation in our Court is rapidly deteriorating due to the fact that 25% of the judgeships are vacant. Each active judge of our Court is now participating in deciding more than 550 cases a year—a case load that is excessive by any standard.
>
> In addition, we have almost 200 death penalty cases that will be facing us before the end of next year. I presently have six pending before me right now and many more in the pipeline. Although the death cases are very time consuming (the records often run to 5000 pages), we are under very short deadlines imposed by Congress for acting on these cases. Under present circumstances, we will be unable to meet these deadlines. Unlike the Supreme Court, we have no discretionary jurisdiction and must hear every case.
>
> The Founding Fathers certainly intended that the Senate ''advise'' as to judicial nomination, i.e., consider, debate and vote up or down. They surely did not intend that the Senate, for partisan or factional reasons, would remain silent and simply refuse to give any advice or consider and vote at all, thereby leaving the courts in limbo, understaffed and unable properly to carry out their responsibilities for years.

Likewise, the Fourth Circuit, the Tenth Circuit and the District of Columbia Circuit continue to have multiple vacancies. Shame on the Senate for perpetuating these crises in so many Courts of Appeals around the country.

By this time in 1992, the Senate had confirmed 25 judges and the Committee had held 6 confirmation hearings for judicial nominees. By this date in 1988, the Senate had confirmed 21 judges and the Committee had held 7 hearings. By this time in 1998, the Senate had confirmed 17 judges and the Committee had held 5 hearings. This year we remain leagues behind any responsible pace.

Unfortunately, the Senate has not built upon the progress we had made filling judicial vacancies following Chief Justice Rehnquist's remarks in his 1997 report on the state of the federal judiciary. Last year, faced with 100 federal judicial vacancies, the Senate confirmed only 34 new judges. This year we will again be facing 100 vacancies. Already we have seen 87 vacancies and have so far responded with the confirmation of only 7 judges.

I have challenged the Judiciary Committee and the full Senate to return to the pace it met in 1998 when we held 13 confirmation hearings and confirmed 65 judges. That approximates the pace in 1992, when a Democratic majority in the Senate acted to confirm 66 judges during President Bush's final year in office.

There is a myth that judges are not traditionally confirmed in Presidential election years. That is not true. Recall that 64 judges were confirmed in 1980, 44 in 1984, 42 in 1988 when a Democratic majority in the Senate confirmed Reagan nominees and, as I have noted, 66 in 1992 when a Democratic majority in the Senate confirmed 66 Bush nominees.

Our federal judiciary cannot afford another unproductive election-year session like 1996 when a Republican majority in the Senate confirmed only 17 judges. These 17 confirmations in 1996 were an anomaly that should not be repeated. Since then we have had years of slower and lower confirmations and heavy backlogs in many federal courts.

Working together the Senate can join with the President to confirm well-qualified, diverse and fair-minded judges to fulfill the needs of the federal courts across the country. I urge the Republican leadership to join us in making the federal administration of justice a top priority for the Senate for the rest of the year.

NATIONAL DAY OF PRAYER

Mr. GRAMS. Mr. President, I rise today in recognition of the National Day of Prayer, Thursday, May 4. Today is a special and exceptional opportunity for all citizens of our country to join together in prayer.

Days of prayer have been a fundamental part of our American heritage since 1775, when the Continental Congress, recognizing the need for guidance as it undertook the enormous challenge of forming a new Nation, designated a time for prayer. President Abraham Lincoln continued this tradition. In 1863, in the midst of the Civil War, he proclaimed a day of ''humiliation, fasting, and prayer.''

The National Day of Prayer has been celebrated formally since its enactment by Congress in 1952. In 1988, President Reagan signed a bill setting the

National Day of Prayer on the first Thursday of every May. Now, each year, the President signs a proclamation encouraging all Americans to pray on this day.

The theme for this year's National Day of Prayer is ''PRAY2K: America's Hope for the New Millennium.'' During the times of both triumph and adversity that surely lie ahead, I know prayer will help America's leaders and citizens to direct our country on the right path for the new millennium.

In the 1st Century A.D., the apostle Paul wrote to the Philippians, telling them, ''Be anxious for nothing, but in everything by prayer and supplication with thanksgiving let your requests be made known to God.''

It is my hope the citizens of my home state of Minnesota, and people across this Nation, will take that advice and present the concerns of the country in prayer not only on May 4, but every day of the year. I know many thousands of students will gather today at the State Capitol in Minnesota, to pray for their leaders and their peers in an event entitled ''Share the Light 2000.'' I applaud their efforts and commend them in their commitment to this important day.

I thank everyone involved in making this day possible year after year and all those who will take part in the National Day of Prayer. May the spirit that fills our hearts this day remain strong always.

Mr. SANTORUM. Mr. President, today we celebrate the National Day of Prayer, set aside as a day to humbly come before God, seeking His guidance for our leaders and His grace upon us as a people. I would like to take this occasion to implore my fellow Americans to remember why it is that prayer is so important for our nation.

Since the earliest days of America's heritage, we have been richly blessed by God. We have been granted liberty, prosperity, and a measure of peace unknown to most nations throughout history. Even during periods of hardship, God has given us strength to endure, and has used our tribulations to mold us into a better nation.

While we daily enjoy God's bountiful provisions, we need only look at our nation's history to realize that His blessing has not been granted to us by accident. America has been blessed as a result of our historic reliance upon Him. From the moment that Christopher Columbus first set foot in the New World until today, Americans have trusted God and sought to follow His direction. Columbus prayed to God for strength and guidance to help his companions endure the difficult voyage to the New World. Our founding fathers looked to God in prayer for wisdom to create a government that would ensure freedom and liberty. Through war and depression, America called out to God for strength and courage. In times of prosperity, we praised God for his many blessings.

God's blessing does not come without expectations, however. God commands us to obey Him and follow His laws. When calling for a day of national humiliation, fasting and prayer in 1863, President Abraham Lincoln admonished our nation in the following statement:

> We have been the recipients of the choicest bounties of Heaven. We have been preserved these many years in peace and prosperity. We have grown in numbers, wealth and power as no other nation has ever grown.
>
> But we have forgotten God. We have forgotten the gracious Hand which preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own.
>
> Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us!
>
> It behooves us then to humble ourselves before the offended Power, to confess our national sins and to pray for clemency and forgiveness.

Those words are as true today as they were when spoken by Abraham Lincoln many years ago. God has given us commands to follow so that we might be able to fully enjoy His creation and receive the benefit of His blessing. When our nation has turned our back on God's commands, we have been plagued by such tragedies as slavery, crime, drug abuse, and abortion. If our nation is to continue to be blessed by God, we must renew our commitment to God daily through prayer.

President Ronald Reagan designated the first Thursday in May to celebrate the National Day of Prayer. My challenge is to make every day a day of prayer, so that we might follow God's will and continue to receive His blessing into the 21st century and beyond.

SAFE SCHOOLS AND SENSIBLE GUN LAWS

Mr. LEVIN. Mr. President, the year that has passed since the tragic events at Columbine High School has been a time of soul searching for many Americans. We have had to ask ourselves some troubling questions. How did we let this happen? Why have we failed to pass sensible gun safety measures? Why doesn't the safety of our children count as much in Congress as the lobbying muscle of the National Rifle Association, NRA? Why did it take 15 deaths at Columbine to get us to take notice? Why wasn't a single death of a school child enough to make us realize the danger to which we have exposed our children in schools across the land?

Speeches alone will not turn the tide in the battle over sensible gun laws. But those of us who believe we must do more to close the loopholes in the law which give minors access to guns have to match the single-mindedness of a single issue group like the NRA with our own focused determination.

Just a few weeks ago, knowing that Congress was about to recess after again failing to take action on gun safety legislation, I offered these words:

> For the students of Columbine, every day is a struggle, every day takes another act of courage. There is nothing we can do in Congress to change that, but there is something we can do to protect other students from the nightmares, the anger, and the pain, as told by these students. Congress owes it to Columbine and to the American people to try to end school shootings and reduce access to guns among young people. As of the one-year anniversary, Congress has failed to do so.

Over the last year, many Americans have decided to speak out on this issue. They are fed up with the intolerable level of gun violence in this country. They are outraged by the sight of a chain of preschoolers fleeing hand-in-hand from a deranged gunman. And, they are disheartened by the thought of a first grader shooting another first grader.

On Mothers' Day, May 14, they will bring a powerful message to Washington and to 30 communities across the Nation, including Lansing: it is time for Congress to pass commonsense gun legislation. What began 9 months ago, with two mothers and unparalleled dedication, has become the Million Mom March, the first-ever national march for gun safety. As a Dad who supports this march, I plan to walk along side Michigan mothers, future mothers, and all those willing to be ''honorary mothers'' calling for sensible gun laws and safe kids.

In a few weeks, another school year will come to an end, but the push to enact sensible gun legislation will continue during this Congress, and every one thereafter, until we get it done. And, because of the efforts of the Million Mom Marchers and other Americans who are speaking out on this issue, I believe we will prevail.

INCREASING FEDERAL INVESTMENTS IN RESEARCH AND TECHNOLOGY

Mr. LIEBERMAN. Mr. President, I wanted to bring to the attention of my colleagues an important letter dated March 22, 2000 sent to our Senate leadership by forty-seven leaders of our high technology companies, universities and labor organizations who are members of the highly-respected Council on Competitiveness. The letter argues for a significant increase in federal Research and Development funding as key to our economic future. It also points out that much of the current technology talent shortage Congress has been spending so much time on could be alleviated through increased R&D support, since that funding supports our technology education and training system. It is frankly unique in my Senate experience to see a letter signed by such a significant segment of our nation's technology leaders and I hope the Senate will heed its counsel.

This letter comes to us in the context of the recently passed Budget Resolution which calls for a small increase in federal investments in science and technology over last year's levels. I believe that a strong bipartisan majority

of the Senate would agree that more is needed. Past investments in research, made in all scientific disciplines and supporting work performed in universities, industry, and government labs, have been the driving force for creating the technologies that have driven our high tech economic boom, preserved our national security, and created fantastic new advances in medical care. The Senate has recognized this, and last year passed the Federal Research Investment Act (S. 296) unanimously—legislation which had 42 bipartisan cosponsors and which calls for a doubling of funding for civilian science and technology over the next decade.

I note that this year the Administration has submitted an aggressive program for civilian science investments for many key agencies, consistent with both the spirit and text of the Senate's legislation, and with the points made in the letter. In particular, I want to call attention to the Administration's efforts to restore balance to the federal research portfolio by aggressively funding work in the physical sciences and engineering, through programs at the National Science Foundation and Department of Energy. Consistent with the March 22nd message sent to us by our country's technology leadership, I hope the Congressional Appropriations Committees will be able to support critical civilian federal Research and Development programs at least at the levels called for in the FY01 Administration Budget Request. This investment, administered by the National Science Foundation, National Institutes of Health, Department of Energy, National Aeronautics and Space Administration, and other agencies, funds university, government lab, and industrial efforts to develop the technologies that energize our economy and protect our health.

I also hope the Congress will increase funding for the Department of Defense's Science and Technology program—whose products are critical to our security. Defense science and technology has in the past given us the technologies—including stealth, advanced computing, the Global Positioning System, and precision munitions—that have provided our defense technology edge and led to our victories in the Gulf and Kosovo. These investments have been drastically reduced over the years—risking both our national security and our technological leadership in a variety of key physical sciences and engineering disciplines.

On April 5th, I and the other members of the Senate Science and Technology Caucus had the opportunity to learn about an example of excellent federally-funded science—the fantastic new world of nanotechnology—from a group of world renowned academics and industrial researchers. Investments in nanotechnology will help create the systems that will shrink microelectronics down to the scale of atoms and molecules and create entire chemistry labs on a single computer chip, potentially leading to a technology revolution along the lines of those generated by the transistor and the Internet. One of my constituents, Professor Mark Reed of Yale University, is already taking steps to turn federal investments in fundamental nanotechnology research into technologies that will enhance our nation's productivity. He recently announced the creation of a single molecule electronic switch, using a chemical process called ''self-assembly.'' A nano-scale switch is a breakthrough that may lead to huge performance improvements in digital electronics. Professor Reed has just established a new company aiming to move the integrated electronics world into the era of molecular manufacturing, by making the building blocks of computer circuits out of single molecules.

But these kinds of commercial ventures and the resulting gains in productivity and economic growth that result will only occur if the federal government maintains and increases its investments in science and technology. The Internet, the Human Genome Project, the Space Shuttle, miracle drugs, and global telecommunications networks are but a few examples of what previous investments by the federal government in science and technology have generated. Current work in nanotechnology and other fields supported by sufficient and stable federal investments can also lead to developments that will affect and improve our lives in ways we cannot imagine today. Congress will soon enter the annual Appropriations cycle and I hope that our Appropriations Committee and Subcommittee leaders over the course of this session can work together in a bipartisan fashion to insure that we adequately invest in our nation's technological future.

I ask unanimous consent that the March 22nd letter from the Council on Competitiveness members be printed in the RECORD in full immediately following my remarks. The letter demonstrates to the Congress that our constituents and the leaders of our high-tech industries and institutions are calling for more far aggressive action in increasing Federal support for science and technology research.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COUNCIL ON COMPETITIVENESS,
Washington, DC, March 22, 2000.

Hon. TRENT LOTT,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LOTT: As you and your colleagues shape America's budget priorities for 2001, the undersigned members of the Council on Competitiveness urges you to strengthen America's science and technology enterprise.

Decades of bipartisan congressional investments have contributed decisively to the current U.S. economic boom. These investments created the advances in knowledge as well as the pool of technical talent that underpin America's competitive advantage in information technology, biotechnology, health science, new materials, and many other critical enablers.

Nevertheless, public-sector investments in frontier research have declined sharply relative to the size of the economy. An additional $100 billion would have been invested if the federal share of such research had been maintained at its 1980 level. Physical sciences, math, and engineering have been particularly affected. The recent ramp up of private sector investment in R&D, while vitally important, is no substitute for the federal role in creating next generation knowledge and technology.

We are also training fewer and fewer American scientists, engineers, and mathematicians despite soaring demand for these skills. Education and training of scientists and engineers are tied to federally sponsored research performed in the nation's laboratories and universities. When federal R&D commitments shrink, so too does the pool of technically trained talent, forcing industry and academia to look abroad for skilled knowledge workers.

In this time of prosperity, we ask that you use this year's budget resolution, authorization and appropriations process to start America down the path toward significantly higher long-term investments in our national science and technology enterprise. Your commitment to continued U.S. technological leadership will generate high-wage jobs, economic growth, and a better quality of life for all Americans for decades to come.

Raymond V. Gilmartin, Chairman, Council on Competitiveness, Chairman, President & CEO, Merck & Co., Inc.; Jack Sheinkman, Labor Vice Chairman, Council on Competitiveness, Vice Chairman, Amalgamated Bank of New York; Richard C. Atkinson, President, University of California; Craig R. Barrett, President and CEO, Intel Corporation; William R. Brody, President, Johns Hopkins University; Vance D. Coffman, Chairman and CEO, Lockhead Martin Corporation; L.D. DeSimone, Chairman of the Board & CEO, 3M Company; F. Duane Ackerman, Industry Vice Chairman, Council on Competitiveness, Chairman & CEO, BellSouth Corporation; Roger Ackerman, Chairman and CEO, Corning Incorporated; David Baltimore, President, California Institute of Technology; Alfred R. Berkeley, III, President, The Nasdaq Stock Market Inc.

Richard H. Brown, Chairman and CEO, Electronic Data Systems Corporation; Jared Cohon, President, Carnegie Mellon University; Gary T. DiCamillo, Chairman and CEO, Polaroid Corporation; Charles M. Vest, University Vice Chairman, Council on Competitiveness, President, Massachusetts Inst. of Technology; Paul A. Allaire, Chairman, Xerox Corporation; Edward W. Barnholt, President and CEO, Agilent Technologies, Inc.; Molly Corbett Broad, President, University of North Carolina; G. Wayne Clough, President, Georgia Institute of Technology; Philip M. Condit, Chairman and CEO, The Boeing Company; Sandra Feldman, President, American Federation of Teachers, AFL–CIO.

Carleton S. Fiorina President and CEO, Hewlett-Packard Company; Joseph T. Gorman, Chairman and CEO, TRW Inc.; Shirley Ann Jackson, President, Rensselaer Polytechnic Institute; Jerry J. Jasinowski, President, National Association of Manufacturers; Patrick J. McGovern, Chairman of the Board, International Data Group Inc.; Michael E. Porter, Professor, Harvard University; David E. Shaw, Chairman, D.E. Shaw & Co., LP; George M.C. Fisher, Chairman of the Board, Eastman

Kodak Company; William R. Hambrecht, President, W.R. Hambrecht & Co., LLC; Irwin M. Jacobs, Chairman & CEO, QUALCOMM, Inc.; Peter Likins, President, University of Arizona.

Henry A. McKinnell, President and COO, Pfizer Inc.; Heinz C. Prechter, Chairman, ASC Incorporated; Frederick W. Smith, Chairman, President & CEO, FDX Corporation; Louis V. Gerstner, Jr., Chairman and CEO, IBM Corporation; Charles O. Holliday, Jr., President & CEO, E.I. du Pont de Nemours & Company; Durk I. Jager, Chairman, President & CEO, The Procter & Gamble Company; Richard A. McGinn, Chairman and CEO, Lucent Technologies, Inc.; Mario Morino, Chairman and CEO, Morino Group; Eric Schmidt, Chairman and CEO, Novell; Michael T. Smith, Chairman and CEO, Hughes Electronic Corporation.

Ray Stata, Chairman of the Board, Analog Devices, Inc.; Mark Wrighton, Chancellor, Washington University; Gary L. Tooker, Vice Chairman of the Board, Motorola Inc.; John Young, Founder, Council on Competitiveness; G. Richard Wagoner, Jr., President & COO, General Motors Corporation.

Mr. ROCKEFELLER. Mr. President, I rise today to join my colleagues in highlighting a powerful call to action on science and technology funding issued by our nation's high technology, academic, and labor leaders.

On March 22, 2000, forty-seven CEOs of high technology companies, Presidents of our leading universities, and representatives of labor organizations came together in an unprecedented Council on Competitiveness letter petitioning Congress for ''significantly higher long-term investments in our national science and technology enterprise.'' This investment, they stated, should come in the form of increased ''public-sector investments in frontier research'' such as research in the ''[p]hysical sciences, math, and engineering.'' This letter also includes a clear warning—Congressional failure to appropriate more funding for science and technology research will threaten America's competitive advantage in information technology, biotechnology, health science, new materials, and other critical technology-intensive fields. As we all know, many economists, including Alan Greenspan, have asserted that our country's leadership in these areas is an important reason for our current economic success. A refusal to support America's dominant position with adequate appropriations today threatens our economic success tomorrow.

The Council on Competitiveness letter also reveals that increased federal funding to science and technology will positively affect another key policy issue—the scarcity of technologically skilled workers. The debate over whether to raise the number of H1–B visas has alerted all of us to the technology industry's critical need for more highly skilled workers. In the New Economy large numbers of ''knowledge-based'' workers are essential to economic growth. Because we are not training enough American knowledge-based workers, high-tech companies have asked Congress to increase the number of H1–B visas granted to skilled workers who are willing to immigrate from other countries.

Appropriating more funding for science and technology research will increase the number of technologically trained Americans, thus addressing the current scarcity of knowledge-based workers. The letter explains that: ''Education and training of scientists and engineers are tied to federally sponsored research performed in the nation's laboratories and universities. When federal R&D commitments shrink, so too does the pool of technically trained talent, forcing industry and academia to look abroad for skilled knowledge workers.'' I therefore urge all my colleagues who support increasing the H1–B cap to support increased federal science and technology funding—we must develop more American technology workers.

It is important to understand that this letter's signatories are not alone in their recommendation for more substantial funding for science and technology research. The House Science Committee wisely wrote in a 1998 study titled ''Unlocking Our Future: Toward a New National Science Policy'' that ''[t]he federal investment in science has yielded stunning payoffs. It has spawned not only new products, but also entire industries. To build upon the strength of the research enterprise, we must make federal research funding stable and substantial, maintaining diversity in the federal research portfolio, and promoting creative, ground breaking research.''

Similarly, a Business Week editorial on July 26, 1999 stated that ''[b]ecause of productivity gains, the economy can now operate at a higher speed without inflation. . . . [P]romoting the New Economy also requires wise policy from Washington. We need to support basic research and education at all levels, the seed corn of innovation.''

These arguments are supported by noted MIT economist Lester Thurow in a June, 1999 Atlantic Monthly article, where he comments that: ''[a] successful knowledge based economy requires large public investments in education, infrastructure, and research and development. . . . Private rates of return on R&D spending (the financial benefits that accrue to the firm doing the spending) average about 24 percent. But societal rates of return on R&D spending (the economic benefits that accrue to the entire society) are about 66 percent. . . . This result, never contradicted in the economic literature, provides powerful evidence that there are huge positive social spillovers from research and development . . . Because the government doesn't care exactly which Americans reap the benefits, it has a very important role to play in R&D. Rates of return on R&D spending are far above those found elsewhere in the economy. Government now pays for about 30 percent of total R&D, but with a 66 percent rate of return it should be spending much more.''

In recognition of this need for greater public support of science and technology research, last year the Senate unanimously passed the Federal Research Investment Act (S. 296). This bill would double our investment in civilian science and technology over the next decade. The Administration also understands how critical publicly funded R&D is to the country's vitality. Its budget includes a strong and balanced program which will begin to recharge our sagging R&D portfolio. The administration's program is consistent with the spirit and the text of the Federal Research Investment Act and the Council on Competitiveness letter.

Unfortunately, our Congressional Budget Resolution calls only for a small increase in federal investments in science and technology. We have a chance to make an important investment in our country's future and to lay the groundwork for continued American high-tech leadership. I urge my colleagues to heed our high-tech, academic, and labor leaders' call to action on federal R&D support and work together to achieve more substantial appropriations for science and technology.

Mr. BAYH. Mr. President, I am very pleased today to join with a number of my colleagues on both sides of the aisle to call attention to the remarkable letter sent to our Senate leadership by the nearly fifty members of the Council on Competitiveness. The letter points out the importance of basic scientific research to our economy, and shows how such public-sector investments have been on the decline. When so many prominent leaders agree on an issue of public policy, it is incumbent upon us to pay attention to their views.

I believe that the recent increases in private-sector research are no substitute for the government's traditional role in funding the most basic research that may or may not yield important discoveries. It is this so-called ''market failure'' in basic research—those making the investments are not assured of positive outcomes, and cannot realistically capture all of the economic gains from new discoveries—that makes the government's role so vitally important. What's more, the private sector's new investments have been increasingly focused on biotechnology and product development, while investment in basic sciences such as math, chemistry, and physics has experienced sharp declines. This has important implications for today's workforce, as well as the rate of innovation that will drive future increases in living standards.

While advances in the health sciences, such as the Human Genome Project, are extremely exciting, there are areas in the physical sciences that are on the verge of generating important discoveries, and where government ought to be focusing additional

resources. One area in which I am keenly interested is the area of nanotechnology. This groundbreaking area—which examines structures atom-by-atom and molecule-by-molecule, on the scale of just a few billionths of a meter—may lead to discoveries that will change the way almost everything, from building materials to vaccines to computers, are designed and made. Neil Lane, the President's science advisor, says that this area of science and engineering will most likely lead to tomorrow's breakthroughs. It's a very important new area, but one where the practical applications are a few years away. Basic research is the key to pushing the envelope forward.

Yet despite the potential applications of these and other discoveries—and President Clinton's half-billion-dollar National Nanotechnology Initiative—recent trends do not bode well for the physical sciences. The Senate voted last year to double our investment in basic scientific research over the next decade, but the budget recently passed by this Congress places a higher priority on tax cuts and therefore will make such increases very difficult without forcing important cuts in other areas. Nevertheless, I hope that my colleagues understand that basic research is an appropriate role for government, and that such investment is clearly in the national interest.

To be sure, the R&D picture as a whole—public and private sectors combined—has been improving. R&D had reached a peak of nearly three percent of GDP in the early 1960s, and the number has recently risen close to its 1960s peak. But the overall federal investment in R&D is still relatively flat, because much of the recent gains have come from private industry. And as I already mentioned, much of that is in product development, rather than the most basic research.

If we look exclusively at the federal role in basic research, the numbers show the trend even more clearly. The federal R&D budget as a percent of GDP was nearly two percent in the mid 1960s, and it is less than eight-tenths of one percent today. These declines have not been shared equally. Funding for the National Institutes of Health is much higher, and funding for the National Science Foundation is up slightly. But the other traditional big science agencies are significantly lower, with defense R&D cuts playing a central role. Defense R&D is down thirty percent over the past six years.

Again, some claim that this problem is overstated, because the private sector has picked up the slack. But there are two problems. First, with such a short time horizon for corporations, the private sector often looks to short-term projects like product development, rather than long-term projects with unsure real-world applications. This makes basic research more dependent on the federal government.

Second, public and private investment is only increasing in two areas, information technology and biotech/pharmaceuticals. Math, chemistry, geology, physics, and chemical, mechanical, and electrical engineering are all declining. The United States risks falling behind in the area of innovation, as other nations such as South Korea, Taiwan, Singapore, Israel, and even Japan increase their investments in new ideas and new technologies.

The shift in federal R&D resources to health and biotech is a major reason we see so many talented people in the life sciences, but fewer and fewer mathematicians, chemists, physicists, and engineers. You could make a very strong argument that the stagnation in U.S. degrees in physical sciences and engineering is related to the decline of federal research dollars in these areas, because R&D funds not only science projects, but also the graduate students and researchers who will be tomorrow's scientists, technical workers, and teachers.

Consider the upcoming debate over increasing the number of H–1B visas, a special visa that allows foreign workers with special skills to work in the United States. Our national talent pool is being raided so heavily by the life sciences—in large part because the research money is there, meaning more opportunities for students—that the high tech industry desperately needs workers. By some estimates, hundreds of thousands of well-paying high-tech jobs remain unfilled because the U.S. talent pool is stretched so thin. While some in Congress—including myself—are willing to allow more H–1B workers if there is additional money for job training and science scholarships, we also know that job training alone is not the answer to the high-tech labor shortage. We must put more research money into the physical sciences so that more young people are attracted to these fields of work.

Another problem that we must deal with is entitlement reform. The constant growth of entitlement programs like Social Security and Medicare squeezes other areas of the budget and puts every program on the discretionary side in direct competition with each other. All discretionary programs, including research, are coming out of a smaller and smaller share of the pie.

The numbers here are telling. In the early 1960s, discretionary spending—where all of the research money comes from—was two-thirds of the budget, while mandatory spending and entitlements accounted for only one-third. Today, this is completely reversed, with discretionary spending now accounting for only one-third of all spending. Some estimates show that if we don't make changes soon, the entire budget could go to entitlements just a few decades from now. We must all recognize that future increases in science and research will suffer if entitlements are not reformed.

Michael Porter of Harvard University has done a great deal of research on what makes countries competitive in the global economy. He writes that continuous innovation is the key—but innovation requires research. For example, where will tomorrow's Internet come from? No one could have known that government's investment in this area would have such a huge impact on all of our lives. If we fail to shift our budgetary priorities to make investments in the future, we cannot promise our children an ever-growing economy.

In closing, I am encouraged that the Council on Competitiveness has recognized the importance of basic science research to our economic well-being. I hope that the Senate, in a bipartisan fashion, will recognize that such investment is an appropriate role for government and is without question in the national interest, and that we will find ways to make the ''doubling bill'' a reality.

Mr. FRIST. Mr. President, I would like to make a few brief remarks about an usual letter I received on behalf of forty-seven leaders of the nation's premier high technology companies, universities, and labor organizations. This is the first time in its history that the Council on Competitiveness, a non-profit organization dedicated to strengthening U.S. innovation, has sent such a letter to Congress on behalf of its outstanding membership. The message is loud and clear: substantially increased funding for R&D is necessary to continue our national economic success and our international leadership.

Michael Porter, noted professor at the Harvard School of Business stated, ''the key to U.S. competitiveness is innovation—the ability to deliver products, processes, and services that cannot be easily or inexpensively produced elsewhere. Data shows that the U.S. is strong, but that a number of other countries are successfully making the transition from imitator to innovator.'' Economists argue that such an investment in innovation, through its impact on economic growth, will not drain our resources, but will actually improve our country's fiscal standing.

Current economic expansion and growth, however, cannot be maintained if we do not provide the necessary funds and incentives to perform critical R&D throughout the scientific disciplines. During the 1990s, the funding for math has declined 20 percent, physics has declined 20 percent, chemistry has dropped by 10 percent and engineering has dropped 30–40 percent. These reductions have the combined effect of eroding the base from which new technologies can be derived.

The Government plays a critical role in driving the innovation process in the United States. The majority of the federal government's basic R&D is directed toward critical missions to serve the public interest in areas including health, environmental pollution control, space exploration, and national defense. Federal funds support nearly 60 percent of the nation's basic research, with a similar share performed

in colleges and universities. It is this fundamental research, combined with a strong talent pool, that ultimately drives the innovation process.

Throughout my career in the Senate, I have spent a considerable amount of time advocating for greater funding levels for civilian R&D. Together with many of my colleagues from both sides of the aisle, I have been trying to educate others on the value of the federal government's role in funding merit-based and peer-reviewed programs. One only has to look at lasers, mechanical cardiac assist devices, and automatic internal defibrillators to find an examples of prudent federal investments in R&D.

The Federal Research Investment Act, which I authored with Senators ROCKEFELLER, DOMENICI, and LIEBERMAN, passed the Senate last July for the second year in a row. Yet it has unfortunately languished in the House. The bill would double the amount of federally-funded civilian R&D over an eleven year period, while at the same time, establishing strong accountability mechanisms. I believe that a balanced portfolio of research across all scientific disciplines will enable our national economy to continue to grow and to raise our standard of living.

We rally around increased federal funding for basic R&D, yet we are faced with daunting prospects each year of drastic cuts in the federal investment. Somehow, we are stuck in the same position each year of trying to convince Congress of R&D's necessity to the well-being of our nation, as we confront very real budgetary limitations. We must set priorities. While I strongly believe that Congress must strive to stay within the budget caps, I also firmly believe that funding for R&D should be allowed to grow in fiscal year 2001 and beyond.

As a result of the current fiscal environment in Congress and the desire to utilize the surplus prudently, I am confident that investing in basic R&D, and in turn the technological innovation of the future, is a proper use of the federal taxpayers dollars. This pivotal need for a resurgence in basic R&D investments is evident when we further consider our nation's increased dependency on technology and the global competition that threatens our sustained leadership position. R&D drives the innovation process, which in turn drives the U.S. economy. Now is not the time to turn our backs on the nation's future prosperity.

Mr. President, I want to thank the Council on Competitiveness again for it poignant statement and strongly encourage each of my colleagues to consider its message as we continue to make budgeting decisions this year.

PUBLIC SERVICE RECOGNITION WEEK 2000

Mr. AKAKA. Mr. President, I rise today during Public Service Recognition Week 2000 to encourage my colleagues to take a moment to honor the many selfless actions and outstanding accomplishments of our nation's state, local, and Federal public servants. As the ranking member on the Senate Subcommittee on International Security, Proliferation, and Federal Services, with direct jurisdiction over the Federal civil service, I take particular pride in honoring the millions of dedicated men and women who work around the clock on our behalf.

Their responsibilities are as varied as the challenges presented by their jobs. Our armed forces and civilian defense workers keep us out of harms's way—both domestically and abroad—our public school teachers instruct our children, and the U.S. Postal Service provides delivery to every address in the nation. Our public servants safeguard our food supplies; support our social services infrastructure, oversee and protect our economy; and so much more. These men and women are the backbone of what makes America great. We often take them for granted and in certain instances subject them to scorn and ridicule. With little recognition from the public they serve, these employees are unwavering in their dedication, honor, purpose, and ability to serve their cities, counties, states, and Federal Government.

I am heartened that so many school districts are fostering public service by requiring their students to serve as volunteers prior to graduating high school. As a former school teacher and administrator, I believe that voluntary service is useful and appropriate in developing a sense of community and fellowship, and I am hopeful that as each generation matures it will see the value of continuing their public service by working in state, local, or Federal Government. However, I am aware that Congress must play a role in supporting public service.

At a Governmental Affairs Committee hearing this week on the effectiveness of Federal employee incentive programs it became evident that the lack of sufficient funds to support viable and much-needed compensation, recognition, and incentives program for Federal employees was hampering efforts to recruit, retain, and relocate Federal workers.

Federal agencies, if given adequate funding, would be better positioned to utilize incentive programs that are already available. Flattened budgets and the pressure to reallocate limited resources do not benefit Federal employees or the ultimate end-user: the American taxpayer.

Our Nation's Federal civil servants have given much to their country, especially when Congress was balancing the budget during times of crunching deficits. Now that the country is enjoying record-breaking surpluses, I believe Federal employees should be rewarded for their contributions, and I will continue to push for realistic budgets and salaries for Federal agencies and their employees.

I proudly join all public service workers in observance of the 16th annual Public Service Recognition Week, and I heartily salute the past accomplishments, outstanding service, and future contribution that these outstanding men and women make to our Nation's greatness.

Mr. SARBANES. Mr. President, I rise today to spotlight the significant achievements of all those who make up our Nation's public workforce.

This week, from May 1st to the 7th, is Public Service Recognition Week, organized by the Public Employees Roundtable. The Public Employees Roundtable was formed in 1982 as a nonpartisan coalition of management and professional associations representing approximately one million public employees and retirees. The mission of the Roundtable is to educate the American people about the numerous ways public employees enrich the quality of life throughout our Nation and advance the country's national interests around the world.

I am indeed proud to join the Public Employees Roundtable in their ongoing efforts to bring special attention to the dedicated individuals who have chosen public service as a career. While we should all appreciate the efforts of public employees throughout the year, this week-long celebration is an invaluable opportunity to honor their contributions and learn about the vast array of programs and services public employees provide every day. For four days, starting today, a wide variety of organizations will sponsor exhibits on the Mall to spotlight the work public employees perform. This year, among the numerous agencies represented, will be the Animal and Plant Health Inspection Service; the National Highway Traffic Safety Administration; the Army, Navy, Air Force, and Marine Corps; and the Social Security Administration.

These exhibits sponsored by civilian and Department of Defense agencies will showcase the amazing variety of public employees that make ours the greatest Nation in the world—at the Federal, state, and local government levels. This year, I was also pleased to join with several of my House and Senate colleagues in circulating to every Congressional office a videotape entitled ''Salute to Excellence,'' produced by the Public Employees Roundtable. In a brief 10 minutes, the video clearly demonstrates that our Nation's public servants are hard-working individuals who perform vital work for the country each and every day.

The total impact of the work of public employees is impossible to measure. Without them, senior citizens would wait in vain for Social Security checks, cities would not have the funds and assistance to improve their highways, and our entrepreneurs could not protect their new inventions. In short, all of our citizens would suffer.

Initiatives to improve government services have encouraged the development of creative solutions and programs to better serve our citizens. Several of these innovative ideas were recognized at the ''Breakfast of Champions'' held this Monday honoring winners of the 2000 Public Service Excellence Awards. These honorees—and public employees everywhere—are finding ways to do their work better, more professionally, and in a way that meets the community's needs.

As I have said on many occasions, I believe very much that the United States will only continue to be a first-rate country if we have first-class public servants. Our Nation is experiencing unprecedented growth and unemployment rates, and has unquestionably benefited from the many achievements of Federal employees. In setting aside this week to acknowledge our Nation's public servants, we all have an opportunity to give these employees the thanks and recognition they so greatly deserve. I am very pleased to extend my appreciation to such a worthy and committed group of men and women and encourage them to continue in their efforts on behalf of all Americans.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, May 3, 2000, the Federal debt stood at $5,658,066,936,728.56 (Five trillion, six hundred fifty-eight billion, sixty-six million, nine hundred thirty-six thousand, seven hundred twenty-eight dollars and fifty-six cents).

One year ago, May 3, 1999, the Federal debt stood at $5,562,741,000,000.00 (Five trillion, five hundred sixty-two billion, seven hundred forty-one million).

Five years ago, May 3, 1995, the Federal debt stood at $4,855,155,000,000 (Four trillion, eight hundred fifty-five billion, one hundred fifty-five million).

Ten years ago, May 3, 1990, the Federal debt stood at $3,078,032,000,000 (Three trillion, seventy-eight billion, thirty-two million).

Fifteen years ago, May 3, 1985, the Federal debt stood at $1,741,069,000,000 (One trillion, seven hundred forty-one billion, sixty-nine million) which reflects a debt increase of more than $3 trillion—$3,916,997,936,728.56 (Three trillion, nine hundred sixteen billion, nine hundred ninety-seven million, nine hundred thirty-six thousand, seven hundred twenty-eight dollars and fifty-six cents) during the past 15 years.

ADDITIONAL STATEMENTS

THE RETIREMENT OF DR. RICHARD J. HALIK

● Mr. ABRAHAM. Mr. President, I rise today to recognize Dr. Richard J. Halik, who is retiring after 34 years of dedicated service to the Lansing, Michigan, School District. A graduate of Eastern High School in Lansing himself, Dr. Halik has enjoyed a successful career as a student, teacher, and administrator in the Lansing School District, and his efforts as Superintendent have played a large role in bringing the Lansing Public School system into the new millennium on a successful note.

After receiving his Bachelor of Arts Degree from Western Michigan University in 1966, Dr. Halik took a position as a seventh grade science teacher at Otto Middle School. In 1970, he was named Supervisor of federally funded Title I programs operating in the district at the time, and in 1972 he became Director of Federal and State Programs for the Lansing School System. After serving as Principal of Gardner Junior High School in 1979–80, Dr. Halik was promoted to the position of Elementary Education Director in 1981, and the following year became Assistant Superintendent for Instruction. On July 1, 1985, he was named Superintendent of the Lansing School District, and he has held this post ever since.

Dr. Halik has been an active member of the Lansing community his entire life. He currently serves as Vice Chair of the Sparrow Health System Board of Directors, and as Vice President of the Hinman Endowment Fund Board of Directors. In addition, he sits on the Board of Directors of several other local organizations, including the Greater Lansing Area Advisory Council, the Lansing Area Safety Council, the Estes Palmer Foundation, the Urban Education Alliance, and Junior Achievement. He is also on the Advisory Board of the Lansing Area Safety Council, the Corporate Board of the Boys and Girls Club of Lansing, and is a member of the Board of Trustees of the Lansing Educational Advancement Foundation.

Dr. Halik is a member of Mt. Hope Presbyterian Church and the Lansing Host Lions Club, and has served as President of the latter group. He has also served as President of the Middle Cities Education Association and the Lansing Association of School Administrators. In 1978, he represented the State of Michigan at the National Institute of Education as advisor on the relationship of the Michigan Compensatory Education Program to ESEA Title I, and in 1993 he was a recipient of the National Leadership Award from the Institute for Education Leadership.

Dr. Halik's contributions to the Lansing School District, and to Michigan's education community in general, are truly immeasurable. I would like to thank him for his dedication and many efforts over the last thirty-four years. His leadership during this time has been exceptional and will be dearly missed. On behalf of the entire United States Senate, I congratulate Dr. Richard J. Halik on a wonderful and successful career, and wish him the best of luck in retirement.●

TRIBUTE TO EDWARD J. LISTON

● Mr. REED. Mr. President, it is with great honor that I rise today to acknowledge a truly distinguished Rhode Islander, Edward J. Liston, who after having diligently served for 22 years will be retiring as the President of the Community College of Rhode Island on May 7th, 2000. President Liston currently resides in the town of Warwick, Rhode Island, with his wife Judith, where he is a proud father to six wonderful children: Christina, Edward, Jennifer, Judith, Mark, and Nancy.

Throughout his tenure as President, Edward Liston worked hard to provide both educational and job training opportunities for Rhode Islanders of all walks of life. Upon his arrival on campus in 1978, to more accurately reflect his mission for the institution, President Liston immediately set out to change the name of what was then known as the Junior College of Rhode Island, to its present name of the Community College of Rhode Island (CCRI). In order to further expand CCRI's programs into the community, President Liston established a system of satellite campuses in various local high schools that would offer evening courses in such towns as Woonsocket, Westerly, and Middletown. In addition, he successfully made inroads to provide educational courses at the Adult Correctional Institution in Cranston.

President Liston strongly believes that CCRI should have a presence in Rhode Island's inner city communities. In 1990, he opened a downtown Providence Campus which started with a total enrollment of 650 students. Today, over 2,000 students are taking classes at that campus, and plans are underway for an expansion funded by a 1998 bond issue. To acknowledge this achievement, the state has renamed the Providence campus the Edward J. Liston Campus.

Immediately after opening the Providence campus, President Liston worked to make CCRI the first higher education institution in Rhode Island to offer television courses through the public broadcasting system on Channel 36. To no surprise, this initiative also flourished, and has led to an increase in viewer enrollment from 100 students, to 1,200 students per semester. In 1989, PBS ranked CCRI the number one school in the country for deliverance of telecourses. Still pushing forward, President Liston then worked to establish a series of partnerships with business and industry leaders to improve the Rhode Island workforce through customized training designed for a particular company. One of the first partnerships was with General Dynamics' Electric Boat Division. This initiative involved a combination of on the job apprenticeship training, and classroom instruction that resulted in an associate degree. This first step led to the creation of the Center for Business and Industrial Training, now a part of the college's Office of Workforce Development. This center was also directly responsible for the creation of the successful Dental Hygiene program at the college, due to its partnership with the Rhode Island Dental Association.

On behalf of all Rhode Islanders, I would like to take this opportunity to personally extend my deepest thanks and gratitude to Edward Liston for his continued hard work and dedication over the years to improving the lives of so many Rhode Islanders and their families.●

TRIBUTE TO YEOMAN (SS) SECOND CLASS MATTHEW C. HAWES, UNITED STATES NAVY

● Mr. WARNER. Mr. President, I rise today to recognize Yeoman Second Class Matthew C. Hawes, United States Navy, for his unsurpassed dedication to duty, professionalism, and public service. As Petty Officer Hawes transitions from the active duty Navy to the civilian work force and the Naval Reserve, I am privileged to recognize his achievements and to commend him for the exemplary service he has provided to the Senate, the Navy and our great nation.

Petty Officer Hawes enlisted in the Navy in January 1991 and was assigned to the U.S.S. *Cincinnati* (SSN 693) after completing Yeoman ''A'' school and Basic Enlisted Submarine School. While aboard the *Cincinnati,* he made several overseas deployments which contributed to the security of our nation and earned his ''Silver Dolphins,'' the enlisted submarine warfare qualification insignia. He was then assigned to Joint Task Force 160 in Guantanamo Bay, Cuba, as the Non-Commissioned Officer-in-Charge of the J1 Division.

After his six-month deployment to Cuba, Petty Officer Hawes was assigned to the Bureau of Naval Personal as the Administrative Assistant to the Enlisted Nuclear Power Programs Manager. He served in this position until he was selected for assignment to the Navy's Office of Legislative Affairs. Petty Officer Hawes reported to the Navy's Senate Liaison Office in April 1996 as a Liaison Officer and Administrative Assistant. In this capacity he has been a major asset to the Navy and to the United States Senate. He has been key to the smooth coordination of all Navy leadership visits to the Senate, as well as for the accurate and prompt management of a wide variety of Navy-related Senate constituent casework. Petty Officer Matthew Hawes has been extremely helpful to me and to my staff in numerous actions, as I know he has been for many of you.

The Department of the Navy, Congress, and the American people were well served by this dedicated Navy Petty Officer. Members of this Congress will not soon forget the service and dedication of Petty Officer Hawes. He will be missed. We wish Matthew, his lovely wife Blairlee, and their daughter Kathryn, Fair Winds and Following Seas.●

2000 NATIONAL FINALS

● Mr. REID. Mr. President, on May 6–8, 2000, more than 1,200 students from across the United States will be in Washington, D.C. to compete in the national finals of the We the People . . . The Citizen and the Constitution program. I am proud to announce that the class from Basic High School from Henderson will represent the State of Nevada in this national event. These young scholars have worked diligently to reach the national finals and through their experience have gained a deep knowledge and understanding of the fundamental principles and values of our constitutional democracy.

The names of the students are; Katie Bair, Joshua Bitsko, Ryan Black, Daniel Croy, Scott Devoge, Danielle Dodgen, Courtney England, Starlyn Hackney, Jill Hales, Alia Holm, Janae Jeffrey, Ryan Johnson, Aimee Lucero, Nathan Lund, Jessica Magro, Jasmine Miller, Holli Mitchell, Gary Nelson, Krystaly Nielsen, Mark Niewinski, Amanda Reed, Jeni Riddle, Leslie Roland, Landin Ryan, Alena Sivertson, Ashley Stolworthy, Sarah Strohm, Tyler Watson, Kara Williams, and Ricky Zeedyk. I would also like to recognize their teacher, John Wallace, who deserves much of the credit for the success of the class.

The We the People . . . The Citizen and the Constitution program is the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights. The three-day national competition is modeled after hearings in the United States Congress. These hearings consist of oral presentations by high school students before a panel of adult judges. The students testify as constitutional experts before a panel of judges representing various regions of the country and a variety of appropriate professional fields. The students' testimony is followed by a period of questioning by the simulated congressional committee. The judges probe students for their depth of understanding and ability to apply their constitutional knowledge. Columnist David Broder described the national finals as ''the place to have your faith in the younger generation restored.''

Administered by the Center for civic Education, the We the People . . . program has provided curricular materials at upper elementary, middle, and high school levels for more than 26.5 million students nationwide. The program provides students with a working knowledge of our Constitution, Bill of Rights, and the principles of democratic government. Members of Congress and their staff enhance the program by discussing current constitutional issues with students and teachers and by participating in other educational activities.

The class from Basic High School is currently conducting research and preparing for the upcoming national competition in Washington, D.C. I wish these young ''constitutional experts'' the best of luck at the We the People . . . national finals and my staff and I look forward to greeting them when they visit Capitol Hill.●

TRIBUTE TO MS. JULIA TOBIAS AND MR. GUSTAV OWEN ON BEING NAMED NEW HAMSHIRE'S TOP TWO YOUTH VOLUNTEERS FOR THE YEAR 2000

● Mr. SMITH of New Hampshire. Mr. President, I rise today to congratulate and honor two young New Hampshire students who have achieved national recognition for exemplary volunteer service in their communities. Julia Tobias, 17 of Exeter and Gustav Owen, 14 of Barlett have been named State honorees in the 2000 Prudential Spirit of Community Awards program, an annual honor conferred on only one high school student and one middle-level student in each state.

Ms. Tobias is being recognized for founding ''Youth Across Borders'' a nonprofit fund to benefit a youth center in Bosnia and to raise awareness in her own community about issues of prejudice, tolerance and the Bosnia cause. Though thousands of miles away, Julia felt she could make a difference for these young people by providing money for school supplies, teachers and other materials needed to support the center's ethnic reconciliation programs. She then expanded her mission to promote racial harmony among youth in her city. So far, she has raised $2,500 through various school and community fund-raising for her project.

Mr. Owen is being recognized for conceiving and organizing a school-wide assembly on bus safety and emergency procedures. During his school's semi-annual bus evacuation drills, Gustav noticed that his fellow students did not fully understand what to do or why the drills were necessary. He felt that if the students were more aware, they would be better prepared for a true emergency. So Gustav approached his principal with the idea of conducting a school assembly on the subject, and began researching the bus driver's handbook for more information on emergency procedures. He then called a meeting with the bus drivers, the fire chief, and a police officer to discuss how to involve the students. Finally, he wrote a plan for assembly, recruited volunteers to help, and hosted the actual event, which was followed by bus evacuation demonstrations for the entire school.

Mr. President, in light of numerous statistics that indicate Americans today are less involved in their communities then they once were, it's vital that we encourage and support the kind of selfless contributions these young People have made. People of all ages need to think more about how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and neighborhoods. Young volunteers like Ms. Tobias and Mr. Owen are inspiring examples to all of us, and are among

our brightest hopes for a better tomorrow.

I applaud Ms. Tobias and Mr. Owen for their initiative in seeking to make their communities better places to live, and for the positive impact they have had on the lives of others. It is an honor to serve both Ms. Tobias and Mr. Owen in the United States Senate.●

TRIBUTE TO MYRA LENARD

● Ms. MIKULSKI. Mr. President, I rise to pay tribute to the life of Myra Lenard. She was a daughter of Polonia who played an important role in the life of America.

Myra Lenard was born in Poland and immigrated to America as a young girl. Like so many new Americans—she embraced her new country while never forgetting her homeland.

Myra had a long career as a successful business woman and community volunteer. I got to know her because of our shared commitment to our proud Polish heritage. As the executive director of the Polish American Congress, she was one of our strongest voices for the people of Poland who were forced behind the Iron Curtain. We worked together to provide humanitarian relief and to support the growing democracy movement. She was one of Solidarity's best friends in America.

During the darkest days of martial law in Poland, Myra led the Polish American Congress' ''Solidarity Convoy,'' in which 32 container trucks provided $10 million worth of supplies for the suffering people of Poland. This showed the Polish people that they were not alone.

When Poland became free, Myra began her tireless efforts to rebuild Poland and to enable it to take its rightful place among Western democratic nations. This effort didn't begin in 1998—when the issue started to make headlines. It began in 1989, when Congress passed legislation to provide assistance to the new democracies of central Europe. It was a long process of educating Congress and the American people on how Poland's membership in NATO would contribute to America's security. Myra was there every step of the way. She was gentle but extremely persuasive. She was creative in tapping into the energy of the Polish American community who understand the history, and cared so deeply.

Myra Lenard's life was a triumph. Her legacy is her family, as well as the deep friendship and alliance between the United States and a free, democratic Poland. I will miss her friendship and her counsel. Her beloved husband Cas and their children are in my thoughts and prayers.●

TEEN PREGNANCY PREVENTION AWARENESS MONTH

● Mr. HOLLINGS. Mr. President, teen pregnancy is an alarming health, social and economic problem for our country and we must all work together to address it. Every year, more than a million girls under the age of 20 become pregnant at an estimated cost of $6.9 billion to American taxpayers. In South Carolina, teen pregnancy is of particular concern. Our state has the 10th highest teen pregnancy rate in the nation, spending more than a billion dollars a year to cover direct and indirect costs for children born to teen mothers. The efforts of organizations such as the Greenville Council for the Prevention of Teen Pregnancy have made a difference—teen pregnancy in Greenville County, SC has decreased 44% since 1988 for girls aged 14–17. Community awareness and education are the key and I would like bring to my colleagues' attention that May has been designated Teen Pregnancy Prevention Awareness Month. It is our duty to ensure that America's youth have a bright, healthy and secure future.●

MASSACHUSETTS STATE LETTER CARRIERS' ASSOCIATION

● Mr. KERRY. Mr. President, today I would like to honor the efforts of my long time friends at the Massachusetts State Letter Carriers' Association (MSLCA) as they continue to fight for job security, fair pensions, health care, and reforms to the national postal system. I would also like to applaud Massachusetts president, Frederick Celeste, and the National Association of Letter Carriers as they continually seek to improve and develop a mail service that efficiently delivers both in Massachusetts and nationwide.

Soon Massachusetts' proud 11,000 Letter Carriers will be gathering in Washington, D.C. for their annual convention. These hardworking men and women provide the Bay State with a vital service each day. Letter Carriers have been the backbone of the communications and commercial infrastructure of our nation since its inception. On behalf of all Massachusetts residents, I would like to thank the Letter Carriers Association for remaining vigilant in the fight to further improve the postal system.

The Letter Carriers' Association has always fought for decent wages, cost of living adjustments, job security, and benefits for its brothers and sisters, while constantly striving to forge a more effective partnership with the United States Postal Service and the federal government. Throughout my career, I have always been grateful for the tremendous help I have received from the Letter carriers.

This year, The Letter Carriers of New England are rallying around an agenda to secure fair benefits to provide security for their families and their future. They are fighting for adequate social security benefits through the Windfall Elimination Provision and the Social Security Benefits Restoration Act. The Carriers are working to secure long-term care insurance for federal employees, and are guarding against rate hikes in the Federal Employee Health Benefits Plan by opposing inserting medical savings accounts. I look forward to continuing to join with the Letter Carriers in opposing the privatization of the Postal Service.

Mr. President, The American public has an overwhelmingly favorable view of their letter carriers. In fact, 89 percent of the American public gives the Postal Service a favorable rating, higher than any other federal agency. In addition, 75 percent of Americans identify that the Postal Service is doing an excellent or good job. I think that it is time that we say, if it is not broke, don't fix it.

The Letter Carriers have recently won some victories for their brother and sisters. In September, 1999, an Arbitration Board, in conjunction with an agreement between the Postal Service and the NALC, upgraded all letter carriers from Grade 5 to Grade 6 federal employees. The recent pay raise and cost of living adjustments reflect the concerted lobbying and negotiating efforts of the Letter carriers' leadership, including National President Vincent Sombrotto.

Mr. President, I would like to thank the Letter Carriers for their service to the public. There is much to celebrate. As we focus on the fights that lay ahead, I look forward to joining with the Letter Carriers to protect our families and our future.●

MESSAGES FROM THE HOUSE

At 10:01 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that it has passed the following bills, without amendment:

S. 2323. An act to amend the Fair Labor Standards Act of 1938 to clarify the treatment of stock options under the Act.

S. 1744. An act to amend the Endangered Species Act of 1973 to provide that certain species conservation reports shall continue to be submitted.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1405. An act to designate the Federal building located at 143 West Liberty Street, Medina, Ohio, as the ''Donald J. Pease Federal Building.''

H.R. 1509. An act to designate the Federal facility located at 1301 Emmet Street in Charlottesville, Virginia, as the ''Pamela B. Gwin Hall.''

H.R. 1729. An act to designate the Federal facility located at 1301 Emmet Street in Charlottesville, Virginia, as the ''Pamela B. Gwin Hall.''

H.R. 1901. An act to designate the United States border station located in Pharr, Texas, as the ''Kika de la Garza United States Border Station.''

H.R. 2957. An act to amend the Federal Water Pollution Control Act to authorize funding to carry out certain water quality restoration projects for Lake Pontchartrain Basin, Louisiana, and for other purposes.

H.R. 3879. An act to support the Government of the Republic of Sierra Leone in its peace-building efforts, and for other purposes.

H.R. 4055. An act to authorize appropriations for part B of the Individuals with Disabilities Education Act to achieve full funding for part B of that Act by 2010.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 295. Concurrent resolution relating to continuing human rights violations and political oppression in the Socialist Republic of Vietnam 25 years after the fall of South Vietnam to Communist forces.

H. Con. Res. 304. Concurrent resolution expressing the condemnation of the continued egregious violations of human rights in the Republic of Belarus, the lack of progress toward the establishment of democracy and the rule of law in Belarus, calling on President Alyaksandr Lukashenka's regime to engage in negotiations with the representatives of the opposition and to restore the constitutional rights of the Belarusian people, and calling on the Russian Federation to respect the sovereignty of Belarus.

H. Con. Res. 310. Concurrent resolution supporting a National Charter Schools Week.

H. Con. Res. 314. Concurrent resolution authorizing the use of the Capitol Grounds for a bike rodeo to be conducted by the Earth Force Youth Bike Summit.

The message also announced that the House has disagreed to the amendments of the Senate to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa, and agrees to the conference asked by the Senate on the disagreeing votes of the Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on International Relations, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. GILMAN, Mr. ROYCE, and Mr. GEJDENSON.

From the Committee on Ways and Means, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. ARCHER, Mr. CRANE, and Mr. RANGEL.

As additional conferees, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. HOUGHTON and Mr. HOEFFEL.

At 4:05 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1405. An act to designate the Federal building at 143 West Liberty Street, Medina, Ohio, as the ''Donald J. Pease Federal Building''; to the Committee on Environment and Public Works.

H.R. 1509. An act to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs to honor veterans who became disabled while serving in the Armed Forces of the United States; to the Committee on Energy and Natural Resources.

H.R. 1729. An act to designate the Federal facility located at 1301 Emmet Street in Charlottesville, Virginia, as the ''Pamela B. Gwin Hall''; to the Committee on Environment and Public Works.

H.R. 1901. An act to designate the United States border station located in Pharr, Texas, as the ''Kika de la Garza United States Border Station''; to the Committee on Environment and Public Works.

H.R. 2957. An act to amend the Federal Water Pollution Control Act to authorize funding to carry out certain water quality restoration projects for Lake Pontchartrain Basin, Louisiana, and for other purposes; to the Committee on Environment and Public Works.

H.R. 3879. An act to support the Government of the Republic of Sierra Leone in its peace-building efforts, and for other purposes; to the Committee on Foreign Relations.

H.R. 4055. An act to authorize appropriations for part B of the Individuals with Disabilities Education Act to achieve full funding for part B of that Act by 2010; to the Committee on Health, Education, Labor, and Pensions.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 295. Concurrent resolution relating to continuing human rights violations and political oppression in the Socialist Republic of Vietnam 25 years after the fall of South Vietnam to Communist forces; to the Committee on Foreign Relations.

H. Con. Res. 304. Concurrent resolution expressing the condemnation of the continued egregious violations of human rights in the Republic of Belarus, the lack of progress toward the establishment of democracy and the rule of law in Belarus, calling on President Alyaksandr Lukashenka's regime to engage in negotiations with the representatives of the opposition and to restore the constitutional rights of the Belarusian people, and calling on the Russian Federation to respect the sovereignty of Belarus; to the Committee on Foreign Relations.

H. Con. Res. 310. Concurrent resolution supporting a National Charter Schools Week; to the Committee on the Judiciary.

H. Con. Res. 314. Concurrent resolution authorizing the use of the Capitol Grounds for a bike rodeo to be conducted by the Earth Force Youth Bike Summit; to the Committee on Rules and Administration.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on May 4, 2000, he had presented to the President of the United States, the following enrolled bill and joint resolutions:

S. 452. An act for the relief of Belinda McGregor.

S.J. Res. 40. Joint resolution providing for the appointment of Alan G. Spoon as a citizen regent of the Board of Regents of the Smithsonian Institution.

S.J. Res. 42. Joint resolution providing for the reappointment of Manuel L. Ibanez as a citizen regent of the Board of Regents of the Smithsonian Institution.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–8796. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Robinson Helicopter Company Model R22 Helicopters; Docket No. 99–SW–69 (4–20/4–27)'' (RIN2120–AA64) (2000–0231), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8797. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Eurocopter France Model As–350B, BA, B1, B2, C, D, and D1, ans AS–355E, F, F1, F2, and N Helicopters; Docket No. 98–SW–82 (4–18/4–24)'' (RIN2120–AA64) (2000–0211), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8798. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Eurocopter France Model SA–366G1 Helicopters; Docket No. 99–SW–14 (4–19/4–24)'' (RIN2120–AA64) (2000–0231), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8799. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Robinson Helicopter Company Model R44 Helicopters; Docket No. 99–SW–70 (4–20/4–27)'' (RIN2120–AA64) (2000–0218), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8800. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Eurocopter Deutschland GMBH Model MBB–BK 117 A–1, A–3, A–4, B–1, B–2, and C–1 Helicopters; Docket No. 99–SW–73 (4–28/5–1)'' (RIN2120–AA64) (2000–0237), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8801. A communication from the National Aeronautics and Space Administration, transmitting, a draft of proposed legislation relative to appropriations for NASA; to the Committee on Commerce, Science, and Transportation.

EC–8802. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; McMinnville, TN; Docket No. 99–ASO–5 (4–13/4–24)'' (RIN2120–AA66) (2000–0091), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8803. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Orange City, IA; Docket No. 00–ACE–9 (4–18/4–24)'' (RIN2120–AA66) (2000–0086), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8804. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Sheldon, IA; Docket No. 00–ACE–8 (4–18/4–24)'' (RIN2120–AA66) (2000–0087), received April 27, 2000; to the

Committee on Commerce, Science, and Transportation.

EC–8805. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Dayton, TN; Docket No. 99–ASO–6 (4–13/4–24)'' (RIN2120–AA66) (2000–0092), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8806. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; O'Neill, NE; Docket No. 99–ACE–55 (4–11/4–24)'' (RIN2120–AA66) (2000–0097), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8807. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Creston, IA; Docket No. 00–ACE–1 (4–11/4–24)'' (RIN2120–AA66) (2000–0095), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8808. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Ord, NE; Docket No. 00–ACE–2 (4–11/4–24)'' (RIN2120–AA66) (2000–0096), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8809. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Scammon Bay, AK; Docket No. 99–AAL–19 (4–21/5–1)'' (RIN2120–AA66) (2000–0108), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8810. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Kipnuk, AK; Docket No. 99–AAL–20 (4–21/5–1)'' (RIN2120–AA66) (2000–0107), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8811. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Holy Cross, AK; Docket No. 99–AAL–22 (4–21/5–1)'' (RIN2120–AA66) (2000–0106), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8812. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of Class E Airspace; Uvalde, TX; Docket No. 2000–ASW–04 (4–21/5–1)'' (RIN2120–AA66) (2000–0103), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8813. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of the Legal Description of the Houston Class B Airspace Area, TX; Docket No. 00–AWA–1 (4–13/4–24)'' (RIN2120–AA66) (2000–0094), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8814. A communication from the, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of Class E Airspace; Unalaska, AK; Docket No. 99–AAl–13 (4–21/5–1)'' (RIN2120–AA66) (2000–0100), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8815. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of Class E Airspace; Port Lavaca, TX; Docket No. 2000–ASW–03 (4–21/5–1)'' (RIN2120–AA66) (2000–0105), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8816. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of Class E Airspace; Carrizo Springs, Glass Ranch, TX; Docket No. 2000–ASW–12 (4–21/5–1)'' (RIN2120–AA66) (2000–0101), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8817. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Saginaw, MI; Docket No. 98–AGL–58 (4–17/4–24)'' (RIN2120–AA66) (2000–0088), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8818. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Coldwater, MI; Docket No. 98–AGL–59 (4–17/4–24)'' (RIN2120–AA66) (2000–0089), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8819. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Watertown, SD, and Britton, SD; Docket No. 99–AGL–60 (4–17/4–24)'' (RIN2120–AA66) (2000–0090), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8820. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revocation of Class E Airspace; Freeport, TX; Docket No. 2000–ASW–11 (4–21/5–1)'' (RIN2120–AA66) (2000–0102), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8821. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (120); Amdt. No. 1986 (4–19/4–24)'' (RIN2120–AA65) (2000–0025), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8822. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (65); Amdt. No. 1987 (4–19/4–24)'' (RIN2120–AA65) (2000–0024), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8823. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (36); Amdt. No. 1988 (4–19/4–24)'' (RIN2120–AA65) (2000–0023), received April 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8824. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Restricted Areas R–5117, R–5119, R–5121 and R–5123; Docket No. 95–ASW–6 (4–21/4–27)'' (RIN2120–AA66) (2000–0099), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8825. A communication from the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Repair Assessment for Pressurized Fuselages; Docket No. 29104 (4–25/4–27)'' (RIN2120–AF81), received May 1, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8826. A communication from the Office of Regulatory Analysis and Development, Policy and Program Development, Animal and Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Oriental Fruit Fly; Removal of Quarantined Area'' (Docket # 99–076–2), received May 3, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8827. A communication from the Agricultural Marketing Service, Cotton Program, Department of Agriculture transmitting, pursuant to law, the report of a rule entitled ''2000 Amendment to Cotton Board Rules and Regulations Adjusting Supplemental Assessment on Imports'' (Docket Number CN–00–002), received May 2, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8828. A communication from the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture transmitting, pursuant to law, the report of a rule entitled ''Almonds Grown in California; Release of the Reserve Established for the 1999–2000 Crop Year'' (Docket Number FV00–981–IFR), received May 2, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8829. A communication from the Commodity Futures Trading Commission transmitting, pursuant to law, the report of a rule entitled ''Commodity Pool Operators; Exclusion for Certain Otherwise Regulated Persons from the Definition of the Term 'Commodity Pool Operator'" (RIN3038–AB34), received April 27, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8830. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals dated March 13, 2000; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986; to the Committees on Appropriations; the Budget; Banking, Housing, and Urban Affairs; Energy and Natural Resources; and Foreign Relations.

EC–8831. A communication from the Corporate Policy and Research Department, Pension Benefit Corporation transmitting, pursuant to law, the report of a rule entitled ''Benefits Payable in Terminated Single-Employer Plans; Allocations of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits'', received April 26, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC–8832. A communication from the Office of Public and Indian Affairs, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Allocation of Funds Under the Capital Fund; Capital Fund Formula; Amendment'' (RIN2577–AB87) (FR–4423–C–08), received May 2, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8833. A communication from the Office of Public and Indian Affairs, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Section 8 Moderate Rehabilitation

Program; Executing or Terminating Leases on Moderate Rehabilitation Units When the Remaining Terms of the Housing Assistance Payments (HAP) Contract is for Less Than One Year'' (RIN2577–AB98) (FR–4472–F–02), received May 2, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8834. A communication from the General Services Administration, Department of Defense, National Aeronautics and Space Administration transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Circular 97–17'' (FAC 97–17), received April 27, 2000; to the Committee on Governmental Affairs.

EC–8835. A communication from the National Archives and Records Administration transmitting, pursuant to law, the report of a rule entitled ''Elimination of Requirement to Rewind Computer Tapes'' (RIN3095–AA94), received April 26, 2000; to the Committee on Governmental Affairs.

EC–8836. A communication from the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 13–315, ''Adoption and Safe Families Amendment Act of 2000''; to the Committee on Governmental Affairs.

EC–8837. A communication from the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 13–313, ''Comprehensive Advisory Neighborhood Commissions Reform Amendment Act of 2000''; to the Committee on Governmental Affairs.

EC–8838. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–8839. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–8840. A communication from the General Counsel, Department of Defense, transmitting a draft of proposed legislation relative to operations and management; to the Committee on Armed Services.

EC–8841. A communication from the General Counsel, Department of Defense, transmitting a draft of proposed legislation entitled ''Consolidation of Authorities Relating to Department of Defense Regional Centers for Security Studies''; to the Committee on Armed Services.

EC–8842. A communication from the General Counsel, Department of Defense, transmitting a draft of proposed legislation entitled ''Institute for Professional Military Education and Training''; to the Committee on Armed Services.

EC–8843. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, a report entitled ''Compliance and Enforcement Strategy Addressing Combined Sewer Overflows and Sanitary Overflows''; to the Committee on Environment and Public Works.

EC–8844. A communication from the Fish and Wildlife Service, Department of the Interior transmitting, pursuant to law, the report of a rule entitled ''1999–2000 Refuge-Specific Hunting and Sport Fishing Regulations'' (RIN1018–AF52), received May 3, 2000; to the Committee on Environment and Public Works.

EC–8845. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; Indiana'' (FRL #6601–5), received May 3, 2000; to the Committee on Environment and Public Works.

EC–8846. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Authorization of State Hazardous Waste Management Program Revision'' (FRL #6601–4), received May 3, 2000; to the Committee on Environment and Public Works.

EC–8847. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Montana: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL #6601–3), received May 3, 2000; to the Committee on Environment and Public Works.

EC–8848. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants: Group I Polymers and Resins; and National Emission Standards for Hazardous Air Pollutants: Group IV Polymers and Resins'' (FRL #6585–7), received May 3, 2000; to the Committee on Environment and Public Works.

EC–8849. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Water Quality Standards; Establishment of Numeric Criteria for Priority Toxic Pollutants for the State of California'' (FRL #6587–9), received May 3, 2000; to the Committee on Environment and Public Works.

EC–8850. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''West Virginia: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL #6600–4), received May 3, 2000; to the Committee on Environment and Public Works.

EC–8851. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Amendments to Streamline the National Pollutant Discharge Elimination System Program Regulations: Round Two'' (FRL #6561–5), received April 26, 2000; to the Committee on Environment and Public Works.

EC–8852. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Protection of Stratospheric Ozone; Listing of Substitutes for Ozone-Depleting Substances'' (FRL #6585–5), received April 24, 2000; to the Committee on Environment and Public Works.

EC–8853. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Polyether Polyols Production; Synthetic Organic Chemical Manufacturing Industry; Epoxy Resins Production and Non-Nylon Polamides Production; and Petroleum Refineries'' (FRL #6585–5), received April 24, 2000; to the Committee on Environment and Public Works.

EC–8854. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Allocation of Fiscal Year 2000 Operator Training Grants'', received April 24, 2000; to the Committee on Environment and Public Works.

EC–8855. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; Reasonably Available Control Technology for Oxides of Nitrogen for the State of New York'' (FRL #6583–8), received April 25, 2000; to the Committee on Environment and Public Works.

EC–8856. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Oklahoma'' (FRL #6582–1), received April 25, 2000; to the Committee on Environment and Public Works.

EC–8857. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Hospital/Medical/Infectious Waste Incinerators; State Plan for Designated Facilities and Pollutants: Idaho'' (FRL #6580–6), received April 13, 2000; to the Committee on Environment and Public Works.

EC–8858. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Lake County Air Quality Management District and San Joaquin Valley Unified Air Pollution Control District'' (FRL #6580–3), received April 13, 2000; to the Committee on Environment and Public Works.

EC–8859. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Montana; Emergency Episode Plan, Columbia Falls, Butte and Missoula Particulate Matter State Implementation Plans, Missoula Carbon Monoxide State Implementation Plan; Correction'' (FRL #6582–4), received April 18, 2000; to the Committee on Environment and Public Works.

EC–8860. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Oregon; Negative Declaration'' (FRL #6580–9), received April 18, 2000; to the Committee on Environment and Public Works.

EC–8861. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Final Exclusion'' (FRL #6583–6), received April 18, 2000; to the Committee on Environment and Public Works.

EC–8862. A communication from the Office of Regulatory Management and Information,

Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Source Categories'' (FRL #6582–3), received April 18, 2000; to the Committee on Environment and Public Works.

EC–8863. A communication from the Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Myclobutainl; Pesticide Tolerance'' (FRL #6555–5), received May 3, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–487. A petition from a citizen of the State of New Mexico relative to the State of New Mexico participating in a ''joint lead'' capacity with the Bureau of Reclamation in developing an environmental impact statement for the Fort Summer Dam and Pecos River; to the Committee on Energy and Natural Resources.

POM–488. A joint resolution adopted by the Legislature of the State of Washington relative to public recognition programs commemorating the 50th anniversary of the Korean War; to the Committee on the Judiciary.

SUBSTITUTE SENATE JOINT MEMORIAL 8026

Whereas, On Sunday, June 25, 1950, seven North Korean Army Divisions supported by tanks and aircraft, conducted an attack and invaded the Southern Republic of Korea; and

Whereas, Three years and over five million casualties later, a cease fire was secured ending the fighting only miles from where it began; and

Whereas, The Korean War has only become a footnote in history to most Americans, but was no less of a war to the one and one-half million fighting men and women from this nation who served in that short ''Police Action'' and struggled to contain Communist aggression; and

Whereas, The memories of endless hostile hills, gritty pudding-like mud, snow, choking dust, frozen reservoirs, long periods of boredom, and the violent death of friends will forever linger in the minds of those who fought under these inhospitable conditions; and

Whereas, Twenty-two nations joined forces with the courageous people of South Korea, cherishing freedom and democracy under the United Nations Command, and eventually secured a cease fire for the preservation of peace and a democratic way of life for the citizens of South Korea; and

Whereas, More than five hundred sons and daughters of Washington state stood in the unbroken line of patriots who dared to die in order that freedom might live and grow. Freedom lives and through it, these courageous men and women live in a way that would humble the undertakings of most people; and

Whereas, The families and loved ones of these men and women sacrificed just as much, by enduring the pain of their absence, the uncertainty of their whereabouts, and the agony of their deaths; and

Whereas, This millennium commemorates the 50th anniversary of that holocaust, known as ''the Forgotten War'' and veterans' service organizations are involved in honoring those gallant veterans who fought the battles for the preservation of freedom, and the members of the armed forces who even to this day guard the gates of freedom in Korea; and

Whereas, As a nation, we should educate every generation of Americans on the history of the Korean War in preserving our nation's liberty, freedom, and prosperity, and commemorating this event will provide Americans with a clear understanding of, and appreciation for, the sacrifices of these veterans and their families;

Now, therefore, Your Memorialists respectfully encourage communities nation-wide to hold public recognition programs commemorating the 50th anniversary of the Korean War; be it

Resolved, That copies of this Memorial be immediately transmitted to the Honorable William J. Clinton, President of the United States, the Secretary of the United States Department of Defense, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.

POM–489. A resolution adopted by the National Conference of Insurance Legislators relative to the practice of rebating or the sale of crop insurance by non-licensed agents; to the Committee on Agriculture, Nutrition, and Forestry.

POM–490. A joint resolution adopted by the Legislature of the State of Arizona relative to the establishment of new national monuments in Arizona; to the Committee on Energy and Natural Resources.

HOUSE JOINT RESOLUTION 2001

Whereas, the establishment of two national monuments in Arizona by the President of the United States represents a misuse of the Antiquities Act of 1906 to set aside enormous parcels of real property. The Antiquities Act (16 United States Code sections 431, 432 and 433) grants authority to the President of the United States to establish national monuments, but the Act was intended to preserve only historical landmarks, historic and prehistoric structures and other objects of historic or scientific significance; and

Whereas, the proposed designation of two national monuments in Arizona clearly violates the spirit and letter of the Antiquities Act, which requires monument lands to ''be confined to the smallest area'' necessary to preserve and protect historical areas or objects; and

Whereas, the people of Arizona, the Arizona Legislature, the Governor of Arizona and the Congress of the United States have not consented or approved this designation, yet the creation of two new national monuments in Arizona could potentially have a significant economic impact on this state. Instead of working as a partner to help local committees and states define and achieve their conservation goals, the federal government dictates unilateral actions that would affect this state and exclude citizens and local governments from determining land management decisions in their communities; and

Whereas, the land management and conservation efforts are best administered and managed at the local levels of government. The failure of the federal government to recognize and respect this basic tenet represents an arrogant usurpation by federal powers and a violation of states' rights. Therefore be it

Resolved by the Legislature of the State of Arizona:

1. That the Legislature denounces the designation of two national monuments in the State of Arizona without full public participation, consent and approval of local governments, the Arizona Legislature, the Governor and the Congress of the United States.

2. That the Congress of the United States take action to prevent the designation of any national monuments in this state without full public participation, consent and approval of local governments, the Arizona Legislature, the Governor and the Congress of the United States.

3. That the Secretary of State of the State of Arizona transmit a copy of this Resolution to the President of the United States, the United States Secretary of the Interior, the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona.

REPORT OF COMMITTEE

The following report of committee was submitted:

By Mr. SHELBY, from the Select Committee on Intelligence, without amendment:

S. 2507: An original bill to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. No. 106–279).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. DASCHLE (for himself and Mr. LUGAR):

S. 2503. A bill to amend the Clean Air Act to authorize States to regulate harmful fuel additives and to require fuel to contain fuel made from renewable sources, to amend the Solid Waste Disposal Act to require that at least 85 percent of funds appropriated to the Environmental Protection Agency from the Leaking Underground Storage Tank Trust Fund be distributed to States to carry out cooperative agreements for undertaking corrective action and for enforcement of subtitle I of that Act, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CRAIG (for himself and Mr. ROBERTS):

S. 2504. A bill to amend title VI of the Clean Air Act with respect to the phaseout schedule for methyl bromide; to the Committee on Environment and Public Works.

By Mr. JEFFORDS (for himself, Mr. ROCKEFELLER, Mr. GRASSLEY, Mr. BREAUX, Mr. MURKOWSKI, Mr. STEVENS, Mr. BOND, Mr. INOUYE, Mr. HARKIN, Mr. ROBERTS, Mr. THOMAS, Mr. BINGAMAN, Mr. EDWARDS, Mr. CONRAD, and Mr. KERREY):

S. 2505. A bill to amend title X VIII of the Social Security Act to provide increased assess to health care for medical beneficiaries through telemedicine; to the Committee on Finance.

By Mr. GORTON:

S. 2506. A bill to amend title 46, United States Code, with respect to the Federal preemption of State law concerning the regulation of marine and ocean navigation, safety, and transportation by States; to the Committee on Commerce, Science, and Transportation.

By Mr. SHELBY:

S. 2507. An original bill to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community

Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; placed on the calendar.

By Mr. CAMPBELL (for himself and Mr. ALLARD):

S. 2508. A bill to amend the Colorado Ute Indian Water Rights Settlement Act of 1988 to provide for a final settlement of the claims of the Colorado Ute Indian Tribes, and for other purposes; to the Committee on Indian Affairs.

By Mr. WYDEN:

S. 2509. A bill for the relief of Rose-Marie Barbeau-Quinn; to the Committee on the Judiciary.

By Mr. MCCAIN (for himself, Mr. MOYNIHAN, and Mr. KERREY):

S. 2510. A bill to establish the Social Security Protection, Preservation, and Reform Commission; to the Committee on Finance.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 2511. A bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN (for himself and Mr. SCHUMER):

S. 2512. A bill to convey certain Federal properties on Governors Island, New York; to the Committee on Energy and Natural Resources.

By Mr. LEAHY (for himself, Mr. SARBANES, Mr. ROBB, Mr. DODD, Mr. KERRY, Mr. BRYAN, Mr. EDWARDS, Mr. DURBIN, Mr. HARKIN, and Mrs. FEINSTEIN):

S. 2513. A bill to strengthen control by consumers over the use and disclosure of their personal financial and health information by financial institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRAMS (for himself, Mr. SESSIONS, and Mr. ALLARD):

S. 2514. A bill to improve benefits for members of the reserve components of the Armed Forces and their dependants; to the Committee on Armed Services.

By Mr. ROCKEFELLER:

S. 2515. A bill to amend the Social Security Act to guarantee comprehensive health care coverage for all children born after 2001; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself, Mr. LEAHY, and Mr. GRAMS):

S. Res. 303. A resolution expressing the sense of the Senate regarding the treatment by the Russian Federation of Andrei Babitsky, a Russian journalist working for Radio Free Europe/Radio Liberty; to the Committee on Foreign Relations.

By Mr. LIEBERMAN (for himself, Mr. GREGG, and Mr. KERRY):

S. Con. Res. 108. A concurrent resolution designating the week beginning on April 30, 2000, and ending on May 6, 2000 as ''National Charter Schools Week''; considered and agreed to.

By Mr. SCHUMER (for himself, Mr. BROWNBACK, Mr. LIEBERMAN, Mr. SMITH of Oregon, and Mr. DODD):

S. Con. Res. 109. A concurrent resolution expressing the sense of Congress regarding the ongoing persecution of 13 members of Iran's Jewish community; considered and agreed to.

By Mr. DURBIN (for himself, Mr. HELMS, Mr. ROBB, and Mr. ABRAHAM):

S. Con. Res. 110. A concurrent resolution congratulating the Republic of Latvia on the tenth anniversary of the reestablishment of its independence from the rule of the former Soviet Union; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DASCHLE (for himself and Mr. LUGAR):

S. 2503. A bill to amend the Clean Air Act to authorize States to regulate harmful fuel additives and to require fuel to contain fuel made from renewable sources, to amend the Solid Waste Disposal Act to require that at least 85 percent of funds appropriated to the Environmental Protection Agency from the Leaking Underground Storage Tank Trust Fund be distributed to States to carry out cooperative agreements for undertaking corrective action and for enforcement of subtitle I of that act, and for other purposes; to the Committee on Environment and Public Works.

RENEWABLE FUELS ACT OF 2000

Mr. DASCHLE. Mr. President, ten years ago I joined with two distinguished colleagues, then-Senate Majority Leader Bob Dole and Senator TOM HARKIN, to introduce the reformulated gasoline (RFG) provision of the 1990 Clean Air Act Amendments. The RFG provision, with its minimum oxygen standard, was adopted in the Senate by the overwhelming vote of 69 to 30 and eventually signed into law by President George Bush.

I am proud to say that this program has resulted in substantial improvement in air quality around the country. It also has stimulated increased production and use of renewable ethanol and other oxygenates needed to meet the minimum oxygen standard.

Unfortunately, an unanticipated development involving the petroleum-based oxygenate MTBE requires us to re-examine the many benefits of the RFG program. The detection of MTBE in ground water around the country has generated considerable debate in recent months over how to deal with this fuel additive and the oxygen requirement of the reformulated gasoline program. The resolution of this debate will have significant consequences for the environment, for farmers and for the rural economy.

The pace of activity to resolve the MTBE issue is accelerating rapidly. Battlelines are being drawn as the state of California and its allies focus on scrapping the oxygen requirement.

It is clear that Congress and/or the Clinton administration will respond to the MTBE problem. My focus is on ensuring that that response not only serves the environment, but also retains a prominent place for ethanol—a place that assures long-term, predictable growth of the industry.

I believe a comprehensive legislative solution is necessary in this case—one that recognizes and preserves the important air quality benefits of the RFG program, protects water supplies and leads the nation away from greater dependence on imported oil.

I have worked for the last year with the ethanol industry, Republican and Democratic colleagues in the Senate, the Governor's Ethanol Coalition, environmental organizations and the administration in search of a solution that gives states the tools they need to address MTBE contamination, ensures the future growth of domestic renewable fuels, and prevents supply shortages and price spikes in the nation's fuels supply.

This process has led me to two basic conclusions.

First, the MTBE crisis has left the RFG oxygen requirement vulnerable to legislative attack. Those who doubt this conclusion should reflect on the following facts.

California refiners have shown that clean-burning gasoline can be produced without oxygen.

EPA's Blue Ribbon Panel has recommended that the oxygen requirement be repealed.

The RFG oxygen requirement is opposed by a diverse coalition that includes the American Lung Association, the American Petroleum Institute, the New England States Coordinated Air Use Management agency, the State of California and the Natural Resources Defense Council (NRDC).

Second, support for the oxygen requirement will weaken over time. Improvements in auto emissions control technology will cause the air quality benefits of oxygen in gasoline to decline and the justification for the RFG oxygen requirement to diminish.

As one of the original authors of the reformulated gasoline provisions of the Clean Air Act, I feel something of a proprietary interest in the oxygen requirement. As a legislator, I recognize that circumstances change, and obstinacy should not be allowed to become a barrier to the achievement of important policy goals.

Ethanol advocates face a choice between defending the oxygen requirement in the near term, realizing that its days ultimately are numbered, or using the current MTBE debate to guarantee the future growth of the ethanol industry based on important public policy goals, such as energy security, greenhouse gas emissions reductions, and domestic economic growth.

In my judgment, providing states with the flexibility to waive the RFG oxygen requirement is a fair tradeoff for the establishment of a renewable fuels standard. It represents the most effective way to achieve the environmental and economic goals of governors and consumers, while putting the ethanol industry on a steady growth path well into the future and promoting ethanol production in new regions of the nation.

Therefore, today, with Senator RICHARD LUGAR, I am introducing the Renewable Fuels Act of 2000. Under our

legislation, EPA is directed to reduce the use of MTBE to safe levels, and states can obtain waivers from the RFG oxygen requirement and further regulate MTBE if they desire. This will allow the nation to deal with the MTBE contamination issue responsibly and avoid gasoline supply disruptions. The bill also includes provisions protecting the air quality gains that have resulted from the use of oxygenated fuels.

To protect market opportunities for renewable fuels, the bill establishes a renewable fuels standard for the nation's gasoline, which begins in 2000 at 1.3 percent—roughly where renewable fuels production stands today—and gradually increases over the next decade to 3.3 percent of the nation's gasoline in 2010. Considering the fact that overall gasoline use is expected to increase over the next decade, this standard will more than triple ethanol use over that period.

In meeting that requirement, our legislation stipulates that a gallon of biomass ethanol counts as much as 1.5 gallons of starch-based ethanol, thereby providing a strong incentive for the development of biomass-based ethanol plans throughout the country. It also established a renewable fuels standard for diesel fuels to promote the use of biodiesel. These renewable fuels standards can be met through nationwide credit trading, to allow for the most economomical use of ethanol and biodiesel.

For those who are concerned about the potential impact of a drought or other natural disaster on the ability of the renewable fuels industry to supply this market, the legislation allows the EPA Administrator, in consultation with the Secretary of Agriculture, to waive the renewable requirement in any given year upon determination that there is indequate domestic supply or distribution capacity, or that the requirement would severely harm the economic or environment of a State, a region, or the United States.

I also intend to work with my colleagues on both sides of the aisle to establish a strategic corn reserve as a complement to the renewable fuel standard. A properly managed strategic corn reserve could serve as the equivalent of the strategic petroleum reserve and ensure stable feedstocks for domestic ethanol producers in the event of weather induced supply interruptions. Taxpayers would benefit as farmers could receive fair market prices, thereby reducing the need for emergency assistance each year.

It is important to recognize that under Senator LUGAR's and my approach, the oxygen requirement is not waived entirely. States can decide for themselves whether to apply for a waiver from the RFG oxygen requirement. We fully expect that RFG programs that currently are using ethanol and have not experienced MTBE contamination, such as Chicago and Milwaukee, will stay in the program. Moreover, the bill allows any governor to apply to EPA to opt into the RFG program, thus expanding its air quality benefits to new regions of the country. Those areas that remain in the program or opt into it, and use ethanol, will generate credits that can be sold to other regions of the country.

Finally, the bill prevents adverse effects on states' highway trust fund tax allocations, with ''hold harmless'' language ensuring that states reporting Federal excise tax receipts on gasoline are not penalized for their ethanol blend sales.

Again, my goal in introducing this legislation is both to support states that want to get MTBE out of gasoline and to ensure that this effort does not adversely affect ethanol production. It is also to put into place a program that will grow the ethanol industry steadily over the next decade, thereby assuring the market stability necessary to attract investment in the construction of new plants and significantly increasing the market for corn and biomass. This approach not only will get MTBE out of groundwater; it will do so without backsliding on the air quality improvements generated by the RFG program while increasing corn demand by 600 million bushels per year.

Mr. President, since first floating this concept in May of last year, I have heard from numerous stakeholders in this complex debate. The legislative concept that Senator LUGAR and I unveil today has been endorsed by diverse interests ranging from the American Coalition for Ethanol (ACE) in Sioux Falls, South Dakota, to the 24-state Governors' Ethanol Coalition, to the Northeast States for Coordinated Air Use Management (NESCAUM) to Mr. Leo Leibowitz, chairman of Getty Petroleum. I believe that we have struck a delicate balance between the interests of farmers, consumers, state regulatory officials, refiners and those concerned about the environment. This plan is a worthy successor to the original 1990 RFG provision, preserving all of the good things it has achieved and rectifying those elements that need fixing.

I look forward to working with Senators SMITH and BAUCUS, the chairman and ranking member of the Senate Environment and Public Works Committee, to enact legislation resolving the MTBE issue. I hope that other colleagues will join Senator LUGAR and me in support of this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2503

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Renewable Fuels Act of 2000''.

SEC. 2. STATE PETITIONS FOR AUTHORITY TO CONTROL OR PROHIBIT USE OF MTBE.

Section 211(c) of the Clean Air Act (42 U.S.C. 7545(c)) is amended—

(1) in paragraph (1)(A), by striking ''any emission product of such fuel or fuel additive causes, or contributes, to air pollution which may reasonably be anticipated to endanger the public health or welfare,'' and inserting ''the fuel or fuel additive, or an emission product of the fuel or fuel additive, causes or contributes to air, water, or soil pollution that may reasonably be anticipated to endanger the public health or welfare or the environment,'';

(2) in paragraph (2)(C), by inserting ''or have other environmental impacts'' after ''emissions'';

(3) in paragraph (4)—

(A) in subparagraph (A), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and indenting appropriately to reflect the amendments made by this paragraph;

(B) by striking ''(4)(A) Except as otherwise provided in subparagraph (B) or (C),'' and inserting the following:

''(4) LIMITATION ON STATE AUTHORITY WITH RESPECT TO FUELS AND FUEL ADDITIVES.—

''(A) IN GENERAL.—

''(i) FUELS AND FUEL ADDITIVES.—Except as otherwise provided in subparagraph (B) or (C) or paragraph (5),'';

(C) in subparagraph (A)—

(i) in clause (i) (as designated by subparagraph (B)), by inserting ''or water or soil quality protection'' after ''emission control''; and

(ii) by adding at the end the following:

''(ii) MTBE.—Notwithstanding clause (i), except as otherwise provided in subparagraph (B) or (C) or paragraph (5), no State (or political subdivision of a State) may prescribe or attempt to enforce, for the purpose of motor vehicle emission control or water or soil quality protection, any control or prohibition on methyl tertiary butyl ether as a fuel additive in a motor vehicle or motor vehicle engine.'';

(D) in subparagraph (B), by inserting ''or water or soil quality protection'' after ''emission control''; and

(E) in subparagraph (C)—

(i) in the first sentence—

(I) by inserting ''or water or soil quality protection'' after ''emission control''; and

(II) by inserting before the period at the end the following: ''or, if the Administrator grants a petition of the State under paragraph (5)''; and

(ii) in the second sentence, by striking ''only if he'' and inserting ''if the Administrator''; and

(4) by adding at the end the following:

''(5) STATE PETITIONS FOR AUTHORITY TO CONTROL OR PROHIBIT USE OF FUELS OR FUEL ADDITIVES FOR NON-AIR QUALITY PURPOSES.—

''(A) IN GENERAL.—A State seeking to prescribe and enforce a control or prohibition on a fuel or fuel additive for the purpose of water or soil quality protection under paragraph (4)(C) shall submit a petition to the Administrator for authority to take such action.

''(B) REQUIRED ELEMENTS OF PETITION.—A petition submitted under subparagraph (A) shall—

''(i) include information on—

''(I) the likely effects of the control or prohibition on fuel availability and price in the affected supply area or region; and

''(II) the improvements in environmental quality or public health or welfare expected to result from the control or prohibition; and

''(ii) demonstrate that the authority is necessary to protect the environment or public health or welfare.

''(C) ACTION BY THE ADMINISTRATOR.—Not later than 180 days after the date of receipt of a petition submitted under subparagraph (A), the Administrator shall grant or deny the petition.

''(D) CRITERIA FOR GRANTING OF PETITIONS.—The Administrator shall grant a petition submitted by a State under subparagraph (A) unless the Administrator finds that—

''(i) the petition fails to reasonably demonstrate that the authority is necessary to protect the environment or public health or welfare;

''(ii) the control or prohibition is likely to have a substantial and significant adverse effect on fuel availability or price (including a State or regional effect) that clearly outweighs any benefits associated with the control or prohibition; or

''(iii) in the case of a petition submitted by a State seeking the authority primarily to protect water resources, the State has failed to take other appropriate and reasonable actions to prevent contamination of water resources by fuels or fuel additives, such as—

''(I) adoption of a prohibition on the delivery of gasoline to noncompliant facilities with underground storage tanks; or

''(II) operation of a statewide monitoring and compliance assurance system.

''(E) EFFECT OF FAILURE OF ADMINISTRATOR TO ACT.—If, by the date that is 180 days after the date of receipt of a petition submitted under subparagraph (A), the Administrator has not proposed to grant or deny the petition under subparagraph (C), the petition shall be deemed to be granted.

''(F) PROCEDURAL REQUIREMENTS.—

''(i) INAPPLICABILITY OF CERTAIN REQUIREMENTS.—Section 307(d) of this Act and sections 553 through 557 of title 5, United States Code, shall not apply to actions on a petition submitted under subparagraph (A).

''(ii) PUBLIC NOTICE AND OPPORTUNITY FOR COMMENT.—The Administrator shall provide public notice and opportunity for comment with respect to a petition submitted under subparagraph (A).

''(6) LIMITATION ON MTBE CONTENT.—The Administrator shall promulgate regulations applicable to each refiner, blender, or importer of gasoline to ensure that gasoline sold or introduced into commerce by the refiner, blender, or importer on or after January 1, 2004, in an area has a content of methyl tertiary butyl ether that is at a level that—

''(A) the Administrator determines may not reasonably be anticipated to endanger natural resources and the public health; and

''(B) does not exceed the annual average volume of methyl tertiary butyl ether per gallon of gasoline used in the area before 1995.''.

SEC. 3. WAIVER OF OXYGEN CONTENT REQUIREMENT.

(a) IN GENERAL.—Section 211(k) of the Clean Air Act (42 U.S.C. 7545(k)) is amended—

(1) in paragraph (1)—

(A) by striking ''Within 1 year after the enactment of the Clean Air Act Amendments of 1990,'' and inserting the following:

''(A) IN GENERAL.—Not later than November 15, 1991,'';

(B) in the first sentence, by inserting before the period at the end the following: ''and opt-in areas under paragraph (6)''; and

(C) by adding at the end the following:

''(B) ADJUSTMENT OF VOC PERFORMANCE STANDARD.—

''(i) IN GENERAL.—The Administrator may adjust the volatile organic compounds performance standard promulgated under subparagraph (A) in the case of a fuel formulation that achieves reductions in the quantity of mass emissions of carbon monoxide that are greater than or less than the reductions associated with a reformulated gasoline that contains 2.0 percent oxygen by weight and otherwise meets the requirements of this subsection.

''(ii) AMOUNT OF ADJUSTMENT.—The amount of an adjustment under clause (i) shall be based on the effect on ozone concentrations of the combined reductions in emissions of volatile organic compounds and reductions in emissions of carbon monoxide.'';

(2) in paragraph (2)—

(A) in subparagraph (B)—

(i) by striking ''The oxygen'' and inserting the following:

''(i) IN GENERAL.—The oxygen''; and

(ii) by adding at the end the following:

''(ii) WAIVER FOR CERTAIN STATES.—The Administrator shall waive the application of clause (i) for any ozone nonattainment area in a State if the Governor of the State submits for such a waiver an application that—

''(I) demonstrates that the State is in full compliance with Federal regulations concerning the control and prevention of leaking underground storage tanks; or

''(II) provides a plan that outlines the measures the State will take to fully comply with the underground storage tank regulations by a date not later than 2 years after the receipt of the application of the Governor.

''(iii) EFFECTIVE DATE.—A waiver under clause (ii) shall become effective on the later of—

''(I) January 1 of the calendar year immediately following the calendar year during which the application for the waiver is received; or

''(II) the date that is 180 days after the date on which the application for the waiver is received.''; and

(B) by adding at the end the following:

''(E) AROMATICS.—The aromatic hydrocarbon content of the gasoline shall not exceed 22 percent by volume.'';

(3) in paragraph (3)—

(A) in subparagraph (A)(ii), by striking ''25 percent'' and inserting ''22 percent''; and

(B) in subparagraph (B)—

(i) by striking ''Any reduction'' and inserting the following:

''(iii) TREATMENT OF GREATER REDUCTIONS.—Any reduction''; and

(ii) by adding at the end the following:

''(iv) ANTI-BACKSLIDING PROVISION.—

''(I) IN GENERAL.—Not later than June 1, 2000, the Administrator shall revise performance standards under this subparagraph as necessary to ensure that—

''(aa) the ozone-forming potential, taking into account all ozone precursors (including volatile organic compounds, oxides of nitrogen, and carbon monoxide), of the aggregate emissions during the high ozone season (as determined by the Administrator) from baseline vehicles when using reformulated gasoline does not exceed the ozone-forming potential of the aggregate emissions during the high ozone season from baseline vehicles when using reformulated gasoline that complies with the regulations that were in effect on January 1, 2000, and were applicable to reformulated gasoline sold in calendar year 2000 and subsequent calendar years; and

''(bb) the aggregate emissions of the pollutants specified in subclause (II) from baseline vehicles when using reformulated gasoline do not exceed the aggregate emissions of those pollutants from baseline vehicles when using reformulated gasoline that complies with the regulations that were in effect on January 1, 2000, and were applicable to reformulated gasolines sold in calendar year 2000 and subsequent calendar years.

''(II) SPECIFIED POLLUTANTS.—The pollutants specified in this subclause are—

''(aa) toxics, categorized by degrees of toxicity; and

''(bb) such other pollutants, including pollutants regulated under section 108, and such precursors to those pollutants, as the Administrator determines by regulation should be controlled to prevent the deterioration of air quality and to achieve attainment of a national ambient air quality standard in 1 or more areas.''; and

(4) in paragraph (4)(B)—

(A) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and indenting appropriately to reflect the amendments made by this paragraph;

(B) by striking ''The Administrator'' and inserting the following:

''(i) IN GENERAL.—The Administrator'';

(C) in clause (i) (as designated by subparagraph (B))—

(i) in subclause (I) (as redesignated by subparagraph (A)), by striking '', and'' and inserting a semicolon;

(ii) in subclause (II) (as redesignated by subparagraph (A))—

(I) by striking ''achieve equivalent'' and inserting the following: ''achieve—

''(aa) equivalent'';

(II) by striking the period at the end and inserting ''; or''; and

(III) by adding at the end the following:

''(bb) combined reductions in emissions of ozone forming volatile organic compounds and carbon monoxide that result in a reduction in ozone concentration, as provided in clause (ii)(I), that is equivalent to or greater than the reduction in ozone concentration achieved by a reformulated gasoline meeting the applicable requirements of paragraph (3); and''; and

(iii) by adding at the end the following:

''(III) achieve equivalent or greater reductions in emissions of toxic air pollutants than are achieved by a reformulated gasoline meeting the applicable requirements of paragraph (3).''; and

(D) by adding at the end the following:

''(ii) CARBON MONOXIDE CREDIT.—

''(I) IN GENERAL.—In determining whether a fuel formulation or slate of fuel formulations achieves combined reductions in emissions of ozone forming volatile organic compounds and carbon monoxide that result in a reduction in ozone concentration that is equivalent to or greater than the reduction in ozone concentration achieved by a reformulated gasoline meeting the applicable requirements of paragraph (3), the Administrator—

''(aa) shall consider, to the extent appropriate, the change in carbon monoxide emissions from baseline vehicles attributable to an oxygen content in the fuel formulation or slate of fuel formulations that exceeds 2.0 percent by weight; and

''(bb) may consider, to the extent appropriate, the change in carbon monoxide emissions described in item (aa) from vehicles other than baseline vehicles.

''(II) OXYGEN CREDITS.—Any excess oxygen content that is taken into consideration in making a determination under subclause (I) may not be used to generate credits under paragraph (7)(A).

''(III) RELATION TO TITLE I.—Any fuel formulation or slate of fuel formulations that is certified as equivalent or greater under this subparagraph, taking into consideration the combined reductions in emissions of volatile organic compounds and carbon monoxide, shall receive the same volatile organic compounds reduction credit for the purposes of subsections (b)(1) and (c)(2)(B) of section 182 as a fuel meeting the applicable requirements of paragraph (3).''.

(b) REFORMULATED GASOLINE CARBON MONOXIDE REDUCTION CREDIT.—Section 182(c)(2)(B) of the Clean Air Act (42 U.S.C.

7511a(c)(2)(B)) is amended by adding at the end the following: ''An adjustment to the volatile organic compound emission reduction requirements under section 211(k)(3)(B)(iv) shall be credited toward the requirement for VOC emissions reductions under this subparagraph.''.

SEC. 4. ADDITIONAL OPT-IN AREAS UNDER REFORMULATED GASOLINE PROGRAM.

Section 211(k)(6) of the Clean Air Act (42 U.S.C. 7545(k)(6)) is amended—

(1) by striking ''(6) OPT-IN AREAS.—(A) Upon'' and inserting the following:

''(6) OPT-IN AREAS.—

''(A) CLASSIFIED AREAS.—

''(i) IN GENERAL.—Upon'';

(2) in subparagraph (B), by striking ''(B) If'' and inserting the following:

''(ii) EFFECT OF INSUFFICIENT DOMESTIC CAPACITY TO PRODUCE REFORMULATED GASOLINE.—If'';

(3) in subparagraph (A)(ii) (as so redesignated)—

(A) in the first sentence, by striking ''subparagraph (A)'' and inserting ''clause (i)''; and

(B) in the second sentence, by striking ''this paragraph'' and inserting ''this subparagraph''; and

(4) by adding at the end the following:

''(B) NONCLASSIFIED AREAS.—

''(i) IN GENERAL.—Upon the application of the Governor of a State, the Administrator shall apply the prohibition specified in paragraph (5) in any area in the State that is not a covered area or an area referred to in subparagraph (A)(i).

''(ii) PUBLICATION OF APPLICATION.—As soon as practicable after receipt of an application under clause (i), the Administrator shall publish the application in the Federal Register.''.

SEC. 5. RENEWABLE CONTENT OF GASOLINE AND OTHER MOTOR FUELS.

(a) IN GENERAL.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (o) as subsection (q); and

(2) by inserting after subsection (n) the following:

''(o) RENEWABLE CONTENT OF GASOLINE.—

''(1) IN GENERAL.—

''(A) REGULATIONS.—Not later than September 1, 2000, the Administrator shall promulgate regulations applicable to each refiner, blender, or importer of gasoline to ensure that gasoline sold or introduced into commerce in the United States by the refiner, blender, or importer complies with the renewable content requirements of this subsection.

''(B) RENEWABLE CONTENT REQUIREMENTS.—

''(i) IN GENERAL.—All gasoline sold or introduced into commerce in the United States by a refiner, blender, or importer shall contain, on a quarterly average basis, a quantity of fuel derived from a renewable source (including biomass ethanol) that is not less than the applicable percentage by volume for the quarter.

''(ii) BIOMASS ETHANOL.—For the purposes of clause (i), 1 gallon of biomass ethanol shall be considered to be the equivalent of 1.5 gallons of fuel derived from a renewable source.

''(iii) APPLICABLE PERCENTAGE.—For the purposes of clause (i), the applicable percentage for a quarter of a calendar year shall be determined in accordance with the following table:

'Calendar year:	Applicable percentage of fuel derived from a renewable source:
2000	1.3
2001	1.5
2002	1.7
2003	1.9
2004	2.1
2005	2.3
2006	2.5
2007	2.7
2008	2.9
2009	3.1
2010 and thereafter	3.3.

''(C) FUEL DERIVED FROM A RENEWABLE SOURCE.—For the purposes of this subsection, a fuel shall be considered to be derived from a renewable source if the fuel—

''(i) is produced from grain, starch, oilseeds, or other biomass; and

''(ii) is used to replace or reduce the quantity of fossil fuel present in a fuel mixture used to operate a motor vehicle.

''(D) BIOMASS ETHANOL.—For the purposes of this subsection, a fuel shall be considered to be biomass ethanol if the fuel is ethanol derived from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, including—

''(i) dedicated energy crops and trees;

''(ii) wood and wood residues;

''(iii) plants;

''(iv) grasses;

''(v) agricultural commodities and residues;

''(vi) fibers;

''(vii) animal wastes and other waste materials; and

''(viii) municipal solid waste.

''(E) CREDIT PROGRAM.—

''(i) IN GENERAL.—The regulations promulgated under this subsection shall provide for the generation of an appropriate amount of credits by a person that refines, blends, or imports gasoline that contains, on a quarterly average basis, a quantity of fuel derived from a renewable source or a quantity of biomass ethanol that is greater than the quantity required under subparagraph (B).

''(ii) USE OF CREDITS.—The regulations shall provide that a person that generates the credits may use the credits, or transfer all or a portion of the credits to another person, for the purpose of complying with subparagraph (B).

''(2) WAIVERS.—

''(A) IN GENERAL.—The Administrator, in consultation with the Secretary of Agriculture, may waive the requirements of paragraph (1)(B) in whole or in part on petition by a State—

''(i) based on a determination by the Administrator, after public notice and opportunity for comment, that implementation of the requirements would severely harm the economy or environment of a State, a region, or the United States; or

''(ii) based on a determination by the Administrator, after public notice and opportunity for comment, that there is an inadequate domestic supply or distribution capacity to meet the requirements of paragraph (1)(B).

''(B) PETITIONS FOR WAIVERS.—The Administrator, in consultation with the Secretary of Agriculture—

''(i) shall approve or deny a State petition for a waiver of the requirements of paragraph (1)(B) within 180 days after the date on which the petition is received; but

''(ii) may extend that period for up to 60 additional days to provide for public notice and opportunity for comment and for consideration of the comments submitted.

''(C) TERMINATION OF WAIVERS.—A waiver granted under subparagraph (A) shall terminate after 1 year, but may be renewed by the Administrator after consultation with the Secretary of Agriculture.

''(D) OXYGEN CONTENT WAIVERS.—The grant or denial of a waiver under subsection (k)(2)(B) shall not affect the requirements of this subsection.

''(3) SMALL REFINERS.—The regulations promulgated by the Administrator under paragraph (1) may provide an exemption, in whole or in part, for small refiners (as defined by the Administrator).

''(4) GUIDANCE FOR LABELING.—After consultation with the Secretary of Agriculture, the Administrator shall issue guidance to the States for labeling, at the point of retail sale—

''(A) the fuel derived from a renewable source that is contained in the fuel sold; and

''(B) the major fuel additive components of the fuel sold.

''(5) REPORTS TO CONGRESS.—Not less often than every 3 years, the Administrator shall submit to Congress a report on—

''(A) reductions in emissions of criteria air pollutants listed under section 108 that result from implementation of this subsection; and

''(B) in consultation with the Secretary of Energy, greenhouse gas emission reductions that result from implementation of this subsection.

''(p) RENEWABLE CONTENT OF DIESEL FUEL.—

''(1) IN GENERAL.—Not later than September 1, 2000, the Administrator, after consideration of applicable economic and environmental factors, shall promulgate regulations applicable to each refiner, blender, or importer of diesel fuel to ensure that the diesel fuel sold or introduced into commerce in the United States by the refiner, blender, or importer complies with the renewable content requirements established by the Administrator under this subsection.

''(2) ELEMENTS OF PROGRAM.—To the extent that the Administrator determines it to be appropriate, the Administrator shall by regulation establish a program for diesel fuel that has renewable content requirements similar to the requirements of the program for gasoline under subsection (o) in order to ensure the use of biodiesel fuel.''.

(b) PENALTIES AND ENFORCEMENT.—Section 211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking ''or (n)'' each place it appears and inserting ''(n), or (o)''; and

(B) in the second sentence, by striking ''or (m)'' and inserting ''(m), or (o)''; and

(2) in the first sentence of paragraph (2), by striking ''and (n)'' each place it appears and inserting ''(n), and (o)''.

(c) PREVENTION OF EFFECTS ON HIGHWAY APPORTIONMENTS.—

(1) SURFACE TRANSPORTATION PROGRAM.—Section 104(b)(3) of title 23, United States Code, is amended by adding at the end the following:

''(C) DETERMINATION OF ESTIMATED TAX PAYMENTS.—For the purpose of determining under subparagraph (A)(iii) the estimated tax payments attributable to highway users in a State paid into the Highway Trust Fund (other than the Mass Transit Account) in a fiscal year, the amount paid into the Highway Trust Fund with respect to the sale of gasohol or other fuels containing alcohol by reason of the tax imposed by section 4041 (relating to special fuels) or 4081 (relating to gasoline) of the Internal Revenue Code of 1986 shall be treated as being equal to the amount that would have been so imposed with respect to that sale without regard to the reduction in revenues resulting from the application of the regulations promulgated under section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) and the following provisions of the Internal Revenue Code of 1986:

''(i) Section 4041(b)(2) (relating to exemption for qualified methanol and ethanol fuel).

''(ii) Section 4041(k) (relating to fuels containing alcohol).

''(iii) Section 4041(m) (relating to certain alcohol fuels).

''(iv) Section 4081(c) (relating to reduced rate on gasoline mixed with alcohol).''.

(2) MINIMUM GUARANTEE.—Section 105(f)(1) of title 23, United States Code, is amended—

(A) by striking ''(1) IN GENERAL.—Before'' and inserting the following: ''(1) IN GENERAL.—

''(A) ADJUSTMENT.—Before''; and

(B) by adding at the end the following:

''(B) DETERMINATION OF ESTIMATED TAX PAYMENTS.—For the purpose of determining under this subsection the estimated tax payments attributable to highway users in a State paid into the Highway Trust Fund (other than the Mass Transit Account) in a fiscal year, the amount paid into the Highway Trust Fund with respect to the sale of gasohol or other fuels containing alcohol by reason of the tax imposed by section 4041 (relating to special fuels) or 4081 (relating to gasoline) of the Internal Revenue Code of 1986 shall be treated as being equal to the amount that would have been so imposed with respect to that sale without regard to the reduction in revenues resulting from the application of the regulations promulgated under section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) and the following provisions of the Internal Revenue Code of 1986:

''(i) Section 4041(b)(2) (relating to exemption for qualified methanol and ethanol fuel).

''(ii) Section 4041(k) (relating to fuels containing alcohol).

''(iii) Section 4041(m) (relating to certain alcohol fuels).

''(iv) Section 4081(c) (relating to reduced rate on gasoline mixed with alcohol).''.

SEC. 6. UPDATING OF BASELINE YEAR.

(a) IN GENERAL.—Section 211(k) of the Clean Air Act (42 U.S.C. 7545(k)) is amended—

(1) in paragraph (8)—

(A) in subparagraph (A)—

(i) in the first sentence, by striking ''Within 1 year after the enactment of the Clean Air Act Amendments of 1990, the'' and inserting ''The''; and

(ii) by striking the second sentence;

(B) by striking ''calendar year 1990'' each place it appears and inserting ''calendar year 1999''; and

(C) in subparagraph (E), by striking ''such 1990 gasoline'' and inserting ''such 1999 gasoline''; and

(2) in subparagraphs (A) and (B)(ii) of paragraph (10), by striking ''1990'' each place it appears and inserting ''1999''.

(b) REGULATIONS.—As soon as practicable after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall revise the regulations promulgated under section 211(k) of the Clean Air Act (42 U.S.C. 7545(k)) to reflect the amendments made by subsection (a).

SEC. 7. LEAKING UNDERGROUND STORAGE TANKS.

(a) TRUST FUND DISTRIBUTION.—Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following:

''(f) TRUST FUND DISTRIBUTION.—

''(1) IN GENERAL.—

''(A) AMOUNT AND PERMITTED USE OF DISTRIBUTION.—The Administrator shall distribute to States at least 85 percent of the funds appropriated to the Environmental Protection Agency from the Leaking Underground Storage Tank Trust Fund established by section 9508 of the Internal Revenue Code of 1986 (referred to in this subsection as the 'Trust Fund') for each fiscal year for use in paying the reasonable costs, incurred under cooperative agreements with States, of—

''(i) actions taken by a State under section 9003(h)(7)(A);

''(ii) necessary administrative expenses directly related to corrective action and compensation programs under subsection (c)(1);

''(iii) enforcement by a State or local government of a State program approved under this section or of State or local requirements regulating underground storage tanks that are similar or identical to this subtitle;

''(iv) State or local corrective actions pursuant to regulations promulgated under section 9003(c)(4); or

''(v) corrective action and compensation programs under subsection (c)(1) for releases from underground storage tanks regulated under this subtitle if, as determined by the State in accordance with guidelines developed between the Environmental Protection Agency and the States, the financial resources of an owner or operator (including resources provided by programs under subsection (c)(1)) are not adequate to pay for the cost of a corrective action without significantly impairing the ability of the owner or operator to continue in business.

''(B) NONPERMITTED USES.—Funds provided by the Administrator under subparagraph (A) shall not be used by a State to provide financial assistance to an owner or operator to meet the requirements concerning underground storage tanks contained in part 280 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this subsection), except as provided in subparagraph (A)(v), or similar requirements in State programs approved under this section or similar State or local provisions.

''(C) TANKS WITHIN TRIBAL JURISDICTION.—The Administrator, in coordination with Indian tribes, shall—

''(i) expeditiously develop and implement a strategy to—

''(I) take necessary corrective action in response to releases from leaking underground storage tanks located wholly within the exterior boundaries of an Indian reservation or other area within the jurisdiction of an Indian tribe, giving priority to releases that present the greatest threat to human health or the environment; and

''(II) implement and enforce requirements regulating underground storage tanks located wholly within the exterior boundaries of an Indian reservation or other area within the jurisdiction of an Indian tribe; and

''(ii) not later than 2 years after the date of enactment of this subsection, and every 2 years thereafter, submit to Congress a report summarizing the status of implementation of the leaking underground storage tank program located wholly within the exterior boundaries of an Indian reservation or other area within the jurisdiction of an Indian tribe.

''(2) ALLOCATION.—

''(A) PROCESS.—Subject to subparagraph (B), in the case of a State with which the Administrator has entered into a cooperative agreement under section 9003(h)(7)(A), the Administrator shall distribute funds from the Trust Fund to the State using the allocation process developed by the Administrator for such cooperative agreements.

''(B) REVISIONS TO PROCESS.—The Administrator may revise the allocation process only after—

''(i) consulting with State agencies responsible for overseeing corrective action for releases from underground storage tanks and with representatives of owners and operators; and

''(ii) taking into consideration, at a minimum—

''(I) the total revenue received from each State into the Trust Fund;

''(II) the number of confirmed releases from leaking underground storage tanks in each State;

''(III) the number of notified petroleum storage tanks in each State;

''(IV) the percentage of the population of each State using ground water for any beneficial purpose;

''(V) the evaluation of the program performance of each State;

''(VI) the evaluation of the financial needs of each State; and

''(VII) the evaluation of the ability of each State to use the funds in any year.

''(3) DISTRIBUTIONS TO STATE AGENCIES.—

''(A) IN GENERAL.—Distributions from the Trust Fund under this subsection shall be made directly to the State agency entering into a cooperative agreement or enforcing the State program.

''(B) ADMINISTRATIVE EXPENSES.—A State agency that receives funds under this subsection shall limit the proportion of those funds that are used to pay administrative expenses to a percentage that the State may establish by law.

''(4) COST RECOVERY PROHIBITION.—Funds provided to States from the Trust Fund to owners or operators for programs under section 9004(c)(1) for releases from underground storage tanks are not subject to cost recovery by the Administrator under section 9003(h)(6).

''(5) PERMITTED USES.—In addition to uses authorized by other provisions of this subtitle, the Administrator may use funds appropriated to the Environmental Protection Agency from the Trust Fund for enforcement of any regulation promulgated by the Administrator under this subtitle.''.

(b) ADDITION TO TRUST FUND PURPOSES.—Section 9508(c)(1) of the Internal Revenue Code of 1986 (relating to expenditures) is amended by striking ''to carry out section 9003(h)'' and all that follows and inserting ''to carry out—

''(A) section 9003(h) of the Solid Waste Disposal Act (as in effect on the date of enactment of the Superfund Amendments and Reauthorization Act of 1986); and

''(B) section 9004(f) of the Solid Waste Disposal Act (as in effect on the date of enactment of the Renewable Fuels Act of 2000).''.

(c) STUDIES.—Not later than 18 months after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall conduct—

(1) a study to determine the corrosive effects of methyl tertiary butyl ether and other widely used fuels and fuel additives on underground storage tanks; and

(2) a study to assess the potential public health and environmental risks associated with the use of aboveground storage tanks and the effectiveness of State and Federal regulations or voluntary standards, in existence as of the time of the study, to provide adequate protection of public health and the environment.

(d) TECHNICAL AMENDMENTS.—

(1) Section 9001(3)(A) of the Solid Waste Disposal Act (42 U.S.C. 6991(3)(A)) is amended by striking ''sustances'' and inserting ''substances''.

(2) Section 9003(f)(1) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)(1)) is amended by striking ''subsection (c) and (d) of this section'' and inserting ''subsections (c) and (d)''.

(3) Section 9004(a) of the Solid Waste Disposal Act (42 U.S.C. 6991c(a)) is amended in the first sentence by striking ''referred to'' and all that follows and inserting ''referred to in subparagraph (A) or (B), or both, of section 9001(2).''.

(4) Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended—

(A) in subsection (a), by striking ''study taking'' and inserting ''study, taking'';

(B) in subsection (b)(1), by striking ''relevent'' and inserting ''relevant''; and

(C) in subsection (b)(4), by striking ''Evironmental'' and inserting ''Environmental''.

SEC. 8. PRIVATE WELL PROTECTION PILOT PROGRAM.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency may enter into cooperative agreements with the United States Geological Survey, the Department of Agriculture, States, local governments, private landowners, and other interested parties to establish voluntary pilot projects to protect the water quality of private wells and to provide technical assistance to users of water from private wells.

(b) LIMITATION.—This section does not authorize the issuance of guidance or regulations regarding the use or protection of private wells.

Mr. LUGAR. Mr. President, I am pleased to join Senator DASCHLE in introducing the Renewable Fuels Act of 2000.

In July 1999, an independent Blue Ribbon Panel on Oxygenates in Gasoline called for major reductions in the use of MTBE as an additive in gasoline. They did so because of growing evidence and public concerns regarding pollution of drinking water supplies by MTBE. These trends are particularly acute in areas of the country using Reformulated Gasoline.

The Reformulated Gasoline Program (RFG) has proven to be a success in reducing smog and has exceeded expectations in reducing dangerous and carcinogenic air toxics in gasoline. The second stage of the Reformulated Gasoline Program (RFG) will commence this summer and will have an even greater effect in reducing ozone pollution and air toxics.

Because of concerns regarding water pollution, it is clear that the existing situation regarding MTBE is not tenable. The Governor of California has called for a three year phase out of MTBE in California and the California Air Resources Board has adopted regulations to that effect. Environmental officials from eight Northeastern States have proposed a phase down and a capping of the use of MTBE in gasoline in their states. MTBE is being found in wells in the Midwest even in areas that do not use reformulated gasoline.

The Renewable Fuels Act of 2000 will lead to about five billion gallons of ethanol being produced in 2010 compared to one billion, six hundred million gallons today. Under the Act, one gallon of cellulosic ethanol will count for one and one-half gallons of regular ethanol in determining whether a refiner has met the Renewable Fuels Standard in a particular year.

We are going to have spikes in oil that will disrupt our economy. It may or may not be able to be controlled. It will happen before 2010. It may happen again next week. Our problem in terms of national security and the security of our whole economy revolves around our dependence on petroleum-based fuels. We must be able to address this challenge. Finding an environmentally sensitive way to resolve the MTBE crisis is an important part of this challenge.

It is clear that MTBE is on its way out. The question is what kind of legislation is needed to facilitate its departure and whether that legislation will be based on consideration of all of the environmental and energy and national security issues involved.

The Renewable Fuels Act of 2000 will establish a nationwide Renewable Fuels Standard (RFS) that would increase the current use of renewable fuels from 1.3% in 2000 to 3.3% by 2010. Refiners who produced renewable fuels beyond the standard could sell credits to other refiners who chose to under comply with the RFS.

This bill would give the EPA Administrator authority to limit or eliminate the use of MTBE in order to protect the public health and the environment. It also gives states the ability to further regulate or eliminate MTBE use if the EPA does not choose to eliminate it. It would also establish strict ''anti backsliding provisions'' to capture all of the air quality benefits of MTBE and ethanol as MTBE is phased down or phased out.

The Renewable Fuels Act of 2000 will be good for our economy and our environment. Most important of all, it will facilitate the development of renewable fuels, a development critical to ensuring U.S. national and economic security and stabilizing gas prices.

I hope that my colleagues will examine this bill as well as other legislative approaches that would spur the development of renewable fuels such as ethanol, whether derived from corn or other agricultural or plant materials.

By Mr. JEFFORDS (for himself, Mr. ROCKEFELLER, Mr. GRASSLEY, Mr. BREAUX, Mr. MURKOWSKI, Mr. STEVENS, Mr. BOND, Mr. INOUYE, Mr. HARKIN, Mr. ROBERTS, Mr. THOMAS, Mr. BINGAMAN, Mr. EDWARDS, Mr. CONRAD, and Mr. KERREY):

S. 2505. A bill to amend title XVIII of the Social Security Act to provide increased assess to health care for medical beneficiaries through telemedicine; to the Committee on Finance.

TELEHEALTH IMPROVEMENT AND MODERNIZATION ACT OF 2000

Mr. JEFFORDS. Mr. President, today I am pleased to join with my good friend Senator ROCKEFELLER in introducing legislation that will improve upon the federal rules for reimbursement for telemedicine and help to ensure that all of our citizens have access to our great health care system. We are joined by a broad, bipartisan group of senators in this effort.

In many ways we have the best health care system in the world. But increasingly fewer and fewer Americans actually have access to it. I recently introduced a tax-credit bill that will help some of these Americans and I anticipate supporting future measures aimed at increasing access to health care services.

One important area that demands our attention is the problem of access for rural Americans. More than 25 percent of our Nation's senior citizens live in areas underserved for modern health care services. At the same time, telemedicine has come of age. We have moved beyond the feasibility stage and proven that this technology can provide real benefits to people in rural and underserved regions of our country.

In my own State of Vermont, nearly 70 per cent live in rural areas. This is the highest percentage rural population of any state in the nation. In Vermont, specialists in more than twenty-five disciplines from Fletcher Allen Health Care in Burlington are made readily available to patients even in the most rural areas. I want to see this level of service expand and be made available to all Americans.

We in Washington have made some good faith attempts to allow for the development of telehealth technologies but we have fallen short. In an effort to restrain the expansion of these programs, the Health Care Financing Administration's interpretation of the laws and its cumbersome rules for reimbursement have all but guaranteed the demise of current programs.

Federally-funded telemedicine projects exist in almost every State in the Nation. These projects have proven that cost-effective, high-quality care can be delivered using this technology. The provisions in this bill will help to ensure that this care will be continued when the federal grants end.

Why is this legislation needed now? Because current HCFA regulations concerning payment are unworkable in the real world. Less than 6 percent of all telemedicine doctor-patient visits last year provided to Medicare beneficiaries would qualify for reimbursement under HCFA's current guidelines.

Now that we have more experience and understand better how telemedicine can be used, it is time to enact several changes to the law so that these programs can thrive and deliver on their promise of providing cost-effective, high-quality healthcare where it is needed the most.

Rural healthcare providers and patients are eager for this legislation. Norman Wright, President of the Vermont Association of Hospitals and Health Systems, recognized the potential of Fletcher Allen's telemedicine program by describing it as one that ''provides incredible opportunities for rural providers and their patients because it links them to a network with access to the region's best authorities for any given condition.''

I have indeed heard an outpouring of support from healthcare providers across my own State on this issue. Gerry Davis, Professor of Pulmonary and Critical Care Medicine at Fletcher Allen Health Care, described ''appropriate and fair third party payment for

telemedicine'' as ''essential in order to move this process beyond education, and to make the service truly useful for patients in remote locations.''

Telemedicine can be used in so many ways. It can be vital to a pediatrician from a rural area with a sick baby who needs to consult with a neonatologist from a tertiary care hospital in the dead of winter and the middle of the night. It can be also be crucial for a depressed senior citizen who desperately needs mental health services available in their own rural county. And it can be much needed help for a frustrated isolated primary care provider who longs to be able to provide for access to specialty services for her patients in their own community. All of these people need our help.

While the changes included in this bill are relatively minor in the context of the Medicare program, the effect will be far-reaching. This legislation will allow us to avoid arbitrarily denying access to health care for our senior citizens and persons with disabilities just because of where they live. It will allow for fair and reasonable reimbursement for services that can be delivered appropriately in this way. It will also encourage the incorporation of telehealth technology in the care plans of home health agencies, an area that has already shown great promise for the future in terms of cost-effective disease management. In summary, it will allow us to begin to release the incredible potential of telemedicine.

Mr. President, I urge my colleagues to join us in bringing HCFA's approach to the delivery of health care into the 21st Century. Any Medicare reform must include progress on telemedicine for our Nation's rural areas.

Mr. ROCKEFELLER. Mr. President, I am extremely pleased to be here today to introduce the Telemedicine Improvement and Modernization Act with Senator JEFFORDS and many other of my Senate colleagues. This bill incorporates two issues that I care about passionately—health care and technology.

Telemedicine has the potential to bridge the gap that currently exists between patients and providers. More than 25% of our Nation's senior citizens live in areas where speciality care may not be available. In states like my own where there are very few primary care or specialty care resources and travel is difficult, telemedicine is critical to ensuring that people in remote areas are getting health care they need. By expanding access to health care through telemedicine, we also improve the quality of care available to people living in underserved areas. Personally, I believe that we are just beginning to tap the enormous potential of technology to advance quality health care, especially in rural areas.

Yet, Medicare's telemedicine program is inefficient in its current form. These inefficiencies threaten the future of telemedicine services. When we first created this program, our knowledge of the potential of this new technology, or its practical applications was very limited. Today we have a much better understanding of how telemedicine actually works. With this new knowledge, we can repair the inefficiencies of the current system and encourage the use of this highly effective health practice. By accomplishing this goal, we can ensure that quality health care is available to all seniors and disabled Americans regardless of where they live.

There are 8 main elements of the bill:

(1) Eliminating the provider ''fee sharing'' requirement;

(2) Eliminating the requirement for a ''telepresenter'';

(3) Allowing limited reimbursement for referring clinics to recover the cost of their services;

(4) Expanding telemedicine services to all non-MSAs;

(5) Expanding telemedicine services to direct patient care, not just professional consultations;

(6) Making all providers eligible for HCFA reimbursement for services delivered via telemedicine;

(7) Creating a federal demonstration project that permits telemedicine reimbursement for ''store and forward'' consultations (i.e., x-rays that are sent to another facility for consultation); and

(8) Permitting telehomecare.

While these changes are relatively minor in the context of the Medicare program, the affect will be far-reaching. The modernizations we are proposing will dramatically improve access to quality health care in rural areas. This legislation will allow us to begin to release the incredible potential of telemedicine.

On a final note, I'd like to thank Karen Edison for her expertise and determination in working on this bill. Because Karen is a practicing telemedicine physician, she has been invaluable in developing and advancing this cause.

Thank you, Mr. President for your time today. I hope all of my colleagues will join with me in passing this important piece of legislation.

By Mr. GORTON:

S. 2506. A bill to amend title 46, United States Code, with respect to the Federal preemption of State law concerning the regulation of marine and ocean navigation, safety, and transportation by States; to the Committee on Commerce, Science, and Transportation.

LEGISLATION REGARDING MARINE AND OCEAN NAVIGATION, SAFETY, AND TRANSPORTATION

Mr. GORTON. Mr. President, environmental protection and states' rights were dealt a blow on March 6th, when the U.S. Supreme Court decided the case of United States vs. Locke. The Court, noting that even though federal and international laws ''may be insufficient protection,'' invalidated Washington laws, and potentially laws in eleven other states, that provide protections against spills by oil tankers. I disagree with the Court's decision, because I believe that Washington state should be allowed to protect its shores as it sees fit.

That is why, today I am pleased to introduce the ''States Prevention of Oil Tanker Spills Act'' (SPOTS)-legislation that will reinstate the right of all states to adopt additional standards beyond existing federal requirements governing the operation, maintenance, equipment, personnel and manning of oil tankers. While this legislation will apply to all shoreline states, it is particularly important to Washington.

Washington has always taken seriously its duty to protect the health and safety of its citizens, and has historically supported aggressive protections of its treasured natural resources, including Washington shorelines and waterways. Oil refineries and product terminals located in Cherry Point, Ferndale, Tacoma, Anacortes, and nearby Vancouver, British Columbia make Washington an international destination and shipping point for millions of tons of oil annually. A large volume of crude oil is transported to and from the state near heavily populated Puget Sound.

The frequent traffic of large vessels carrying vast amounts of oil increases the risks to the environment and public safety, and unfortunately, has resulted in devastating spills. The 1989 *Exxon Valdez* disaster was one of the most environmentally devastating in United States history. The huge oil tanker ran aground in Prince William Sound, Alaska, dumping 11 million gallons of crude oil into the Pacific Ocean, and damaging more than 1,000 miles of coastline in south-central Alaska. The massive spill resulted in billions of dollars in damage claims by over 40,000 people, including some 6,500 Washington fishermen who have yet to be compensated for their loss.

Incidents such as the *Valdez* disaster served as a catalyst for Washington and many other ocean shoreline states—as well as Congress—to enact laws to prevent similar catastrophic events. Congress passed the Oil Pollution Act of 1990. Washington passed its own legislation in 1994, which created the state Office of Marine Safety and directed the establishment of prevention plans for ''the best achievable protection'' from the damage caused by oil spills.

Washington's law enhanced, or added a number of requirements to, the federal law. For example, instead of merely requiring tanker crews to ''clearly understand English,'' as federal law prescribes, the state regulation required tanker crews to be proficient in English in order to prevent miscommunication between American navigators and foreign crews. To heighten safety protection in times of limited visibility due to fog or other inclement weather conditions common to the Puget Sound, the state also added a requirement that a tanker

have on its bridge at least three licensed officers, a helmsman, and a lookout. Among other requirements adopted by Washington are prescriptions regarding training, location plotting, pre-arrival tests, and drug testing for tanker crews.

While federal law governs the design and construction of tankers, as well as issues affecting Coast Guard and national security, I believe that states should have the right to enact additional regulations that they believe will enhance the safety of their citizens and natural resources. Twenty states' Attorneys General signed an amicus brief in United States vs. Locke, agreeing with Washington on this point.

Unfortunately, the International Association of Independent Tanker Owners, (''INTERTANKO''), a group of companies that own or operate more than 2,000 tankers in the United States and foreign nations, does not agree with this common sense proposition. Shortly after Washington's oil tanker law was enacted. INTERTANKO filed a lawsuit to overturn it. A federal district court ruled in Washington's favor, but the Administration voluntarily intervened in the oil tanker companies' appeal, and the U.S. Supreme Court held that the Coast Guard's weaker regulations superseded the state's requirements on oil tankers.

Some have suggested that additional state regulation would interfere with the federal government's relations with foreign governments. In my view, allowing states to add common sense safety measures would have little, if any, impact on foreign relations. It would, however, enhance environmental protection.

This legislation won't eliminate all oil spills. I believe, however, that it will help to prevent some. Laws protecting our shores from dangerous oil spills should not be brought to the lowest common denominator. Rather, allowing states to enhance federal laws where appropriate, will ensure an even greater level of protection for our citizens and resources in the future. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2506

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

SECTION 1. STANDARDS.

Section 3703 of title 46, United States Code, is amended by adding at the end thereof the following:

''(d) PRESERVATION OF STATE AUTHORITY.—Nothing in this chapter, or any other provision of law, preempts the authority of a State to adopt additional standards regarding maintenance, operation, equipping, personnel qualification, or manning of vessels to which the regulations under subsection (a) apply.''.

By Mr. CAMPBELL (for himself and Mr. ALLARD):

S. 2508. A bill to amend the Colorado Ute Indian Water Rights Settlement Act of 1988 to provide for a final settlement of the claims of the Colorado Ute Indian Tribes, and for other purposes.

COLORADO UTE SETTLEMENT ACT AMENDMENTS OF 2000

Mr. CAMPBELL. Mr. President, today I introduce The Colorado Ute Settlement Act Amendment of 2000, and take this opportunity to address promises broken, and the opportunity for this nation to finally keep the promises it made to the Southern and Ute Mountain Ute Indian tribes of Southern Colorado (Ute tribes). If we can find the resolve to get this done, we will have—for the first time—honored a treaty with an Indian tribe.

I am pleased to have my friend and colleague from Colorado, Senator WAYNE ALLARD, join me as an original cosponsor of this bill.

In the 1860's the United States promised the Ute tribes it would provide a permanent homeland for their people in the southwest. The water rights for that homeland remain senior over all others. Over a hundred years later, the tribes' water is being used by their neighbors. Our promise to the tribes gave them, the state, local water users, and the United States the choice of fighting for the water in court or negotiating and producing an enforceable agreement that all the parties can live with.

I am proud to have been a part of the effort over the past 12 years that resulted in an agreement to finally settle the tribal water rights claims, and provide water—not promises or financial compensation—for all involved. But, this fight is not a new one. The legal wrangling over the Ute Indian water rights was already over a decade old when the settlement was reached in 1986. Two years later Congress enacted the Colorado Ute Indian Water Rights Settlement Act of 1988. The Settlement Act promised the Ute tribes an adequate water supply to fulfill all of the promises made to them in the 1860's for a homeland and an adequate water supply. The Settlement Act promised; if the Ute tribes would give up their claims to the water under their treaties, we would provide them with an adequate alternative water supply.

As the chairman of the Senate Committee on Indian Affairs and as one who has Indian blood coursing through my veins, I am reminded almost every day of the promises and treaties that have been broken by the United States. While we in the United States Congress are sometimes unable to undo the results of this chain of shattered promises, we should at least agree that we will not continue to ignore treaties with any more American Indian tribes. The dismal truth is for the last ten years I have watched those opposed to the Animas-La Plata project work to prevent the federal government from fulfilling its commitment to the Ute Indian tribes manipulating facts and the law in an effort to deny our responsibilities as a nation. As a result we have squandered decades of time and millions of taxpayers dollars in an effort to not fulfill the promises made to the Ute tribes. I urge my colleagues to bring this sorry trail of broken promises to an end.

I remain committed to keeping our word to the Tribes of Colorado. Since the tribes have urged me to introduce this further A–LP compromise legislation, I am persuaded that this proposal will not violate the promises made to the tribes in 1988. However, if this bill is not enacted, or the permanent opponents of the project are able to further frustrate and delay the construction of the project, then this bill will be another broken promise to another Indian tribe and I refuse to be a part of that. Therefore, I have only introduced this bill with the understanding that it will include provisions that prevent needless delays.

I know there are people who will oppose any version of the Animas-La Plata project. In fact some groups had already signed letters rejecting the results of the draft supplemental environmental impact statement before it was made public. In part, they criticized the Department of Interior for prejudging the results of its analysis. I ask you, who is doing the prejudging? There are those who will oppose the project even if the final supplemental EIS reaches the same conclusion as the draft EIS: that constructing the facilities described by this bill is the least damaging way of fulfilling the federal government's promises to the Ute tribes.

It is absurd to continue to negotiate with those prepared to oppose any version of this project or to support efforts to continue to delay our moral and legal obligation to the Tribes.

First, my bill recognizes that a great deal of environmental review has already occurred, and that the facts have not changed, no matter what version of this project is discussed. The Interior Secretary is to continue his effort to produce a final supplemental EIS for the project. However, this bill makes clear that if the Secretary ultimately selects ''alternative #4,'' it will reflect that the Congress will also have had the opportunity to review the same record, and we concur with this judgment.

Similarly, the bill makes clear that if the U.S. Fish and Wildlife Service determines that an annual diversion of 57,100 acre feet of water can occur without jeopardizing the habitat of endangered fish not known to be there, Congress concurs and believes that the project should move forward, and allocate quantities of water in the manner provided for in this bill. In short, this bill is the last, best chance to keep the Tribes from suing the federal government and, in all likelihood, prevail at an unknown cost to taxpayers.

For those who hope to wait even longer before proceeding with this

project, I will point out that as of January 1, 2000, federal law authorized the Ute tribes to return to court to assert their claims for the water already being used in southwestern Colorado. Perhaps they should. In a demonstration of their good faith, the tribes have not yet returned to court to assert their claims. But we only have a small window of opportunity before the tribes must either assert their claims or allow them to lapse.

At any time, the tribes could now choose to return to court. I am determined to bring this matter before the Senate, one last time. We cannot allow this bill to become another step in the long trail of broken promises. We are a nation based on the respect for the law. Our compassion, our limitless dedication to defending the truth, and our history of preserving the dignity of even the least of us is well documented. So, too, is our atrocious record of respect for the rights and the most basic tenets of human dignity when it comes to the first Americans on this continent.

I urge my colleagues to support this important legislation and ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2508

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

SECTION 1. SHORT TITLE; FINDINGS; DEFINITIONS.

(a) SHORT TITLE.—This Act may be cited as the ''Colorado Ute Settlement Act Amendments of 2000''.

(b) FINDINGS.—Congress makes the following findings:

(1) In order to provide for a full and final settlement of the claims of the Colorado Ute Indian Tribes on the Animas and La Plata Rivers, the Tribes, the State of Colorado, and certain of the non-Indian parties to the Agreement have proposed certain modifications to the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973).

(2) The claims of the Colorado Ute Indian Tribes on all rivers in Colorado other than the Animas and La Plata Rivers have been settled in accordance with the provisions of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973).

(3) The Indian and non-Indian communities of southwest Colorado and northwest New Mexico will be benefited by a settlement of the tribal claims on the Animas and La Plata Rivers that provides the Tribes with a firm water supply without taking water away from existing uses.

(4) The Agreement contemplated a specific timetable for the delivery of irrigation and municipal and industrial water and other benefits to the Tribes from the Animas-La Plata Project, which timetable has not been met. The provision of irrigation water can not presently be satisfied under the current implementation of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(5) In order to meet the requirements of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), and in particular the various biological opinions issued by the Fish and Wildlife Service, the amendments made by this Act are needed to provide for a significant reduction in the facilities and water supply contemplated under the Agreement.

(6) The substitute benefits provided to the Tribes under the amendments made by this Act, including the waiver of capital costs and the provisions of funds for natural resource enhancement, result in a settlement that provides the Tribes with benefits that are equivalent to those that the Tribes would have received under the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973).

(7) The requirement that the Secretary of the Interior comply with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other national environmental laws before implementing the proposed settlement will ensure that the satisfaction of the tribal water rights is accomplished in an environmentally responsible fashion.

(8) Federal courts have considered the nature and the extent of Congressional participation when reviewing Federal compliance with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(9) In considering the full range of alternatives for satisfying the water rights claims of the Southern Ute Indian Tribe and Ute Mountain Ute Indian Tribe, Congress has held numerous legislative hearings and deliberations, and reviewed the considerable record including the following documents:

(A) The Final EIS No. INT–FES–80–18, dated July 1, 1980.

(B) The Draft Supplement to the FES No. INT–DES–92–41, dated October 13, 1992.

(C) The Final Supplemental to the FES No. 96–23, dated April 26, 1996;

(D) The Draft Supplemental EIS, dated January 14, 2000.

(c) DEFINITIONS.—In this Act:

(1) AGREEMENT.—The term ''Agreement'' has the meaning given that term in section 3(1) of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973).

(2) ANIMAS-LA PLATA PROJECT.—The term ''Animas-La Plata Project'' has the meaning given that term in section 3(2) of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973).

(3) DOLORES PROJECT.—The term ''Dolores Project'' has the meaning given that term in section 3(3) of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2974).

(4) TRIBE; TRIBES.—The term ''tribe'' or ''tribes'' has the meaning given that term in section 3(6) of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2974).

SEC. 2. AMENDMENTS TO SECTION 6 OF THE COLORADO UTE INDIAN WATER RIGHTS SETTLEMENT ACT OF 1988.

Subsection (a) of section 6 of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2975) is amended to read as follows:

''(a) RESERVOIR; MUNICIPAL AND INDUSTRIAL WATER.—

''(1) FACILITIES.—

''(A) IN GENERAL.—After the date of enactment of this subsection, but prior to January 1, 2005, the Secretary, in order to settle the outstanding claims of the Tribes on the Animas and La Plata Rivers, acting through the Bureau of Reclamation, is specifically authorized to—

''(i) complete construction of, and operate and maintain, a reservoir, a pumping plant, a reservoir inlet conduit, and appurtenant facilities with sufficient capacity to divert and store water from the Animas River to provide for an average annual depletion of 57,100 acre-feet of water to be used for a municipal and industrial water supply, which facilities shall—

''(I) be designed and operated in accordance with the hydrologic regime necessary for the recovery of the endangered fish of the San Juan River as determined by the San Juan River Recovery Implementation Program;

''(II) include an inactive pool of an appropriate size to be determined by the Secretary following the completion of required environmental compliance activities; and

''(III) include those recreation facilities determined to be appropriate by agreement between the State of Colorado and the Secretary that shall address the payment of any of the costs of such facilities by the State of Colorado in addition to the costs described in paragraph (3); and

''(ii) deliver, through the use of the project components referred to in clause (i), municipal and industrial water allocations—

''(I) with an average annual depletion not to exceed 16,525 acre-feet of water, to the Southern Ute Indian Tribe for its present and future needs;

''(II) with an average annual depletion not to exceed 16,525 acre-feet of water, to the Ute Mountain Ute Indian Tribe for its present and future needs;

''(III) with an average annual depletion not to exceed 2,340 acre-feet of water, to the Navajo Nation for its present and future needs;

''(IV) with an average annual depletion not to exceed 10,400 acre-feet of water, to the San Juan Water Commission for its present and future needs;

''(V) with an average annual depletion of an amount not to exceed 2,600 acre-feet of water, to the Animas-La Plata Conservancy District for its present and future needs;

''(VI) with an average annual depletion of an amount not to exceed 5,230 acre-feet of water, to the State of Colorado for its present and future needs; and

''(VII) with an average annual depletion of an amount not to exceed 780 acre-feet of water, to the La Plata Conservancy District of New Mexico for its present and future needs.

''(B) APPLICABILITY OF OTHER FEDERAL LAW.—The responsibilities of the Secretary described in subparagraph (A) are subject to the requirements of Federal laws related to the protection of the environment and otherwise applicable to the construction of the proposed facilities, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Clean Water Act (42 U.S.C. 7401 et seq.), and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.). Nothing in this Act shall be construed to predetermine or otherwise affect the outcome of any analysis conducted by the Secretary or any other Federal official under applicable laws.

''(C) LIMITATION.—

''(i) IN GENERAL.—If constructed, the facilities described in subparagraph (A) shall not be used in conjunction with any other facility authorized as part of the Animas-La Plata Project without express authorization from Congress.

''(ii) CONTINGENCY IN APPLICATION.—If the facilities described in subparagraph (A) are not constructed and operated, clause (i) shall not take effect.

''(2) TRIBAL CONSTRUCTION COSTS.—Construction costs allocable to the facilities that are required to deliver the municipal and industrial water allocations described in subclauses (I), (II) and (III) of paragraph (1)(A)(ii) shall be nonreimbursable to the United States.

''(3) NONTRIBAL WATER CAPITAL OBLIGATIONS.—Under the provisions of section 9 of the Act of August 4, 1939 (43 U.S.C. 485h), the

nontribal municipal and industrial water capital repayment obligations for the facilities described in paragraph (1)(A)(i) may be satisfied upon the payment in full of the nontribal water capital obligations prior to the initiation of construction. The amount of the obligations described in the preceding sentence shall be determined by agreement between the Secretary of the Interior and the entity responsible for such repayment as to the appropriate reimbursable share of the construction costs allocated to that entity's municipal water supply. Such agreement shall take into account the fact that the construction of facilities to provide irrigation water supplies from the Animas-La Plata Project is not authorized under paragraph (1)(A)(i) and no costs associated with the design or development of such facilities, including costs associated with environmental compliance, shall be allocable to the municipal and industrial users of the facilities authorized under such paragraph.

''(4) TRIBAL WATER ALLOCATIONS.—

''(A) IN GENERAL.—With respect to municipal and industrial water allocated to a Tribe from the Animas-La Plata Project or the Dolores Project, until that water is first used by a Tribe or used pursuant to a water use contract with the Tribe, the Secretary shall pay the annual operation, maintenance, and replacement costs allocable to that municipal and industrial water allocation of the Tribe.

''(B) TREATMENT OF COSTS.—A Tribe shall not be required to reimburse the Secretary for the payment of any cost referred to in subparagraph (A).

''(5) REPAYMENT OF PRO RATA SHARE.—Upon a Tribe's first use of an increment of a municipal and industrial water allocation described in paragraph (4), or the Tribe's first use of such water pursuant to the terms of a water use contract—

''(A) repayment of that increment's pro rata share of those allocable construction costs for the Dolores Project shall be made by the Tribe; and

''(B) the Tribe shall bear a pro rata share of the allocable annual operation, maintenance, and replacement costs of the increment as referred to in paragraph (4).''.

SEC. 3. COMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.

Section 6 of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2975) is amended by adding at the end the following:

''(i) COMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—

''(1) AUTHORITY.—Nothing in this Act shall be construed to alter, amend, or modify the authority or discretion of the Secretary or any other Federal official under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or any other Federal law.

''(2) DETERMINATION OF CONGRESS.—Subject to paragraph (3), in any defense to a challenge of the Final Environmental Impact Statement prepared pursuant to the Notice of Intent to Prepare a Draft Environmental Impact Statement, as published in the Federal Register on January 4, 1999 (64 Fed Reg 176–179), or the compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), and in addition to the Record of Decision and any other documents or materials submitted in defense of its decision, the United States may assert in its defense that Congress, based upon the deliberations and review described in paragraph (9) of section 1(b) of the Colorado Ute Settlement Act Amendments of 2000, has determined that the alternative described in such Final Statement meets the Federal government's water supply obligations to the Ute tribes under this Act in a manner that provides the most benefits to, and has the least impact on, the quality of the human environment.

''(3) APPLICATION OF PROVISION.—This subsection shall only apply if Alternative #4, as presented in the Draft Supplemental Environmental Impact Statement dated January 14, 2000, or an alternative substantially similar to Alternative #4, is selected by the Secretary.

''(4) NO EFFECT OF MODIFICATION OF FACILITIES.—The application of this section shall not be affected by a modification of the facilities described in subsection (a)(1)(A)(i) to address the provisions in the San Juan River Recovery Implementation Program.''.

SEC. 4. COMPLIANCE WITH THE ENDANGERED SPECIES ACT OF 1973.

Section 6 of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2975), as amended by section 3, is amended by adding at the end the following:

''(j) COMPLIANCE WITH THE ENDANGERED SPECIES ACT OF 1973.—

''(1) AUTHORITY.—Nothing in this section shall be construed to alter, amend, or modify the authority or discretion of the Secretary or any other Federal official under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or any other Federal law.

''(2) DETERMINATION OF CONGRESS.—Subject to paragraph (3), in any defense to a challenge of the Biological Opinion resulting from the Bureau of Reclamation Biological Assessment, January 14, 2000, or the compliance with the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), and in addition to the Record of Decision and any other documents or materials submitted in defense of its decision, the United States may assert in its defense that Congress, based on the deliberations and review described in paragraph (9) of section 1(b) of the Colorado Ute Settlement Act Amendments of 2000, has determined that constructing and operating the facilities described in subsection (a)(1)(A)(i) meets the Federal government's water supply obligation to the Ute tribes under that Act without violating the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

''(3) APPLICATION OF PROVISION.—This subsection shall only apply if the Biological Opinion referred to in paragraph (2) or any reasonable and prudent alternative suggested by the Secretary pursuant to section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536) authorizes an average annual depletion of at least 57,100 acre feet of water.

''(4) NO EFFECT OF MODIFICATION OF FACILITIES.—The application of this subsection shall not be affected by a modification of the facilities described in subsection (a)(1)(A)(i) to address the provisions in the San Juan River Recovery Implementation Program.''.

SEC. 5. MISCELLANEOUS.

The Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973) is amended by adding at the end the following:

''SEC. 15. NEW MEXICO AND NAVAJO NATION WATER MATTERS.

''(a) ASSIGNMENT OF WATER PERMIT.—Upon the request of the State Engineer of the State of New Mexico, the Secretary shall, in a manner consistent with applicable State law, assign, without consideration, to the New Mexico Animas-La Plata Project beneficiaries or the New Mexico Interstate Stream Commission any portion of the Department of the Interior's interest in New Mexico Engineer Permit Number 2883, dated May 1, 1956, in order to fulfill the New Mexico purposes of the Animas-La Plata Project, so long as the permit assignment does not affect the application of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) to the use of the water involved.

''(b) NAVAJO NATION MUNICIPAL PIPELINE.—The Secretary may construct a water line to augment the existing system that conveys the municipal water supplies, in an amount not less than 4,680 acre-feet per year, of the Navajo Nation to the Navajo Indian Reservation at Shiprock, New Mexico. The Secretary shall comply with all applicable environmental laws with respect to such water line. Construction costs allocated to the Navajo Nation for such water line shall be nonreimbursable to the United States.

''(c) PROTECTION OF NAVAJO WATER CLAIMS.—Nothing in this Act shall be construed to quantify or otherwise adversely affect the water rights and the claims of entitlement to water of the Navajo Nation.

''SEC. 16. TRIBAL RESOURCE FUNDS.

''(a) ESTABLISHMENT.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $20,000,000 for fiscal year 2001 and $20,000,000 for fiscal year 2002. Not later than 60 days after amounts are appropriated and available to the Secretary for a fiscal year under this paragraph, the Secretary shall make a payment to each of the Tribal Resource Funds established under paragraph (2). Each such payment shall be equal to 50 percent of the amount appropriated for the fiscal year involved.

''(2) FUNDS.—The Secretary shall establish a—

''(A) Southern Ute Tribal Resource Fund; and

''(B) Ute Mountain Ute Tribal Resource Fund.

A separate account shall be maintained for each such Fund.

''(b) ADJUSTMENT.—To the extent that the amount appropriated under subsection (a)(1) in any fiscal year is less than the amount authorized for such fiscal year under such subsection, the Secretary shall, subject to the availability of appropriations, pay to each of the Tribal Reserve Funds an adjustment amount equal to the interest income, as determined by the Secretary in his or her sole discretion, that would have been earned on the amount authorized but not appropriated under such subsection had that amount been placed in the Fund as required under such subsection.

''(c) TRIBAL DEVELOPMENT.—

''(1) INVESTMENT.—The Secretary shall, in the absence of an approved tribal investment plan provided for under paragraph (2), invest the amount in each Tribal Resource Fund in accordance with the Act entitled, 'An Act to authorize the deposit and investment of Indian funds' approved June 24, 1938 (25 U.S.C. 162a). The Secretary shall disburse, at the request of a Tribe, the principal and income in its Resource Fund, or any part thereof, in accordance with a resource acquisition and enhancement plan approved under paragraph (3).

''(2) INVESTMENT PLAN.—

''(A) IN GENERAL.—In lieu of the investment provided for in paragraph (1), a Tribe may submit a tribal investment plan applicable to all or part of the Tribe's Tribal Resource Fund.

''(B) APPROVAL.—Not later than 60 days after the date on which an investment plan is submitted under subparagraph (A), the Secretary shall approve such investment plan if the Secretary finds that the plan is reasonable and sound. If the Secretary does not approve such investment plan, the Secretary shall set forth in writing and with particularity the reasons for such disapproval. If such investment plan is approved by the Secretary, the Tribal Resource Fund involved shall be disbursed to the Tribe to be invested by the Tribe in accordance with the approved investment plan.

''(C) COMPLIANCE.—The Secretary may take such steps as the Secretary determines to be necessary to monitor the compliance of a Tribe with an investment plan approved under subparagraph (B). The United States shall not be responsible for the review, approval, or audit of any individual investment under the plan. The United States shall not be directly or indirectly liable with respect to any such investment, including any act or omission of the Tribe in managing or investing such funds.

''(D) ECONOMIC DEVELOPMENT PLAN.—The principal and income derived from tribal investments under an investment plan approved under subparagraph (B) shall be subject to the provisions of this section and shall be expended only in accordance with an economic development plan approved under paragraph (3).

''(3) ECONOMIC DEVELOPMENT PLAN.—

''(A) IN GENERAL.—Each Tribe shall submit to the Secretary a resource acquisition and enhancement plan for all or any portion of its Tribal Resource Fund.

''(B) APPROVAL.—Not later than 60 days after the date on which a plan is submitted under subparagraph (A), the Secretary shall approve such investment plan if the Secretary finds that the plan is reasonably related to the protection, acquisition, enhancement, or development of natural resources for the benefit of the Tribe and its members. If the Secretary does not approve such plan, the Secretary shall, at the time of such determination, set forth in writing and with particularity the reasons for such disapproval.

''(C) MODIFICATION.—Subject to the approval of the Secretary, each Tribe may modify a plan approved under subparagraph (B).

''(D) LIABILITY.—The United States shall not be directly or indirectly liable for any claim or cause of action arising from the approval of a plan under this paragraph, or from the use and expenditure by the Tribe of the principal or interest of the Funds.

''(d) LIMITATION ON PER CAPITA DISTRIBUTIONS.—No part of the principal contained in the Tribal Resource Fund, or of the income accruing to such funds, or the revenue from any water use contract, shall be distributed to any member of either Tribe on a per capita basis.

''(e) LIMITATION ON SETTING ASIDE FINAL CONSENT DECREE.—Neither the Tribes nor the United States shall have the right to set aside the final consent decree solely because the requirements of subsection (c) are not complied with or implemented.

''SEC. 17. COLORADO UTE SETTLEMENT FUND.

''(a) ESTABLISHMENT OF FUND.—There is hereby established within the Treasury of the United States a fund to be known as the 'Colorado Ute Settlement Fund.'

''(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Colorado Ute Settlement Fund such funds as are necessary to complete the construction of the facilities described in section 6(a)(1)(A) within 6 years of the date of enactment of this section. Such funds are authorized to be appropriated for each of the first 5 fiscal years beginning with the first full fiscal year following the date of enactment of this section.

''(c) INTEREST.—Amounts appropriated under subsection (b) shall accrue interest, to be paid on the dates that are 1, 2, 3, 4, and 5 years after the date of enactment of this section, at a rate to be determined by the Secretary of the Treasury taking into consideration the average market yield on outstanding Federal obligations of comparable maturity, except that no such interest shall be paid during any period where a binding final court order prevents construction of the facilities described in section 6(a)(1)(A).

''SEC. 18. FINAL SETTLEMENT.

''(a) IN GENERAL.—The construction of the facilities described in section 6(a)(1)(A), the allocation of the water supply from those facilities to the Tribes as described in that section, and the provision of funds to the Tribes in accordance with sections 16 and 17 shall constitute final settlement of the tribal claims to water rights on the Animas and La Plata Rivers in the State of Colorado.

''(b) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect the right of the Tribes to water rights on the streams and rivers described in the Agreement, other than the Animas and La Plata Rivers, to receive the amounts of water dedicated to tribal use under the Agreement, or to acquire water rights under the laws of the State of Colorado.

''(c) ACTION BY THE ATTORNEY GENERAL.—The Attorney General shall file with the District Court, Water Division Number 7, of the State of Colorado, such instruments as may be necessary to request the court to amend the final consent decree to provide for the amendments made to this Act under the Colorado Ute Indian Water Rights Settlement Act Amendments of 2000.

''SEC. 19. STATUTORY CONSTRUCTION; TREATMENT OF CERTAIN FUNDS.

''(a) IN GENERAL.—Nothing in the amendments made by the Colorado Ute Settlement Act Amendments of 2000 shall be construed to affect the applicability of any provision of this Act.

''(b) TREATMENT OF UNCOMMITTED PORTION OF COST-SHARING OBLIGATION.—The uncommitted portion of the cost-sharing obligation of the State of Colorado referred to in section 6(a)(3) shall be made available, upon the request of the State of Colorado, to the State of Colorado after the date on which payment is made of the amount specified in that section.''.

By Mr. WYDEN:

S. 2509. A bill for the relief of Rose-Marie Barbeau-Quinn; to the Committee on the Judiciary.

FOR THE RELIEF OF ROSE-MARIE BARBEAU-QUINN

● Mr. WYDEN. Mr. President, I am here today to introduce legislation that will allow a valuable member of the Portland, Oregon, community to become a permanent resident of the United States of America. Rose-Marie Barbeau-Quinn, a native of Canada, has lived in Portland since 1976. Together with her husband, Michael Quinn, she ran the Vat and Tonsure Tavern, a unique and popular restaurant that was a favorite of many of my constituents.

While Ms. Barbeau-Quinn and her husband, an American citizen, were together for over 16 years, their marriage did not take place until shortly before Michael's death in 1991. Since Rose-Marie and Michael were not formally married for the two years required by immigration law, and despite their 16 years together living as husband and wife, Rose-Marie has not been able to file for permanent residency in this country.

This legislation will correct their injustice, and allow Rose-Marie to be a permanent resident of the country she loves and has called home for over 20 years. I first learned of Ms. Barbeau-Quinn's situation from Senator Hatfield when I joined the Senate in 1996. Senator Hatfield championed her cause in the 104th Congress, and, as his request and the request of many of my constituents, I am attempting to complete the work that Senator Hatfield started. We both firmly believe that Rose-Marie would be a model United States resident.

I urge my colleagues to support this legislation, so that Rose-Marie Barbeau-Quinn can continue her place as a valuable member of our community for many years to come.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2509

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

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Rose-Marie Barbeau-Quinn, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Rose-Marie Barbeau-Quinn, as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).●

By Mr. MCCAIN (for himself, Mr. MOYNIHAN, and Mr. KERREY):

S. 2510. A bill to establish the Social Security Protection, Preservation, and Reform Commission; to the Committee on Finance.

SOCIAL SECURITY PROTECTION, PRESERVATION, AND REFORM COMMISSION ACT OF 2000

● Mr. MCCAIN. Mr. President, today I join with my friends and colleagues, Senators BOB KERREY and PAT MOYNIHAN, to introduce a very important bill that will serve as the catalyst for putting aside partisan politics and beginning the process of protecting, preserving and reforming the Social Security system.

Our bill establishes principles and a process for Social Security reform. The bill sets forth broadly stated objectives for comprehensive reform of the Social Security system that should be supported by every one of us. It establishes a bipartisan Congressional Commission charged with developing a reform plan consistent with those objectives. The Commission is required to submit a detailed legislative proposal to Congress by September 2001, and the bill includes a process for expedited Congressional action on the Commission's recommendations by the end of next year.

Mr. President, for far too long, Social Security has been used by politicians

on both sides of the aisle to polarize, manipulate and scare American voters. The mere mention of ''Social Security reform'' has become a lightning rod for the fears of retirees and workers alike about their financial futures.

Seniors, particularly low-income seniors, are vulnerable to exaggerations and hyperbolic rhetoric about their retirement benefits. They are often frightened into believing they will be homeless, penniless and starving if Congress reforms Social Security. We all know that is simply not true. The benefits seniors receive today are not the issue—nobody wants to take them away. And it is disgraceful that some would stoop so low as to play on the fears of older Americans.

The real issue driving Social Security reform—an issue that is only frightening when left unresolved—is how to strengthen and protect the system so that it is available for future retirees, without putting an unfair financial burden on current and future workers. We have wasted too much time on partisan politics when we should have been working together to find a solution to the financial problems facing our nation's retirement system. We can no longer afford to just spout rhetoric about the need for reform, then deliberately avoid taking any concrete action because of fears about how it may affect us in our next election.

Social Security reform is not just a political problem; it is a serious economic problem for millions of Americans who are counting on a retirement system that is in dire financial straits. It's time to step up to our common responsibilities, not as Republicans or Democrats, but as servants of the American people.

That is why I have joined with Senator KERREY and Senator MOYNIHAN to introduce this bill to require the Congress to act, and act soon, on legislation to preserve, protect, and reform Social Security. As my colleagues know, Bob KERREY and Pat MOYNIHAN have worked tirelessly for many years to highlight the urgent need for reform of the Social Security system, and they have succeeded in making the American people, if not the Congress, recognize that reforming our nation's retirement system must be a national priority.

Our bill sets out a timetable for action on Social Security reform by the end of next year—November 2001.

First, the bipartisan, bicameral Social Security Protection, Preservation, and Reform Commission must be appointed by February 1, 2001, and begin work within a month. The Commission will be made up of 12 Members of Congress, selected in equal numbers by the Party Leaders in both Houses. In addition, the Commission of Social Security will serve as an ex-officio, non-voting member.

The Commission is given a reasonable period of time—six months—to conduct hearings, review the myriad of reform proposals already in the public domain, and research new ideas to put together a comprehensive reform plan that meets the objectives set out in this bill.

Those broadly stated objectives represent the most basic requirements of meaningful Social Security reform:

Guaranteed 75-year solvency of the system;

Payment of all benefits to which retirees or workers are entitled;

A reasonable rate of return on payroll tax contributions for all generations;

An opportunity to participate in private investment accounts;

A ''lockbox'' for the Social Security Trust Funds to protect from spending raids; and

Use of non-Social Security surplus revenues to shore up the system while implementing reform.

The Commission is required to submit its recommendations to Congress in the form of a detailed legislative proposal by September 1, 2001, and the bill's expedited procedures are designed to ensure a final vote on Social Security reform by mid-November 2001. The strict time lines in the bill are designed to ensure that this vitally important issue is dealt with promptly—not pushed aside yet again, to be solved later.

Too often, election year politics stand as an obstacle to any meaningful action in Congress. This proposal is carefully crafted to avoid this. The bill is designed to ensure that Congress can complete action on Social Security reform by the end of 2001, before being consumed by the political sparring of an election year.

Mr. President, each year that reform of the Social Security system is postponed, restoring solvency to the trust funds becomes more expensive and places a greater financial burden on current and future workers. This ''principles and process'' legislation is, we believe, the only way to force Congress to pass a Social Security reform proposal that will protect and preserve our nation's retirement system and also allow more Americans to share in our nation's prosperity.

Mr. President, let me take a moment to comment on the objectives, or principles, included in this bill. The objectives are intended as minimum guidelines for the Commission's work, not as a comprehensive blueprint for Social Security reform. We intentionally stated these objectives as broadly as possible in order to give the Commission the opportunity to develop a comprehensive plan without micro-managing their every decision.

I believe very strongly that all promised benefits must be guaranteed under any reform proposal, both for those currently receiving Social Security benefits and those who are working and paying into Social Security today. In addition, I will work to ensure that Social Security reform does not unfairly burden today's workers by increasing payroll taxes from their current levels. And I do not believe it would be fair to further increase the eligibility age for receiving Social Security benefits.

I am a strong proponent of allowing workers to invest a portion of their payroll taxes in personal retirement accounts that will provide a much greater return than the current Social Security system. This will afford all Americans the opportunity to have greater personal wealth creation in addition to a minimum Social Security benefit.

Mr. President, I was very disappointed that Vice President GORE is continuing to use scare tactics about Social Security reform. Instead of putting the retirement needs of all Americans ahead of politics, the Vice President seems content to exacerbate the financial burden facing our children and grandchildren by ignoring the real structural problems of the program. By using politically intimidating rhetoric, the Vice President is seriously harming bipartisan efforts in Congress to put the needs of working Americans ahead of partisan politics.

Let's look at the facts. The savings rate in America today is appallingly low. Many low-income families have no savings at all, and a large number of middle-income Americans have less than $2,000 in the bank.

Because of this low savings rate, many Americans rely heavily on Social Security benefits for their retirement income. But economists agree that the rate of return on Social Security payroll tax contributions is abysmal—somewhere between 1 and 2 percent. Most workers today are unaware that the payroll taxes they contribute to Social Security may not provide anywhere near the income they expect when they retire. In fact, if nothing is done to reform the Social Security system, younger workers will receive nothing at all in return for paying more than 6 percent of their earnings every pay day into the Social Security system.

Allowing every worker to invest a portion of the payroll taxes they already pay in a higher-yielding private account would make it possible for families on very tight budgets to save more for their futures.

Even the most anemic savings account today realizes almost 3 percent, and secure short-term certificates of deposit return almost 6 percent. Over the past 50 years, the stock market has gained an average of more than 6 percent per year, with 20 to 30 percent gains in several recent years.

Proposals to allow every American to choose to invest a portion of their Social Security payroll taxes in a low- to moderate-risk private investment account are designed to give even the lowest-income families the opportunity to share in our Nation's economic prosperity and create wealth for themselves and their children.

In the long run, diverting a portion of payroll taxes to personal retirement accounts will bring more money into the Social Security system. In the short run, it will cost money. Using a significant portion of the non-Social

Security surplus revenues to shore up the Social Security system will ensure that current retirees receive their full benefits while reforms are implemented. At the same time, reducing the financial insolvency of the Social Security system through reform will also reduce our national debt.

Mr. President, we all have opinions about how the Social Security program should or could be reformed, and I will have more to say about specific aspects of Social Security reform when I introduce a comprehensive reform bill later this month. Every one of these ideas deserves fair and full consideration as we work together to restore solvency to our Nation's retirement system. It is clear that we need a formal process and effective deadlines to review these ideas and develop and pass a real, meaningful plan to reform Social Security. That is exactly what this bill will achieve.

Mr. President, Social Security is a sacred compact with workers and retirees that must be honored. The Congress has an obligation to develop a real, meaningful reform plan that strengthens and protects the Social Security program for our Nation's seniors without placing an unfair burden on America's workers. And we must do it sooner rather than later.

I urge my colleagues to put aside partisan politics and work with us to get this process legislation passed and begin the business of reforming Social Security now.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2510

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Social Security Protection, Preservation, and Reform Commission Act of 2000''.

TITLE I—FINDINGS AND OBJECTIVES OF REFORM

SEC. 101. FINDINGS.

Congress makes the following findings:

(1) Two-thirds of Americans depend on social security for half or more of their income and 47 percent of beneficiaries would be in poverty without their social security benefits.

(2) Social security is an unbreakable compact between workers and retirees across generations that must be honored and needs to be sustained.

(3) The social security trust funds will begin to run a cash-flow deficit in 2015 and trust fund assets are expected to be exhausted by 2037.

(4) Americans covered by the social security program are required to pay into a system from which they can expect lower rates of return than earlier generations.

(5) Each year that comprehensive reform of the social security system is postponed, restoring actuarial solvency to the trust funds becomes more expensive and places a greater financial burden on current and future workers.

SEC. 102. OBJECTIVES OF REFORM.

Congress must act to reform the social security system so that—

(1) beneficiaries receive the benefits to which they are entitled based on a fair and equitable reform of that system;

(2) the long-term solvency of the social security system is guaranteed for at least 75 years without any foreseeable funding shortfall immediately following that period and cash-flow deficits and pressure on future general revenues to pay benefits is significantly reduced;

(3) every generation of workers is guaranteed a reasonable comparable rate of return on all tax contributions;

(4) all Americans, particularly low-income workers, are provided the opportunity to share in our Nation's economic prosperity and create wealth for themselves and future generations through a private investment account under that system;

(5) revenues flowing into the Federal Old-Age, Survivors, and Disability Trust Funds are protected from congressional or other efforts to spend on nonsocial security related purposes; and

(6) resources are made available from surplus non-social security revenues to preserve and protect the social security system while implementing reform.

TITLE II—SOCIAL SECURITY REFORM COMMISSION

SEC. 201. ESTABLISHMENT OF COMMISSION.

There is established a commission to be known as the Social Security Protection, Preservation, and Reform Commission (in this title referred to as the ''Commission'').

SEC. 202. DUTIES.

(a) RECOMMENDATIONS FOR REFORM.—Not later than September 1, 2001, the Commission shall make specific recommendations to Congress for reform of the social security system established under title II of the Social Security Act (42 U.S.C. 401 et seq.) in a manner that incorporates the objectives of reform set forth in section 102.

(b) LEGISLATIVE LANGUAGE.—The recommendations required under subsection (a) shall include legislative language necessary for carrying out such recommendations. The Commission shall develop such legislative language after conducting such public hearings and consulting with such public or private entities as the Commission considers necessary and appropriate to make the recommendations required under subsection (a).

SEC. 203. MEMBERSHIP.

(a) IN GENERAL.—The Commission shall be composed of 13 members as follows:

(1) Two congressional Members shall be appointed by the Speaker of the House of Representatives.

(2) Two congressional Members shall be appointed by the Minority Leader of the House of Representatives.

(3) Two congressional Members shall be appointed by the Majority Leader of the Senate.

(4) Two congressional Members shall be appointed by the Minority Leader of the Senate.

(5) The Chairman of the Committee on Finance of the Senate.

(6) The Ranking Member of the Committee on Finance of the Senate.

(7) The Chairman of the Committee on Ways and Means of the House of Representatives.

(8) The Ranking Member of the Committee on Ways and Means of the House of Representatives.

(10) The Commissioner of Social Security, who shall be an ex officio member of the Commission.

(b) DEADLINE FOR APPOINTMENTS.—The members of the Commission shall be appointed not later than February 1, 2001.

(c) CO-CHAIRMEN.—The Commission shall designate 2 members of the Commission to serve as Co-chairmen of the Commission.

(d) TERMS.—Each member of the Commission shall serve on the Commission and, with respect to the Co-chairmen, in such capacity, until the earlier of the date the Commission terminates or September 16, 2001.

(e) VACANCIES.—Any vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made and shall not affect the power of the remaining members to execute the duties of the Commission.

SEC. 204. QUORUM.

A quorum shall consist of 7 voting members of the Commission.

SEC. 205. MEETINGS.

(a) IN GENERAL.—The Commission shall meet at the call of the Co-chairmen or a majority of its members.

(b) INITIAL MEETING.—The Commission shall conduct its first meeting not later than March 1, 2001.

(c) OPEN MEETINGS.—Each meeting of the Commission, other than meetings in which classified information is to be discussed, shall be open to the public.

SEC. 206. POLICIES AND PROCEDURES.

The Commission shall establish policies and procedures for carrying out the functions of the Commission under this Act.

SEC. 207. STAFF DIRECTOR AND STAFF.

(a) STAFF DIRECTOR.—The Co-chairmen, with the advice and consent of the members of the Commission, shall appoint a Staff Director who is not otherwise, and has not during the 1-year period preceding the date of such appointment served as, an officer or employee in the executive branch and who is not and has not been a Member of Congress. The Staff Director shall be paid at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) STAFF.—

(1) IN GENERAL.—The Staff Director, with the approval of the Commission, may appoint and fix pay of additional personnel. The Staff Director may take such appointments without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

(2) DETAILEES.—

(A) IN GENERAL.—Upon request of the Staff Director, the head of any Federal department or agency may detail any of the personnel of that department or agency to the Commission to assist the Commission in carrying out its duties under this Act. Not more than ⅓ of the personnel employed by or detailed to the Commission may be on detail from any Federal agency.

(B) ADDITIONAL RESTRICTIONS.—

(i) PERSONNEL.—Not more than ⅓ of the personnel detailed to the Commission may be on detail from any Federal agency that deals directly or indirectly with the administration of the social security system.

(ii) ANALYSTS.—Not more than ⅕ of the professional analysts of the Commission may be individuals detailed from a Federal agency that deals directly or indirectly with the administration of the social security system.

(3) EXPERTS AND CONSULTANTS.—The Commission may procure by contract, to the extent funds are available, the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

(4) FEDERAL OFFICER OR EMPLOYEE.—No member of a Federal agency, and no officer or employee of a Federal agency may—

(A) prepare any report concerning the effectiveness, fitness, or efficiency of the performance on the staff of the Commission of any individual detailed from a Federal agency to that staff;

(B) review the preparation of such report; or

(C) approve or disapprove such a report.

(5) LIMITATION ON STAFF SIZE.—Not more than 25 individuals (including any detailees) may serve on the staff of the Commission at any time.

SEC. 208. POWERS.

(a) HEARINGS AND OTHER ACTIVITIES.—For the purpose of carrying out its duties, the Commission may hold such hearings and undertake such other activities as the Commission determines to be necessary to carry out its duties.

(b) STUDIES BY GENERAL ACCOUNTING OFFICE.—Upon the request of the Commission, the Comptroller General shall conduct such studies or investigations as the Commission determines to be necessary to carry out its duties.

(c) COST ESTIMATES BY CONGRESSIONAL BUDGET OFFICE.—Upon the request of the Commission, the Director of the Congressional Budget Office shall provide to the Commission such cost estimates as the Commission determines to be necessary to carry out its duties.

(d) TECHNICAL ASSISTANCE.—Upon the request of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.

(e) USE OF MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as Federal agencies, and shall, for purposes of the frank, be considered a commission of Congress as described in section 3215 of title 39, United States Code.

(f) OBTAINING INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out its duties, if the information may be disclosed under section 552 of title 5, United States Code. Upon request of the Co-chairmen of the Commission, the head of such agency shall furnish such information to the Commission.

(g) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(h) ACCEPTANCE OF DONATIONS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(i) PRINTING.—For purposes of costs relating to printing and binding, including the costs of personnel detailed from the Government Printing Office, the Commission shall be deemed to be a committee of the Congress.

SEC. 209. TERMINATION.

The Commission shall terminate 15 days after the date of submission of the recommendations for reform required under section 202.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title, such sums as may be necessary for the Commission to carry out its duties under this title.

TITLE III—CONGRESSIONAL CONSIDERATION OF RECOMMENDATIONS

SEC. 301. CONGRESSIONAL CONSIDERATION OF RECOMMENDATIONS.

(a) INTRODUCTION OF RECOMMENDATIONS AND COMMITTEE CONSIDERATION.—

(1) INTRODUCTION.—The legislative language transmitted pursuant to section 202(b) with the recommendations for reform of the Commission shall be in the form of a bill (in this title referred to as the ''reform bill''). Such reform bill shall be introduced in the House of Representatives by the Speaker, and in the Senate, by the Majority Leader, immediately upon receipt of the language and such reform bill shall be referred to the appropriate committee of Congress under paragraph (2). If the reform bill is not introduced in accordance with the preceding sentence, the reform bill may be introduced in either House of Congress by any member thereof.

(2) COMMITTEE CONSIDERATION.—

(A) REFERRAL.—A reform bill introduced in the House of Representatives shall be referred to the Committee on Ways and Means of the House of Representatives. A reform bill introduced in the Senate shall be referred to the Committee on Finance of the Senate.

(B) REPORTING.—Not later than 30 days after the introduction of the reform bill, the committee of Congress to which the reform bill was referred shall report the bill or a committee amendment thereto.

(C) DISCHARGE OF COMMITTEE.—If the committee to which is referred a reform bill has not reported such reform bill (or an identical reform bill) at the end of 30 calendar days after its introduction or at the end of the first day after there has been reported to the House involved a reform bill, whichever is earlier, such committee shall be deemed to be discharged from further consideration of such reform bill and such reform bill shall be placed on the appropriate calendar of the House involved.

(b) EXPEDITED PROCEDURE.—

(1) CONSIDERATION.—

(A) IN GENERAL.—Not later than 2 days after the date on which a committee has been discharged from consideration of a reform bill, the Speaker of the House of Representatives, or the Speaker's designee, or the Majority Leader of the Senate, or the Leader's designee, shall move to proceed to the consideration of the committee amendment to the reform bill, and if there is no such amendment, to the reform bill. It shall also be in order for any member of the House of Representatives or the Senate, respectively, to move to proceed to the consideration of the reform bill at any time after the conclusion of such 2-day period.

(B) POINTS OF ORDER WAIVED.—All points of order against the reform bill (and against consideration of the reform bill) are waived.

(C) MOTION TO PROCEED.—A motion to proceed to the consideration of the reform bill is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, to a motion to postpone consideration of the reform bill, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion to proceed is agreed to or not agreed to shall not be in order. If the motion to proceed is agreed to, the House of Representatives or the Senate, as the case may be, shall immediately proceed to consideration of the reform bill without intervening motion, order, or other business, and the reform bill shall remain the unfinished business of the House of Representatives or the Senate, as the case may be, until disposed of.

(D) LIMITED DEBATE.—Debate on the reform bill and on all debatable motions and appeals in connection therewith shall be limited to not more than the lesser of 100 hours or 14 days, which shall be divided equally between those favoring and those opposing the reform bill. A motion further to limit debate on the reform bill is in order and not debatable.

(E) AMENDMENTS.—

(i) IN GENERAL.—Subject to clause (ii), amendments to the reform bill—

(I) during consideration in the House of Representatives shall be limited in accordance with a rule adopted by the Committee on Rules of the House of Representatives; and

(II) during consideration in the Senate shall be limited to—

(aa) one first degree amendment per member or that member's designee with 1 hour of debate equally divided; and

(bb) germane second degree amendments (without limit) with 30 minutes of debate equally divided.

(ii) LEADERSHIP AMENDMENTS.—The Speaker of the House of Representatives and the Minority Leader of the House of Representatives and the Majority Leader of the Senate and the Minority Leader of the Senate may each offer 1 first degree amendment (in addition to the amendments afforded such members under clause (i)), with 4 hours of debate equally divided on each such amendment offered. No second degree amendments may be offered by the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, or the Minority Leader of the Senate in their leadership capacities.

(F) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on the reform bill, and on all amendments offered to the reform bill, and all votes required on amendments offered to the reform bill, the vote on final passage of the reform bill shall occur.

(G) OTHER MOTIONS NOT IN ORDER.—A motion to postpone consideration of the reform bill, a motion to proceed to the consideration of other business, or a motion to recommit the reform bill is not in order. A motion to reconsider the vote by which the reform bill is agreed to or not agreed to is not in order.

(H) APPEALS.—Appeals from the decisions of the Chair relating to the application of the rules of the House of Representatives or of the Senate, as the case may be, to the procedure relating to the reform bill shall be decided without debate.

(2) CONSIDERATION BY OTHER HOUSE.—If, before the passage by one House of the reform bill that was introduced in such House, such House receives from the other House a reform bill as passed by such other House—

(A) the reform bill of the other House shall not be referred to a committee and may only be considered for final passage in the House that receives it under subparagraph (C);

(B) the procedure in the House in receipt of the reform bill of the other House, with respect to the reform bill that was introduced in the House in receipt of the reform bill of the other House, shall be the same as if no reform bill had been received from the other House; and

(C) notwithstanding subparagraph (B), the vote on final passage shall be on the reform bill of the other House.

Upon disposition of a reform bill that is received by one House from the other House, it shall no longer be in order to consider the reform bill that was introduced in the receiving House.

(3) CONSIDERATION IN CONFERENCE.—

(A) CONVENING OF CONFERENCE.—

(i) IN GENERAL.—Immediately upon a final passage of the reform bill that results in a disagreement between the two Houses of Congress with respect to the bill, the conferees described in clause (ii) shall be appointed and a conference convened.

(ii) CONFEREES DESCRIBED.—The conferees described in this clause are the following:

(I) The Speaker of the House of Representatives.

(II) The Minority Leader of the House of Representatives.

(III) The Majority Leader of the Senate.

(IV) The Minority Leader of the Senate.

(V) Each member of the Committee on Ways and Means of the House of Representatives.

(VI) Each member of the Committee on Finance of the Senate.

(B) DEADLINE FOR REPORT.—Not later than 14 days after the date on which conferees are appointed, the conferees shall file a report with the House of Representatives and the Senate resolving the differences between the Houses on the reform bill.

(C) LIMITATION ON SCOPE.—A report filed under subparagraph (B) shall be limited to resolution of the differences between the Houses on the reform bill and shall not include any other matter.

(D) HOUSE CONSIDERATION.—

(i) IN GENERAL.—Notwithstanding any other rule of the House of Representatives, it shall be in order to immediately consider a report of a committee of conference on the reform bill filed in accordance with subparagraph (B).

(ii) DEBATE.—Debate in the House of Representatives on the conference report shall be limited to the lesser of 50 hours or 7 days, equally divided and controlled by the Speaker of the House of Representative and the Minority Leader of the House of Representatives or their designees.

(iii) LIMITATION ON MOTIONS.—A motion to further limit debate on the conference report is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

(iv) VOTE ON FINAL PASSAGE.—A vote on final passage of the conference report shall occur immediately at the conclusion or yielding back of all time for debate on the conference report.

(E) SENATE CONSIDERATION.—

(i) IN GENERAL.—The motion to proceed to consideration in the Senate of the conference report shall not be debatable and the reading of such conference report shall be deemed to have been waived.

(ii) DEBATE.—Consideration in the Senate of the conference report on a reform bill shall be limited to the lesser of 50 hours or 7 days, equally divided and controlled by the Majority Leader and the Minority Leader or their designees.

(iii) LIMITATION ON MOTION TO RECOMMIT.—A motion to recommit the conference report is not in order.

(4) RULES OF THE SENATE AND HOUSE OF REPRESENTATIVES.—This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a bill, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as they relate to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.●

Mr. KERREY. Mr. President, I am joined by my esteemed colleagues Senator MCCAIN and Senator MOYNIHAN in introducing the Social Security Protection, Preservation, and Reform Commission Act of 1990''. I am honored to join these two distinguished colleagues in an effort to create a bipartisan and bicameral Congressional Commission to reform Social Security.

I am pleased to join Senator MCCAIN in a serious effort to provoke this body to move beyond demagoguery and toward action on the subject of Social Security reform. Senator MCCAIN has had the unique benefit of spending the earlier part of this year talking to thousands of constituents from across America about their hopes and concerns during the course of his Presidential campaign. As Senator MCCAIN has noted to me, a great majority of these people expressed particular concern for the future state of the Social Security program. Americans have intense feelings of patriotism where Social Security is concerned—and strongly support reworking and preserving this program for generations to come.

My friend's commitment to an honest debate and a reform agenda has sparked the continued interest and attention of millions of Americans—and his support of the Social Security reform cause makes the program's eventual reform all the more likely.

I am also honored to be joining my dear friend Senator DANIEL PATRICK MOYNIHAN in introducing this legislation. Senator MOYNIHAN has perhaps the most distinguished record of accomplishment where Social Security is concerned of anyone in this body—perhaps even in this country. As a former member of the Greenspan Commission, which restored solvency to the Trust Funds in 1983, Senator MOYNIHAN is a seasoned veteran of reform commissions—and we welcome his counsel on, and support of, this legislation. My dear friend's participation in the Greenspan Commission also reminds us of what can happen when Congress waits until the last possible moment to restore solvency to this important program. As my colleagues may remember, the 1983 Commission met to discuss reforms at a time when the program was in severe jeopardy—Social Security checks were at risk of not being sent out. Since the 1983 reforms were enacted, future insolvency has again plagued the program. Senator MOYNIHAN has been leading the charge to ensure that Congress does not make the same mistake in waiting until 2037 to reform the program—he knows too well that fixing it now will alleviate great financial pain on future generations. I have been honored to co-sponsor two reform bills with Senator MOYNIHAN—and I am honored to call him a friend. His wise leadership on this and other issues will be dearly missed when he retires at the close of this 106th Congress.

I was skeptical at first about an effort to create a Congressional Commission to reform the Social Security program. But upon further consideration, I have reached the conclusion that a bicameral, bipartisan Congressional Commission is the only way to move beyond the polarizing partisanship and inflammatory rhetoric that stalls action on this important program.

The Commission envisioned in our bill will include equal numbers of Republicans and Democrats, including the Chairs and Ranking Members of the Ways and Means and Finance Committees, and the Commissioner of Social Security as a non-voting, ex-officio member. Our bill also creates an expedited process for consideration of the Commission's reform bill in the House and Senate. The process is similar to reconciliation protections for budget and tax measures—and will prevent Members from exercising delaying tactics.

Our bill also sets out a number of reform objectives for the Commission to meet, such as maintaining benefits for current beneficiaries, restoring Trust Fund solvency for at least 75-years, and including some form of wealth creation component as part of the Social Security program.

I am particularly interested in encouraging this Commission to include some form of individual account provision—with special attention given to making the accounts and the program itself more progressive for low and moderate income individuals.

As a Democrat, one of my greatest concerns is the growing wealth gap between the rich and poor. The latest Statistics of Income Bulletin from the IRS shows that the combined net worth of the top 4,400,000 Americans was $6.7 trillion in 1995. In other words, the top 2.5% of our population held 27.4% of the nation's wealth in the mid-1990s. These statistics highlight why we should be concerned about the growing wealth gap. The ownership of wealth brings security to people's lives. The ownership of wealth opens up new opportunities. And the ownership of wealth transforms the way people view their futures.

An individual with no financial assets—and no means to accumulate financial assets—cannot count on a secure retirement or ensure that his or her future health care needs will be met.

Ownership of wealth is a much more reliable way of becoming financially secure in old age than promises by politicians to tax and transfer income. Ownership of wealth produces greater independence and happiness. The maldistribution of wealth (the rich getting richer and the poor getting poorer) is not healthy for a liberal democracy and a free market economy such as ours. Wealth ownership is the only path to true security—and we must work to enact laws that provide low and moderate income families the opportunities and the tools to acquire wealth.

We will never reach a stage in which all Americans are full participants in the growth of the American economy, unless we enact comprehensive pension reforms that will improve savings opportunities for low income workers, and modernize and improve the Social

Security program so that it becomes more than just a mechanism for transferring income.

I look forward to a spirited and substantive debate on the subject of Social Security in the upcoming Presidential election. And I am hopeful that our Congressional Commission proposal can become the vehicle by which the next President can work with Congress to create a bipartisan consensus on Social Security reform.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 2511. A bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

KENAI MOUNTAINS-TURNAGAIN ARM NATIONAL HERITAGE CORRIDOR AREA ACT OF 2000

• Mr. MURKOWSKI. Mr. President, I rise today to introduce a bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in my State of Alaska.

The Heritage Area, when enacted, will include the first leg of the Iditarod National Historic Trail and most of the Seward Highway National Scenic Byway. Through National Heritage designation these routes will be portrayed and interpreted as part of the whole picture of human history in the wider transportation corridor through the mountains, which includes early Native trade routes, connections by waterway, the railroad, and other trails and roadways.

This proposal differs from the 16 existing National Heritage Areas. The fact that it would be one of a kind strengthens the case for designation.

Unlike any of the existing National Heritage Areas, the Kenai Mountains-Turnagain Arm National Historic Corridor will highlight the experience of the western frontier—of transportation and settlement in a difficult landscape—of the gold rush and resource development in a remote area. These are the themes of the proposal—themes that formed our perception of ourselves as a nation. The proposed Heritage Area wonderfully expresses these themes.

Within the proposed Heritage Area there are a number of small historic communities that developed around transportation and the gold rush. They are dwarfed by the sweeping landscapes of the region, by the magnificence of the mountains, and the dominance and strength of nature.

Turnagain Arm, once a critical transportation link, has the world's second largest tidal range. Visitors can stand along the shore lines and actually watch 30-foot tides move in and out of the arm. On occasion, the low roar of an oncoming bore tide can be heard as a wall of water sweeps up the Turnagain.

A traveler through the alpine valleys and mountain passes of the Heritage Area can see evidence of retreating glaciers, earthquake subsidence, and avalanches. Dall sheep, beluga whales, moose, bald eagles, trumpeter swans, and Artic terns give glimpses of their presence.

Through this rugged terrain humans have developed transportation routes into South-central and Interior Alaska. Travel was channeled through the valleys and on the rivers and fjord-like lakes. First came Alaska Natives, establishing trading paths. Later the Russians, gold rush stampeders, and all types of people arrived seeking access into the resource-rich land. The famous Iditarod Trail to Nome, which was used to haul mail in and gold out, started at Seward.

A series of starts and stops by railroad entrepreneurs eventually culminated in the completion of the railroad from Seward to Fairbanks by the federal government. President Harding boarded the train in Seward in 1923 to drive the golden spike at Nenana (and died on the boat returning to Seattle). It was only in the last half of this century that the highway from Seward to Anchorage was opened. Before then the small communities of the area were linked to the rest of Alaska by wagon trail, rail, and by boat across Turnagain Arm and the Kenai River.

The Heritage Area contains one of the earliest mining regions in Alaska. Russians left evidence of their search for gold at Bear Creek near Hope. In 1895, discovery of a rich deposit at Canyon Creak precipitated the Turnagain Arm Gold Rush, predating the stampede to the Klondike.

The early settlements and communities of the area are still very much as they were in the past. But, as in the early days, this is a region where ''nature is boss,'' and historic trails and evidence of mining history are often embedded and nearly hidden in the landscape. What can be seen stands as powerful testimony to the human fortitude, perseverance, and resourcefulness that is America's proudest heritage from the people who settled the Alaskan frontier.

People living in the Kenai Mountains—Turnagain Arm areas share a sense that it is a special place. In part, this is simply because of the sheer natural beauty; but it is also because the Alaska frontier is relative recent. Memories of the times when the inhabitants were dependent on their own resources, and on each other, are still very much alive.

Communities are small, but they are alive with volunteerism. All have active historical societies. Groups in Seward and Girdwood have organized to rebuild the Iditarod Trail. In the town of Hope citizens constructed a museum of mining history, building it themselves out of logs and donated materials. Local people have conducted historic building surveys, written books and short histories, collected and published old diaries, and created web pages to record and share the history of their communities. Seward, the corridor's gateway, has created a delightful array of visitor opportunities that display and interpret the region's natural setting, Native culture, and history. National Heritage Area designation would greatly encourage and expand these good efforts.

Mr. President, it is important to note that this National Heritage Area is a local grass roots effort and it will remain a locally driven grass roots effort. Decisions will be made by locals, not by Federal bureaucrats. The only role of the Federal Government is to provide technical expertise, mostly in the areas of the interpretation of the many historic sites and tremendous natural resource features that are found throughout the entire region. There will be no additional land ownership by the Federal Government or by the local management entity that is charged with putting together a coordinated plan to interpret the Heritage Area. The Heritage Area is about local people working together.

Mr. President, I ask unanimous consent the bill be printed in the RECORD and I urge my colleagues to support this legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2511

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Kenai Mountains-Turnagain Arm National Heritage Corridor Area Act of 2000''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Kenai Mountains-Turnagain Arm transportation corridor is a major gateway to Alaska and includes a range of transportation routes used first by indigenous people who were followed by pioneers who settled the nation's last frontier;

(2) the natural history and scenic splendor of the region are equally outstanding; vistas of nature's power include evidence of earthquake subsidence, recent avalanches, retreating glaciers and tidal action along Turnagain Arm, which has the world's second greatest tidal range;

(3) the cultural landscape formed by indigenous people and then by settlement, transportation and modern resource development in this rugged and often treacherous natural setting stands as powerful testimony to the human fortitude, perseverance and resourcefulness that is America's proudest heritage from the people who settled the frontier;

(4) there is a national interest in recognizing, preserving, promoting and interpreting these resources;

(5) the Kenai Mountains-Turnagain Arm region is geographically and culturally cohesive because it is defined by a corridor of historic routes—trail, water, railroad, and roadways through a distinct landscape of mountains, lakes and fjords;

(6) national significance of separate elements of the region include, but are not limited to, the Iditarod National Historic Trail, the Seward Highway National Scenic Byway and the Alaska Railroad National Scenic Railroad;

(7) national heritage area designation provides for the interpretation of these routes, as well as the national historic districts and numerous historic routes in the region as

part of the whole picture of human history in the wider transportation corridor including early Native trade routes, connections by waterway, mining trail and other routes;

(8) national heritage area designation also provides communities within the region with the motivation and means for ''grass roots'' regional coordination and partnerships with each other and with borough, State and federal agencies; and

(9) resolution and letters of support have been received from the Kenai Peninsula Historical Association, the Seward Historical Commission, the Seward City Council, the Hope and Sunrise Historical Society, the Hope Chamber of Commerce, the Alaska Association for Historic Preservation, the Cooper Landing Community Club, the Alaska Wilderness Recreation and Tourism Association, Anchorage Historic Properties, the Anchorage Convention and Visitors Bureau, the Cook Inlet Historical Society, the Moose Pass Sportsman's Club, the Alaska Historical Commission, the Girdwood Board of Supervisors, the Kenai River Special Management Area Advisory Board, the Bird/Indian Community Council, the Kenai Peninsula Borough Trails Commission, the Alaska Division of Parks and Recreation, the Kenai Peninsula Borough, the Kenai Peninsula Tourism Marketing Council, and the Anchorage Municipal Assembly.

(b) PURPOSES.—The purposes of this Act are—

(1) to recognize, preserve and interpret the historic and modern resource development and cultural landscapes of the Kenai Mountains—Turnagain Arm historic transportation corridor, and to promote and facilitate the public enjoyment of these resources; and

(2) to foster, through financial and technical assistance, the development of cooperative planning and partnerships among the communities and borough, state and federal government entities.

SEC. 3. DEFINITIONS.

In this Act:

(1) HERITAGE AREA.—The term ''Heritage Area'' means the Kenai Mountains—Turnagain Arm National Heritage Area establish by section 4(a) of this Act.

(2) MANAGEMENT ENTITY.—The term ''management entity'' means the 11 member Board of Directors of the Kenai Mountains—Turnagain Arm National Area Commission.

(3) MANAGEMENT PLAN.—The term ''management plan'' means the management plan for the Heritage Area.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 4. KENAI MOUNTAINS—TURNAGAIN ARM NATIONAL HERITAGE AREA.

(a) ESTABLISHMENT.—There is established the Kenai Mountains—Turnagain Arm National Heritage Area.

(b) BOUNDARIES.—The Heritage Area shall comprise the lands in the Kenai Mountains and upper Turnagain Arm region generally depicted on the map entitled ''Kenai Peninsula/Turnagain Arm National Heritage Corridor'', numbered ''Map #KMTA—1, and dated ''August 1999''. The map shall be on file and available for public inspection in the offices of the Alaska Regional Office of the National Park Service and in the offices of the Alaska State Heritage Preservation Officer.

SEC. 5. MANAGEMENT ENTITY.

(a) The management entity shall consist of 7 representatives, appointed by the Secretary from a list of recommendations submitted by the Governor of Alaska, from the communities of Seward, Lawing, Moose Pass, Cooper Landing, Hope, Girdwood, Bird-Indian and 4 at-large representatives, from such organizations as Native Associations, the Iditarod Trail Committee, historical societies, visitor associations and private or business entities. Upon appointment, the Commission shall establish itself as a non-profit corporation under laws of the State of Alaska.

(1) TERMS.—Members of the management entity appointed under section 5(a) shall each serve for a term of 5 years, except that of the members first appointed 3 shall serve for a term of 4 years and 2 shall serve for a term of 3 years; however, upon the expiration of his or her term, an appointed member may continue to serve until his or her successor has been appointed.

(2) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made, and any member appointed to fill a vacancy shall serve for the remainder of that term for which his or her predecessor was appointed.

(b) Non-voting Ex-officio representatives, invited by the non-profit corporation from such organizations as the State Division of Parks and Outdoor Recreation, State Division Mining, Land and Water, Forest Service, State Historic Preservation Office, Kenai Peninsula Borough, Municipality of Anchorage, Alaska Railroad, Alaska Department of Transportation and the National Park Service.

(c) Representation of ex-officio members in the non-profit corporation shall be established under the by-laws of the management entity.

SEC. 6. AUTHORITIES AND DUTIES OF MANAGEMENT ENTITY.

(a) MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 3 years after the Secretary enters into a cooperative agreement with the management entity, the management entity shall develop a management plan for the Heritage Area, taking into consideration existing federal, State, borough, and local plans.

(2) CONTENTS.—The management plan shall include, but not be limited to—

(A) comprehensive recommendations for conservation, funding, management, and development of the Heritage Area;

(B) a description of agreements on actions to be carried out by government and private organizations to protect the resources of the Heritage Area;

(C) a list of specific and potential sources of funding to protect, manage and develop the Heritage Area;

(D) an inventory of the resources contained in the Heritage Area: and

(E) a description of the role and participation of other Federal, State and local agencies that have jurisdiction on lands within the Heritage Area.

(b) PRIORITIES.—The management entity shall given priority to the implementation of actions, goals, and policies set forth in the cooperative agreement with the Secretary and the heritage plan, including assisting communities within the region in—

(1) carrying out programs which recognize important resource values in the heritage corridor;

(2) encouraging economic viability in the affected communities;

(3) establishing and maintaining interpretive exhibits in the Heritage Area;

(4) improving and interpreting heritage trails;

(5) increasing public awareness and appreciation for the natural, historical and cultural resources and modern resource development of the Heritage Area;

(6) restoring historic buildings and structures that are located within the boundaries of the heritage corridor; and

(7) ensuring that clear, consistent and appropriate signs identifying public access points and sites of interest are placed throughout the Heritage Area

(c) CONSIDERATION OF INTEREST OF LOCAL GROUPS.—Projects incorporated in the heritage plan by the management entity shall be initiated by local groups and developed with the participation and support of the affected local communities. Other organizations may submit projects or proposals to the local groups for consideration.

(d) PUBLIC MEETINGS.—The management entity shall conduct 2 or more public meetings each year regarding the initiation and implementation of the management plan for the Heritage Area. The management entity shall place a notice of each such meeting in a newspaper of general circulation in the Heritage Area and shall make the minutes of the meeting available to the public.

SEC. 7. DUTIES OF THE SECRETARY.

(a) The Secretary, in consultation with the Governor of Alaska, or his designee, is authorized to enter into a cooperative agreement with the management entity. The cooperative agreement shall be prepared with public participation.

In accordance with the terms and conditions of the cooperative agreement and upon the request of the management entity, subject to the availability of funds, the Secretary shall provide administrative, technical, financial, design, development and operations assistance to carry out the purposes of this Act.

SEC. 8. SAVINGS PROVISIONS.

(a) REGULATORY AUTHORITY.—Nothing in this Act shall be construed to grant powers of zoning or management of land use to the management entity of the Heritage Area.

(b) EFFECT ON AUTHORITY OF GOVERNMENTS.—Nothing in this Act shall be construed to modify, enlarge or diminish any authority of the Federal, State or local governments to regulate any use of land as provided for by law or regulation.

(c) EFFECT ON BUSINESS.—Nothing in this Act shall be construed to obstruct or limit business activity on private development or resource development activities.

SEC. 9. PROHIBITION ON THE ACQUISITION OR REAL PROPERTY.

(a) The management entity may not use funds appropriated to carry out the purposes of this Act to acquire real property or interest in real property.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) FIRST YEAR.—For the first year $350,000 is authorized to be appropriated to carry out the purposes of this Act, and is made available upon the Secretary and the management entity completing a cooperative agreement.

(b) IN GENERAL.—There is authorized to be appropriated not more than $1,000,000 to carry out the purposes of this Act for any fiscal year after the first year. Not more than $10,000,000, in the aggregate, may be appropriated for the Heritage Area.

(c) MATCHING FUNDS.—Federal funding provided under this Act shall be matched at least 25 percent by other funds or in-kind services.

(d) SUNSET PROVISION.—The Secretary may not make any grant or provide any assistance under this Act beyond 15 years from the date that the Secretary and management entity complete a cooperative agreement.●

By Mr. MOYNIHAN (for himself and Mr. SCHUMER):

S. 2512. A bill to convey certain Federal properties on Governors Island, New York; to the Committee on Energy and Natural Resources.

GOVERNORS ISLAND PRESERVATION ACT OF 2000

● Mr. MOYNIHAN. Mr. President, I rise with my distinguished colleague and fellow New Yorker, Senator SCHUMER,

to introduce the ''Governors Island Preservation Act of 2000.'' This bill will establish the Governors Island National Monument preserving two of New York Harbor's earliest fortifications, Fort Jay and Castle Williams. The balance of the property will be conveyed to the State of New York. New York City Mayor Rudolph W. Giuliani and New York State Governor George E. Pataki have developed a plan for the reuse of Governors Island. Their agreement has helped to make this bill possible, and both deserve much credit.

Congress stipulated in the Balanced Budget Act of 1997 that Governors Island be sold ''at fair market value'' no sooner than Fiscal Year 2002. Without the benefit of an appraisal, the Congressional Budget Office determined its value to be somewhere between $250 million and $1 billion. As Congress continued its work on the Balanced Budget Act of 1997, $500 million of Federal revenue was identified in Fiscal Year 2002 through the sale of Governors Island. A fantasy perhaps, but no matter, the money had been found.

Governors Island has played a significant role in every major military conflict from the American Revolution through World War II. In April of 1776, General Israel Putnam and 1,000 officers arrived on Governors Island and began erecting fortifications. Three months later, the guns at Governors Island prevented Admiral Howe's 400 ships and Lord Cornwallis' army—32,000 men strong—from crushing General George Washington's badly overwhelmed forces during the Battle of Long Island. Outflanked in Brooklyn, Washington's men retreated to the island of Manhattan across the East River under the cover of the Governors Island's guns. At the risk of falling into what historians term a ''teleological trap,'' I would suggest that the Revolution could well have ended right then and there.

During the War of 1812, the guns at the ''cheese-box'' shaped Castle Williams—and those at the Southwest Battery—dissuaded the British from mounting a direct attack on New York City, then the Nation's principal seaport.

During the Civil War, Governors Island served as the primary Eastern Seaboard recruiting depot for Union soldiers. Nearly 5,000 Union draftees and volunteers were stationed there. Its inaccessibility proved useful for garrisoning the most recalcitrant of Confederate soldiers, who were confined both in Castle Williams and Fort Jay. Only one, Captain William Robert Webb, managed to escape. It will give my colleagues some measure of satisfaction to learn that this artful rebel was later appointed U.S. Senator from Tennessee.

After the U.S. Congress declared war with Germany and Austria-Hungary on April 6, 1917, Governors Island became an embarkation point for the war effort. Several years earlier, the Island was expanded to its current 172-acre size by the excavation of the Lexington Avenue Subway line, which generated over 4.7 million tons of fill. The additional space permitted the construction of over 70 buildings providing a combined total of 30 million square feet of storage space. As the War escalated, estimates place the value of goods transported from Governors Island to the European theater at over $1 million per day—in 1917 dollars.

More than 20 years later, the famed General Hugh Drum commanded the First Army from Governors Island as the United States prepared for the Second World War. Once war was declared, Governors Island served as the headquarters for the Eastern Defense Command, which was tasked with protecting the Eastern Seaboard from Nazi attack.

In 1966, the Coast Guard assumed control of Governors Island, and remained there for 30 years. After lighting the refurbished Statue of Liberty from Governors Island on July 4, 1986, President Reagan grew fond of Governors Island. On December 7, 1988, he chose the Admiral's House on Governors Island to meet Soviet Premier Mikhail S. Gorbachev to present each other with the Articles of Ratification of the Intermediate Nuclear Forces Treaty.

It is inconceivable that Congress would permit this site, so rich in history, to be recklessly sold to the highest bidder.

In January of this year, Governor Pataki and Mayor Giuliani announced an agreement on a preservation plan for Governors Island. The Governors Island Preservation Act is based upon that plan and calls for the establishment of the Governors Island National Monument to be comprised of Fort Jay and Castle Williams (so named after Lt. Col. Jonathan Williams, the first superintendent of West Point). Once the Monument is established, all of the historic New York Harbor forts—Fort Wood (the base of the Statue of Liberty), the Southwest Battery (now Castle Clinton National Monument), and Fort Gibson (partially demolished to provide for the construction of Ellis Island)—will be within the National Park Service inventory.

The remaining portions of the Island will be conveyed to the Empire State Development Corporation, as agreed to by Mayor Giuliani and Governor Pataki. Their plan will incorporate a public park, athletic fields, a museum dedicated to the history and ecology of the Hudson River and New York Harbor, a family center modeled after Colonial Williamsburg, a conference center, and a hotel. After 200 years of Federal occupation, Governors Island will at last be open to the public.

I thank the chair and I urge my colleagues to support this important legislation.●

Mr. SCHUMER. Mr. President, I would like to offer a few brief remarks to underscore several of the points that my colleague, Senator MOYNIHAN, made when he introduced the ''Governors Island Preservation Act of 2000,'' a bill I gladly cosponsored.

The first point is that Governors Island is truly a national treasure. It has played a significant role in nearly every American battle from the Revolution through World War II. During the War of 1812, it is credited with preventing a direct British attack on the City of New York—then the Nation's principal seaport. It served as the Union's foremost recruiting depot and as a Confederate prison during the Civil War.

The second point, Mr. President, is that its historical structures have been placed in no small degree of danger by the statutorily mandated Fiscal Year 2002 sale date. If the Island should be sold then ''at fair market value,'' there simply is no guarantee the Castle Williams, Fort Jay, Building 400—a McKim, Meade & White masterpiece thought to be the largest single Army barrack ever constructed, the 1708 Governor's house, and the entire Governors Island National Historic Landmark District will be protected. When the Balanced Budget Act of 1997 was being negotiated, Congress faced seemingly intractable, structural deficits. We had to make a great many difficult and, if I may, extreme choices to bring the Federal budget into balance. Three years later, our circumstances are quite different. Fiscal austerity has paid its dividends and we are approaching an era of surpluses much sooner that we might have otherwise imagined. Should we still be proposing to sell off such an important piece of American history?

Finally, Mr. President, my colleague mentioned the issue of fairness. New York gave Governors Island to the national government in 1800. No complaints. The British and the French were then poised to attack our young nation. Now the Federal government has no use for Governors Island—the Coast Guard found it too expensive to maintain—it is only right that the people of New York get their property back. The Governors Island Preservation Act of 2000 will do just that. In addition, it will establish the Governors Island National Monument which will provide all Americans—for the first time—with the opportunity to learn of the Island's rich contributions to American history while experiencing the spectacular views of New York Harbor from this idyllic setting.

Mr. President, I urge my colleagues to support this bill.

By Mr. LEAHY (for himself, Mr. SARBANES, Mr. ROBB, Mr. DODD, Mr. KERRY, Mr. BRYAN, Mr. EDWARDS, Mr. DURBIN, Mr. HARKIN, and Mrs. FEINSTEIN):

S. 2513. A bill to strengthen control by consumers over the use and disclosure of their personal financial and health information by financial institutions, and for other purposes to the committee on Banking Housing, and Urban Affairs.

FINANCIAL INFORMATION PRIVACY PROTECTION ACT

Mr. LEAHY. Mr. President, I am pleased today to introduce the Financial Information Privacy Protection Act of 2000, which was crafted by President Clinton and Vice President GORE. I am delighted to be joined by Senator SARBANES, the Ranking Member of the Senate Banking Committee, who is a real leader in the Senate on protecting personal financial information. I am also pleased that Senators ROBB, DODD, KERRY, BRYAN, EDWARDS, DURBIN, HARKIN and FEINSTEIN are original cosponsors of this legislation to protect the financial privacy of all Americans.

Last November, President Clinton signed into law the landmark Financial Modernization Act of 1999, which updates our financial laws and opens up the financial services industry to become more competitive, both at home and abroad. Many of my colleagues and I supported that legislation because we believe it will benefit businesses and consumers. It will make it easier for banking, securities, and insurance firms to consolidate their services, cut expenses and offer more products at a lower cost to all. But it also raises new concerns about our financial privacy.

New conglomerates in the financial services industry may now offer a widening variety of services, each of which may require a customer to provide financial, medical or other personal information. Nothing in the new law prevents these new subsidiaries or affiliates of financial conglomerates from sharing this information for uses beyond those the customer thought he or she was providing it. For example, the new law has no requirement for the consumer to control whether these new financial subsidiaries or affiliates sell, share, or publish information on savings account balances, certificates of deposit maturity dates and balances, stock and mutual fund purchases and sales, life insurance payouts or health insurance claims. That is wrong.

When President Clinton signed the financial modernization bill last year, he directed the National Economic Council to work with the Treasury Department and Office of Management and Budget to craft a legislative proposal to protect financial privacy in the new financial services marketplace. The result of that process is the bill we are introducing today.

I believe the Financial Information Privacy Protection Act of 2000 should serve as the foundation for model financial privacy legislation that Congress enacts into law this year. This bill is a common sense approach that can attract both consumers and the industry. It sands off the extremes at both ends of the issue. We need a catalyst to bring both sides together, and this bill can do it.

Privacy is one of our most vulnerable rights in the information age. Digitalization of information offers tremendous benefits but also new threats. Some in Congress are content to punt the privacy issue down the field for another year. The public disagrees. People know that the longer we dawdle, the harder it will be to halt the erosion of privacy. A year is an eternity in the digital age.

The right of privacy is a personal and fundamental right protected by the Constitution of the United States. But today, the American people are growing more and more concerned over encroachments on their personal privacy. To return personal financial privacy to the control of the consumer, the Administration's financial privacy legislation would create the following enforceable rights in Federal law.

New Right To Opt-out of Information Sharing By Affiliates. The new financial modernization law permits consumers to say no to information sharing, selling or publishing among third parties in many cases, but not among affiliated firms. The Financial Information Privacy Protection Act of 2000 would require financial conglomerates, which will only grow under the new modernization law, to expand this protection to give consumers the right to notify it (opt-out) to stop all information sharing, selling or publishing of personal financial information among all third parties and affiliates.

New Right For Consumers To Opt-In For Sharing of Medical Information and Personal Spending Habits. The Financial Information Privacy Protection Act of 2000 would require financial firms to get the affirmative consent (opt-in) of consumers before a firm could gain access to medical information within a financial conglomerate or share detailed information about a consumer's personal spending habits.

New Right To Access and Correct Financial Information. The Financial Information Privacy Protection Act of 2000 would give consumers the right to review and correct their financial records, just like consumers today may review and correct their credit reports.

New Right To Privacy Policy Up Front. The Financial Information Privacy Protection Act of 2000 would require financial firms to provide their privacy policies to consumers before committing to a customer relationship, not after. In addition, the bill's new rights would be enforced by federal banking regulators, the Federal Trade Commission and state attorney generals.

As President Clinton warned all Americans: ''Although consumers put a great value on privacy of their financial records, our laws have not caught up to technological developments that make it possible and potentially profitable for companies to share financial data in new ways. Consumers who undergo physical exams to obtain insurance, for example, should not have to fear the information will be used to lower their credit card limits or deny them mortgages.'' I strongly agree.

Unfortunately, if you have a checking account, you may have a financial privacy problem. Your bank may sell or share with business allies information about who you are writing checks to, when, and for how much. And even if you tell your bank to stop, it can ignore you under current law. This legislation returns to consumers the power to stop the selling or sharing of personal financial information.

Americans ought to be able to enjoy the exciting innovations of this burgeoning information era without losing control over the use of their financial information. The Financial Information Privacy Protection Act of 2000 updates United States privacy laws to provide these fundamental protections of personal financial information in the evolving financial services industry. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that the full text of the Financial Information Privacy Protection Act of 2000 and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2513

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Financial Information Privacy Protection Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Opt-out requirement for disclosure to affiliates and nonaffiliated third parties.
Sec. 3. Restricting the transfer of information about personal spending habits.
Sec. 4. Restricting the use of health information in making credit and other financial decisions.
Sec. 5. Limits on redisclosure and reuse of information.
Sec. 6. Consumer rights to access and correct information.
Sec. 7. Improved enforcement authority.
Sec. 8. Enhanced disclosure of privacy policies.
Sec. 9. Limit on disclosure of account numbers.
Sec. 10. General exceptions.
Sec. 11. Definitions.
Sec. 12. Issuance of implementing regulations.
Sec. 13. FTC rulemaking authority under the Fair Credit Reporting Act.

SEC. 2. OPT-OUT REQUIREMENT FOR DISCLOSURE TO AFFILIATES AND NONAFFILIATED THIRD PARTIES.

Section 502(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6802(a)) is amended to read as follows:

''(a) DISCLOSURE OF NONPUBLIC PERSONAL INFORMATION.—Except as otherwise provided in this subtitle, a financial institution may not disclose any nonpublic personal information to an affiliate or a nonaffiliated third party unless such financial institution—

''(1) has provided to the consumer a clear and conspicuous notice, in writing or electronic form or other form permitted by the regulations implementing this subtitle, of the categories of information that may be disclosed to the—

''(A) affiliate; or

''(B) nonaffiliated third party;

''(2) has given the consumer an opportunity, before the time that such information is initially disclosed, to direct that such information not be disclosed to such—

''(A) affiliate; or

''(B) nonaffiliated third party; and

''(3) has given the consumer the ability to exercise that nondisclosure option through the same method of communication by which the consumer received the notice described in paragraph (1) or another method at least as convenient to the consumer, and an explanation of how the consumer can exercise such option.''.

SEC. 3. RESTRICTING THE TRANSFER OF INFORMATION ABOUT PERSONAL SPENDING HABITS.

Section 502(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 6802(b)) is amended to read as follows:

''(b) RESTRICTION ON THE TRANSFER OF INFORMATION ABOUT PERSONAL SPENDING HABITS.—

''(1) IN GENERAL.—Notwithstanding subsection (a), if a financial institution provides a service to a consumer through which the consumer makes or receives payments or transfers by check, debit card, credit card, or other similar instrument, the financial institution shall not transfer to an affiliate or a nonaffiliated third party—

''(A) an individualized list of that consumer's transactions or an individualized description of that consumer's interests, preferences, or other characteristics; or

''(B) any such list or description constructed in response to an inquiry about a specific, named individual;

if the list or description is derived from information collected in the course of providing that service.

''(2) RESTRICTION ON TRANSFER OF AGGREGATE LISTS CONTAINING CERTAIN HEALTH INFORMATION.—Notwithstanding subsection (a), a financial institution shall not transfer to an affiliate or a nonaffiliated third party any aggregate list of consumers containing or derived from individually identifiable health information.

''(3) EXCEPTIONS.—

''(A) IN GENERAL.—The financial institution may disclose the information described in paragraph (1) or (2) to an affiliate or a nonaffiliated third party if such financial institution—

''(i) has clearly and conspicuously requested in writing or in electronic form or other form permitted by the regulations implementing this subtitle, that the consumer affirmatively consent to such disclosure; and

''(ii) has obtained from the consumer such affirmative consent and such consent has not been withdrawn.

''(B) RULE OF CONSTRUCTION.—This subsection shall not be construed as preventing a financial institution from transferring the information described in paragraph (1) or (2) to an affiliate or a nonaffiliated third party for the purposes described in paragraph (1), (2), (3), (5), (7), (8), (9), or (10) of subsection (f).

''(C) SCOPE OF APPLICATION.—Paragraph (1) shall not apply to the transfer of aggregate lists of consumers.''.

SEC. 4. RESTRICTING THE USE OF HEALTH INFORMATION IN MAKING CREDIT AND OTHER FINANCIAL DECISIONS.

(a) RESTRICTION ON USE OF CONSUMER HEALTH INFORMATION.—Section 502(c) of the Gramm-Leach-Bliley Act (15 U.S.C. 6802(c)) is amended to read as follows:

''(c) USE OF CONSUMER HEALTH INFORMATION AVAILABLE FROM AFFILIATES AND NONAFFILIATED THIRD PARTIES.—In deciding whether, or on what terms, to offer, provide, or continue to provide a financial product or service to a consumer, a financial institution shall not obtain or receive individually identifiable health information about the consumer from an affiliate or nonaffiliated third party, or evaluate or otherwise consider any such information, unless the financial institution—

''(1) has clearly and conspicuously requested in writing or in electronic form or other form permitted by the regulations implementing this subtitle, that the consumer affirmatively consent to the transfer and use of that information with respect to a particular financial product or service;

''(2) has obtained from the consumer such affirmative consent and such consent has not been withdrawn; and

''(3) requires the same health information about all consumers as a condition for receiving the financial product or service.''.

(b) EXISTING PROTECTIONS FOR HEALTH INFORMATION NOT AFFECTED.—Title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) is amended by adding after section 510 the following new section:

''SEC. 511. RELATION TO STANDARDS ESTABLISHED UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996.

''Nothing in this subtitle shall be construed as—

''(1) modifying, limiting, or superseding standards governing the privacy and security of individually identifiable health information promulgated by the Secretary of Health and Human Services under sections 262(a) and 264 of the Health Insurance Portability and Accountability Act of 1996; or

''(2) authorizing the use or disclosure of individually identifiable health information in a manner other than as permitted by other applicable law.''.

(c) DEFINITION OF INDIVIDUALLY IDENTIFIABLE HEALTH INFORMATION.—Section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809) is amended by adding at the end the following new paragraph:

''(12) INDIVIDUALLY IDENTIFIABLE HEALTH INFORMATION.—The term 'individually identifiable health information' means any information, including demographic information obtained from or about an individual, that is described in section 1171(6)(B) of the Social Security Act.''.

(d) TECHNICAL AND CONFORMING AMENDMENT.—Section 505(a)(6) of the Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)(6)) is amended by inserting before the period at the end ''to the extent the provisions of such section are not inconsistent with the provisions of this subtitle''.

SEC. 5. LIMITS ON REDISCLOSURE AND REUSE OF INFORMATION.

Section 502 of the Gramm-Leach-Bliley Act (15 U.S.C. 6802) is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following new subsection:

''(d) LIMITS ON REDISCLOSURE AND REUSE OF INFORMATION.—

''(1) IN GENERAL.—An affiliate or a nonaffiliated third party that receives nonpublic personal information from a financial institution shall not disclose such information to any other person unless such disclosure would be lawful if made directly to such other person by the financial institution.

''(2) DISCLOSURE UNDER A GENERAL EXCEPTION.—Notwithstanding paragraph (1), any person that receives nonpublic personal information from a financial institution in accordance with one of the general exceptions in subsection (f) may use or disclose such information only—

''(A) as permitted under that general exception; or

''(B) under another general exception in subsection (f), if necessary to carry out the purpose for which the information was disclosed by the financial institution.''.

SEC. 6. CONSUMER RIGHTS TO ACCESS AND CORRECT INFORMATION.

Title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) is amended by adding after section 511 (as added by section 4(b) of this Act), the following new section:

''SEC. 512. ACCESS TO AND CORRECTION OF INFORMATION.

''(a) ACCESS.—

(1) IN GENERAL.—Upon the request of a consumer, a financial institution shall make available to the consumer information about the consumer that is under the control of, and reasonably available to, the financial institution.

''(2) EXCEPTIONS.—Notwithstanding paragraph (1), a financial institution—

''(A) shall not be required to disclose to a consumer any confidential commercial information, such as an algorithm used to derive credit scores or other risk scores or predictors;

''(B) shall not be required to create new records in order to comply with the consumer's request;

''(C) shall not be required to disclose to a consumer any information assembled by the financial institution, in a particular matter, as part of the financial institution's efforts to comply with laws preventing fraud, money laundering, or other unlawful conduct; and

''(D) shall not disclose any information required to be kept confidential by any other Federal law.

''(b) CORRECTION.—A financial institution shall provide a consumer the opportunity to dispute the accuracy of any information disclosed to the consumer pursuant to subsection (a), and to present evidence thereon. A financial institution shall correct or delete material information identified by a consumer that is materially incomplete or inaccurate.

''(c) COORDINATION AND CONSULTATION.—In prescribing regulations implementing this section, the Federal agencies specified in section 504(a) shall consult with one another to ensure that the rules—

''(1) impose consistent requirements on the financial institutions under their respective jurisdictions;

''(2) take into account conditions under which financial institutions do business both in the United States and in other countries; and

''(3) are consistent with the principle of technology neutrality.

''(d) CHARGES FOR DISCLOSURES.—A financial institution may impose a reasonable charge for making a disclosure under this section, which charge must be disclosed to the consumer before making the disclosure. ''.

SEC. 7. IMPROVED ENFORCEMENT AUTHORITY.

(a) COMPLIANCE WITH PRIVACY POLICY.—Section 503 of the Gramm-Leach-Bliley Act (15 U.S.C. 6803) is amended by adding at the end the following new subsection:

''(c) COMPLIANCE WITH PRIVACY POLICY.—A financial institution's failure to comply with any of its policies or practices disclosed to a consumer under this section constitutes a violation of the requirements of this section.''.

(b) UNFAIR AND DECEPTIVE TRADE PRACTICE.—Section 505(a)(7) of the Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)(7)) is amended by adding at the end the following new sentence: ''A violation of any requirement of this subtitle, or the regulations of the Federal Trade Commission prescribed under this subtitle, by a financial institution or other person described in this paragraph shall constitute an unfair or deceptive act or practice in commerce in violation of section 5(a) of the Federal Trade Commission Act.''.

(c) SUPPLEMENTAL STATE ENFORCEMENT FOR FTC REGULATED ENTITIES.—Section 505 of the Gramm-Leach-Bliley Act (15 U.S.C. 6805) is amended by adding at the end the following new subsection:

''(e) STATE ACTION FOR VIOLATIONS.—

''(1) AUTHORITY OF THE STATES.—In addition to such other remedies as are provided under State law, if the attorney general of a State, or an officer authorized by the State, has reason to believe that any financial institution or other person described in section 505(a)(7) has violated or is violating this subtitle or the regulations prescribed thereunder by the Federal Trade Commission, the State may—

''(A) bring an action on behalf of the residents of the State to enjoin such violation in any appropriate United States district court or in any other court of competent jurisdiction; and

''(B) bring an action on behalf of the residents of the State to enforce compliance with this subtitle and the regulations prescribed thereunder by the Federal Trade Commission, to obtain damages, restitution, or other compensation on behalf of the residents of such State, or to obtain such further and other relief as the court may deem appropriate.

''(2) RIGHTS OF THE FEDERAL TRADE COMMISSION.—The State shall serve prior written notice of any action under paragraph (1) upon the Federal Trade Commission and shall provide the Commission with a copy of its complaint; provided that, if such prior notice is not feasible, the State shall serve such notice immediately upon instituting such action. The Federal Trade Commission shall have the right—

''(A) to move to stay the action, pending the final disposition of a pending Federal matter as described in paragraph (4);

''(B) to intervene in an action under paragraph (1);

''(C) upon so intervening, to be heard on all matters arising therein;

''(D) to remove the action to the appropriate United States district court; and

''(E) to file petitions for appeal.

''(3) INVESTIGATORY POWERS.—For purposes of bringing any action under this subsection, nothing in this subsection shall prevent the attorney general, or officers of such State who are authorized by such State to bring such actions, from exercising the powers conferred on the attorney general or such officers by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

''(4) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION IS PENDING.—If the Federal Trade Commission has instituted an action for a violation of this subtitle, no State may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Commission for any violation of this subtitle that is alleged in that complaint.''.

(d) STATE ACTION FOR VIOLATIONS OF BAN ON PRETEXT CALLING.—Section 522 of the Gramm-Leach-Bliley Act (15 U.S.C. 6822) is amended by adding at the end the following new subsection:

''(c) STATE ACTION FOR VIOLATIONS.—

''(1) AUTHORITY OF THE STATES.—In addition to such other remedies as are provided under State law, if the attorney general of a State, or an officer authorized by the State, has reason to believe that any person (other than a person described in subsection (b)(1)) has violated or is violating this subtitle, the State may—

''(A) bring an action on behalf of the residents of the State to enjoin such violation in any appropriate United States district court or in any other court of competent jurisdiction; and

''(B) bring an action on behalf of the residents of the State to enforce compliance with this subtitle, to obtain damages, restitution, or other compensation on behalf of the residents of such State, or to obtain such further and other relief as the court may deem appropriate.

''(2) RIGHTS OF FEDERAL AGENCIES.—The State shall serve prior written notice of any action commenced under paragraph (1) upon the Attorney General and the Federal Trade Commission, and shall provide the Attorney General and the Commission with a copy of the complaint; provided that, if such prior notice is not feasible, the State shall serve such notice immediately upon instituting such action. The Attorney General and the Federal Trade Commission shall have the right—

''(A) to move to stay the action, pending the final disposition of a pending Federal matter as described in paragraph (4);

''(B) to intervene in an action under paragraph (1);

''(C) upon so intervening, to be heard on all matters arising therein;

''(D) to remove the action to the appropriate United States district court; and

''(E) to file petitions for appeal.

''(3) INVESTIGATORY POWERS.—For purposes of bringing any action under this subsection, nothing in this subsection shall prevent the attorney general, or officers of such State who are authorized by such State to bring such actions, from exercising the powers conferred on the attorney general or such officers by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

''(4) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION IS PENDING.—If the Attorney General has instituted a criminal proceeding or the Federal Trade Commission has instituted a civil action for a violation of this subtitle, no State may, during the pendency of such proceeding or action, bring an action under this section against any defendant named in the criminal proceeding or civil action for any violation of this subtitle that is alleged in that proceeding or action.''.

SEC. 8. ENHANCED DISCLOSURE OF PRIVACY POLICIES.

(a) TIMING OF NOTICE TO CONSUMERS.—Section 503(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6803(a)) is amended to read as follows:

''(a) DISCLOSURE REQUIRED.—

''(1) TIME OF DISCLOSURE.—A financial institution shall provide a disclosure that complies with paragraph (2)—

''(A) to an individual upon the individual's request;

''(B) as part of an application for a financial product or service from the financial institution; and

''(C) to a consumer, prior to establishing a customer relationship with the consumer and not less frequently than annually during the continuation of such relationship.

''(2) DISCLOSURE FORMAT.—The disclosure required by paragraph (1) shall be a clear and conspicuous notice, in writing or in electronic form or other form permitted by the regulations implementing this subtitle, of such financial institution's policies and practices with respect to—

''(A) disclosing nonpublic personal information to affiliates and nonaffiliated third parties, consistent with section 502, including the categories of information that may be disclosed;

''(B) disclosing nonpublic personal information of persons who have ceased to be customers of the financial institution; and

''(C) protecting the nonpublic personal information of consumers.

Such disclosure shall be made in accordance with the regulations implementing this subtitle.''.

(b) NOTICE OF RIGHTS TO ACCESS AND CORRECT INFORMATION.—Section 503(b)(2) of the Gramm-Leach-Bliley Act (15 U.S.C. 6803(b)(2)) is amended by inserting '', and a statement of the consumer's right to access and correct such information, consistent with section 512'' after ''institution''.

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 503(b)(1)(A) of the Gramm-Leach-Bliley Act (15 U.S.C. 6803(b)(1)(A)) is amended by striking ''502(e)'' and inserting ''502(f)''.

SEC. 9. LIMIT ON DISCLOSURE OF ACCOUNT NUMBERS.

Section 502 of the Gramm-Leach-Bliley Act (15 U.S.C. 6802) is amended in subsection (e) (as so redesignated by section 5) by inserting ''affiliate or'' before ''nonaffiliated third party''.

SEC. 10. GENERAL EXCEPTIONS.

Section 502(f) of the Gramm-Leach-Bliley Act (15 U.S.C. 6802)) (as so redesignated by section 5 of this Act) is amended—

(1) in the matter preceding paragraph (1), by striking ''Subsections (a) and (b)'' and inserting ''Subsection (a)'';

(2) in paragraph (1)—

(A) by striking ''or'' at the end of subparagraph (B);

(B) by inserting ''or'' after the semicolon at the end of subparagraph (C); and

(C) by inserting after subparagraph (C) the following new subparagraph:

''(D) performing services for or functions solely on behalf of the financial institution with respect to the financial institution's own customers, including marketing of the financial institution's own products or services to the financial institution's customers;'';

(3) in paragraph (4), by striking '', and the institution's attorneys, accountants, and auditors'';

(4) in paragraph (5), by inserting ''section 21 of the Federal Deposit Insurance Act,'' after ''title 31, United States Code,'';

(5) in paragraph (7), by striking ''or'' at the end;

(6) in paragraph (8), by striking the period and inserting a semicolon; and

(7) by adding at the end the following new paragraphs:

''(9) in order to facilitate customer service, such as maintenance and operation of consolidated customer call centers or the use of consolidated customer account statements; or

''(10) to the institution's attorneys, accountants, and auditors.''.

SEC. 11. DEFINITIONS.

Section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809) is amended—

(1) in paragraph (3)—

(A) by striking ''(3) FINANCIAL INSTITUTION'' and all that follows through ''The term 'financial institution'' and inserting ''(3) FINANCIAL INSTITUTION.—The term 'financial institution''; and

(B) by striking subparagraphs (B), (C), and (D);

(2) by amending paragraph (4) to read as follows:

''(4) NONPUBLIC PERSONAL INFORMATION.—The term ''nonpublic personal information'' means—

''(A) any personally identifiable information, including a Social Security number—

''(i) provided by a consumer to a financial institution, in an application or otherwise, to obtain a financial product or service from the financial institution;

''(ii) resulting from any transaction between a financial institution and a consumer involving a financial product or service; or

''(iii) obtained by the financial institution about a consumer in connection with providing a financial product or service to that consumer, other than publicly available information, as such term is defined by the regulations prescribed under section 504; and

''(B) any list, description or other grouping of one or more consumers of the financial institution and publicly available information pertaining to them.''; and

(3) in paragraph (9), by inserting ''applies for or'' before ''obtains''.

SEC. 12. ISSUANCE OF IMPLEMENTING REGULATIONS.

(a) IN GENERAL.—The Federal agencies specified in section 504(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6804(a)) shall prescribe regulations implementing the amendments to subtitle A of title V of the Gramm-Leach-Bliley Act made by this Act, and shall include such requirements determined to be appropriate to prevent their circumvention or evasion.

(b) COORDINATION, CONSISTENCY, AND COMPARABILITY.—The regulations issued under subsection (a) shall be issued in accordance with the requirements of section 504(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6804(a)), except that the deadline in section 504(a)(3) shall not apply.

SEC. 13. FTC RULEMAKING AUTHORITY UNDER THE FAIR CREDIT REPORTING ACT.

Section 621(e) of the Fair Credit Reporting Act (15 U.S.C. 1681s(e)) is amended by adding at the end the following new paragraph:

''(3) REGULATIONS.—The Federal Trade Commission shall prescribe such regulations as necessary to carry out the provisions of this title with respect to any persons identified under paragraph (1) of subsection (a). Prior to prescribing such regulations, the Federal Trade Commission shall consult with the Federal banking agencies referred to in paragraph (1) of this subsection in order to ensure, to the extent possible, comparability and consistency with the regulations issued by the Federal banking agencies under that paragraph.''.

FINANCIAL INFORMATION PRIVACY PROTECTION ACT—SECTION-BY-SECTION ANALYSIS

Section 1: Short Title; table of Contents

Section 101: Opt-out Requirement for Disclosure to Affiliates and Nonaffiliated Third Parties

The Gramm-Leach-Bliley Act (GLBA) requires a financial institution to give consumers notice of, and an opportunity to prevent (opt out of), sharing of their nonpublic personal information with companies that are not affiliated with the financial institution (nonaffiliated third parties). Section 101 of the bill strengthens consumers' control over their personal financial information by expanding this opt-out right to cover information sharing between financial institutions and their affiliates.

Section 101 also requires that when a financial institution notifies a consumer of its intent to share the consumer's information and gives the consumer the opportunity to opt-out, the consumer must be able to exercise the opt-out choice through the same method of communication by which the financial institution communicated the opt-out notice to the consumer, or by another method at least as convenient to the consumer. For example, if a financial institution gives a consumer an opt-out notice by electronic mail, the consumer would have to be able to exercise the opt-out by a method at least as convenient, such as by electronic mail or by telephone, but could not be required to opt-out via an individual letter.

The GLBA currently includes general exceptions to the notice and opt-out requirement—for example, to allow processing a consumer's transaction, to prevent fraud, or to control institutional risk. The bill would also apply these exceptions to information sharing with affiliates.

Section 102: Limitation on Transfer of Information About Personal Spending Habits

Section 102 of the bill strengthens consumers' control over the detailed information that financial firms can learn about their personal spending habits and sources of income. In the course of providing a payment mechanism for consumers, financial institutions such as credit card companies, banks and brokers—when they provide checking or money market accounts—learn to whom a consumer makes payments, from whom the consumer receives payments, and what the payments are for.

The bill recognizes the special sensitivity of this information. It requires that where a financial institution is providing payment services for a consumer, the institution cannot disclose the consumer's spending habits—whether in the form of a list of the consumer's transactions or as a description of the consumer's interests, preferences, or other characteristics derived from payment information—unless the institution clearly and conspicuously requests permission from the consumer, and the consumer affirmatively consents (opts in). This applies for transfers to both nonaffiliated third parties and affiliates.

Section 102 includes the exceptions for transaction processing, servicing of customer accounts, and other necessary activities such as law enforcement.

Section 103: Restricting the Use of Health Information in Making Credit and Other Financial Decisions

Limitation on Receipt of Consumer Health Information from Affiliates

Section 103(a) of the bill prevents financial institutions from using a consumer's health information held at an affiliate in order to discriminate in the provision of credit and financial services. Section 103(a) provides that in deciding whether, and on what terms, to offer, provide, or continue to provide a particular financial product or service to a consumer, a financial institution may not obtain, receive, evaluate, or otherwise consider individually identifiable health information about the consumer from an affiliate unless the financial institution: (1) clearly and conspicuously requests permission from the consumer; (2) obtains the consumer's affirmative consent; and (3) requires the same information about all consumers as a condition for receiving the financial product or service.

Relation to the Health Insurance Portability and Accountability Act

Section 103(b) of the bill clarifies that the provisions of subtitle A of title V of the GLBA, which create protections for the privacy of consumers' financial information, do not in any way modify or override the requirements of the regulations issued by the Secretary of Health and Human Services implementing the privacy and security protections for consumers' individually identifiable health information under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Nor do the requirements of the GLBA governing protection of consumers' financial information authorize any use of individually identifiable health information that would be inconsistent with other laws that apply to such information. Section 103(c) makes clear that for purposes of this provision, the term ''individually identifiable health information'' has the same meaning as under the HIPAA.

Section 104: Limits on Redisclosure and Reuse of Information

The GLBA imposes certain limits on a nonaffiliated third party's ability to redisclose nonpublic personal information received from a financial institution. The GLBA does not prohibit a third party from redisclosing this information to its own affiliates or to affiliates of the financial institution from whom it received the information. In addition, the third party may disclose the information to another company if that disclosure would be lawful if made directly by the financial institution.

Section 104 of the bill tightens the limits on redisclosure and extends them to a financial institution's affiliates, in order to parallel the new opt-out requirement for disclosure of information to affiliates. Under section 104, when a financial institution discloses nonpublic personal information to either an affiliate or a nonaffiliated third party, the recipient of the information may not redisclose the information to any other person unless that disclosure would be lawful if made directly by the financial institution.

Section 104 also clarifies how the limits on redisclosure apply when a financial institution discloses a consumer's nonpublic personal information to another company pursuant to one of the general exceptions to the opt-out requirement. Section 104 provides that an affiliate or a nonaffiliated third party that receives nonpublic personal information from a financial institution under one of the general exceptions may use or disclose that information only: (1) as permitted under that general exception; or (2) under another general exception, if necessary to carry out the purpose for which the information was originally disclosed under a general exception.

Since the opt-in requirement for the disclosure of personal spending information by payment service providers is subject to some, but not all, of the general exceptions, only a subset of the general exceptions apply to reuse and redisclosure by recipients of such information.

Section 105: Consumer Rights to Access and Correct Information

Section 105 of the bill gives consumers the right to access and to correct information about them that is under the control of, and reasonably available to a financial institution. A financial institution would not, however, be required to give consumers access to confidential commercial information, to make disclosures that would interfere with law enforcement, or to create new records in order to comply with a consumer's request for information.

Section 105 also requires financial institutions to give consumers the opportunity to dispute the accuracy of information disclosed to the consumer and to present evidence of any inaccuracy. The financial institution must correct or delete material information identified by the consumer that is materially incomplete or inaccurate. In addition, a financial institution may impose a reasonable fee for making information available to consumers, as long as consumers receive prior notice of the fee.

In promulgating regulations to implement the new access and correction requirements, federal regulators must consult and coordinate with one another in order to ensure that the regulations: (1) impose consistent requirements across financial institutions; (2) take into account conditions under which the financial institutions do business in the U.S. and abroad; and (3) are technology neutral.

Section 106: Improved Enforcement Authority

Compliance with Privacy Policy

The GLBA does not clearly explain whether a financial institution is legally required

to abide by commitments it makes to consumers in its privacy policy if those commitments are not required by law. Section 106(a) of the bill clarifies that a financial institution's failure to comply with any of the privacy policies or practices disclosed to a consumer constitutes a violation of law.

Clarification of Federal Trade Commission (FTC) Enforcement Authority

Section 106(b) of the bill makes clear that if a financial institution or other person under the FTC's enforcement jurisdiction under subtitle A of title V of the GLBA engages in an activity that violates subtitle A, that activity constitutes an unfair and deceptive trade practice under the Federal Trade Commission Act. Consequently, in addressing such a violation, the FTC could use all the enforcement tools it has with respect to unfair or deceptive acts or practices under the FTC Act.

State Enforcement Authority Concurrent with FTC

Section 106(c) of the bill gives States concurrent authority with the FTC to enforce the GLBA's privacy requirements with respect to FTC-regulated entities. Section 106(d) gives the States concurrent authority with the FTC to enforce the GLBA's prohibitions on ''pretext calling,'' which involves obtaining customer information from a financial institution under false pretenses. Enforcement with regard to banking institutions would continue to be done solely by the federal banking agencies.

Section 107: Enhanced Disclosure of Privacy Policies

Timing of Disclosure of Privacy Policy

The GLBA requires financial institutions to provide their privacy policies to consumers at the time of establishing a customer relationship and at least annually during the continuation of the relationship. The phrase ''at time of establishing a customer relationship'' does not provide clear guidance regarding when a financial institution must provide its privacy policy to those individuals seeking to become its customers. Section 107(a) of the bill is intended to clarify the timing of notice delivery, and to ensure that individuals are able to receive copies of financial institutions' privacy policies before they commit time and resources to dealing with any one financial institution. The bill specifically clarifies that financial institutions must provide their privacy policies to individuals upon request and as part of an application for a financial product or service. Thus, consumers will be empowered to comparison shop based on privacy practices.

Content of Privacy Policy—Disclosure of Rights to Access and Correct Information

Section 107(b) requires a financial institution's privacy policy to include a statement of the consumer's rights to access and correct information held by the financial institution (see discussion of section 105 regarding consumers' rights to access and correct information).

Section 108: Prohibition on Sharing of Account Numbers

The GLBA prohibits financial institutions from disclosing consumers' account numbers or access codes to nonaffiliated third parties (other than consumer reporting agencies) for marketing purposes. Section 108 of the bill extends this prohibition to disclosures to affiliates.

Section 109: Exceptions to the Opt-out and Opt-in Requirements

Agency and Joint Marketing Exception

Section 502(c) of the GLBA creates an exception to the opt-out requirement where a financial institution discloses a consumer's nonpublic personal information to a nonaffiliated third party that is acting as the financial institution's agent. This exception permits a financial institution to disclose consumers' nonpublic personal information to third parties in connection with outsourcing certain functions, such as back-office operations or direct mailings to market the financial institution's own products, without giving consumers the option to prevent disclosure. The financial institution is, however, required to give consumers notice of such disclosures and to enter into agreements with the third parties to maintain the confidentiality of the consumers' information.

Among the services and functions covered by the principal-agent exception are certain joint marketing arrangements, where a third party markets financial products or services pursuant to a joint agreement between two or more financial institutions. The joint marketing agreement exception was enacted to allow financial institutions without affiliates, particularly small institutions, to be able to jointly market their products under the same rules that affiliates may do so—that is, free from any opt-out requirement.

As noted in the discussion of sections 101 and 102 above, the bill imposes the same restrictions on information sharing between affiliates that now apply to information sharing between financial institutions and nonaffiliated third parties. Therefore, because coverage of information sharing among affiliates and with third parties would be equivalent, the joint marketing exception is rendered unnecessary, and is eliminated. The bill also moves the remaining principal-agent exception from section 502(c) of the GLBA to the list of general exceptions in 502(e), which is redesignated as 502(f).

Customer Service and Consolidated Statements

Among the general exceptions to the notice and opt-out requirements in the GLBA are disclosures for servicing customer accounts and resolving customer disputes or inquires. These exceptions are intended to permit financial institutions to share information in response to customer service needs. Section 109(7) of the bill expands the general exceptions to include disclosures necessary to facilitate customer service such as maintenance and operation of consolidated customer call centers and the use of consolidated customer account statements.

Technical Amendments

Section 109 of the bill makes technical amendments to the list of general exceptions in section 502(e) of the GLBA, by splitting an existing exception that deals with disclosures to rating agencies and attorneys, and by adding a conforming statutory reference.

Section 110: Definitions

''Financial Institution''

The financial privacy requirements of subtitle A of title V of the GLBA apply to ''financial institutions,'' which are defined as institutions the business of which is engaging in activities that have been specified as ''financial activities'' under certain statutes and regulations. The GLBA, however, specifically excludes three types of entities from the definition of ''financial institution.'' They are: (1) any person or entity to the extent engaged in a financial activity that is subject to the jurisdiction of the Commodity Futures Trading Commission; (2) the institutions of the Farm Credit System; and 3) institutions chartered by Congress to engage in certain securitization or secondary market sale transactions, as long as such institutions do not sell or transfer nonpublic personal information to nonaffiliated third parties. Section 109(1) of the bill eliminates these exclusions in order to ensure consistency in the protection of consumers' nonpublic personal information under the GLBA. The bill preserves the existing general exception for disclosures in connection with securitization or secondary market sales transactions.

''Nonpublic Personal Information''

Section 110(2) of the bill revises the definition of ''nonpublic personal information'' in order to clarify that the term includes a consumer's Social Security number. This provision also clarifies that publicly available information about consumers also would be covered whether or not that information is disclosed as part of a larger list of consumers or as it pertains to an individual consumer. Under current law, this type of information is covered only if it is part of a list of more than one consumer.

''Consumer''

Under the GLBA, the term ''consumer'' is defined as an individual who obtains a financial product or service from a financial institution for personal, family, or household purposes, or such person's legal representative. Section 109(3) of the bill amends the definition of ''consumer'' to clarify that the term includes an individual who applies for, but does not necessarily obtain, such products or services from a financial institution.

Section 111: Implementing Regulations

Section 110(a) of the bill authorizes the federal regulators who have rulemaking authority under subtitle A of title V of the GLBA to issue regulations implementing the amendments made by the bill. The bill requires these agencies to include in their regulations requirements they determine are appropriate to prevent circumvention or evasion of any of the bill's requirements. Section 110(b) provides that in issuing their regulations, the agencies must follow the procedures and requirements set forth in section 504(a) of the GLBA that currently apply to their rulemaking authority. Specifically, the agencies must consult with each other and with representatives of state insurance authorities, and must issue consistent and comparable rules, to the extent possible. The statutory deadline in section 504(a)(3), which is set in relation to the date of the enactment of the GLBA, is obsolete for purposes of the regulations implementing this bill, and therefore does not apply.

Section 112: FTC Rulemaking Authority Under the Fair Credit Reporting Act (FCRA)

Section 112 of the bill amends section 621(e) of FCRA by establishing rulemaking authority for the Federal Trade Commission. This amendment creates parity with the federal banking agencies and the National Credit Union Administration, which each obtained rulemaking authority under the FCRA for their respective regulated entities pursuant to section 506 of the GLBA. Extending this authority to the FTC fills a gap in administrative enforcement under the FCRA.

Mr. SARBANES. Mr. President, I rise today to address a very important issue: the protection of every American's personal, sensitive, financial and medical information which is held by their financial institutions. I am pleased to join Senator LEAHY, the chairman of the Senate Democratic Privacy Task Force, and Senators DODD, KERRY, BRYAN, EDWARDS, ROBB, DURBIN, HARKIN, and FEINSTEIN in cosponsoring the Financial Information Privacy Protection Act.

This bill, submitted to us by the Clinton-Gore Administration, seeks to

protect a fundamental right of privacy for every American who entrusts his or her highly sensitive and confidential financial and medical information to a financial institution.

Every American should at least have the opportunity to say 'no' if he or she does not want that nonpublic information disclosed. Every American should have the right to have especially sensitive information held by his or her financial institution kept confidential unless consent is given. Every American should be allowed to make certain that the information to be shared is accurate and, if not, to have it corrected. And these rights should be enforced.

Mr. President, the Financial Information Privacy Protection Act would accomplish these objectives.

Few Americans understand that, under current Federal law, a financial institution could take information it obtained about a customer through his or her transactions, and sell or transfer that information to an affiliated party without the customer being able to object. And that customer has no right to get access to or to correct that information.

The amount of information that could be disclosed is enormous. It includes, for example:

Savings and checking account balances;

Certificate of deposit maturity dates and balances;

Checks an individual writes;

Checks deposited into a customer's account;

Stock and mutual fund purchases and sales;

Life insurance payouts; and

Health insurance claims.

Today's technology makes it easier, faster, and less costly than ever for institutions to have immediate access to large amounts of customer information; to analyze that data; and to send that data to others. Banks, securities firms, and insurance companies are increasingly affiliating and cross-marketing and, in the process, they are selling the products of affiliates to existing customers. This can entail the warehousing of large amounts of highly sensitive customer information and selling it to or sharing it with other companies, for purposes unknown to the customer. While cross-marketing can bring new and beneficial products to receptive consumers, it can also result in unwanted invasions of personal privacy.

Surveys show that the public is widely concerned about privacy. Major corporations have bumped up against privacy concerns when expanding their marketing services. Citizen groups have expressed serious concerns about the privacy implications of financial institutions' sharing or selling the information they collect without the knowledge of the party involved.

Along with medical records, financial records rank among the kinds of personal data Americans most expect will be kept from prying eyes. As with medical data, though, the privacy of even highly sensitive financial data has been increasingly put at risk by mergers, electronic data-swapping and the move to an economy in which the selling of other people's personal information is highly profitable—and legal.

On January 19, 1999, I introduced the Financial Information Privacy Act of 1999 (S. 187) to provide consumers with important privacy protections for their financial information. Some of these protections are reflected in this bill, including a right for consumers to object, or opt out, of their financial institutions sharing with affiliates customer information, such as account transactions, balances and maturity dates as well as rights for the consumer to have access to and to correct mistakes in information that would be shared.

The Gramm-Leach-Bliley Act, enacted last November, contained some limited federal financial privacy protections for consumers. While an important beginning, these protections failed to meet the expectations of Americans and did not contain the important protections that I have just referred to.

When the President signed the Gramm-Leach-Bliley Act, he observed that the privacy protections contained in the new legislation were inadequate. In his State of the Union Address this year, the President reiterated the need for stronger privacy legislation. Last Sunday, the President announced a proposal for improved financial privacy protections. He said, ''We can't let breakthroughs in technology break down walls of privacy.'' I agree and applaud the Clinton-Gore Administration's proposal as an important step forward.

The Financial Privacy Protection Act reflects the Administration's proposal and contains important financial privacy protections.

The Act would provide an ''opt out'' for affiliate sharing, allowing customers to object to a financial institution's sharing customer financial data with any affiliated firms.

It also would provide an ''opt in'' for sharing some types of ''sensitive information.'' A financial institution would need to have a consumer's affirmative consent before releasing his or her medical information or personal spending habits, reflected on checks written and credit card charges, to either an affiliate or an unaffiliated third party.

The Act also provides consumers with rights of access and correction. A consumer would be able to see the information to be released and correct material errors.

The Act also requires financial institutions to make privacy notices available to consumers who request them and makes other important improvements to the law.

As we proceed in an age of technological advances and cross-industry marketing of financial services, we need to be mindful of the privacy concerns of the American public. I ask myself the question, ''Whose information is this, the individual's or the institution's?'' I believe it is the individual's.

Consumers who wish to keep their sensitive financial and medical information private should be given a right to do so. The passage of the Financial Information Privacy Act would be a step toward that goal.

Mr. DODD. Mr. President, after numerous unsuccessful attempts, last year, Congress enacted legislation to modernize our nation's financial services laws. This important legislation will help to provide consumers greater choices for financial products and services and will also ensure that U.S. financial services companies are better equipped to handle the challenges of competing in a global marketplace.

As part of the financial services modernization legislation, limited provisions were included to help protect consumers' personal financial privacy. While these provisions were constructive, I believe that Congress must continue to press for the strongest possible privacy protections for financial services consumers.

I rise today in support of legislation, the Financial Information Privacy Protection Act of 2000, which affords additional privacy protections for financial services consumers.

Although it does not fully address my concerns with respect to the protection of financial and medical information, this legislation is a modest, but important step, in ensuring what I believe to be fundamental for all financial consumers, whether they execute their transactions in person, by mail or phone, or online. Consumers should have the ultimate control over the sharing of their personal financial information.

This legislation provides that among affiliates of financial institutions as well as to unaffiliated third parties, consumers would be afforded the opportunity to ''op-out'' of the sharing of their personal financial information.

Additionally, this legislation gives enhanced protection to consumers' medical records. Under this legislation, financial institutions would be required to obtain an affirmative consent from a consumer before the consumer's medical information could be shared among affiliates. Although I believe this is an important component in safeguarding the privacy of medical information, I continue to believe that it is critical we pass comprehensive medical privacy legislation this year so that consumers can be assured that their medical information is protected regardless of the context in which it generated or used.

As we continue to wrestle with finding the proper balance between the providing new financial products and services while at the same time providing consumers with the strongest possible protections for their personal financial and medical information, This legislation is a positive step in the right direction.

By Mr. GRAMS (for himself, Mr. SESSIONS, and Mr. ALLARD):

S. 2514. A bill to improve benefits for members of the reserve components of the Armed Forces and their dependents; to the Committee on Armed Services.

FAIRNESS FOR THE MILITARY RESERVE ACT OF 2000

● Mr. GRAMS. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2514

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fairness for the Military Reserve Act of 2000''.

SEC. 2. TRAVEL BY RESERVES ON MILITARY AIRCRAFT OUTSIDE CONTINENTAL UNITED STATES.

(a) SPACE-REQUIRED TRAVEL FOR TRAVEL TO DUTY STATIONS OCONUS.—(1) Subsection (a) of section 18505 of title 10, United States Code, is amended—

(A) by inserting ''annual training duty or'' before ''inactive-duty training'' both places it appears; and

(B) by inserting ''duty or'' before ''training if''.

(2) The heading of such section is amended to read as follows:

''§ 18505. Space-required travel: Reserves traveling to annual training duty or inactive-duty training OCONUS''.

(b) SPACE-AVAILABLE TRAVEL FOR MEMBERS OF SELECTED RESERVE AND GRAY AREA RETIREES.—(1) Chapter 1805 of such title is amended by adding at the end the following new section:

''§ 18506. Space-available travel: Selected Reserve members and reserve retirees under age 60; dependents

''(a) ELIGIBILITY FOR SPACE-AVAILABLE TRAVEL.—The Secretary of Defense shall prescribe regulations to provide persons described in subsection (b) with transportation on aircraft of the Department of Defense on a space-available basis under the same terms and conditions (including terms and conditions applicable to travel outside the United States) as apply to members and former members of the armed forces entitled to retired pay.

''(b) ELIGIBLE PERSONS.—Subsection (a) applies to the following persons:

''(1) A person who is a member of the Selected Reserve in good standing (as determined by the Secretary concerned).

''(2) A person who is a member or former member of a reserve component under age 60 who, but for age, would be entitled to retired pay under chapter 1223 of this title.

''(c) DEPENDENTS.—A dependent of a person described in subsection (b) shall be provided transportation under this section on the same basis as dependents of members and former members of the armed forces entitled to retired pay.

''(d) LIMITATION ON REQUIRED IDENTIFICATION.—Neither the 'Authentication of Reserve Status for Travel Eligibility' form (DD Form 1853) nor any other form, other military identification and duty orders or other forms of identification required of active duty personnel, may be required to be presented by persons requesting space-available transportation within or outside the continental United States under this section.

''(e) DEPENDENT DEFINED.—In this section, the term 'dependent' has the meanings given that term in subparagraphs (A), (B), (C), (D), and (I) of section 1074(2) of this title.''.

(2) The table of sections at the beginning of such chapter is amended by striking the item relating to section 18505 and inserting the following:

''18505. Space-required travel: Reserves traveling to annual training duty or inactive-duty training OCONUS.

''18506. Space-available travel: Selected Reserve members and reserve retirees under age 60; dependents.''.

(c) EFFECTIVE DATE.—The regulations required under section 18506 of title 10, United States Code, as added by subsection (b), shall be prescribed not later than 180 days after the date of the enactment of this Act.

SEC. 3. BILLETING SERVICES FOR RESERVE MEMBERS TRAVELING FOR INACTIVE DUTY TRAINING.

(a) IN GENERAL.—(1) Chapter 1217 of title 10, United States Code, is amended by inserting after section 12603 the following new section:

''§ 12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training

''(a) AUTHORITY FOR BILLETING ON SAME BASIS AS ACTIVE DUTY MEMBERS TRAVELING UNDER ORDERS.—The Secretary of Defense shall prescribe regulations authorizing a Reserve traveling to inactive-duty training at a location more than 50 miles from that Reserve's residence to be eligible for billeting in Department of Defense facilities on the same basis and to the same extent as a member of the armed forces on active duty who is traveling under orders away from the member's permanent duty station.

''(b) PROOF OF REASON FOR TRAVEL.—The Secretary shall include in the regulations the means for confirming a Reserve's eligibility for billeting under subsection (a).''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 12603 the following new item:

''12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training.

(b) EFFECTIVE DATE.—Section 12604 of title 10, United States Code, as added by subsection (a), shall apply with respect to periods of inactive-duty training beginning more than 180 days after the date of the enactment of this Act.

SEC. 4. INCREASE IN MAXIMUM NUMBER OF RESERVE RETIREMENT POINTS THAT MAY BE CREDITED IN ANY YEAR.

Section 12733(3) of title 10, United States Code, is amended by striking ''but not more than'' and all that follows and inserting ''but not more than—

''(A) 60 days in any one year of service before the year of service that includes September 23, 1996;

''(B) 75 days in the year of service that includes September 23, 1996, and in any subsequent year of service before the year of service that includes the date of the enactment of the Reserve Components Equity Act of 2000; and

''(C) 90 days in the year of service that includes the date of the enactment of the Reserve Components Equity Act of 2000 and in any subsequent year of service.''.

SEC. 5. AUTHORITY FOR PROVISION OF LEGAL SERVICES TO RESERVE COMPONENT MEMBERS FOLLOWING RELEASE FROM ACTIVE DUTY.

(a) LEGAL SERVICES.—Section 1044(a) of title 10, United States Code, is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph (4):

''(4) Members of reserve components of the armed forces not covered by paragraph (1) or (2) following release from active duty under a call or order to active duty for more than 30 days issued under a mobilization authority (as determined by the Secretary of Defense), but only during the period that begins on the date of the release and is equal to twice the length of the period served on active duty under such call or order to active duty.''.

(b) DEPENDENTS.—Paragraph (5) of such section, as redesignated by subsection (a)(1), is amended by striking ''and (3)'' and inserting ''(3), and (4)''.

(c) IMPLEMENTING REGULATIONS.—Regulations to implement the amendments made by this section shall be prescribed not later than 180 days after the date of the enactment of this Act.●

By Mr. ROCKEFELLER:

S. 2515. A bill to amend the Social Security Act to guarantee comprehensive health care coverage for all children born after 2001; to the Committee on Finance.

MEDIKIDS HEALTH INSURANCE ACT OF 2000

● Mr. ROCKEFELLER. Mr. President, I am pleased and proud to introduce the MediKids Health Insurance Act of 2000. Congressman STARK is introducing a companion bill in the House.

This legislation is, without a doubt, ambitious. It is a deliberate effort to try to ignite a national commitment to the goal of insuring all of our children. For some, that is an idealistic proposition that does not seem achievable. With this bill, I want to call on the public and my colleagues to consider once again the clear and convincing case for investing the necessary resources in the health of our children—and therefore, in the well-being of their families and our entire country. I will continue to work hard on every possible step to achieve this ultimate goal, but with this legislation, I urge lawmakers, health care professionals, and citizens to recognize the imperative of reaching that goal sooner rather than later.

Our children are not only our future, they are also our present. What we do for them today will greatly affect what happens tomorrow. Yet even though we recognize these facts, we still have not found a way to guarantee health coverage for children. Without health insurance, many of these children go without health care all together.

Children are the least expensive segment of our population to insure. They are also the least able to have control over whether or not they have health insurance. Yet we now have over 11 million uninsured children in this country. And this number is steadily climbing higher and higher every year.

Our success in expanding Medicaid and passing the State Children's Health Insurance Program was a meaningful, significant start at closing the tragic gap represented by millions of uninsured children. However, Congress

cannot point to these programs and declare that our work is done. We still have much more to do. The percent of children in low-income families without health insurance has not changed in recent years. Even with perfect enrollment in S–CHIP and Medicaid, there would still be a great number of children without health insurance.

This is partially due to our increasingly mobile society, where parents frequently change jobs and families often move from state to state. When this occurs there is often a lapse in health coverage. Also, families working their way out of welfare fluctuate between eligibility and ineligibility for means-tested assistance programs. Another reason for the number of uninsured children is that the cost of health insurance continues to increase, leaving many working parents unable to afford coverage for themselves or their families. All of this adds up to the fact that many of our children do not have the consistent and regular access to health care which they need to grow up healthy.

That is why I am introducing the MediKids Health Insurance Act of 2000. This bill would automatically enroll every child at birth into a new, comprehensive federal safety net health insurance program beginning in 2002. The benefits would be tailored to the needs of children and would be similar to those currently available to children under Medicaid. A small monthly premium would be collected from parents at tax filing, with discounts to low-income families phasing out at 300% of poverty. The children would remain enrolled in MediKids throughout childhood. When they are covered by another health insurance program, their parents would be exempt from the premium. The key to our program is that whenever other sources of health insurance fail, MediKids would stand ready to cover the health needs of our next generation. By the year 2020, every child in America would be able to grow up with consistent, continuous health insurance coverage. Like Medicare, MediKids would be independently financed, would cover benefits tailored to the needs of its target population, and would have the goal of achieving nearly 100% health insurance coverage for the children of this country—just as Medicare has done for our nation's seniors and disabled population. It's time we make this investment in the future of America by guaranteeing all children the health coverage they need to make a healthy start in life. The MediKids Health Insurance Act would offer guaranteed, automatic health coverage for every child with the simplest of enrollment procedures and no challenging outreach, paperwork, or redetermination hoops to jump through. It would be able to follow children across state lines, or tide them over in a new location until their parents can enroll them in a new insurance program. Between jobs or during family crises such as divorce or the death of a parent, it would offer extra security and ensure continuous health coverage to the nation's children. During that critical period when a family is just climbing out of poverty and out of the eligibility range for means-tested assistance programs, it would provide an extra boost with health insurance for the children until the parents can move into jobs that provide reliable health insurance coverage. And every child would automatically be enrolled upon birth, along with the issuance of the birth certificate or immigration card.

As we all know, an ounce of prevention is worth a pound of cure. Providing health care coverage to children affects much more than their health—it affects their ability to learn, their ability to thrive, and their ability to become a productive member of society. I look forward to working with my colleagues and supporting organizations for the passage of the MediKids Health Insurance Act of 2000 to guarantee every child in America the health coverage they need to grow up healthy.

Mr. President, I stand before you today to deliver a message. That is that it is time to rekindle the discussion about how we are going to provide health insurance for all Americans. The bill I am introducing today—the MediKids Health Insurance Act of 2000—is a step toward eliminating the irrational and tragic lack of health insurance for so many children and adults in our country.

Partial solutions to America's ''uninsured crisis'' lie before Congress, and I recognize the sense of realism and care that are the basis for proposing incremental steps towards universal coverage. As someone involved in the tough battles in years past to achieve universal coverage, I will continue to do all I can to make whatever progress can be made each and every year.

But I also believe it is important to not lose sight of the ideal—and our capacity to reach that ideal—of the United States of America joining every other industrialized nation by ensuring that its citizens have basic health insurance. Until we succeed, millions of children and adults will suffer human and financial costs that are preventable.

Therefore, Mr. President, I offer this legislation to both enlist my colleagues in an effort to insist that all of our nation's children are insured as quickly as possible and to lay out the steps that would achieve that goal. At a time when Congress seems stalled by politics and paralysis, and is therefore failing to make any tangible progress in dealing with rising number of uninsured Americans, I hope this bill will help to build the will and momentum so desperately needed by our children for action that will change their lives and strengthen our very nation. I ask my colleagues from both sides of the aisle to join as co-sponsors.

Mr. President, I ask unanimous consent that the text of the bill and a summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2515

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the ''MediKids Health Insurance Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents; findings.
Sec. 2. Benefits for all children born after 2001.
''TITLE XXII—MEDIKIDS PROGRAM
''Sec. 2201. Eligibility.
''Sec. 2202. Benefits.
''Sec. 2203. Premiums.
''Sec. 2204. MediKids Trust Fund.
''Sec. 2205. Oversight and accountability.
''Sec. 2206. Addition of care coordination services.
''Sec. 2207. Administration and miscellaneous.
Sec. 3. MediKids premium.
Sec. 4. Refundable credit for cost-sharing expenses under MediKids program.
Sec. 5. Financing from tobacco liability payments.
Sec. 6. Report on long-term revenues.

(c) FINDINGS.—Congress finds the following:

(1) More than 11 million American children are uninsured.

(2) Children who are uninsured receive less medical care and less preventive care and have a poorer level of health, which result in lifetime costs to themselves and to the entire American economy.

(3) Although SCHIP and Medicaid are successfully extending a health coverage safety net to a growing portion of the vulnerable low-income population of uninsured children, we now see that they alone cannot achieve 100 percent health insurance coverage for our nation's children due to inevitable gaps during outreach and enrollment, fluctuations in eligibility, and variations in access to private insurance at all income levels.

(4) As all segments of our society continue to become more and more transient, with many changes in employment over the working lifetime of parents, the need for a reliable safety net of health insurance which follows children across State lines, already a major problem for the children of migrant and seasonal farmworkers, will become a major concern for all families in the United States.

(5) The Medicare program has successfully evolved over the years to provide a stable, universal source of health insurance for the nation's disabled and those over age 65, and therefore provides a tested model for designing a program to reach out to America's children

(6) The problem of insuring 100 percent of all American children could be gradually solved by automatically enrolling all children born after December 31, 2001, in a program modeled after Medicare (and to be known as ''MediKids''), and allowing those children to be transferred into other equivalent or better insurance programs, including either private insurance, SCHIP, or Medicaid, if they are eligible to do so, but maintaining the child's default enrollment in MediKids for any times when the child's access to other sources of insurance is lost.

(7) A family's freedom of choice to use other insurers to cover children would not be interfered with in any way, and children eligible for SCHIP and Medicaid would continue to be enrolled in those programs, but the underlying safety net of MediKids would always be available to cover any gaps in insurance due to changes in medical condition, employment, income, or marital status, or other changes affecting a child's access to alternate forms of insurance.

(8) The MediKids program can be administered without impacting the finances or status of the existing Medicare program.

(9) The MediKids benefit package can be tailored to the special needs of children and updated over time.

(10) The financing of the program can be administered without difficulty by a yearly payment of affordable premiums through a family's tax filing (or adjustment of a family's earned income tax credit).

(11) The cost of the program will gradually rise as the number of children using MediKids as the insurer of last resort increases, and a future Congress always can accelerate or slow down the enrollment process as desired, while the societal costs for emergency room usage, lost productivity and work days, and poor health status for the next generation of Americans will decline.

(12) Over time 100 percent of American children will always have basic health insurance, and we can therefore expect a healthier, more equitable, and more productive society.

SEC. 2. BENEFITS FOR ALL CHILDREN BORN AFTER 2001.

(a) IN GENERAL.—The Social Security Act is amended by adding at the end the following new title:

''TITLE XXII—MEDIKIDS PROGRAM

''SEC. 2201. ELIGIBILITY.

''(a) ELIGIBILITY OF INDIVIDUALS BORN AFTER DECEMBER 31, 2001.—An individual who meets the following requirements with respect to a month is eligible to enroll under this title with respect to such month:

''(1) AGE.—The individual is born after December 31, 2001, and has not attained 23 years of age.

''(2) CITIZENSHIP.—The individual is a citizen or national of the United States or is permanently residing in the United States under color of law.

''(b) ENROLLMENT PROCESS.—An individual may enroll in the program established under this title only in such manner and form as may be prescribed by regulations, and only during an enrollment period prescribed by the Secretary consistent with the provisions of this section. Such regulations shall provide a process under which—

''(1) individuals who are born in the United States after December 31, 2001, are deemed to be enrolled at the time of birth and a parent or guardian of such an individual is permitted to pre-enroll in the month prior to the expected month of birth;

''(2) individuals who are born outside the United States after such date and who become eligible to enroll by virtue of immigration into (or an adjustment of immigration status in) the United States are deemed enrolled at the time of entry or adjustment of status;

''(3) eligible individuals may otherwise be enrolled at such other times and manner as the Secretary shall specify, including the use of outstationed eligibility sites as described in section 1902(a)(55)(A) and the use of presumptive eligibility provisions like those described in section 1920A; and

''(4) at the time of automatic enrollment of a child, the Secretary provides for issuance to a parent or custodian of the individual a card evidencing coverage under this title and for a description of such coverage.

The provisions of section 1837(h) apply with respect to enrollment under this title in the same manner as they apply to enrollment under part B of title XVIII.

''(c) DATE COVERAGE BEGINS.—

''(1) IN GENERAL.—The period during which an individual is entitled to benefits under this title shall begin as follows, but in no case earlier than January 1, 2002:

''(A) In the case of an individual who is enrolled under paragraph (1) or (2) of subsection (b), the date of birth or date of obtaining appropriate citizenship or immigration status, as the case may be.

''(B) In the case of an another individual who enrolls (including pre-enrolls) before the month in which the individual satisfies eligibility for enrollment under subsection (a), the first day of such month of eligibility.

''(C) In the case of an another individual who enrolls during or after the month in which the individual first satisfies eligibility for enrollment under such subsection, the first day of the following month.

''(2) AUTHORITY TO PROVIDE FOR PARTIAL MONTHS OF COVERAGE.—Under regulations, the Secretary may, in the Secretary's discretion, provide for coverage periods that include portions of a month in order to avoid lapses of coverage.

''(3) LIMITATION ON PAYMENTS.—No payments may be made under this title with respect to the expenses of an individual enrolled under this title unless such expenses were incurred by such individual during a period which, with respect to the individual, is a coverage period under this section.

''(d) EXPIRATION OF ELIGIBILITY.—An individual's coverage period under this part shall continue until the individual's enrollment has been terminated because the individual no longer meets the requirements of subsection (a) (whether because of age or change in immigration status).

''(e) ENTITLEMENT TO MEDIKIDS BENEFITS FOR ENROLLED INDIVIDUALS.—An individual enrolled under this section is entitled to the benefits described in section 2202.

''(f) LOW-INCOME INFORMATION.—At the time of enrollment of a child under this title, the Secretary shall make an inquiry as to whether or not the family income of the family that includes the child is less than 150 percent of the poverty line for a family of the size involved. If the family income is below such level, the Secretary shall encode in the identification card issued in connection with eligibility under this title a code indicating such fact. The Secretary also shall provide for a toll-free telephone line at which providers can verify whether or not such a child is in a family the income of which is below such level.

''(g) CONSTRUCTION.—Nothing in this title shall be construed as requiring (or preventing) an individual who is enrolled under this section from seeking medical assistance under a State medicaid plan under title XIX or child health assistance under a State child health plan under title XXI.

''SEC. 2202. BENEFITS.

''(a) SECRETARIAL SPECIFICATION OF BENEFIT PACKAGE.—

''(1) IN GENERAL.—The Secretary shall specify the benefits to be made available under this title consistent with the provisions of this section and in a manner designed to meet the health needs of children.

''(2) UPDATING.—The Secretary shall update the specification of benefits over time to ensure the inclusion of age-appropriate benefits as the enrollee population gets older.

''(3) ANNUAL UPDATING.—The Secretary shall establish procedures for the annual review and updating of such benefits to account for changes in medical practice, new information from medical research, and other relevant developments in health science.

''(4) INPUT.—The Secretary shall seek the input of the pediatric community in specifying and updating such benefits.

''(b) INCLUSION OF CERTAIN BENEFITS.—

''(1) MEDICARE CORE BENEFITS.—Such benefits shall include (to the extent consistent with other provisions of this section) at least the same benefits (including coverage, access, availability, duration, and beneficiary rights) that are available under parts A and B of title XVIII.

''(2) ALL REQUIRED MEDICAID BENEFITS.—Such benefits shall also include all items and services for which medical assistance is required to be provided under section 1902(a)(10)(A) to individuals described in such section, including early and periodic screening, diagnostic services, and treatment services.

''(3) INCLUSION OF PRESCRIPTION DRUGS.—Such benefits also shall include (as specified by the Secretary) prescription drugs and biologicals.

''(4) COST-SHARING.—

''(A) IN GENERAL.—Subject to subparagraph (B), such benefits also shall include the cost-sharing (in the form of deductibles, coinsurance, and copayments) applicable under title XVIII with respect to comparable items and services, except that no cost-sharing shall be imposed with respect to early and periodic screening and diagnostic services included under paragraph (2).

''(B) NO COST-SHARING FOR LOWEST INCOME CHILDREN.—Such benefits shall not include any cost-sharing for children in families the income of which (as determined for purposes of section 1905(p)) does not exceed 150 percent of the official income poverty line (referred to in such section) applicable to a family of the size involved.

''(C) REFUNDABLE CREDIT FOR COST-SHARING FOR OTHER LOW-INCOME CHILDREN.—For a refundable credit for cost-sharing in the case of children in certain families, see section 35 of the Internal Revenue Code of 1986.

''(c) PAYMENT SCHEDULE.—The Secretary, with the assistance of the Medicare Payment Advisory Commission, shall develop and implement a payment schedule for benefits covered under this title. To the extent feasible, such payment schedule shall be consistent with comparable payment schedules and reimbursement methodologies applied under parts A and B of title XVIII.

''(d) INPUT.—The Secretary shall specify such benefits and payment schedules only after obtaining input from appropriate child health providers and experts.

''(e) ENROLLMENT IN HEALTH PLANS.—The Secretary shall provide for the offering of benefits under this title through enrollment in a health benefit plan that meets the same (or similar) requirements as the requirements that apply to Medicare+Choice plans under part C of title XVIII. In the case of individuals enrolled under this title in such a plan, the Medicare+Choice capitation rate described in section 1853(c) shall be adjusted in an appropriate manner to reflect differences between the population served under this title and the population under title XVIII.

''SEC. 2203. PREMIUMS.

''(a) AMOUNT OF MONTHLY PREMIUMS.—

''(1) IN GENERAL.—The Secretary shall, during September of each year (beginning with 2001), establish a monthly MediKids premium. Subject to paragraph (2), the monthly MediKids premium for a year is equal to 1/12 of the annual premium rate computed under subsection (b).

''(2) ELIMINATION OF MONTHLY PREMIUM FOR DEMONSTRATION OF EQUIVALENT COVERAGE (INCLUDING COVERAGE UNDER LOW-INCOME PROGRAMS).—The amount of the monthly premium imposed under this section for an individual for a month shall be zero in the case of an individual who demonstrates to the satisfaction of the Secretary that the individual has basic health insurance coverage for that month the actuarial value of which, as determined by the Secretary, is at least actuarially equivalent to the benefits available under this title. For purposes of the previous sentence enrollment in a medicaid plan under title XIX, a State child health insurance plan under title XXI, or under the medicare program under title XVIII is deemed to constitute basic health insurance coverage described in such sentence.

''(b) ANNUAL PREMIUM.—

''(1) NATIONAL, PER CAPITA AVERAGE.—The Secretary shall estimate the average, annual per capita amount that would be payable under this title with respect to individuals residing in the United States who meet the requirement of section 2201(a)(1) as if all such individuals were eligible for (and enrolled) under this title during the entire year (and assuming that section 1862(b)(2)(A)(i) did not apply).

''(2) ANNUAL PREMIUM.—Subject to subsection (d), the annual premium under this subsection for months in a year is equal to the average, annual per capita amount estimated under paragraph (1) for the year.

''(c) PAYMENT OF MONTHLY PREMIUM.—

''(1) PERIOD OF PAYMENT.—In the case of an individual who participates in the program established by this title, subject to subsection (d), the monthly premium shall be payable for the period commencing with the first month of the individual's coverage period and ending with the month in which the individual's coverage under this title terminates.

''(2) COLLECTION THROUGH TAX RETURN.—For provisions providing for the payment of monthly premiums under this subsection, see section 59B of the Internal Revenue Code of 1986.

''(3) PROTECTIONS AGAINST FRAUD AND ABUSE.—The Secretary shall develop, in coordination with States and other health insurance issuers, administrative systems to ensure that claims which are submitted to more than one payor are coordinated and duplicate payments are not made.

''(d) REDUCTION IN PREMIUM FOR CERTAIN LOW-INCOME FAMILIES.—For provisions reducing the premium under this section for certain low-income families, see section 59B(c) of the Internal Revenue Code of 1986.

''SEC. 2204. MEDIKIDS TRUST FUND.

''(a) ESTABLISHMENT OF TRUST FUND.—

''(1) IN GENERAL.—There is hereby created on the books of the Treasury of the United States a trust fund to be known as the 'MediKids Trust Fund' (in this section referred to as the 'Trust Fund'). The Trust Fund shall consist of such gifts and bequests as may be made as provided in section 201(i)(1) and such amounts as may be deposited in, or appropriated to, such fund as provided in this title.

''(2) PREMIUMS.—Premiums collected under section 2203 shall be transferred to the Trust Fund.

''(b) INCORPORATION OF PROVISIONS.—

''(1) IN GENERAL.—Subject to paragraph (2), subsections (b) through (i) of section 1841 shall apply with respect to the Trust Fund and this title in the same manner as they apply with respect to the Federal Supplementary Medical Insurance Trust Fund and part B, respectively.

''(2) MISCELLANEOUS REFERENCES.—In applying provisions of section 1841 under paragraph (1)—

''(A) any reference in such section to 'this part' is construed to refer to title XXII;

''(B) any reference in section 1841(h) to section 1840(d) and in section 1841(i) to sections 1840(b)(1) and 1842(g) are deemed references to comparable authority exercised under this title;

''(C) payments may be made under section 1841(g) to the Trust Funds under sections 1817 and 1841 as reimbursement to such funds for payments they made for benefits provided under this title; and

''(D) the Board of Trustees of the MediKids Trust Fund shall be the same as the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund.

''SEC. 2205. OVERSIGHT AND ACCOUNTABILITY.

''(a) THROUGH ANNUAL REPORTS OF TRUSTEES.—The Board of Trustees of the MediKids Trust Fund under section 2204(b)(1) shall report on an annual basis to Congress concerning the status of the Trust Fund and the need for adjustments in the program under this title to maintain financial solvency of the program under this title.

''(b) PERIODIC GAO REPORTS.—The Comptroller General of the United States shall periodically submit to Congress reports on the adequacy of the financing of coverage provided under this title. The Comptroller General shall include in such report such recommendations for adjustments in such financing and coverage as the Comptroller General deems appropriate in order to maintain financial solvency of the program under this title.

''SEC. 2206. INCLUSION OF CARE COORDINATION SERVICES.

''(a) IN GENERAL.—

''(1) PROGRAM AUTHORITY.—The Secretary, beginning in 2002, may implement a care coordination services program in accordance with the provisions of this section under which, in appropriate circumstances, eligible individuals may elect to have health care services covered under this title managed and coordinated by a designated care coordinator.

''(2) ADMINISTRATION BY CONTRACT.—The Secretary may administer the program under this section through a contract with an appropriate program administrator.

''(3) COVERAGE.—Care coordination services furnished in accordance with this section shall be treated under this title as if they were included in the definition of medical and other health services under section 1861(s) and benefits shall be available under this title with respect to such services without the application of any deductible or coinsurance.

''(b) ELIGIBILITY CRITERIA; IDENTIFICATION AND NOTIFICATION OF ELIGIBLE INDIVIDUALS.—

''(1) INDIVIDUAL ELIGIBILITY CRITERIA.—The Secretary shall specify criteria to be used in making a determination as to whether an individual may appropriately be enrolled in the care coordination services program under this section, which shall include at least a finding by the Secretary that for cohorts of individuals with characteristics identified by the Secretary, professional management and coordination of care can reasonably be expected to improve processes or outcomes of health care and to reduce aggregate costs to the programs under this title.

''(2) PROCEDURES TO FACILITATE ENROLLMENT.—The Secretary shall develop and implement procedures designed to facilitate enrollment of eligible individuals in the program under this section.

''(c) ENROLLMENT OF INDIVIDUALS.—

''(1) SECRETARY'S DETERMINATION OF ELIGIBILITY.—The Secretary shall determine the eligibility for services under this section of individuals who are enrolled in the program under this section and who make application for such services in such form and manner as the Secretary may prescribe.

''(2) ENROLLMENT PERIOD.—

''(A) EFFECTIVE DATE AND DURATION.—Enrollment of an individual in the program under this section shall be effective as of the first day of the month following the month in which the Secretary approves the individual's application under paragraph (1), shall remain in effect for one month (or such longer period as the Secretary may specify), and shall be automatically renewed for additional periods, unless terminated in accordance with such procedures as the Secretary shall establish by regulation. Such procedures shall permit an individual to disenroll for cause at any time and without cause at re-enrollment intervals.

''(B) LIMITATION ON REENROLLMENT.—The Secretary may establish limits on an individual's eligibility to reenroll in the program under this section if the individual has disenrolled from the program more than once during a specified time period.

''(d) PROGRAM.—The care coordination services program under this section shall include the following elements:

''(1) BASIC CARE COORDINATION SERVICES.—

''(A) IN GENERAL.—Subject to the cost-effectiveness criteria specified in subsection (b)(1), except as otherwise provided in this section, enrolled individuals shall receive services described in section 1905(t)(1) and may receive additional items and services as described in subparagraph (B).

''(B) ADDITIONAL BENEFITS.—The Secretary may specify additional benefits for which payment would not otherwise be made under this title that may be available to individuals enrolled in the program under this section (subject to an assessment by the care coordinator of an individual's circumstance and need for such benefits) in order to encourage enrollment in, or to improve the effectiveness of, such program.

''(2) CARE COORDINATION REQUIREMENT.—Notwithstanding any other provision of this title, the Secretary may provide that an individual enrolled in the program under this section may be entitled to payment under this title for any specified health care items or services only if the items or services have been furnished by the care coordinator, or coordinated through the care coordination services program. Under such provision, the Secretary shall prescribe exceptions for emergency medical services as described in section 1852(d)(3), and other exceptions determined by the Secretary for the delivery of timely and needed care.

''(e) CARE COORDINATORS.—

''(1) CONDITIONS OF PARTICIPATION.—In order to be qualified to furnish care coordination services under this section, an individual or entity shall—

''(A) be a health care professional or entity (which may include physicians, physician group practices, or other health care professionals or entities the Secretary may find appropriate) meeting such conditions as the Secretary may specify;

''(B) have entered into a care coordination agreement; and

''(C) meet such criteria as the Secretary may establish (which may include experience in the provision of care coordination or primary care physician's services).

''(2) AGREEMENT TERM; PAYMENT.—

''(A) DURATION AND RENEWAL.—A care coordination agreement under this subsection shall be for one year and may be renewed if the Secretary is satisfied that the care coordinator continues to meet the conditions of participation specified in paragraph (1).

''(B) PAYMENT FOR SERVICES.—The Secretary may negotiate or otherwise establish

payment terms and rates for services described in subsection (d)(1).

''(C) LIABILITY.—Case coordinators shall be subject to liability for actual health damages which may be suffered by recipients as a result of the care coordinator's decisions, failure or delay in making decisions, or other actions as a care coordinator.

''(D) TERMS.—In addition to such other terms as the Secretary may require, an agreement under this section shall include the terms specified in subparagraphs (A) through (C) of section 1905(t)(3).

''SEC. 2207. ADMINISTRATION AND MISCELLANEOUS.

''(a) IN GENERAL.—Except as otherwise provided in this title—

''(1) the Secretary shall enter into appropriate contracts with providers of services, other health care providers, carriers, and fiscal intermediaries, taking into account the types of contracts used under title XVIII with respect to such entities, to administer the program under this title;

''(2) individuals enrolled under this title shall be treated for purposes of title XVIII as though the individual were entitled to benefits under part A and enrolled under part B of such title;

''(3) benefits described in section 2202 that are payable under this title to such individuals shall be paid in a manner specified by the Secretary (taking into account, and based to the greatest extent practicable upon, the manner in which they are provided under title XVIII);

''(4) provider participation agreements under title XVIII shall apply to enrollees and benefits under this title in the same manner as they apply to enrollees and benefits under title XVIII; and

''(5) individuals entitled to benefits under this title may elect to receive such benefits under health plans in a manner, specified by the Secretary, similar to the manner provided under part C of title XVIII.

''(b) COORDINATION WITH MEDICAID AND SCHIP.—Notwithstanding any other provision of law, individuals entitled to benefits for items and services under this title who also qualify for benefits under title XIX or XXI or any other Federally funded program may continue to qualify and obtain benefits under such other title or program, and in such case such an individual shall elect either—

''(1) such other title or program to be primary payor to benefits under this title, in which case no benefits shall be payable under this title and the monthly premium under section 2203 shall be zero; or

''(2) benefits under this title shall be primary payor to benefits provided under such program or title, in which case the Secretary shall enter into agreements with States as may be appropriate to provide that, in the case of such individuals, the benefits under titles XIX and XXI or such other program (including reduction of cost-sharing) are provided on a 'wrap-around' basis to the benefits under this title.''.

(b) CONFORMING AMENDMENTS TO SOCIAL SECURITY ACT PROVISIONS.—

(1) Section 201(i)(1) of the Social Security Act (42 U.S.C. 401(i)(1)) is amended by striking ''or the Federal Supplementary Medical Insurance Trust Fund'' and inserting ''the Federal Supplementary Medical Insurance Trust Fund, and the MediKids Trust Fund''.

(2) Section 201(g)(1)(A) of such Act (42 U.S.C. 401(g)(1)(A)) is amended by striking '' and the Federal Supplementary Medical Insurance Trust Fund established by title XVIII'' and inserting '', the Federal Supplementary Medical Insurance Trust Fund, and the MediKids Trust Fund established by title XVIII''.

(3) Section 1853(c) of such Act (42 U.S.C. 1395w–23(c)) is amended—

(A) in paragraph (1), by striking ''or (7)'' and inserting '', (7), or (8)'', and

(B) by adding at the end the following:

''(8) ADJUSTMENT FOR MEDIKIDS.—In applying this subsection with respect to individuals entitled to benefits under title XXII, the Secretary shall provide for an appropriate adjustment in the Medicare+Choice capitation rate as may be appropriate to reflect differences between the population served under such title and the population under parts A and B.''.

(c) MAINTENANCE OF MEDICAID ELIGIBILITY AND BENEFITS FOR CHILDREN.—

(1) IN GENERAL.—In order for a State to continue to be eligible for payments under section 1903(a) of the Social Security Act (42 U.S.C. 1396b(a))—

(A) the State may not reduce standards of eligibility, or benefits, provided under its State medicaid plan under title XIX of the Social Security Act or under its State child health plan under title XXI of such Act for individuals under 23 years of age below such standards of eligibility, and benefits, in effect on the date of the enactment of this Act; and

(B) the State shall demonstrate to the satisfaction of the Secretary of Health and Human Services that any savings in State expenditures under title XIX or XXI of the Social Security Act that results from children from enrolling under title XXII of such Act shall be used in a manner that improves services to beneficiaries under title XIX of such Act, such as through increases in provider payment rates, expansion of eligibility, improved nurse and nurse aide staffing and improved inspections of nursing facilities, and coverage of additional services.

(2) MEDIKIDS AS PRIMARY PAYOR.—In applying title XIX of the Social Security Act, the MediKids program under title XXII of such Act shall be treated as a primary payor in cases in which the election described in section 2207(b)(2) of such Act, as added by subsection (a), has been made.

(d) EXPANSION OF MEDPAC MEMBERSHIP TO 19.—

(1) IN GENERAL.—Section 1805(c) of the Social Security Act (42 U.S.C. 1395b–6(c)) is amended—

(A) in paragraph (1), by striking ''17'' and inserting ''19''; and

(B) in paragraph (2)(B), by inserting ''experts in children's health,'' after ''other health professionals,''.

(2) INITIAL TERMS OF ADDITIONAL MEMBERS.—

(A) IN GENERAL.—For purposes of staggering the initial terms of members of the Medicare Payment Advisory Commission under section 1805(c)(3) of the Social Security Act (42 U.S.C. 1395b–6(c)(3)), the initial terms of the 2 additional members of the Commission provided for by the amendment under subsection (a)(1) are as follows:

(i) One member shall be appointed for 1 year.

(ii) One member shall be appointed for 2 years.

(B) COMMENCEMENT OF TERMS.—Such terms shall begin on January 1, 2001.

SEC. 3. MEDIKIDS PREMIUM.

(a) GENERAL RULE.—Subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to determination of tax liability) is amended by adding at the end the following new part:

''PART VIII—MEDIKIDS PREMIUM

''Sec. 59B. MediKids premium.

''SEC. 59B. MEDIKIDS PREMIUM.

''(a) IMPOSITION OF TAX.—In the case of an individual to whom this section applies, there is hereby imposed (in addition to any other tax imposed by this subtitle) a MediKids premium for the taxable year.

''(b) INDIVIDUALS SUBJECT TO PREMIUM.—

''(1) IN GENERAL.—This section shall apply to an individual if the taxpayer has a MediKid at any time during the taxable year.

''(2) MEDIKID.—For purposes of this section, the term 'MediKid' means, with respect to a taxpayer, any individual with respect to whom the taxpayer is required to pay a premium under section 2203(c) of the Social Security Act for any month of the taxable year.

''(c) AMOUNT OF PREMIUM.—For purposes of this section, the MediKids premium for a taxable year is the sum of the monthly premiums under section 2203 of the Social Security Act for months in the taxable year.

''(d) EXCEPTIONS BASED ON ADJUSTED GROSS INCOME.—

''(1) EXEMPTION FOR VERY LOW-INCOME TAXPAYERS.—

''(A) IN GENERAL.—No premium shall be imposed by this section on any taxpayer having an adjusted gross income not in excess of the exemption amount.

''(B) EXEMPTION AMOUNT.—For purposes of this paragraph, the exemption amount is—

''(i) $16,300 in the case of a taxpayer having 1 MediKid,

''(ii) $19,950 in the case of a taxpayer having 2 MediKids,

''(iii) $25,550 in the case of a taxpayer having 3 MediKids, and

''(iv) $30,150 in the case of a taxpayer having 4 or more MediKids.

''(C) PHASEOUT OF EXEMPTION.—In the case of a taxpayer having an adjusted gross income which exceeds the exemption amount but does not exceed twice the exemption amount, the premium shall be the amount which bears the same ratio to the premium which would (but for this subparagraph) apply to the taxpayer as such excess bears to the exemption amount.

''(D) INFLATION ADJUSTMENT OF EXEMPTION AMOUNTS.—In the case of any taxable year beginning in a calendar year after 2001, each dollar amount contained in subparagraph (C) shall be increased by an amount equal to the product of—

''(i) such dollar amount, and

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.

''(2) PREMIUM LIMITED TO 5 PERCENT OF ADJUSTED GROSS INCOME.—In no event shall any taxpayer be required to pay a premium under this section in excess of an amount equal to 5 percent of the taxpayer's adjusted gross income.

''(e) COORDINATION WITH OTHER PROVISIONS.—

''(1) NOT TREATED AS MEDICAL EXPENSE.—For purposes of this chapter, any premium paid under this section shall not be treated as expense for medical care.

''(2) NOT TREATED AS TAX FOR CERTAIN PURPOSES.—The premium paid under this section shall not be treated as a tax imposed by this chapter for purposes of determining—

''(A) the amount of any credit allowable under this chapter, or

''(B) the amount of the minimum tax imposed by section 55.

''(3) TREATMENT UNDER SUBTITLE F.—For purposes of subtitle F, the premium paid under this section shall be treated as if it were a tax imposed by section 1.''.

(b) TECHNICAL AMENDMENTS.—

(1) Subsection (a) of section 6012 of such Code is amended by inserting after paragraph (9) the following new paragraph:

''(10) Every individual liable for a premium under section 59B.''.

(2) The table of parts for subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

''Part VIII. MediKids premium.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 2001, in taxable years ending after such date.

SEC. 4. REFUNDABLE CREDIT FOR COST-SHARING EXPENSES UNDER MEDIKIDS PROGRAM.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

''SEC. 35. COST-SHARING EXPENSES UNDER MEDIKIDS PROGRAM.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual who has a MediKid (as defined in section 59B) at any time during the taxable year, there shall be allowed as a credit against the tax imposed by this subtitle an amount equal to 50 percent of the amount paid by the taxpayer during the taxable year as cost-sharing under section 2202(b)(4) of the Social Security Act.

''(b) LIMITATION BASED ON ADJUSTED GROSS INCOME.—The amount of the credit which would (but for this subsection) be allowed under this section for the taxable year shall be reduced (but not below zero) by an amount which bears the same ratio to such amount of credit as the excess of the taxpayer's adjusted gross income for such taxable year over the exemption amount (as defined in section 59B(d)) bears to such exemption amount.''.

(b) TECHNICAL AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period ''or from section 35 of such Code''.

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the last item and inserting the following new items:

''Sec. 35. Cost-sharing expenses under MediKids program.

''Sec. 36. Overpayments of tax.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 5. FINANCING FROM TOBACCO LIABILITY PAYMENTS.

Amounts that are recovered by the United States in the civil action brought on September 22, 1999, under the Medical Care Recovery Act, the Medicare Secondary Payer provisions, and section 1962 of title 18, United States Code, in the United States District Court for the District of Columbia against the industry engaged in the production and sale of tobacco products and persons engaged in public relations and lobbying for such industry and that are attributable to the expenditures of the Department of Health and Human Services for tobacco-related illnesses shall be deposited in the MediKids Trust Fund established under section 2204(a) of the Social Security Act, as added by section 2(a) of the MediKids Health Insurance Act of 2000.

SEC. 6. REPORT ON LONG-TERM REVENUES.

Within one year after the date of the enactment of this Act, the Secretary of the Treasury shall propose a gradual schedule of progressive tax changes to fund the program under title XXII of the Social Security Act, as the number of enrollees grows in the out-years.

MEDIKIDS HEALTH INSURANCE ACT OF 2000—SUMMARY AND DESCRIPTION OF THE BILL

There are still 11 million uninsured children in America. Children are the least expensive segment of our population to insure, they are the least able to have any control over whether or not they have health insurance, and maintaining their health is integral to their educational success and their futures in our society.

We will soon introduce the MediKids Health Insurance Act of 2000 to end the disgrace of allowing our children to survive without the basic health protections they need to thrive.

The MediKids Health Insurance Act of 2000 will create a new Medicare type program called MediKids, tailored to the health needs of children. The MediKids program will be separate from Medicare and will have no financial impact on the existing program.

The cornerstone of the new program will be automatic enrollment into MediKids at birth. Beginning in 2002, every child will be automatically enrolled in MediKids health insurance coverage at birth, and their parents will be assessed a small annual premium with their taxes. Parents who have another source of health insurance for their children are exempt from this premium. Babies initially enrolled in MediKids who are determined to be eligible for S–CHIP or Medicaid can be enrolled into the appropriate other program.

As each year brings a new cohort of babies into the program, the program will grow to ensure a source of health insurance to every child in America by the year 2020. (Future Congresses will be able to speed up the extension of coverage to children of all ages if they find it desirable to accelerate the process of the program.) There will be no means testing, no outreach problems, and the program will exist as a safety net of health insurance for children, regardless of income. It will cover their health needs through changes in their parents' employment, marital status, or access to private insurance.

DETAILS OF THE MEDIKIDS HEALTH INSURANCE ACT OF 2000

Enrollment

Automatic enrollment into MediKids at birth for every child born after 12/31/2001.

At the time of enrollment, materials describing the coverage and a MediKids health insurance card will be issued to the parent(s) of legal guardian(s).

Once enrolled, children will remain enrolled in MediKids until they reach the age of 23.

During periods of equivalent coverage by other sources, whether private insurance, or government programs such as Medicaid or S–CHIP, there will be no premium charged for MediKids.

During any lapse in other insurance coverage, MediKids will automatically cover the child's health insurance needs (and premium will be owed for those months).

Benefits

Based on Medicare core benefits, plus the Medicaid Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefits for children.

Prescription drug benefit.

The Secretary of HHS shall further develop age-appropriate benefits as needed as the program matures, and as funding support allows.

The Secretary shall include provisions for annual reviews and updates to the benefits, with input from the pediatric community.

Premiums

Parents will be responsible for a small premium, one-fourth of the annual average cost per child, to be collected at income tax filing.

Parents will be exempt from the premium if their children are covered by comparable alternate health insurance. That coverage can be either private insurance or enrollment in other federal programs.

Families up to 150% of poverty will owe no premium. Families between 150% and 300% of poverty will receive a graduated discount in the premium. Each family's obligation will be capped at 5% of total income.

Cost-sharing (co-pays, deductibles)

No cost-sharing for preventive and well child care.

No obligations up to 150% of poverty.

From 150% to 300% of poverty, a graduated refundable credit for cost-sharing expenses.

Financing

During the first few years, costs can be fully covered by tobacco settlement monies, budget surplus, or other funds as agreed upon, such as a portion of the surplus in the child immunizations liability trust fund.

During this time, the Secretary of Treasury has time to develop a package of progressive, gradual tax changes to fund the program, as the number of enrollees grows in the out-years.

Miscellaneous

To the extent that the states save money from the enrollment of children into MediKids, they will be required to maintain those funding levels in other programs and services directed at the Medicaid population, which can include expanding eligibility for such services.

At the issuance of legal immigration papers for a child born after 12/31/01, that child will be automatically enrolled in the MediKids health insurance program.

If you would like to get more information about the legislation, or to join as an original cosponsor, please contact Deborah Veres with Senator Rockefeller at 4–7993.●

ADDITIONAL COSPONSORS

S. 764

At the request of Mr. THURMOND, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 764, a bill to amend section 1951 of title 18, United States Code (commonly known as the Hobbs Act), and for other purposes.

S. 808

At the request of Mr. JEFFORDS, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 808, a bill to amend The Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes.

S. 1322

At the request of Mr. ROBB, his name was added as a cosponsor of S. 1322, a bill to prohibit health insurance and employment discrimination against individuals and their family members on the basis of predictive genetic information or genetic services.

S. 1333

At the request of Mr. WYDEN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1333, a bill to expand homeownership in the United States.

S. 1361

At the request of Mr. STEVENS, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of

S. 1361, a bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes.

S. 1396

At the request of Mr. FITZGERALD, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1396, a bill to amend section 4532 of title 10, United States Code, to provide for the coverage and treatment of overhead costs of United States factories and arsenals when not making supplies for the Army, and for other purposes.

At the request of Mr. FITZGERALD, the name of the Senator from Rhode Island (Mr. REED) was withdrawn as a cosponsor of S. 1396, supra.

S. 1464

At the request of Mr. HAGEL, the names of the Senator from Missouri (Mr. BOND) and the Senator from Colorado (Mr. CAMPBELL) were added as cosponsors of S. 1464, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain requirements regarding the Food Quality Protection Act of 1996, and for other purposes.

S. 1539

At the request of Mr. DODD, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1539, a bill to provide for the acquisition, construction, and improvement of child care facilities or equipment, and for other purposes.

S. 1558

At the request of Mr. BAUCUS, the name of the Senator from Rhode Island (Mr. L. CHAFEE) was added as a cosponsor of S. 1558, a bill to amend the Internal Revenue Code of 1986 to provide a tax credit for holders of Community Open Space bonds the proceeds of which are used for qualified environmental infrastructure projects, and for other purposes.

S. 1656

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1656, a bill to amend title XXI of the Social Security Act to permit children covered under a State child health plan (SCHIP) to continue to be eligible for benefits under the vaccine for children program.

S. 1762

At the request of Mr. COVERDELL, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1762, a bill to amend the Watershed Protection and Flood Prevention Act to authorize the Secretary of Agriculture to provide cost share assistance for the rehabilitation of structural measures constructed as part of water resources projects previously funded by the Secretary under such Act or related laws.

S. 1776

At the request of Mr. CRAIG, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 1776, a bill to amend the Energy Policy Act of 1992 to revise the energy policies of the United States in order to reduce greenhouse gas emissions, advance global climate science, promote technology development, and increase citizen awareness, and for other purposes.

S. 1777

At the request of Mr. CRAIG, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 1777, a bill to amend the Internal Revenue Code of 1986 to provide incentives for the voluntary reduction of greenhouse gas emissions and to advance global climate science and technology development.

S. 1805

At the request of Mr. ROBB, his name was added as a cosponsor of S. 1805, a bill to restore food stamp benefits for aliens, to provide States with flexibility in administering the food stamp vehicle allowance, to index the excess shelter expense deduction to inflation, to authorize additional appropriations to purchase and make available additional commodities under the emergency food assistance program, and for other purposes.

S. 1921

At the request of Mr. CAMPBELL, the names of the Senator from Alabama (Mr. SHELBY), the Senator from Colorado (Mr. ALLARD), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 1921, a bill to authorize the placement within the site of the Vietnam Veterans Memorial of a plaque to honor Vietnam veterans who died after their service in the Vietnam war, but as a direct result of that service.

S. 1941

At the request of Mr. DODD, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 1941, a bill to amend the Federal Fire Prevention and Control Act of 1974 to authorize the Director of the Federal Emergency Management Agency to provide assistance to fire departments and fire prevention organizations for the purpose of protecting the public and firefighting personnel against fire and fire-related hazards.

S. 1983

At the request of Mrs. MURRAY, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 1983, a bill to amend the Agricultural Trade Act of 1978 to increase the amount of funds available for certain agricultural trade programs.

S. 2044

At the request of Mr. INOUYE, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 2044, a bill to allow postal patrons to contribute to funding for domestic violence programs through the voluntary purchase of specially issued postage stamps.

At the request of Mr. CAMPBELL, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2044, supra.

S. 2183

At the request of Mr. GRAMS, his name was added as a cosponsor of S. 2183, a bill to ensure the availability of spectrum to amateur radio operators.

S. 2277

At the request of Mr. ROTH, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2277, a bill to terminate the application of title IV of the Trade Act of 1974 with respect to the People's Republic of China.

S. 2307

At the request of Mr. DORGAN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 2307, a bill to amend the Communications Act of 1934 to encourage broadband deployment to rural America, and for other purposes.

S. 2311

At the request of Mr. KENNEDY, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2311, a bill to revise and extend the Ryan White CARE Act programs under title XXVI of the Public Health Service Act, to improve access to health care and the quality of health care under such programs, and to provide for the development of increased capacity to provide health care and related support services to individuals and families with HIV disease, and for other purposes.

S. 2357

At the request of Mr. REID, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 2357, a bill to amend title 38, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with veterans' disability compensation.

S. 2365

At the request of Ms. COLLINS, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 2365, a bill to amend title XVIII of the Social Security Act to eliminate the 15 percent reduction in payment rates under the prospective payment system for home services.

S. 2386

At the request of Mrs. FEINSTEIN, the names of the Senator from North Dakota (Mr. CONRAD), the Senator from New York (Mr. SCHUMER), the Senator from Florida (Mr. GRAHAM), and the Senator New Jersey (Mr. TORRICELLI) were added as cosponsors of S. 2386, a bill to extend the Stamp Out Breast Cancer Act.

S. 2416

At the request of Mr. ASHCROFT, the names of the Senator from Nebraska (Mr. HAGEL) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 2416, a bill to designate the Federal building located at 2201 C Street, Northwest, in the District of Columbia, which serves as headquarters for the Department of State,

as the ''Harry S. Truman Federal Building.''

S. 2417

At the request of Mr. CRAPO, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 2417, a bill to amend the Federal Water Pollution Control Act to increase funding for State nonpoint source pollution control programs, and for other purposes.

S. 2434

At the request of Mr. L. CHAFEE, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 2434, a bill to provide that amounts allotted to a State under section 2401 of the Social Security Act for each of fiscal years 1998 and 1999 shall remain available through fiscal year 2002.

S. 2444

At the request of Mr. DURBIN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2444, a bill to amend title I of the Employee Retirement Income Security Act of 1974, the Public Health Service Act, and the Internal Revenue Code of 1986 to require comprehensive health insurance coverage for childhood immunization.

S. 2486

At the request of Mr. WARNER, the names of the Senator from Utah (Mr. HATCH) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 2486, a bill to amend title 10, United States Code, to improve access to benefits under the TRICARE program; to extend and improve certain demonstration programs under the Defense Health Program; and for other purposes.

S. CON. RES. 60

At the request of Mr. FEINGOLD, the names of the Senator from South Dakota (Mr. DASCHLE) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. Con. Res. 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

S. CON. RES. 103

At the request of Mr. SMITH of New Hampshire, his name was added as a cosponsor of S. Con. Res. 103, a concurrent resolution honoring the members of the Armed Forces and Federal civilian employees who served the Nation during the Vietnam era and the families of those individuals who lost their lives or remain unaccounted for or were injured during that era in Southeast Asia or elsewhere in the world in defense of United States national security interests.

S. RES. 248

At the request of Mr. ROBB, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Montana (Mr. BURNS), the Senator from Mississippi (Mr. COCHRAN), the Senator from Idaho (Mr. CRAPO), the Senator from Wyoming (Mr. ENZI), the Senator from Washington (Mr. GORTON), the Senator from Iowa (Mr. GRASSLEY), the Senator from Utah (Mr. HATCH), the Senator from Florida (Mr. MACK), the Senator from Arizona (Mr. MCCAIN), the Senator from Kansas (Mr. ROBERTS), the Senator from New Hampshire (Mr. SMITH), the Senator from Oregon (Mr. SMITH), the Senator from South Carolina (Mr. THURMOND), and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. Res. 248, a resolution to designate the week of May 7, 2000, as ''National Correctional Officers and Employees Week.''

S. RES. 294

At the request of Mr. ABRAHAM, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. Res. 294, a resolution designating the month of October 2000 as ''Children's Internet Safety Month.''

SENATE CONCURRENT RESOLUTION 108—DESIGNATING THE WEEK BEGINNING ON APRIL 30, 2000, AND ENDING ON MAY 6, 2000, AS ''NATIONAL CHARTER SCHOOLS WEEK''

Mr. LIEBERMAN (for himself, Mr. GREGG, and Mr. KERRY) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 108

Whereas charter schools are public schools authorized by a designated public body and operating on the principles of accountability, parent flexibility, choice, and autonomy;

Whereas in exchange for the flexibility and autonomy given to charter schools, they are held accountable by their sponsors for improving student achievement and for their financial and other operations;

Whereas 36 States, the District of Columbia, and the Commonwealth of Puerto Rico have passed laws authorizing charter schools;

Whereas 35 States, the District of Columbia, and the Commonwealth of Puerto Rico will have received more than $350,000,000 in grants from the Federal Government by the end of the current fiscal year for planning, startup, and implementation of charter schools since their authorization in 1994 under title X, part C of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.);

Whereas 32 States, the District of Columbia, and the Commonwealth of Puerto Rico are serving approximately 350,000 students in more than 1,700 charter schools during the 1999 to 2000 school year;

Whereas charter schools can be vehicles both for improving student achievement for students who attend them and for stimulating change and improvement in all public schools and benefiting all public school students;

Whereas charter schools in many States serve significant numbers of students with lower income, students of color, and students with disabilities;

Whereas the Charter Schools Expansion Act of 1998 (Public Law 105–278) amended the Federal grant program for charter schools authorized by title X, part C of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.) to strengthen accountability provisions at the Federal, State, and local levels to ensure that charter public schools are of high quality and are truly accountable to the public;

Whereas 7 of 10 charter schools report having a waiting list;

Whereas students in charter schools nationwide have similar demographic characteristics as students in all public schools;

Whereas charter schools have enjoyed broad bipartisan support from the Administration, the Congress, State governors and legislatures, educators, and parents across the Nation; and

Whereas charter schools are laboratories of reform and serve as models of how to educate children as effectively as possible: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) acknowledges and commends the charter school movement for its contribution to improving our Nation's public school system;

(2) designates the week beginning on April 30, 2000, and ending on May 6, 2000, as ''National Charter Schools Week''; and

(3) requests that the President issue a proclamation calling on the people of the United States to observe the week by conducting appropriate programs, ceremonies, and activities to demonstrate support for charter schools in communities throughout the Nation.

SENATE CONCURRENT RESOLUTION 109—EXPRESSING THE SENSE OF CONGRESS REGARDING THE ONGOING PERSECUTION OF 13 MEMBERS OF IRAN'S JEWISH COMMUNITY

Mr. SCHUMER (for himself, Mr. BROWNBACK, Mr. LIEBERMAN, Mr. SMITH of Oregon, and Mr. DODD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 109

Whereas on the eve of the Jewish holiday of Passover 1999, 13 Jews, including community and religious leaders in the cities of Shiraz and Isfahan, were arrested by the authorities of the Islamic Republic of Iran and accused of spying for the United States and Israel;

Whereas three of 13 defendants were tried in the first week in May 2000, in trials that were closed to all independent journalists, outside media, international observers, and family members;

Whereas no evidence was brought forth at these trials other than taped ''confessions'', and no formal charges have yet been filed;

Whereas Jews in Iran are prohibited from holding any positions that would give them access to state secrets;

Whereas the judge in the case also serves as prosecutor, chief investigator, and arbiter of punishment;

Whereas United States Secretary of State Albright has identified the case of the 13 Jews in Shiraz as ''one of the barometers of United States-Iran relations'';

Whereas countless nations and leading international human rights organizations have expressed their concern for the 13 Iranian Jews and especially their human rights under the rule of law;

Whereas President Mohammad Khatami was elected on a platform of moderation and reform;

Whereas the United States has recently made goodwill overtures toward Iran, including lifting restrictions on the import of Iranian foodstuffs and crafts, promising steps toward the return of assets frozen since 1979,

and easing travel restrictions, all in an attempt to improve relations between the two countries;

Whereas the World Bank is currently considering two Iranian projects, valued at more than $130,000,000, which have been on hold since 1993; and

Whereas Iran must show signs of respecting fundamental human rights as a prerequisite for improving its relationship with the United States and becoming a member in good standing of the world community: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the President should—

(1) condemn, in the strongest possible terms, the arrest of the 13 Iranian Jews and the unfair procedures employed against them leading up to, and during, their trials, and demand their immediate release; and

(2) make it clear that—

(A) Iran's treatment of the Jews on trial is a benchmark for determining the nature of current and future United States-Iran relations, and that concessions already made may be rescinded in light of Iran's conduct of these cases; and

(B) the outcome of these cases will help determine Iran's standing in the community of nations, and its eligibility for loans and other financial assistance from international financial institutions.

SENATE CONCURRENT RESOLUTION 110—CONGRATULATING THE REPUBLIC OF LATVIA ON THE TENTH ANNIVERSARY OF THE REESTABLISHMENT OF ITS INDEPENDENCE FROM THE RULE OF THE FORMER SOVIET UNION

Mr. DURBIN (for himself, Mr. HELMS, Mr. ROBB, and Mr. ABRAHAM) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 110

Whereas the United States had never recognized the forcible incorporation of the Baltic states of Estonia, Latvia, and Lithuania into the former Soviet Union;

Whereas the declaration on May 4, 1990, of the reestablishment of full sovereignty and independence of the Republic of Latvia furthered the disintegration of the former Soviet Union;

Whereas Latvia since then has successfully built democracy, passed legislation on human and minority rights that conform to European and international norms, ensured the rule of law, developed a free market economy, and consistently pursued a course of integration into the community of free and democratic nations by seeking membership in the European Union and the North Atlantic Treaty Organization; and

Whereas Latvia, as a result of the progress of its political and economic reforms, has made, and continues to make, a significant contribution toward the maintenance of international peace and stability by, among other actions, its participation in NATO-led peacekeeping operations in Bosnia and Kosovo: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress hereby—

(1) congratulates Latvia on the occasion of the tenth anniversary of the reestablishment of its independence and the role it played in the disintegration of the former Soviet Union; and

(2) commends Latvia for its success in implementing political and economic reforms, which may further speed the process of that country's integration into European and Western institutions.

● Mr. DURBIN. Mr. President, today marks the 10th anniversary of the declaration of independence of Latvia from the domination of the Soviet Union. Latvia's resolution on May 4th, 1990 followed closely after Lithuania's declaration in March. These courageous Baltic countries led the way to throw off the yoke of Soviet Communist imperialism, resulting in the disintegration of the Soviet Union.

The courage of the peaceful crowd that surrounded the parliament building in Riga to prevent a Soviet attack should be remembered and commended. The Latvians showed the power of peaceful resistance and risked their lives doing so.

Latvia has now become a vibrant democracy. It has established a free-market economy and the rule of law. Latvia wants to be fully integrated into Europe, and is seeking membership in the European Union and the North Atlantic Treaty Organization (NATO).

This year we also celebrate the 60th anniversary of the refusal of the United States to recognize Soviet domination of the Baltic states. The logic then and the logic now is that the United States will only recognize free and independent Baltic states. What we celebrate this year is what we must help preserve next year and the year after that. We must carry on that principle today by being sure that Latvia, Lithuania and Estonia are admitted into NATO as an unequivocal statement that we will never tolerate domination of the Baltic states again.

I support admitting the Baltic states into NATO and I hope my colleagues here in the Senate will support their entry also in the next round of NATO expansion.

That debate we will save for another day, but I am sure all my colleagues can agree on the importance of the Baltic states' contribution to the freedom and independence of the former Soviet Republics and will join me in congratulating Latvia in celebrating 10 years of that precious freedom and independence.●

SENATE RESOLUTION 303—EXPRESSING THE SENSE OF THE SENATE REGARDING THE TREATMENT BY THE RUSSIAN FEDERATION OF ANDREI BABITSKY, A RUSSIAN JOURNALIST WORKING FOR RADIO FREE EUROPE/RADIO LIBERTY

Mr. KENNEDY (for himself, Mr. LEAHY, and Mr. GRAMS) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 303

Whereas Andrei Babitsky, an accomplished Russian journalist working for Radio Free Europe/Radio Liberty, a United States Government-funded broadcasting service, faces serious charges in Russia after being held captive and beaten by Russian authorities;

Whereas the mission of Radio Free Europe/Radio Liberty's bureaus in Russia is to provide Russian listeners objective and uncensored reporting on developments in Russia and around the world;

Whereas Russian authorities repeatedly denounced Mr. Babitsky for his reporting on the war in Chechnya, including his documentation of Russian troop casualties and the Russian Federation's brutal treatment of Chechen civilians;

Whereas Senate Resolutions 223 and 262 of the One Hundred Sixth Congress condemning the violence in Chechnya and urging a peaceful resolution to the conflict were adopted by the Senate by unanimous consent on November 19, 1999, and February 24, 2000, respectively;

Whereas on January 16, Mr. Babitsky was arrested by Russian police in the Chechen battle zone, was accused of assisting the Chechen forces, and was told he was to stand trial in Moscow;

Whereas Russian authorities took Mr. Babitsky to a ''filtration camp'' for suspected Chechen collaborators where he was severely beaten and then transferred to an undisclosed location;

Whereas on February 3, the Government of the Russian Federation announced that it had traded Mr. Babitsky to Chechen units in exchange for Russian prisoners, a violation of the Geneva Conventions to which Russia is a party;

Whereas on February 25, Mr. Babitsky was released by his captors in the Republic of Dagestan, only to be jailed by Russian officials for carrying false identity papers;

Whereas Mr. Babitsky says the papers were forced on him by his captors and used to smuggle him across borders;

Whereas Mr. Babitsky now faces charges from the Government of the Russian Federation of collaborating with the Chechens and carrying false identity papers and is not allowed to leave the city of Moscow;

Whereas on February 25, a senior advisor in Russia's Foreign Ministry published an article in The Moscow Times entitled ''Should Liberty Leave?'', which condemned the coverage by Radio Free Europe/Radio Liberty of the war in Chechnya, particularly reporting by Radio Free Europe/Radio Liberty correspondent Andrei Babitsky, and which stated that it would ''be better to close down the branches of Radio Liberty on Russian territory'';

Whereas on March 13, the Russian Ministry of the Press ordered Radio Free Europe/Radio Liberty's Moscow Bureau to provide complete recordings of broadcasts between February 15 and March 15, an action that Radio Free Europe/Radio Liberty described as ''designed to intimidate us and others'';

Whereas on March 14, the Russian Ministry of the Press issued a directive to prevent the broadcast of interviews from Chechen resistance leaders, an act of censorship which undercuts the ability of Radio Free Europe/Radio Liberty to fulfill its responsibilities as an objective news organization;

Whereas the treatment of Mr. Babitsky intimidates other correspondents working in Russia, particularly those covering the tragic story unfolding in Chechnya;

Whereas Russia's evolution into a stable democracy requires a free and vibrant press; and

Whereas it is imperative that the United States Government respond vigorously to the harassment and intimidation of Radio Free Europe/Radio Liberty: Now, therefore, be it

Resolved, That the Senate—

(1) urges the Government of the Russian Federation to drop its charges against Mr. Babitsky;

(2) calls upon the Government of the Russian Federation to provide a full accounting of Mr. Babitsky's detention;

(3) condemns the Russian Federation's harassment and intimidation of Radio Free Europe/Radio Liberty and other news organizations;

(4) calls upon the Government of the Russian Federation to adhere fully to the Universal Declaration of Human Rights, which declares in Article 19 that ''everyone has the right to freedom of opinion and expression; this right includes the freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media regardless of frontiers'';

(5) urges the Government of the Russian Federation and the President of the United States to implement the recommendations in Senate Resolutions 223 and 262 of the One Hundred Sixth Congress; and

(6) urges the President of the United States to place these issues high on the agenda for his June 4–5 summit meeting with President Vladimir Putin of the Russian Federation.

Mr. KENNEDY. Mr. President, it is a privilege to join Senator GRAMS and Senator LEAHY in offering this Senate resolution expressing our deep concern about the continuing plight of the Russian journalist Andrei Babitsky.

Mr. Babitsky, an accomplished journalist working for Radio Free Europe/Radio Liberty, still faces serious charges in Russia after being held captive by Russian authorities, beaten, and kept in a ''filtration camp'' for suspected Chechen collaborators.

For 10 years, Mr. Babitsky has helped fulfill the mission of RFE/RL to provide Russian listeners with objective and uncensored reporting. But Russian authorities, displeased with Mr. Babitsky's courageous reporting on the war in Chechnya, accused him of assisting the Chechen forces and had him arrested in the battle zone last January.

After six weeks in captivity, Mr. Babitsky was released, and then jailed again by Russian officials for carrying false identity papers. He says the papers were forced upon him. After an international outcry arose over his case, he was again released. But he still is not allowed to leave Moscow, and he still faces charges for carrying false papers and aiding the Chechens.

In addition, Russian authorities have continued to condemn Radio Liberty's coverage of the Chechen conflict, and have suggested that Radio Liberty should be forced to abandon its facilities in Moscow and throughout the Russian Republic. The authorities have taken steps to censor Radio Liberty and to intimidate its correspondents and others.

The United States should respond vigorously to this harassment and intimidation of Radio Free Europe/Radio Liberty. The Russian government should drop its trumped-up charges against Mr. Babitsky.

AMENDMENTS SUBMITTED

EDUCATIONAL OPPORTUNITIES ACT

ABRAHAM (AND OTHERS) AMENDMENT NO. 3117

Mr. ABRAHAM (for himself, Mr. MACK, Mr. COVERDELL, and Mr. FITZGERALD) proposed an amendment to the bill (S. 2) to extend programs and activities under the Elementary and Secondary Education Act of 1965; as follows:

Beginning on page 203, line 8, strike all through the period on page 213, line 15 and insert the following:

''(11)(A) Reforming teacher tenure systems.

''(B) Establishing teacher compensation systems based on merit and proven performance.

''(C) Testing teachers periodically in the academic subjects in which the teachers teach.

''(b) COORDINATION.—A State that receives a grant to carry out this subpart and a grant under section 202 of the Higher Education Act of 1965 shall coordinate the activities carried out under this section and the activities carried out under that section 202.

''SEC. 2014. APPLICATIONS BY STATES.

''(a) IN GENERAL.—To be eligible to receive a grant under this subpart, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

''(b) CONTENTS.—Each application submitted under this section shall include the following:

''(1) A description of how the State will ensure that a local educational agency receiving a subgrant to carry out subpart 3 will comply with the requirements of such subpart.

''(2)(A) An assurance that the State will measure the annual progress of the local educational agencies and schools in the State with respect to—

''(i) improving student academic achievement and student performance, in accordance with content standards and student performance standards established under part A of title I;

''(ii) closing academic achievement gaps, reflected in disaggregated data described in section 1111(b)(3)(I), between minority and non-minority groups and low-income and non-low-income groups; and

''(iii) improving performance on other specific indicators for professional development, such as increasing the percentage of classes in core academic subjects that are taught by highly qualified teachers.

''(B) An assurance that the State will require each local educational agency and school in the State receiving funds under this part to publicly report information on the agency's or school's annual progress, measured as described in subparagraph (A).

''(3) A description of how the State will hold the local educational agencies and schools accountable for making annual progress as described in paragraph (2), subject to part A of title I.

''(4)(A) A description of how the State will coordinate professional development activities authorized under this part with professional development activities provided under other Federal, State, and local programs, including those authorized under—

''(i) titles I and IV, part A of title V, and part A of title VII; and

''(ii) where applicable, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, and title II of the Higher Education Act of 1965.

''(B) A description of the comprehensive strategy that the State will use as part of the effort to carry out the coordination, to ensure that teachers, paraprofessionals, and principals are trained in the utilization of technology so that technology and technology applications are effectively used in the classroom to improve teaching and learning in all curriculum areas and academic subjects, as appropriate.

''(5) A description of how the State will encourage the development of proven, innovative strategies to deliver intensive professional development programs that are both cost-effective and easily accessible, such as through the use of technology and distance learning.

''(6) A description of how the activities to be carried out by the State under this subpart will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes.

''(c) APPLICATION SUBMISSION.—A State application submitted to the Secretary under this section shall be approved by the Secretary unless the Secretary makes a written determination, within 90 days after receiving the application, that the application is in violation of the provisions of this Act.

''Subpart 2—Subgrants to Eligible Partnerships

''SEC. 2021. PARTNERSHIP GRANTS.

''(a) IN GENERAL.—From the portion described in section 2012(c)(2)(A), the State agency for higher education, working in conjunction with the State educational agency (if such agencies are separate), shall award subgrants on a competitive basis under section 2012(c) to eligible partnerships to enable such partnerships to carry out activities described in subsection (b). The State agency for higher education shall ensure that such subgrants shall be equitably distributed by geographic area within the State, or ensure that eligible partnerships in all geographic areas within the State are served through the grants.

''(b) USE OF FUNDS.—An eligible partnership that receives funds under section 2012 shall use the funds for—

''(1) professional development activities in core academic subjects to ensure that teachers, paraprofessionals, and, if appropriate, principals have content knowledge in the academic subjects that the teachers teach; and

''(2) developing and providing assistance to local educational agencies and individuals who are teachers, paraprofessionals or principals of public and private schools served by each such agency, for sustained, high-quality professional development activities that—

''(A) ensure that the agencies and individuals are able to use State content standards, performance standards, and assessments to improve instructional practices and improve student academic achievement and student performance; and

''(B) may include intensive programs designed to prepare such individuals who will return to a school to provide such instruction to other such individuals within such school.

''(c) SPECIAL RULE.—No single participant in an eligible partnership may use more than 50 percent of the funds made available to the partnership under section 2012.

''(d) COORDINATION.—An eligible partnership that receives a grant to carry out this subpart and a grant under section 203 of the Higher Education Act of 1965 shall coordinate the activities carried out under this

section and the activities carried out under that section 203.

''(e) ELIGIBLE PARTNERSHIP.—In this section, the term 'eligible partnership' means an entity that—

''(1) shall include—

''(A) a private or State institution of higher education and the division of the institution that prepares teachers;

''(B) a school of arts and sciences; and

''(C) a high need local educational agency; and

''(2) may include other local educational agencies, a public charter school, a public or private elementary school or secondary school, an educational service agency, a public or private nonprofit educational organization, other institutions of higher education, a school of arts and sciences within such an institution, the division of such an institution that prepares teachers, a nonprofit cultural organization, an entity carrying out a prekindergarten program, a teacher organization, or a business.

''Subpart 3—Subgrants to Local Educational Agencies

''SEC. 2031. LOCAL USE OF FUNDS.

''(a) REQUIRED ACTIVITIES.—

''(1) IN GENERAL.—Each local educational agency that receives a subgrant to carry out this subpart shall use the subgrant to carry out the activities described in this subsection.

''(2) REQUIRED PROFESSIONAL DEVELOPMENT ACTIVITIES.—

''(A) MATHEMATICS AND SCIENCE.—

''(i) IN GENERAL.—Each local educational agency that receives a subgrant to carry out this subpart shall use a portion of the funds made available through the subgrant for professional development activities in mathematics and science in accordance with section 2032.

''(ii) GRANDFATHER OF OLD WAIVERS.—A waiver provided to a local educational agency under part D of title XIV prior to the date of enactment of the Educational Opportunities Act shall be deemed to be in effect until such time as the waiver otherwise would have ceased to be effective.

''(B) PROFESSIONAL DEVELOPMENT ACTIVITIES.—Each local educational agency that receives a subgrant to carry out this subpart shall use a portion of the funds made available through the subgrant for professional development activities that give teachers, paraprofessionals, and principals the knowledge and skills to provide students with the opportunity to meet challenging State or local content standards and student performance standards. Such activities shall be consistent with section 2032.

''(b) ALLOWABLE ACTIVITIES.—Each local educational agency that receives a subgrant to carry out this subpart may use the funds made available through the subgrant to carry out the following activities:

''(1) Recruiting and hiring certified or licensed teachers, including teachers certified through State and local alternative routes, in order to reduce class size, or hiring special education teachers.

''(2) Initiatives to assist in recruitment of highly qualified teachers who will be assigned teaching positions within their fields, including—

''(A) providing signing bonuses or other financial incentives, such as differential pay, for teachers to teach in academic subjects in which there exists a shortage of such teachers within a school or the area served by the local educational agency;

''(B) establishing programs that—

''(i) recruit professionals from other fields and provide such professionals with alternative routes to teacher certification; and

''(ii) provide increased opportunities for minorities, individuals with disabilities, and other individuals underrepresented in the teaching profession; and

''(C) implementing hiring policies that ensure comprehensive recruitment efforts as a way to expand the applicant pool of teachers, such as identifying teachers certified through alternative routes, and by implementing a system of intensive screening designed to hire the most qualified applicants.

''(3) Initiatives to promote retention of highly qualified teachers and principals, including—

''(A) programs that provide mentoring to newly hired teachers, such as mentoring from master teachers, and to newly hired principals; and

''(B) programs that provide other incentives, including financial incentives, to retain teachers who have a record of success in helping low-achieving students improve their academic success.

''(4) Programs and activities that are designed to improve the quality of the teacher force, and the abilities of paraprofessionals and principals, such as—

''(A) innovative professional development programs (which may be through partnerships including institutions of higher education), including programs that train teachers, paraprofessionals, and principals to utilize technology to improve teaching and learning, that are consistent with the requirements of section 2032;

''(B) development and utilization of proven, cost-effective strategies for the implementation of professional development activities, such as through the utilization of technology and distance learning;

''(C) professional development programs that provide instruction in how to teach children with different learning styles, particularly children with disabilities and children with special learning needs (including children who are gifted and talented); and

''(D) professional development programs that provide instruction in how best to discipline children in the classroom and identify early and appropriate interventions to help children described in subparagraph (C) to learn.

''(5) Activities that provide teacher opportunity payments, consistent with section 2033.

''(6) Programs and activities related to—

''(A) reforming teacher tenure systems;

''(B) establishing teacher compensation systems based on merit and proven performance; and

''(C) testing teacher periodically in the academic subjects in which the teachers teach.''

KENNEDY (AND MURRAY) AMENDMENT NO. 3118

Mr. KENNEDY (for himself and Mrs. MURRAY) proposed an amendment to the bill, S. 2, supra; as follows:

On page 1 of the amendment in line 4, strike all after ''Reforming'' through the end of the amendment and insert the following:

''and implementing merit schools programs for rewarding all teachers in schools that improve student achievement for all students, including the lowest achieving students;

''(B) Providing incentives and subsidies for helping teachers gain advanced degrees in the academic fields in which the teachers teach;

''(C) Implementing rigorous peer review, evaluation, and recertification programs for teachers; and

''(D) Providing incentives for highly qualified teachers to teach in the neediest schools.''

CAMPBELL (AND OTHERS) AMENDMENT NO. 3119

(Ordered to lie on the table.)

Mr. CAMPBELL (for himself, Ms. COVERDELL, and Mr. AKAKA) submitted an amendment intended to be proposed by them to the bill, S. 2, supra; as follows:

On page 252, line 12, strike ''and'' after the semicolon.

On page 252, line 18, strike the period and insert ''; and''.

On page 252, insert between lines 18 and 19 the following:

''(F) a description of how the school or consortium will encourage and use appropriately qualified seniors as volunteers in activities identified under section 3105.''.

On page 286, line 17, insert ''and appropriately qualified senior volunteers'' after ''personnel''.

On page 342, line 25, strike ''and'' after the semicolon.

On page 343, line 3, strike the period and insert ''; and''.

On page 343, between lines 3 and 4, insert the following:

''(15) drug and violence prevention activities that use the services of appropriately qualified seniors for activities that include mentoring, tutoring, and volunteering.''.

On page 351, lines 6 and 7, insert ''(including mentoring by appropriately qualified seniors)'' after ''mentoring''.

On page 351, line 22, strike ''and'' after the semicolon.

On page 352, line 2, insert ''and'' after the semicolon.

On page 352, between lines 2 and 3, insert the following:

''(iii) drug and violence prevention activities that use the services of appropriately qualified seniors for such activities as mentoring, tutoring, and volunteering;''.

On page 353, line 7, insert ''(including mentoring by appropriately qualified seniors) after ''mentoring programs''.

On page 354, line 12, insert ''and which may involve appropriately qualified seniors working with students'' after ''settings''.

On page 364, line 15, insert '', including projects and activities that promote the interaction of youth and appropriately qualified seniors'' after ''responsibility''.

On page 365, line 4, insert '', including activities that integrate appropriately qualified seniors in activities, such as mentoring, tutoring, and volunteering'' after ''title''.

On page 756, line 12, strike ''and'' after the semicolon.

On page 756, line 13, strike the period and insert ''; and''.

On page 756, between lines 13 and 14, insert the following:

''(12) activities that recognize and support the unique cultural and educational needs of Indian children, and incorporate appropriately qualified tribal elders and seniors.''.

On page 778, line 7, strike ''or'' after the semicolon.

On page 778, between lines 7 and 8, insert the following:

''(L) activities that recognize and support the unique cultural and educational needs of Indian children, and incorporate appropriately qualified tribal elders and seniors; or''.

On page 778, line 8, strike ''(L)'' and insert ''(M)''.

On page 782, line 21, strike the period and insert '', and may include programs designed to train tribal elders and seniors.''.

On page 830, line 22, strike ''and'' after the semicolon.

On page 830, line 24, insert ''and'' after the semicolon.

On page 830, after line 24, insert the following:

''(iv) programs that recognize and support the unique cultural and educational needs of Native Hawaiian children, and incorporate appropriately qualified Native Hawaiian elders and seniors;''.

On page 840, line 17, strike ''and'' after the semicolon.

On page 840, line 21, insert ''and'' after the semicolon.

On page 840, between lines 21 and 22, insert the following:

''(iii) may include activities that recognize and support the unique cultural and educational needs of Alaskan Native children, and incorporate appropriately qualified Alaskan Native elders and seniors;''.

WYDEN AMENDMENTS NOS. 3120–3121

(Ordered to lie on the table.)

Mr. WYDEN submitted two amendments intended to be proposed by him to the bill, S. 2, supra; as follows:

AMENDMENT NO. 3120

At the appropriate place, insert the following:

SEC. ___. DETENTION OF JUVENILES WHO UNLAWFULLY POSSESS FIREARMS IN SCHOOLS.

Section 4112(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7112(a)) is amended—

(1) in paragraph (4), by striking ''and'' at the end;

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following:

''(5) contains an assurance that the State has in effect a policy or practice that requires State and local law enforcement agencies to detain in an appropriate juvenile community-based placement or in an appropriate juvenile justice facility, for not less than 24 hours, any juvenile who unlawfully possesses a firearm in a school, upon a finding by a judicial officer that the juvenile may be a danger to himself or herself or to the community; and''.

AMENDMENT NO. 3121

On page 489, strike lines 1 and 2 and insert the following:

''PART G—FUND FOR THE IMPROVEMENT OF EDUCATION AND RELATED PROGRAMS

''Subpart 1—Fund for the Improvement of Education

On page 515, between lines 9 and 10, insert the following:

''SEC. 5711. SHORT TITLE.

''This subpart may be cited as the 'Student Education Enrichment Demonstration Act'.

''SEC. 5712. FINDINGS.

''Congress finds that—

''(1) States are establishing new and higher academic standards for students in kindergarten through grade 12;

''(2) no Federal funding streams are specifically designed to help States and school districts with the costs of providing students who are struggling academically, with the extended learning time and accelerated curricula that the students need to meet high academic standards;

''(3) forty-eight States now require State accountability tests to determine student grade-level performance and progress;

''(4) nineteen States currently rate the performance of all schools or identify low-performing schools through State accountability tests;

''(5) sixteen States now have the power to close, take over, or overhaul chronically failing schools on the basis of those tests;

''(6) fourteen States provide high-performing schools with monetary rewards on the basis of those tests;

''(7) nineteen States currently require students to pass State accountability tests to graduate from high school;

''(8) six States currently link student promotion to results on State accountability tests;

''(9) excessive percentages of students are not meeting their State standards and are failing to perform at high levels on State accountability tests; and

''(10) while the Chicago Public School District implemented the Summer Bridge Program to help remediate their students in 1997, no State has yet created and implemented a similar program to complement the education accountability programs of the State.

''SEC. 5713. PURPOSE.

''The purpose of this subpart is to provide Federal support through a new demonstration program to States and local educational agencies, to enable the States and agencies to develop models for high quality summer academic enrichment programs that are specifically designed to help public school students who are not meeting State-determined performance standards.

''SEC. 5714. DEFINITIONS.

''In this subpart:

''(1) ELEMENTARY SCHOOL; SECONDARY SCHOOL; LOCAL EDUCATIONAL AGENCY; STATE EDUCATIONAL AGENCY.—The terms 'elementary school', 'secondary school', 'local educational agency', and 'State educational agency' have the meanings given the terms in section 3.

''(2) SECRETARY.—The term 'Secretary' means the Secretary of Education.

''(3) STUDENT.—The term 'student' means an elementary school or secondary school student.

''SEC. 5715. GRANTS TO STATES.

''(a) IN GENERAL.—The Secretary shall establish a demonstration program through which the Secretary shall make grants to State educational agencies, on a competitive basis, to enable the agencies to assist local educational agencies in carrying out high quality summer academic enrichment programs as part of statewide education accountability programs.

''(b) ELIGIBILITY AND SELECTION.—

''(1) ELIGIBILITY.—For a State educational agency to be eligible to receive a grant under subsection (a), the State served by the State educational agency shall—

''(A) have in effect all standards and assessments required under section 1111; and

''(B) compile and annually distribute to parents a public school report card that, at a minimum, includes information on student and school performance for each of the assessments required under section 1111.

''(2) SELECTION.—In selecting States to receive grants under this section, the Secretary shall make the selections in a manner consistent with the purpose of this subpart.

''(c) APPLICATION.—

''(1) IN GENERAL.—To be eligible to receive a grant under this section, a State educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(2) CONTENTS.—Such application shall include—

''(A) information describing specific measurable goals and objectives to be achieved in the State through the summer academic enrichment programs carried out under this subpart, which may include specific measurable annual educational goals and objectives relating to—

''(i) increased student academic achievement;

''(ii) decreased student dropout rates; or

''(iii) such other factors as the State educational agency may choose to measure; and

''(B) information on criteria, established or adopted by the State, that—

''(i) the State will use to select local educational agencies for participation in the summer academic enrichment programs carried out under this subpart; and

''(ii) at a minimum, will assure that grants provided under this subpart are provided to—

''(I) the local educational agencies in the State that have the highest percentage of students not meeting basic or minimum required standards for State assessments required under section 1111;

''(II) local educational agencies that submit grant applications under section 5716 describing programs that the State determines would be both highly successful and replicable; and

''(III) an assortment of local educational agencies serving urban, suburban, and rural areas.

''SEC. 5716. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

''(a) IN GENERAL.—

''(1) FIRST YEAR.—

''(A) IN GENERAL.—For the first year that a State educational agency receives a grant under this subpart, the State educational agency shall use the funds made available through the grant to make grants to eligible local educational agencies in the State to pay for the Federal share of the cost of carrying out the summer academic enrichment programs, except as provided in subparagraph (B).

''(B) TECHNICAL ASSISTANCE AND PLANNING ASSISTANCE.—The State educational agency may use not more than 5 percent of the funds—

''(i) to provide to the local educational agencies technical assistance that is aligned with the curriculum of the agencies for the programs;

''(ii) to enable the agencies to obtain such technical assistance from entities other than the State educational agency that have demonstrated success in using the curriculum; and

''(iii) to assist the agencies in planning activities to be carried out under this subpart.

''(2) SUCCEEDING YEARS.—

''(A) IN GENERAL.—For the second and third year that a State educational agency receives a grant under this subpart, the State educational agency shall use the funds made available through the grant to make grants to eligible local educational agencies in the State to pay for the Federal share of the cost of carrying out the summer academic enrichment programs, except as provided in subparagraph (B).

''(B) TECHNICAL ASSISTANCE AND PLANNING ASSISTANCE.—The State educational agency may use not more than 5 percent of the funds—

''(i) to provide to the local educational agencies technical assistance that is aligned with the curriculum of the agencies for the programs;

''(ii) to enable the agencies to obtain such technical assistance from entities other than the State educational agency that have demonstrated success in using the curriculum; and

''(iii) to assist the agencies in evaluating activities carried out under this subpart.

''(b) APPLICATION.—

''(1) IN GENERAL.—To be eligible to receive a grant under this section, a local educational agency shall submit an application to the State educational agency at such time, in such manner, and containing by such information as the Secretary or the State may require.

''(2) CONTENTS.—The State shall require that such an application shall include, to the greatest extent practicable—

''(A) information that—

''(i) demonstrates that the local educational agency will carry out a summer academic enrichment program funded under this section—

''(I) that provides intensive high quality programs that are aligned with challenging State content and student performance standards and that are focused on reinforcing and boosting the core academic skills and knowledge of students who are struggling academically, as determined by the State;

''(II) that focuses on accelerated learning, rather than remediation, so that students served through the program will master the high level skills and knowledge needed to meet the highest State standards or to perform at high levels on all State assessments required under section 1111;

''(III) that is based on, and incorporates best practices developed from, research-based enrichment methods and practices;

''(IV) that has a proposed curriculum that is directly aligned with State content and student performance standards;

''(V) for which only teachers who are certified and licensed, and are otherwise fully qualified teachers, provide academic instruction to students enrolled in the program;

''(VI) that offers to staff in the program professional development and technical assistance that are aligned with the approved curriculum for the program; and

''(VII) that incorporates a parental involvement component that seeks to involve parents in the program's topics and students' daily activities; and

''(ii) may include—

''(I) the proposed curriculum for the summer academic enrichment program;

''(II) the local educational agency's plan for recruiting highly qualified and highly effective teachers to participate in the program; and

''(III) a schedule for the program that indicates that the program is of sufficient duration and intensity to achieve the State's goals and objectives described in section 5715(c)(2)(A);

''(B) an outline indicating how the local educational agency will utilize other applicable Federal, State, local, or other funds, other than funds made available through the grant, to support the program;

''(C) an explanation of how the local educational agency will ensure that only highly qualified personnel who volunteer to work with the type of student targeted for the program will work with the program and that the instruction provided through the program will be provided by qualified teachers;

''(D) an explanation of the types of intensive training or professional development, aligned with the curriculum of the program, that will be provided for staff of the program;

''(E) an explanation of the facilities to be used for the program;

''(F) an explanation regarding the duration of the periods of time that students and teachers in the program will have contact for instructional purposes (such as the hours per day and days per week of that contact, and the total length of the program);

''(G) an explanation of the proposed student/teacher ratio for the program, analyzed by grade level;

''(H) an explanation of the grade levels that will be served by the program;

''(I) an explanation of the approximate cost per student for the program;

''(J) an explanation of the salary costs for teachers in the program;

''(K) a description of a method for evaluating the effectiveness of the program at the local level;

''(L) information describing specific measurable goals and objectives, for each academic subject in which the program will provide instruction, that are consistent with, or more rigorous than, the adequate yearly progress goals established by the State under section 1111;

''(M) a description of how the local educational agency will involve parents and the community in the program in order to raise academic achievement; and

''(N) a description of how the local educational agency will acquire any needed technical assistance that is aligned with the curriculum of the agency for the program, from the State educational agency or other entities with demonstrated success in using the curriculum.

''(c) PRIORITY.—In making grants under this section, the State educational agency shall give priority to applicants who demonstrate a high level of need for the summer academic enrichment programs.

''(d) FEDERAL SHARE.—

''(1) IN GENERAL.—The Federal share of the cost described in subsection (a) is 50 percent.

''(2) NON-FEDERAL SHARE.—The non-Federal share of the cost may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

''SEC. 5717. SUPPLEMENT NOT SUPPLANT.

''Funds appropriated pursuant to the authority of this subpart shall be used to supplement and not supplant other Federal, State, and local public or private funds expended to provide academic enrichment programs.

''SEC. 5718. REPORTS.

''(a) STATE REPORTS.—Each State educational agency that receives a grant under this subpart shall annually prepare and submit to the Secretary a report. The report shall describe—

''(1) the method the State educational agency used to make grants to eligible local educational agencies and to provide assistance to schools under this subpart;

''(2) the specific measurable goals and objectives described in section 5715(c)(2)(A) for the State as a whole and the extent to which the State met each of the goals and objectives in the year preceding the submission of the report;

''(3) the specific measurable goals and objectives described in section 5716(b)(2)(L) for each of the local educational agencies receiving a grant under this subpart in the State and the extent to which each of the agencies met each of the goals and objectives in that preceding year;

''(4) the steps that the State will take to ensure that any such local educational agency who did not meet the goals and objectives in that year will meet the goals and objectives in the year following the submission of the report or the plan that the State has for revoking the grant of such an agency and redistributing the grant funds to existing or new programs;

''(5) how eligible local educational agencies and schools used funds provided by the State educational agency under this subpart; and

''(6) the degree to which progress has been made toward meeting the goals and objectives described in section 5715(c)(2)(A).

''(b) REPORT TO CONGRESS.—The Secretary shall annually prepare and submit to Congress a report. The report shall describe—

''(1) the methods the State educational agencies used to make grants to eligible local educational agencies and to provide assistance to schools under this subpart;

''(2) how eligible local educational agencies and schools used funds provided under this subpart; and

''(3) the degree to which progress has been made toward meeting the goals and objectives described in sections 5715(c)(2)(A) and 5716(b)(2)(L).

''(c) GOVERNMENT ACCOUNTING OFFICE REPORT TO CONGRESS.—The Comptroller General of the United States shall conduct a study regarding the demonstration program carried out under this subpart and the impact of the program on student achievement. The Comptroller General shall prepare and submit to Congress a report containing the results of the study.

''SEC. 5719. ADMINISTRATION.

''The Secretary shall develop program guidelines for and oversee the demonstration program carried out under this subpart.

''SEC. 5720. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—The Secretary shall make available to carry out this subpart, $25,000,000 for each of fiscal years 2001 through 2003 from funds appropriated under section 3107.

''(b) AVAILABILITY.—Any amounts made available pursuant to the authority of subsection (a) shall remain available until expended.

''SEC. 5721. TERMINATION.

''The authority provided by this subpart terminates 3 years after the date of enactment of the Student Education Enrichment Demonstration Act.

MURRAY AMENDMENT NO. 3122

Mrs. MURRAY proposed an amendment to the bill, S. 2, supra; as follows:

Beginning on page 182, strike line 20 and all that follows through page 183, line 6 and insert the following:

''Subpart 5—Class Size Reduction

''SEC. 2051. GRANT PROGRAM.

''(a) PURPOSE.—The purposes of this section are—

''(1) to reduce class size through the use of fully qualified teachers;

''(2) to assist States and local educational agencies in recruiting, hiring, and training 100,000 teachers in order to reduce class sizes nationally, in grades 1 through 3, to an average of 18 students per regular classroom; and

''(3) to improve teaching in those grades so that all students can learn to read independently and well by the end of the 3rd grade.

''(b) ALLOTMENT TO STATES.—

''(1) RESERVATION.—From the amount made available to carry out this subpart for a fiscal year, the Secretary shall reserve not more than 1 percent for the Secretary of the Interior (on behalf of the Bureau of Indian Affairs) and the outlying areas for activities carried out in accordance with this section.

''(2) STATE ALLOTMENTS.—

''(A) HOLD HARMLESS.—

''(i) IN GENERAL.—Subject to subparagraph (B) and clause (ii), from the amount made available to carry out this subpart for a fiscal year and not reserved under paragraph (1), the Secretary shall allot to each State an amount equal to the amount that such State received for the preceding fiscal year under this section or section 310 of the Department of Education Appropriations Act, 2000, as the case may be.

''(ii) RATABLE REDUCTION.—If the amount made available to carry out this subpart for a fiscal year and not reserved under paragraph (1) is insufficient to pay the full amounts that all States are eligible to receive under clause (i) for such fiscal year, the Secretary shall ratably reduce such amounts for such fiscal year.

''(B) ALLOTMENT OF ADDITIONAL FUNDS.—

''(i) IN GENERAL.—Subject to clause (ii), for any fiscal year for which the amount made

available to carry out this subpart and not reserved under paragraph (1) exceeds the amount made available to the States for the preceding year under the authorities described in subparagraph (A)(i), the Secretary shall allot to each of those States the percentage of the excess amount that is the greater of—

''(I) the percentage the State received for the preceding fiscal year of the total amount made available to the States under section 1122; or

''(II) the percentage so received of the total amount made available to the States under section 2202(b), as in effect on the day before the date of enactment of the Educational Opportunities Act, or the corresponding provision of this title, as the case may be.

''(ii) RATABLE REDUCTIONS.—If the excess amount for a fiscal year is insufficient to pay the full amounts that all States are eligible to receive under clause (i) for such fiscal year, the Secretary shall ratably reduce such amounts for such fiscal year.

''(c) ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.—

''(1) ALLOCATION.—Each State that receives funds under this section shall allocate a portion equal to not less than 99 percent of those funds to local educational agencies, of which—

''(A) 80 percent of the portion shall be allocated to those local educational agencies in proportion to the number of children, age 5 through 17, from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved, who reside in the school district served by that local educational agency for the most recent fiscal year for which satisfactory data are available, compared to the number of those children who reside in the school districts served by all the local educational agencies in the State for that fiscal year; and

''(B) 20 percent of the portion shall be allocated to those local educational agencies in accordance with the relative enrollments of children, age 5 through 17, in public and private nonprofit elementary schools and secondary schools within the areas served by those agencies.

''(2) EXCEPTION.—Notwithstanding paragraph (1) and subsection (d)(2)(B), if the award to a local educational agency under this section is less than the starting salary for a new fully qualified teacher for a school served by that agency who is certified or licensed within the State, has a baccalaureate degree, and demonstrates the general knowledge, teaching skills, and subject matter knowledge required to teach in the content areas in which the teacher teaches, that agency may use funds made available under this section to—

''(A) help pay the salary of a full- or part-time teacher hired to reduce class size, which may be done in combination with the expenditure of other Federal, State, or local funds; or

''(B) pay for activities described in subsection (d)(2)(A)(iii) that may be related to teaching in smaller classes.

''(3) STATE ADMINISTRATIVE EXPENSES.—The State educational agency for a State that receives funds under this section may use not more than 1 percent of the funds for State administrative expenses.

''(d) USE OF FUNDS.—

''(1) MANDATORY USES.—Each local educational agency that receives funds under this section shall use those funds to carry out effective approaches to reducing class size through use of fully qualified teachers who are certified or licensed within the State, have baccalaureate degrees, and demonstrate the general knowledge, teaching skills, and subject matter knowledge required to teach in the content areas in which the teachers teach, to improve educational achievement for both regular and special needs children, with particular consideration given to reducing class size in the early elementary grades for which some research has shown class size reduction is most effective.

''(2) PERMISSIBLE USES.—

''(A) IN GENERAL.—Each such local educational agency may use funds made available under this section for—

''(i) recruiting (including through the use of signing bonuses, and other financial incentives), hiring, and training fully qualified regular and special education teachers (which may include hiring special education teachers to team-teach with regular teachers in classrooms that contain both children with disabilities and non-disabled children) and teachers of special needs children, who are certified or licensed within the State, have a baccalaureate degree and demonstrate the general knowledge, teaching skills, and subject matter knowledge required to teach in the content areas in which the teachers teach;

''(ii) testing new teachers for academic content knowledge, and to meet State certification or licensing requirements that are consistent with title II of the Higher Education Act of 1965; and

''(iii) providing professional development (which may include such activities as promoting retention and mentoring) for teachers, including special education teachers and teachers of special needs children, in order to meet the goal of ensuring that all teachers have the general knowledge, teaching skills, and subject matter knowledge necessary to teach effectively in the content areas in which the teachers teach, consistent with title II of the Higher Education Act of 1965.

''(B) LIMITATION ON TESTING AND PROFESSIONAL DEVELOPMENT.—

''(i) IN GENERAL.—Except as provided in clause (ii), a local educational agency may use not more than a total of 25 percent of the funds received by the agency under this section for activities described in clauses (ii) and (iii) of subparagraph (A).

''(ii) WAIVERS.—A local educational agency may apply to the State educational agency for a waiver that would permit the agency to use more than 25 percent of the funds the agency receives under this section for activities described in subparagraph (A)(iii) for the purpose of helping teachers who have not met applicable State and local certification or licensing requirements become certified or licensed if—

''(I) the agency is in an Ed-Flex Partnership State under the Education Flexibility Partnership Act of 1999; and

''(II) 10 percent or more of teachers in elementary schools served by the agency have not met the certification or licensing requirements, or the State educational agency has waived those requirements for 10 percent or more of the teachers.

''(iii) USE OF FUNDS UNDER WAIVER.—If the State educational agency approves the local educational agency's application for a waiver under clause (ii), the local educational agency may use the funds subject to the conditions of the waiver for activities described in subparagraph (A)(iii) that are needed to ensure that at least 90 percent of the teachers in the elementary schools are certified or licensed within the State.

''(C) USE OF FUNDS BY AGENCIES THAT HAVE REDUCED CLASS SIZE.—Notwithstanding subparagraph (B), a local educational agency that has already reduced class size in the early elementary grades to 18 or fewer children (or has already reduced class size to a State or local class size reduction goal that was in effect on November 28, 1999 if that goal is 20 or fewer children) may use funds received under this section—

''(i) to make further class size reductions in kindergarten through third grade;

''(ii) to reduce class size in other grades; or

''(iii) to carry out activities to improve teacher quality, including professional development.

''(3) SUPPLEMENT, NOT SUPPLANT.—Each such agency shall use funds made available under this section only to supplement, and not to supplant, State and local funds that, in the absence of funds made available under this section, would otherwise be expended for activities described in this section.

''(4) LIMITATION ON USE FOR SALARIES AND BENEFITS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no funds made available under this section may be used to increase the salaries of, or provide benefits (other than participation in professional development and enrichment programs) to, teachers who are not hired under this section.

''(B) EXCEPTION.—Funds made available under this section may be used to pay the salaries of teachers hired under section 310 of the Department of Education Appropriations Act, 2000.

''(e) REPORTS.—

''(1) STATE ACTIVITIES.—Each State receiving funds under this section shall prepare and submit to the Secretary a biennial report on activities carried out in the State under this section that provides the information described in section 6122(a)(2) with respect to the activities.

''(2) PROGRESS CONCERNING CLASS SIZE AND QUALIFIED TEACHERS.—Each State and local educational agency receiving funds under this section shall publicly report to parents on—

''(A) the agency's progress in reducing class size, and increasing the percentage of classes in core academic areas taught by fully qualified teachers who are certified or licensed within the State, have baccalaureate degrees, and demonstrate the general knowledge, teaching skills, and subject matter knowledge required to teach in the content areas in which the teachers teach; and

''(B) the impact that hiring additional fully qualified teachers and reducing class size, has had, if any, on increasing student academic achievement.

''(3) PROFESSIONAL QUALIFICATIONS.—Each school receiving funds under this section shall provide to parents, on request, information about the professional qualifications of their child's teacher.

''(f) PRIVATE SCHOOLS.—If a local educational agency uses funds made available under this section for professional development activities, the agency shall ensure the equitable participation of private nonprofit elementary schools and secondary schools in such activities in accordance with section 6142. Section 6142 shall not apply to other activities carried out under this section.

''(g) LOCAL ADMINISTRATIVE EXPENSES.—A local educational agency that receives funds under this section may use not more than 3 percent of such funds for local administrative expenses.

''(h) REQUEST FOR FUNDS.—Each local educational agency that desires to receive funds under this section shall include in the application required under section 2034 a description of the agency's program to reduce class size by hiring additional fully qualified teachers.

''(i) CERTIFICATION, LICENSING, AND COMPETENCY.—No funds made available under this section may be used to pay the salary of any teacher hired with funds made available

under section 310 of the Department of Education Appropriations Act, 2000, unless, by the start of the 2000–2001 school year, the teacher is certified or licensed within the State and demonstrates competency in the content areas in which the teacher teaches.

''(j) DEFINITION.—In this section:

''(1) CERTIFIED.—The term 'certified' includes certification through State or local alternative routes.

''(2) STATE.—The term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"Subpart 6—Funding

"SEC. 2061. AUTHORIZATION OF APPROPRIATIONS.

''(a) FISCAL YEAR 2001.—There are authorized to be appropriated to carry out this part $2,000,000,000 for fiscal year 2001, of which—

''(1) $40,000,000 shall be available to carry out subpart 4; and

''(2) $1,750,000,000 shall be available to carry out subpart 5.

''(b) OTHER FISCAL YEARS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal years 2002 through 2005, of which $1,750,000,000 shall be available to carry out subpart 5.

"Subpart 7—General Provisions

"SEC. 2071. DEFINITIONS.

HUTCHISON (AND COLLINS) AMENDMENT NO. 3123

(Ordered to lie on the table.)

Mrs. HUTCHISON (for herself and Ms. COLLINS) submitted an amendment intended to be proposed by them to the bill, S. 2, supra; as follows:

On page 545, strike lines 5 through 9, and insert the following:

''(L) education reform projects that provide single gender schools and classrooms as long as comparable educational opportunities are offered for students of both sexes;''.

MANUFACTURED HOUSING IMPROVEMENT ACT

GRAMM (AND SARBANES) AMENDMENT NO. 3124

Mr. GORTON (for Mr. GRAMM (for himself and Mr. SARBANES)) proposed an amendment to the bill (S. 1452) to modernize the requirements under the National Manufactured Housing Construction and Safety Standards of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes; as follows:

On page 41, line 20, strike ''appoint'' and insert ''recommend''.

On page 44, beginning on line 14, strike '', subject to the approval of the Secretary, by the administering organization'' and insert ''by the Secretary, after consideration of the recommendations of the administering organization under paragraph (2)(A)(ii)(I),''.

On page 44, line 23, strike ''may'' and all that follows through page 45, line 2, and insert ''shall state, in writing, the reasons for failing to appoint under subparagraph (B)(i) of this paragraph any individual recommended by the administering organization under paragraph (2)(A)(ii)(I)''.

On page 46, strike lines 3 through 5 and insert the following:

sensus committee, the Secretary, in appointing the members of the consensus committee—

''(I) shall ensure

On page 46, line 11, strike ''the Secretary''.

On page 48, strike lines 17 through 22, and insert the following:

''(iii) ETHICS IN GOVERNMENT ACT OF 1978.—

''(I) IN GENERAL.—Subject to subclause (II), the Ethics in Government Act of 1978 (5 U.S.C. App.) shall not apply to members of the consensus committee to the extent of their proper participation as members of the consensus committee.

''(II) FINANCIAL DISCLOSURE.—The Secretary shall collect from each member of the consensus committee the financial information required to be disclosed under section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.). Notwithstanding section 552 of title 5, United States Code, such information shall be confidential and shall not be disclosed to any person, unless such disclosure is determined to be necessary by—

''(aa) the Secretary;

''(bb) the Chairman or Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate; or

''(cc) the Chairman or Ranking Member of the Committee on Banking and Financial Services of the House of Representatives.

''(III) PROHIBITION ON GIFTS FROM OUTSIDE SOURCES.—

''(aa) IN GENERAL.—Subject to item (bb), an individual who is a member of the consensus committee may not solicit or accept a gift of services or property (including any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value), if the gift is solicited or given because of the status of that individual as a member of the consensus committee.

''(bb) EXCEPTIONS.—The Secretary shall by regulation establish such exceptions to item (aa) as the Secretary determines to be appropriate, which shall include an exception for de minimus gifts.

On page 55, line 2, insert ''with respect to a proposed revised standard submitted by the consensus committee under paragraph (4)(A)'' after ''paragraph (5)''.

On page 55, line 5, strike ''proposed standard or regulation'' and insert ''proposed revised standard''.

On page 55, strike lines 7 and 8, and insert the following:

''(A) the proposed revised standard—

On page 55, line 18, strike ''or regulation''.

On page 55, line 19, strike ''or regulation''.

On page 55, lines 21 and 22, strike ''standards or regulations proposed by the consensus committee'' and insert ''standard''.

On page 71, strike line 3 and insert the following:

Act.

''(3) PAYMENTS TO STATES.—On and after the effective date of the Manufactured Housing Improvement Act of 2000, the Secretary shall continue to fund the States having approved State plans in the amounts which are not less than the allocated amounts, based on the fee distribution system in effect on the day before such effective date.''.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the legislative hearing regarding S. 1756, the National Laboratories Partnership Improvement Act of 1999; and S. 2336, the Networking and Information Technology Research and Development for Department of Energy Missions Act, which had been previously scheduled for Tuesday, May 9, 2000 at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, D.C. has been cancelled.

For further information, please call Trici Heninger or Bryan Hannegan at (202) 224–7875.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The purpose of this hearing is to receive testimony on S. 1584, a bill to establish the Schuylkill River Valley National Heritage Area in the State of Pennsylvania; S. 1685 and H.R. 2932, a bill to authorize the Golden Spike/Crossroads of the West National Heritage Area; S. 1998, a bill to establish the Yuma Crossing National Heritage Area; S. 2247, a bill to establish the Wheeling National Heritage Area in the State of West Virginia, and for other purposes; S. 2421, a bill to direct the Secretary of the Interior to conduct a study of the suitability and feasibility of establishing an Upper Housatonic Valley Heritage Area in Connecticut and Massachusetts; and S. 2511, a bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes.

The hearing will take place on Thursday, May 18, 2000 at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD–364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole or Kevin Clark of the Committee staff at (202) 224–6969.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The purpose of this hearing is to receive testimony on the potential ban on snowmobiles in Yellowstone and Grand Teton National Parks and the recent decision by the Department of the Interior to prohibit snowmobile activities in other units of the National Park System.

The hearing will take place on Thursday, May 25 at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those

wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD–364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole or Kevin Clark of the Committee staff at (202) 224–6969.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. INHOFE. Mr. President, I ask unanimous consent that the full Committee on Armed Services be authorized to meet at 9:30 a.m. on Thursday, May 4, 2000, in executive session, to mark up the FY 2001 defense authorization bill.

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

COMMITTEE ON ARMED SERVICES

Mr. INHOFE. Mr. President, I ask unanimous consent that the full Committee on Armed Services be authorized to meet at 2 p.m. on Thursday, May 4, 2000, in executive session, to mark up the FY 2001 defense authorization bill.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, May 4, 2000, at 9:30 a.m. on the nominations of members of the Federal Aviation Management Advisory Council (8 nominees).

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

JOINT COMMITTEE ON TAXATION

Mr. INHOFE. Mr. President, I ask unanimous consent that the Joint Committee on Taxation by authorized to meet during the session of the Senate on Thursday, May 4, 2000 to hear testimony on Medicare Governance: The Health Care Financing Administration's Role and Readiness in Reform.

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

SUBCOMMITTEE ON FORESTS AND PUBLIC LANDS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Lands of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, May 4, at 2:30 p.m. to conduct an oversight hearing. The subcommittee will receive testimony on the United States Forest Service's use of current and proposed stewardship contracting procedures, including authorities under section 347 of the 1999 omnibus appropriations act, and whether these procedures assist or could be improved to assist forest management activities to meet goals of ecosystem management, restoration, and employment opportunities on public lands.

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

SUBCOMMITTEE ON IMMIGRATION

Mr. INHOFE. Mr. President, I ask unanimous consent that the Subcommittee on Immigration be authorized to meet to conduct a hearing on Thursday, May 4, 2000, at 2 p.m., in Dirksen 226.

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

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 4, 2000, at 10 a.m. to hold a hearing.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA

Mr. INHOFE. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia be authorized to meet on Thursday, May 4, 2000, at 10 a.m. for a hearing entitled ''Has Government Been 'Reinvented'?''

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

SUBCOMMITTEE ON PRODUCTION AND PRICE COMPETITIVENESS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Subcommittee on Production and Price Competitiveness of the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, May 4, 2000, at 2 p.m., in SR–332, to conduct a subcommittee hearing on carbon cycle research and agriculture's role in reducing climate change.

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

PROPOSED ''REMEDIES'' IN THE MICROSOFT ANTITRUST CASE

Mr. GORTON. Mr. President, I would like to take a few minutes to talk about the proposed remedies submitted last Friday by the U.S. Department of Justice and 17 States in the antitrust suit against Microsoft. As my colleagues know, the Department of Justice and the States have asked the court to break Microsoft into two separate companies, and to require significant Government regulation of the two companies.

Let's begin by reviewing the charges in the case. First, the Government has alleged that Microsoft entered into a series of agreements with software developers, Internet Service Providers, Internet content providers, and online services like AOL, that foreclosed Netscape's ability to distribute its Web browsing software. Despite claims by Government lawyers and outside commentators that this was the strongest part of the Government's case, the trial court—even Judge Jackson—disagreed. The court ruled that Microsoft's agreements did not deprive Netscape of the ability to reach PC users. Indeed, the trial court pointed out the many ways in which Netscape could, and did, distribute Navigator. Direct evidence of this broad distribution can be found in the fact that the installed base of Navigator users increased from 15 million in 1996 to 33 million in late 1998—the very period in which the Government contends that Microsoft foreclosed Netscape's distribution.

The second charge involves what the Government alleged was the unlawful ''tying'' of Internet Explorer to Windows. The Government argued that this ''tying'' was one of the primary means by which Microsoft foreclosed Netscape's ability to distribute Navigator. The trial court agreed with the Government, finding that Microsoft violated Section 1 of the Sherman Act in its design of Windows 95 and 98. The court's conclusion is astounding in two respects. First, as I mentioned, the trial court determined that Microsoft had not deprived Netscape of distribution opportunities. Second, and even more important, the trial court's conclusion is in direct contradiction to that of the District of Columbia Circuit Court of Appeals. In June, 1998—before the antitrust trial even began—that court of appeals rejected the charge that the inclusion of Internet Explorer in Windows 95 was wrongful. In its June, 1998 decision, the appeals court stated that ''new products integrating functionalities in a useful way should be considered single products regardless of market structure.'' Despite the fact that trial courts are obliged to follow the rulings of appellate courts, the trial court in the Microsoft case has singularly failed to do so.

In its third charge, the Government alleged that Microsoft held a monopoly in Intel-compatible PC operating systems, and maintained that monopoly through anticompetitive tactics. The trial court agreed, and determined that there were three anticompetitive tools employed by Microsoft: (1) the series of agreements that the trial court itself held did not violate antitrust law; (2) the inclusion of Internet Explorer in Windows, which the Appellate Court already determined was not illegal; and (3) a random assortment of acts involving Microsoft's discussions with other firms, such as Apple and Intel—none of which led to agreements. In relying on these three factors, the trial court seems to have concluded that, while Microsoft's actions, taken individually, might not constitute violations of antitrust law, the combination of these lawful acts constitutes a violation of law. This approach to antitrust liability has generally been rejected by courts, in part because it fails to provide guidance allowing businesses to

understand their legal obligations. Such a rule effectively chills desirable competitive conduct.

Finally, the trial court agreed with the Government's allegation that Microsoft unlawfully attempted to monopolize the market for Web browsing software. This conclusion is directly at odds with the court's own previous finding. In the findings of fact released in November of last year, the trial court found that Microsoft's conduct with respect to Netscape was aimed at preventing Netscape from dominating Web browsing software—not at gaining a monopoly for Microsoft. Under antitrust law, a firm cannot be found liable for attempted monopolization unless it specifically intends to monopolize the market. Seeking to prevent somebody else from acquiring a monopoly is not attempted monopolization.

To summarize, one of the Government's charges was dismissed by the trial court; another flouts a specific decision of the appellate court; and the remaining two simply provide no legal basis as antitrust violations. I am highly confident that the appeals court will once again recognize the fundamental flaws in the trial court's decision and find in favor of Microsoft.

In the meantime, however, let's examine the ''remedy'' proposed by the Department of Justice and 17 States for these fictional violations. First, and most obvious, is the Government's proposal to break Microsoft into two separate companies. Under the Government plan, Windows would be retained by the new ''Operating Systems Business,'' while the remainder of Microsoft, including its office family of products on its Internet properties, would be moved into a new ''Application Business.'' The Department of Justice plan effectively prohibits these two companies from working together for a period of 10 years and effectively freezes fundamental components of the operating system from improvement, thereby crippling in this fast-moving world of technology the very technology which is one of the principal bases of our present prosperity.

As outrageous as the proposal to break up Microsoft is, the heavyhanded regulations the Government proposes to impose on Microsoft are at least as outrageous.

Mr. President, at this point I ask unanimous consent that an article by Declan McCullagh, published in the April 29, 2000, edition of Wired News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOVERNMENT WANTS CONTROL OF MS

(By Declan McCullagh)

Bellevue, WA—If Bill Gates was unhappy with early reports of the government's antitrust punishments, he's going to be plenty steamed when he reads the fine print this weekend.

In two lengthy filings on Friday, government attorneys said they eventually hope to carve up Microsoft into two huge chunks. But until that happens, their 40KB proposal would impose extraordinarily strict government regulations on what the world's largest software company may and may not do.

For instance: Microsoft wouldn't be able to sell computer makers discounted copies of Windows, except for foreign language translations, but would be ordered to open a ''secure'' lab where other firms may examine the previously internal Windows specifications. Microsoft wouldn't be able to give discounts to hardware or software developers in exchange for promoting or distributing other company products. For instance, Microsoft would be banned from inking a discount deal with CompUSA to bundle a copy of Microsoft Flight Simulator with a Microsoft joystick.

Microsoft would have to create a new executive position and a new committee on its board of directors. The ''chief compliance officer'' would report to the chief executive officer and oversee a staff devoted to ensuring compliance with the new government rules. If Microsoft hoped to start discarding old emails after its bad experiences during the trial, it wouldn't be able to do so. ''Microsoft shall, with the supervision of the chief compliance officer, maintain for a period of at least four years the email of all Microsoft officers, directors and managers engaged in software development, marketing, sales, and developer relations related to platform software,'' the government's proposed regulations say.

Microsoft would have to monitor all changes it makes to all versions of Windows and track any alternations that would slow down or ''degrade the performance of'' any third-party application such as Internet browsers, email client software, multimedia viewing software, instant messaging software, and voice recognition software. If it does not notify the third-party developer, criminal sanctions would apply.

State and federal government lawyers could come onto Microsoft's campus here ''during office hours'' to ''inspect and copy'' any relevant document, email message, collection of source code or other related information.

The same state and federal government lawyers would be allowed to question any Microsoft employee ''without restraint or interference.''

Mr. GORTON. Mr. President, Mr. McCullagh did an excellent job of outlining these extraordinary regulations. I will highlight a few.

Under the Department of Justice proposal, the Government would require Microsoft to create an entirely new executive position, as well as a new committee on its corporate board of directors, the function of which would be to ensure the company's compliance with the Government's new regulations.

The Department of Justice would require Microsoft to ''maintain for a period of at least 4 years the e-mail of all Microsoft officers, directors, and managers engaged in software development, marketing, sales, and developer relations related to Platform Software.''

Under the proposed remedy, Microsoft would also be required to give the Government ''access during office hours'' to inspect and demand copies of all ''books, ledgers, accounts, correspondence, memoranda, source code, and other records and documents in the possession or under the control of Microsoft'' relating to the matters contained in the final judgment. Not only that, the Government, ''without restraint or interference'' from Microsoft, could demand to question any officers, employees, or agents of the company.

Together with the other sanctions, these proposals would guarantee that every Microsoft competitor would know everything the two Microsofts plan long before the plans became reality. Mr. President, that is a death sentence.

The function of relief in an antitrust case is to enjoin the conduct found to be anticompetitive and to enhance competition. Any objective review of the ''remedies'' proposed by the Department of Justice and States, however, can only lead to the conclusion that the Government is not seeking relief from anticompetitive behavior but to punish Microsoft with unwarranted sanctions for allegations by threatening its very existence.

There is no question that the Department of Justice initiated this antitrust action at the behest of Microsoft's competitors. Those competitors have said they sought Government intervention because it would be ''too expensive'' to pursue private litigation. This unjustified case has been too expensive—way too expensive—but not in the way the competitors envisioned. In the 10 days following the breakdown of settlement talks, there was a $1.7 trillion loss in market capitalization. The damages from that huge loss were not limited to Microsoft—a broad range of companies, including many of Microsoft's competitors, were affected. More importantly, so, too, were millions of American investors.

As one would expect, the millions of Americans who hold Microsoft shares have taken a bath in recent weeks. The day after the trial court issued its ''Findings of Law'' on April 3, Microsoft stockholders lost $80 billion in assets. The decline in Microsoft stock helped fuel a 349-point slide in the NASDAQ, the biggest 1-day drop in the history of the exchange. The pain wasn't limited to individual Microsoft shareholders, however. At least 2,000 mutual funds and countless pension funds include Microsoft shares.

I find it curious that the Vice President of the United States criticizes as the ''risky scheme'' tax proposals in this body that would reduce taxes by $12 billion in 1 year and $150 billion in 5 years. Yet the very administration that he supports has caused a loss in the pockets of very real American citizens of far in excess of that amount.

The ''risky scheme'' is the Microsoft lawsuit and we have now suffered damages from that risk. It is unfortunate that those who were so anxious to bring the heavy hand of Government into this incredibly innovative and successful industry didn't listen to some of the more cautious voices, such as that of Dr. Milton Friedman, who warned early on to be careful what you wish. Dr. Friedman recently reinforced that sentiment in a statement to the National Taxpayers Union:

Recent events dealing with the Microsoft suit certainly support the view I expressed a year ago—that Silicon Valley is suicidal in calling Government in to mediate in the disputes among some of the big companies in the area of Microsoft. The money that has been spent on legal maneuvers would have been much more usefully spent on research in technology. The loss of the time spent in the courts by highly trained and skilled lawyers could certainly have been spent more fruitfully. Overall, the major effect has been a decline in the capital value of the computer industry, Microsoft in particular, but its competitors as well. They must rue the day they set this incredible episode in operation.

One of the biggest tragedies of this case is that it has all been done in the name of consumer benefit. So far, the only real harm to consumers I have seen has come from the resources wasted on the case itself and from the market convulsions that resulted from the mere specter of the Government's punitive relief proposal.

DANIEL PATRICK MOYNIHAN UNITED STATES COURTHOUSE

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 504, S. 2370.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2370) to designate the Federal building located at 500 Pearl Street in New York City, New York, as the ''Daniel Patrick Moynihan United States Courthouse.''

There being no objection, the Senate proceeded to consider the bill.

Mr. SMITH of New Hampshire. Mr. President, as chairman of the Environment and Public Works Committee, I was very proud to report out just a couple weeks ago a bill to designate the federal building at 500 Pearl Street in New York City, New York, as the ''Daniel Patrick Moynihan United States Courthouse.'' When I first joined this committee, the chairman's seat was occupied by the Senator from New York. His generosity and kindness in helping me, a freshman Senator from the other side of the aisle, is something I will always remember and for which I will be forever grateful. I have since come to rely on his advice, counsel and wisdom on issues ranging from transportation to Superfund, as have so many of my colleagues.

Our friend, Senator DANIEL PATRICK MOYNIHAN, is someone who has served this nation with great integrity and true patriotism. He is the only person in our nation's history to serve in four successive administrations as a member of the Cabinet or sub-Cabinet. He served two Republicans and two Democrats—but he would rather tell you that he simply served four Presidents of the United States. He was Ambassador to India, as well as the President of the United Nations Security Council. And since 1977, he has been the cerebral center of the United States Senate.

He is among the most intelligent Senators ever to serve in this body. He has taught at MIT, Harvard, Syracuse, and Cornell, and has been the recipient of over 60 honorary degrees. Few can match his resume and none can surpass his commitment to this nation. He will be sorely missed.

The building to be named for DANIEL PATRICK MOYNIHAN is a magnificent structure in New York City that will be a fitting tribute to the distinguished Senator. Completed in 1994 and built to last 200 years, the courthouse is an extraordinary work of art inside and out. It will serve as an enduring monument to our good friend Senator MOYNIHAN and his 47-year career in public service.

Mr. WARNER. Mr. President, I rise today to lend my support for the naming of the Pearl Street courthouse in New York City as humble tribute to our colleague, the distinguished senior Senator from New York, DANIEL PATRICK MOYNIHAN, who regrettably announced his retirement from this body at the conclusion of the 106th Congress.

It is only fitting that any recognition of the senior Senator from New York's achievements should first underscore his limitless passion in reflecting the highest ideals befitting the dignity, enterprise, vigor and stability of the American government. His singular vision of the role of a United States Senator and his deep desire to live up to that lofty image is only part of what makes my friend and colleague the paragon of public service which he has been for this body, his constituents and the American people for nearly a quarter century.

Since his election to the United States Senate in 1976, Senator MOYNIHAN has imprinted an indelible impression upon our Nation's Capital in so many estimable ways. His virtues extend far beyond my capabilities of statesmanship but, given that the pending matter is the naming of a federal building in his honor, I will limit myself to simply discussing his unique role in shepherding the physical transformation of the federal landscape in Washington, D.C.

During his tenure in Congress, Senator MOYNIHAN has made a consistent commitment to build government buildings well and help achieve the potential L'Enfant envisioned here 200 years ago.

There's a fitting symmetry to Senator MOYNIHAN's career in Washington. He started out nearly four decades ago in the Kennedy Administration, and his service at the White House end of Pennsylvania Avenue continued in the Johnson and Nixon years. Since 1977, he's served on this end in the U.S. Capitol as the Senator from New York.

It fell to him, as one of Kennedy's cadre of New Frontiersman, to write a prescription for then-failing Pennsylvania Avenue, whose shabbiness had caught the President's eye during the inaugural parade. True to his scholar's training, Senator MOYNIHAN went back to basics to prepare an eloquent appreciation of L'Enfant's conception of Pennsylvania Avenue, ''the grand axis of the city, as of the Nation . . . leading from the Capitol to the White House, symbolizing at once the separation of powers and the fundamental unity in the American government.''

Little wonder, then, that Senator MOYNIHAN today can look back with satisfaction at what has happened to the avenue. He was there at the beginning.

When news came that President Kennedy had been shot, Senator MOYNIHAN was having lunch with fellow White House aides to arrange a briefing for congressional leaders concerning the new plan for Pennsylvania Avenue.

Senator MOYNIHAN started out, as he once wrote, ''at a time of the near-disappearance of the impulse to art'' in public building, witnessing a ''steady deteriorating in the quality of public buildings and public spaces, and with it a decline in the symbols of public unity and common purpose with which the citizen can identify, of which he can be proud, and by which he can know what he shares with his fellow citizens.'' He called the new Rayburn House Office Building ''perhaps the most alarming and unavoidable sign of the declining vitality of American government that we have yet witnessed.''

In his 1962 report which he drafted for President Kennedy, ''Guiding Principles for Federal Architecture,'' Senator MOYNIHAN outlined three broad principles which still affect federal architecture today: (1) An official style must be avoided; (2) Government projects should embody the finest contemporary American architectural thought; and (3) Federal buildings should reflect the regional architectural traditions of their specific locations.

Senator MOYNIHAN's deep rooted passion for public architecture has abated not an iota in the years since he wrote that document. In an interview he gave as a freshman Senator newly assigned to the Environment and Public Works Committee, he was quoted as saying, ''I like buildings, I like things,'' he explained simply, ''and the government builds things.'' Later as chairman, he used his vantage point to become one of the capital's most persuasive, powerful voices for rationality and beauty in the things our government builds.

Recently, he was asked about the capital's esthetic transformation, to which he asked a rhetorical question: ''Do we realize we look up and we have the most beautiful capital on earth?''

I thank Senator MOYNIHAN. I have been privileged to serve with you to help transform Pennsylvania Avenue into the great thoroughfare of the city of Washington, DC.

His 1962 vision is Y2K's reality. I sincerely hope that the courthouse we name in his honor reflects the legacy of federal architecture he leaves and the great vision of this Nation he always espoused.

Mr. BAUCUS. Mr. President, I rise to speak in favor of S. 2370. S. 2370 names

the new Foley Square Courthouse at 500 Pearl Street, New York City, after Senator DANIEL PATRICK MOYNIHAN. But even more, I wish to pay tribute to a colleague, a mentor, and a friend.

When Senator MOYNIHAN retires from the Senate at the end of this year, he will be deeply and perhaps uniquely missed because he has contributed so much to our debates and, in fact, to our lives. There will be plenty of time for extended tributes later.

Each Senator will stand up and explain in his own words the work and wonder of Senator MOYNIHAN, particularly as the session draws to a close, and I hope to participate in those tributes at that time.

The bill we are considering today is also a fitting tribute for two reasons: First, one of the many special contributions that PAT MOYNIHAN has made to our Nation is the contribution to our public architecture.

Thomas Jefferson said:

> Design activity and political thought are indivisible.

In keeping with this, PAT MOYNIHAN has sought to improve our public places so they reflect and uplift our civic culture.

Senator MOYNIHAN, himself, said it well back in 1961. We all know he has held many important positions in Government, in fact, so many I don't think any of us can remember them all. But only recently did I learn that he once was the staff director of something called the Ad Hoc Committee on Federal Office Space.

That is right. He was. In addition to everything else, he once wrote a document called the ''Guiding Principles for Federal Architecture'' back in 1961. And that remains in effect today. It is one page long. It says that public buildings should not only be efficient and economical but also should ''provide visual testimony to the dignity, enterprise, vigor, and stability of the American Government.''

For many years, he has worked with energy and vision to put the goals expressed in the guidelines into practice.

As an assistant to President Kennedy, he was one of the driving forces behind the effort to renovate Pennsylvania Avenue, to finally achieve Pierre L'Enfant's vision.

He followed through. There is the Navy Memorial, Pershing Park, the Ronald Reagan Building, and Ariel Rios. And there are other projects. Along with John Chafee, he had the vision to restore Union Station—a magnificent building—and then to complement it with the beautiful Thurgood Marshall Judiciary Building.

It is absolutely remarkable, leaving a lasting mark on our public places that bring us together as American citizens.

In fact, it is no exaggeration to say that DANIEL PATRICK MOYNIHAN has had a greater positive impact on American public architecture than any statesman since Thomas Jefferson.

That brings me to my second point. The new courthouse in Foley Square bears PAT MOYNIHAN's mark. It is the Nation's largest courthouse, for the Nation's oldest Federal court.

Senator MOYNIHAN was the principal sponsor of the bill authorizing its construction back in 1987. And characteristically, he followed through, paying close attention to details.

At times, the courthouse has been controversial. But no one can deny its grandeur. It preserves history, uses space to great effect, and it features a graceful sculpture in the form of a fountain designed by Maya Lin, who also designed the Vietnam War Memorial.

The building itself is designed by a very distinguished American firm, Kohn Pederson Fox, and it was designed, as Senator MOYNIHAN himself has said, ''with dignity and presence.''

I am sure Senator MOYNIHAN will correct me later if I am wrong, but I believe in St. Paul's Cathedral in London there is an inscription memorializing the architect of the cathedral, Sir Christopher Wren. It reads:

> If you would see his memorial, look about you.

If, years from now, you stand outside the Capitol and look west, down Pennsylvania Avenue, or you stand on the steps of the Jacob Javits Federal Building in New York City and look east at the courthouse that will bear his name, you can say the same about Senator DANIEL PATRICK MOYNIHAN:

> If you would see his memorial, look about you.

Mr. President, this bill is a fitting tribute to a distinguished scholar, an outstanding Senator, and a great American. I urge its adoption.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. May I rise just to say I have no words at this moment for what my beloved colleague said. We have been 22 years together on the Committee on the Environment and Public Works and on the Finance Committee. He will succeed me soon, I hope, as chairman of the Finance Committee. He has my profound and lasting gratitude for what he has just said. I am sure he will continue in that mode.

I thank my dear colleague.

Mr. SCHUMER. Mr. President, I rise today to applaud my colleagues for their unanimous support of S. 2370, a bill to name the stunning Federal Courthouse at 500 Pearl Street in Manhattan after Senator DANIEL PATRICK MOYNIHAN, the champion of this project and an esteemed Member of this body. I also rise to honor Senator MOYNIHAN, who against the wishes of his fellow New Yorkers, myself included, plans to retire at the end of this year. I honor PAT MOYNIHAN for all he has accomplished throughout his 47-year career in public service as legislator, scholar, reformer, teacher, and last, but definitely not least, builder.

It is especially for his role as builder that we honor him today. The Federal Courthouse at 500 Pearl Street embodies the same spirit as Senator MOYNIHAN's previous architectural endeavors—an extraordinary work of art, inside and out. Completed in 1994, the Courthouse was designed by the distinguished architectural firm of Kohn Pederson Fox with a dignity worthy of the weighty judicial matters considered within its walls. It is a magnificent structure of solid granite, marble, and sturdy oak, built to last 200 years, adorned with public art from notable contemporary artists Ray Kaskey and Maya Lin.

Senator MOYNIHAN has always been an important force for architecture in New York. He was responsible for the restoration of the spectacular Beaux-Arts Custom House at Bowling Green in Lower Manhattan and beloved in Buffalo for reawakening that city's appreciation for its architectural heritage, which includes Frank Lloyd Wright houses and the Prudential Building, one of the best-known early American skyscrapers by the architect Louis H. Sullivan—a building which MOYNIHAN helped restore and then chose as his Buffalo office. MOYNIHAN has also spurred a powerful popular movement in Buffalo to build a new signature Peace Bridge over the Niagara River.

But the project for which he is best known is his beloved Pennsylvania Station. In 1963, PAT MOYNIHAN was one of a group of prescient New Yorkers who protested the tragic razing of our City's spectacular Penn Station—a glorious public building designed by the nation's premier architectural firm of the time, McKim, Mead & White.

It was PAT MOYNIHAN who recognized years ago that across the street from what is now a dingy basement terminal that functions—barely—as New York City's train station, sits the James A. Farley Post Office Building, built by the same architects, in much the same grand design, as the old Penn Station. MOYNIHAN recognized that we could use the Farley Building to once again create a train station worthy of our great City. I had offered a bill last year to name that new train station after him, but Senator MOYNIHAN, with characteristic modesty, asked that the station keep the Farley name. And I, with characteristic persistence, introduced another bill to name the new Federal Courthouse at 500 Pearl Street after him.

Not coincidentally, the Courthouse's presence and elegance befit Senator MOYNIHAN, who was most responsible for its creation. Senator MOYNIHAN toiled for nearly a decade prodding the Congress, General Services Administration, three New York City mayors, and anyone else he needed, to see this spectacular Courthouse built. The Courthouse at 500 Pearl Street will serve as a fitting tribute and provide an enduring monument in the heart of the City that PAT MOYNIHAN and I both love so dearly, a monument for the millions of New Yorkers and their fellow Americans who love and admire Senator DANIEL PATRICK MOYNIHAN.

Mr. GORTON. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any additional statements relating to the bill be printed the RECORD.

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

The bill (S. 2370) was read the third time and passed, as follows:

S. 2370

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

SECTION 1. DESIGNATION OF DANIEL PATRICK MOYNIHAN UNITED STATES COURTHOUSE.

The Federal building located at 500 Pearl Street in New York City, New York, shall be known and designated as the ''Daniel Patrick Moynihan United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the Daniel Patrick Moynihan United States Courthouse.

E. ROSS ADAIR FEDERAL BUILDING AND UNITED STATES COURTHOUSE

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 505, H.R. 2412.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2412) to designate the Federal building and United States courthouse located at 1300 South Harrison Street in Fort Wayne, Indiana, as the ''E. Ross Adair Federal Building and United States Courthouse.''

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 2412) was read a third time and passed.

NATIONAL CORRECTIONAL OFFICERS AND EMPLOYEES WEEK

Mr. GORTON. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 248, and the Senate then proceed to its immediate consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 248) to designate the week of May 7, 2000, as ''National Correctional Officers and Employees Week.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. GORTON. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

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

The resolution (S. Res. 248) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 248

Whereas the operation of correctional facilities represents a crucial component of our criminal justice system;

Whereas correctional personnel play a vital role in protecting the rights of the public to be safeguarded from criminal activity;

Whereas correctional personnel are responsible for the care, custody, and dignity of the human beings charged to their care; and

Whereas correctional personnel work under demanding circumstances and face danger in their daily work lives: Now, therefore, be it

Resolved, That the Senate designates the week of May 7, 2000, as ''National Correctional Officers and Employees Week''. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

HONORING MEMBERS OF THE ARMED FORCES AND FEDERAL CIVILIAN EMPLOYEES

Mr. GORTON. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Con. Res. 103, and that the Senate then proceed to its immediate consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 103) honoring the members of the Armed Forces and Federal civilian employees who served the Nation during the Vietnam era and the families of those individuals who lost their lives or remain unaccounted for or were injured during that era in Southeast Asia or elsewhere in the world in defense of United States security interests.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. GORTON. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements in relation to the resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 103) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 103

Whereas the United States Armed Forces conducted military operations in Southeast Asia during the period (known as the ''Vietnam era'') from February 28, 1961, to May 7, 1975;

Whereas during the Vietnam era more than 3,403,000 American military personnel served in the Republic of Vietnam and elsewhere in Southeast Asia in support of United States military operations in Vietnam, while millions more provided for the Nation's defense in other parts of the world;

Whereas during the Vietnam era untold numbers of civilian personnel of the United States Government also served in support of United States operations in Southeast Asia and elsewhere in the world;

Whereas May 7, 2000, marks the 25th anniversary of the closing of the period known as the Vietnam era; and

Whereas that date would be an appropriate occasion to recognize and express appreciation for the individuals who served the Nation in Southeast Asia and elsewhere in the world during the Vietnam era: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) honors the service and sacrifice of the members of the Armed Forces and Federal civilian employees who during the Vietnam era served the Nation in the Republic of Vietnam and elsewhere in Southeast Asia or otherwise served in support of United States operations in Vietnam and in support of United States national security interests throughout the world;

(2) recognizes and honors the sacrifice of the families of those individuals referred to in paragraph (1) who lost their lives or remain unaccounted for or were injured during that era, in Southeast Asia or elsewhere in the world, in defense of United States national security interests; and

(3) encourages the American people, through appropriate ceremonies and activities, to recognize the service and sacrifice of those individuals.

NATIONAL CHARTER SCHOOLS WEEK

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Con. Res. 108 submitted earlier by Senators LIEBERMAN and GREGG.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 108) designating the week beginning on April 30, 2000, and ending on May 6, 2000, as ''National Charter Schools Week.''

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. GORTON. Mr. President, I ask unanimous consent that the resolution be agreed to; that the preamble be agreed to; that the motion to reconsider be laid upon the table; and that any statements relating to the resolution be printed at the appropriate place in the RECORD.

The concurrent resolution (S. Con. Res. 108) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. CON. RES. 108

Whereas charter schools are public schools authorized by a designated public body and operating on the principles of accountability, parent flexibility, choice, and autonomy;

Whereas in exchange for the flexibility and autonomy given to charter schools, they are held accountable by their sponsors for improving student achievement and for their financial and other operations;

Whereas 36 States, the District of Columbia, and the Commonwealth of Puerto Rico have passed laws authorizing charter schools;

Whereas 35 States, the District of Columbia, and the Commonwealth of Puerto Rico will have received more than $350,000,000 in grants from the Federal Government by the end of the current fiscal year for planning, startup, and implementation of charter schools since their authorization in 1994 under title X, part C of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.);

Whereas 32 States, the District of Columbia, and the Commonwealth of Puerto Rico are serving approximately 350,000 students in more than 1,700 charter schools during the 1999 to 2000 school year;

Whereas charter schools can be vehicles both for improving student achievement for students who attend them and for stimulating change and improvement in all public schools and benefiting all public school students;

Whereas charter schools in many States serve significant numbers of students with lower income, students of color, and students with disabilities;

Whereas the Charter Schools Expansion Act of 1998 (Public Law 105–278) amended the Federal grant program for charter schools authorized by title X, part C of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.) to strengthen accountability provisions at the Federal, State, and local levels to ensure that charter public schools are of high quality and are truly accountable to the public;

Whereas 7 of 10 charter schools report having a waiting list;

Whereas students in charter schools nationwide have similar demographic characteristics as students in all public schools;

Whereas charter schools have enjoyed broad bipartisan support from the Administration, the Congress, State governors and legislatures, educators, and parents across the Nation; and

Whereas charter schools are laboratories of reform and serve as models of how to educate children as effectively as possible: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) acknowledges and commends the charter school movement for its contribution to improving our Nation's public school system;

(2) designates the week beginning on April 30, 2000, and ending on May 6, 2000, as ''National Charter Schools Week''; and

(3) requests that the President issue a proclamation calling on the people of the United States to observe the week by conducting appropriate programs, ceremonies, and activities to demonstrate support for charter schools in communities throughout the Nation.

PERSECUTION OF 13 IN IRAN'S JEWISH COMMUNITY

Mr. GORTON. I ask unanimous consent the Senate proceed to the immediate consideration of S. Con. Res. 109 introduced earlier today by Senators SCHUMER, BROWNBACK, and others.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 109) expressing the sense of Congress regarding the ongoing persecution of 13 members of Iran's Jewish community.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. SCHUMER. Mr. President, I rise today to denounce—in the strongest terms possible—the sham trial of 13 Jews in Iran accused of espionage. And I want to thank my colleagues for voting unanimously for a Concurrent Resolution urging President Clinton to condemn this mockery of justice and violation of fundamental human rights, and make clear to Iran that the United States and the world is watching the fate of these men very closely.

Leaders in Tehran must know that the treatment of the Jews on trial will go far in determining the nature of Iran's relations with the U.S., and its standing in the community of nations.

The 13 Iranian Jews, mostly community and religious leaders in the cities of Shiraz and Isfahan, were arrested more than a year ago by the Iranian authorities and accused of spying for the U.S. and Israel. These espionage charges are, of course, preposterous.

Indeed, how could they be true? Jews in Iran are prohibited from holding any positions that would grant them access to state secrets or sensitive materials. And most of these men live hundreds of miles from Tehran.

This mockery of truth and justice reached new lows this week. After a year in prison—isolated, no contact with family or friends, no contact with even a lawyer—three of these men were dragged from the darkness of one of Iran's harshest prisons and stuck in front of cameras to publicly ''confess'' to their charges.

No-one is fooled. In fact, the world is appalled.

These men were presumed guilty before their trials even began. That's because they are in the hands of the hard-line Clerics in Iran, who run the Revolutionary Courts. And, as we know, In Iran, the Clerics are never wrong.

This is an Inquisition, not a trial.

What we are really witnessing is a high-stakes attempt at a bait and switch. After forcing confessions to capital crimes, the Revolutionary Court judge—who, by the way, also serves as prosecutor, chief investigator, and jury—may dole out ''light'' sentences on the 13 men, to show how ''forgiving'' the Clerics are.

Our Resolution makes it perfectly clear that these innocent men should not be used as pawns in a shifty battle of egos in Iran. They should be released immediately.

The case of the 13 Jews is showing the world how far Iran needs to go before they may even begin to expect to be welcomed into the community of nations.

That is why countless nations and all leading international human rights organizations have expressed their concern for the 13 Iranian Jews, and have denounced the abuse of their fundamental human rights.

The United States recently presented Iran with goodwill overtures, such as lifting restrictions on many Iranian imports and easing travel restrictions between our two countries. We learned this week that goodwill gestures are meaningless.

Truth be told, Iran has continued to display nothing but hostility and contempt for the United States and everything for which we stand.

At a minimum, Iran must show signs of respecting human rights as a prerequisite for our improving relations with them. I am pleased that Secretary of State Albright has identified the case of the 13 Jews in Iran as ''one of the barometers of United States-Iran relations.''

The same standards should hold true for international financial institutions. Iran's quest for $130 million from the World Bank must not be taken seriously unless and until Iran begins to show a basic understanding of basic rules of justice.

Much has been made of President Mohammad Khatami's popular reform movement, and there is significant optimism that a kinder, gentler Iran is slowly emerging from the darkness of a 20-year hardline clerical dictatorship. Indeed, Khatami has received a huge mandate from the people of Iran over the past four years.

However, Iran must fully understand that normalized relations with the United States is only a pipedream if persecution such as that enacted upon the 13 Jews accused of spying goes unchallenged. If it does not, then what kind of reform movement are we really witnessing?

Colleagues, I thank you for supporting this Resolution urging the President to use all his resources to convince President Khatami that this farcical trial leading to a pre-ordained outcome will send US-Iran relations back to ground zero. Three of these men have already been tried and convicted without a shred of evidence. There are 10 more left to go. They should not spend one more day in prison. They should be released right now.

Today, the voice of the United States Senate has spoken. And we have said unanimously: ''Iran, the world is watching.''

Mr. GORTON. Mr. President, I ask unanimous consent that the resolution be agreed to; that the preamble be agreed to; that the motion to reconsider be laid upon the table; and that any statements relating to the resolution be printed in the RECORD.

The concurrent resolution (S. Con. Res. 109) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. CON. RES. 109

Whereas on the eve of the Jewish holiday of Passover 1999, 13 Jews, including community and religious leaders in the cities of

Shiraz and Isfahan, were arrested by the authorities of the Islamic Republic of Iran and accused of spying for the United States and Israel;

Whereas three of 13 defendants were tried in the first week in May 2000, in trials that were closed to all independent journalists, outside media, international observers, and family members;

Whereas no evidence was brought forth at these trials other than taped ''confessions'', and no formal charges have yet been filed;

Whereas Jews in Iran are prohibited from holding any positions that would give them access to state secrets;

Whereas the judge in the case also serves as prosecutor, chief investigator, and arbiter of punishment;

Whereas United States Secretary of State Albright has identified the case of the 13 Jews in Shiraz as ''one of the barometers of United States-Iran relations'';

Whereas countless nations and leading international human rights organizations have expressed their concern for the 13 Iranian Jews and especially their human rights under the rule of law;

Whereas President Mohammad Khatami was elected on a platform of moderation and reform;

Whereas the United States has recently made goodwill overtures toward Iran, including lifting restrictions on the import of Iranian foodstuffs and crafts, promising steps toward the return of assets frozen since 1979, and easing travel restrictions, all in an attempt to improve relations between the two countries;

Whereas the World Bank is currently considering two Iranian projects, valued at more than $130,000,000, which have been on hold since 1993; and

Whereas Iran must show signs of respecting fundamental human rights as a prerequisite for improving its relationship with the United States and becoming a member in good standing of the world community: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the President should—

(1) condemn, in the strongest possible terms, the arrest of the 13 Iranian Jews and the unfair procedures employed against them leading up to, and during, their trials, and demand their immediate release; and

(2) make it clear that—

(A) Iran's treatment of the Jews on trial is a benchmark for determining the nature of current and future United States-Iran relations, and that concessions already made may be rescinded in light of Iran's conduct of these cases; and

(B) the outcome of these cases will help determine Iran's standing in the community of nations, and its eligibility for loans and other financial assistance from international financial institutions.

MANUFACTURED HOUSING IMPROVEMENT ACT

Mr. GORTON. I ask unanimous consent the Senate proceed to consideration of Calendar No. 517, S. 1452.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A Senate bill (S. 1452) to modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety for manufactured homes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''Manufactured Housing Improvement Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents; references.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Federal manufactured home construction and safety standards.
Sec. 5. Abolishment of National Manufactured Home Advisory Council; manufactured home installation.
Sec. 6. Public information.
Sec. 7. Research, testing, development, and training.
Sec. 8. Fees.
Sec. 9. Dispute resolution.
Sec. 10. Elimination of annual reporting requirement.
Sec. 11. Effective date.
Sec. 12. Savings provisions.

(c) REFERENCES.—Whenever in this Act an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

SEC. 2. FINDINGS AND PURPOSES.

Section 602 (42 U.S.C. 5401) is amended to read as follows:

''SEC. 602. FINDINGS AND PURPOSES.

''(a) FINDINGS.—Congress finds that—

''(1) manufactured housing plays a vital role in meeting the housing needs of the Nation; and

''(2) manufactured homes provide a significant resource for affordable homeownership and rental housing accessible to all Americans.

''(b) PURPOSES.—The purposes of this title are—

''(1) to facilitate the acceptance of the quality, durability, safety, and affordability of manufactured housing within the Department of Housing and Urban Development;

''(2) to facilitate the availability of affordable manufactured homes and to increase homeownership for all Americans;

''(3) to provide for the establishment of practical, uniform, and, to the extent possible, performance-based Federal construction standards for manufactured homes;

''(4) to encourage innovative and cost-effective construction techniques for manufactured homes;

''(5) to protect owners of manufactured homes from unreasonable risk of personal injury and property damage;

''(6) to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes and related regulations for the enforcement of such standards;

''(7) to ensure uniform and effective enforcement of Federal construction and safety standards for manufactured homes; and

''(8) to ensure that the public interest in, and need for, affordable manufactured housing is duly considered in all determinations relating to the Federal standards and their enforcement.''.

SEC. 3. DEFINITIONS.

(a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking ''dealer'' and inserting ''retailer'';

(2) in paragraph (12), by striking ''and'' at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

''(14) 'administering organization' means the recognized, voluntary, private sector, consensus standards body with specific experience in developing model residential building codes and standards involving all disciplines regarding construction and safety that administers the consensus standards through a development process;

''(15) 'consensus committee' means the committee established under section 604(a)(3);

''(16) 'consensus standards development process' means the process by which additions, revisions, and interpretations to the Federal manufactured home construction and safety standards and enforcement regulations shall be developed and recommended to the Secretary by the consensus committee;

''(17) 'primary inspection agency' means a State agency or private organization that has been approved by the Secretary to act as a design approval primary inspection agency or a production inspection primary inspection agency, or both;

''(18) 'design approval primary inspection agency' means a State agency or private organization that has been approved by the Secretary to evaluate and either approve or disapprove manufactured home designs and quality control procedures;

''(19) 'installation standards' means reasonable specifications for the installation of a manufactured home, at the place of occupancy, to ensure proper siting, the joining of all sections of the home, and the installation of stabilization, support, or anchoring systems;

''(20) 'monitoring'—

''(A) means the process of periodic review of the primary inspection agencies, by the Secretary or by a State agency under an approved State plan pursuant to section 623, in accordance with regulations recommended by the consensus committee and promulgated in accordance with section 604(b), which process shall be for the purpose of ensuring that the primary inspection agencies are discharging their duties under this title; and

''(B) may include the periodic inspection of retail locations for transit damage, label tampering, and retailer compliance with this title; and

''(21) 'production inspection primary inspection agency' means a State agency or private organization that has been approved by the Secretary to evaluate the ability of manufactured home manufacturing plants to comply with approved quality control procedures and with the Federal manufactured home construction and safety standards promulgated under this title.''.

(b) CONFORMING AMENDMENTS.—The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

(1) in section 613 (42 U.S.C. 5412), by striking ''dealer'' each place it appears and inserting ''retailer'';

(2) in section 614(f) (42 U.S.C. 5413(f)), by striking ''dealer'' each place it appears and inserting ''retailer'';

(3) in section 615 (42 U.S.C. 5414)—

(A) in subsection (b)(1), by striking ''dealer'' and inserting ''retailer'';

(B) in subsection (b)(3), by striking ''dealer or dealers'' and inserting ''retailer or retailers''; and

(C) in subsections (d) and (f), by striking ''dealers'' each place it appears and inserting ''retailers'';

(4) in section 616 (42 U.S.C. 5415), by striking ''dealer'' and inserting ''retailer''; and

(5) in section 623(c)(9), by striking ''dealers'' and inserting ''retailers''.

SEC. 4. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

''(a) ESTABLISHMENT.—

''(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards, each of which—

''(A) shall—

''(i) be reasonable and practical;

''(ii) meet high standards of protection consistent with the purposes of this title; and

''(iii) be performance-based and objectively stated, unless clearly inappropriate; and

''(B) except as provided in subsection (b), shall be established in accordance with the consensus standards development process.

''(2) CONSENSUS STANDARDS AND REGULATORY DEVELOPMENT PROCESS.—

''(A) INITIAL AGREEMENT.—Not later than 180 days after the date of enactment of the Manufactured Housing Improvement Act of 2000, the Secretary shall enter into a contract with an administering organization. The contractual agreement shall—

''(i) terminate on the date on which a contract is entered into under subparagraph (B); and

''(ii) require the administering organization to—

''(I) appoint the initial members of the consensus committee under paragraph (3);

''(II) administer the consensus standards development process until the termination of that agreement; and

''(III) administer the consensus development and interpretation process for procedural and enforcement regulations and regulations specifying the permissible scope and conduct of monitoring until the termination of that agreement.

''(B) COMPETITIVELY PROCURED CONTRACT.—Upon the expiration of the 4-year period beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the Secretary shall, using competitive procedures (as such term is defined in section 4 of the Office of Federal Procurement Policy Act), enter into a competitively awarded contract with an administering organization. The administering organization shall administer the consensus process for the development and interpretation of the Federal standards, the procedural and enforcement regulations, and regulations specifying the permissible scope and conduct of monitoring, in accordance with this title.

''(C) PERFORMANCE REVIEW.—The Secretary—

''(i) shall periodically review the performance of the administering organization; and

''(ii) may replace the administering organization with another qualified technical or building code organization, pursuant to competitive procedures, if the Secretary determines in writing that the administering organization is not fulfilling the terms of the agreement or contract to which the administering organization is subject or upon the expiration of the agreement or contract.

''(3) CONSENSUS COMMITTEE.—

''(A) PURPOSE.—There is established a committee to be known as the 'consensus committee', which shall function as a single committee, and which shall, in accordance with this title—

''(i) provide periodic recommendations to the Secretary to adopt, revise, and interpret the Federal manufactured housing construction and safety standards in accordance with this subsection;

''(ii) provide periodic recommendations to the Secretary to adopt, revise, and interpret the procedural and enforcement regulations, including regulations specifying the permissible scope and conduct of monitoring in accordance with this subsection; and

''(iii) be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions and for public participation.

''(B) MEMBERSHIP.—The consensus committee shall be composed of—

''(i) 21 voting members appointed, subject to approval by the Secretary, by the administering organization from among individuals who are qualified by background and experience to participate in the work of the consensus committee; and

''(ii) 1 nonvoting member appointed by the Secretary to represent the Secretary on the consensus committee.

''(C) DISAPPROVAL.—The Secretary may disapprove, in writing with the reasons set forth, the appointment of an individual under subparagraph (B)(i).

''(D) SELECTION PROCEDURES AND REQUIREMENTS.—Each member of the consensus committee shall be appointed in accordance with selection procedures, which shall be based on the procedures for consensus committees promulgated by the American National Standards Institute (or successor organization), except that the American National Standards Institute interest categories shall be modified for purposes of this paragraph to ensure equal representation on the consensus committee of the following interest categories:

''(i) PRODUCERS.—Seven producers or retailers of manufactured housing.

''(ii) USERS.—Seven persons representing consumer interests, such as consumer organizations, recognized consumer leaders, and owners who are residents of manufactured homes.

''(iii) GENERAL INTEREST AND PUBLIC OFFICIALS.—Seven general interest and public official members.

''(E) BALANCING OF INTERESTS.—

''(i) IN GENERAL.—In order to achieve a proper balance of interests on the consensus committee—

''(I) the administering organization in its appointments shall ensure that all directly and materially affected interests have the opportunity for fair and equitable participation without dominance by any single interest; and

''(II) the Secretary may reject the appointment of any 1 or more individuals in order to ensure that there is not dominance by any single interest.

''(ii) DOMINANCE DEFINED.—In this subparagraph, the term 'dominance' means a position or exercise of dominant authority, leadership, or influence by reason of superior leverage, strength, or representation.

''(F) ADDITIONAL QUALIFICATIONS.—

''(i) FINANCIAL INDEPENDENCE.—An individual appointed under subparagraph (D)(ii) may not have—

''(I) a significant financial interest in any segment of the manufactured housing industry; or

''(II) a significant relationship to any person engaged in the manufactured housing industry.

''(ii) POST-EMPLOYMENT BAN.—An individual appointed under clause (ii) or (iii) of subparagraph (D) shall be subject to a ban disallowing compensation from the manufactured housing industry during the 1-year period beginning on the last day of membership of that individual on the consensus committee.

''(G) MEETINGS.—

''(i) NOTICE; OPEN TO PUBLIC.—The consensus committee shall provide advance notice of each meeting of the consensus committee to the Secretary and cause to be published in the Federal Register advance notice of each such meeting. All meetings of the consensus committee shall be open to the public.

''(ii) REIMBURSEMENT.—Members of the consensus committee in attendance at meetings of the consensus committee shall be reimbursed for their actual expenses as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

''(H) INAPPLICABILITY OF OTHER LAWS.—

''(i) ADVISORY COMMITTEE ACT.—The consensus committee shall not be considered to be an advisory committee for purposes of the Federal Advisory Committee Act.

''(ii) TITLE 18.—The members of the consensus committee shall not be subject to section 203, 205, 207, or 208 of title 18, United States Code, to the extent of their proper participation as members of the consensus committee.

''(iii) ETHICS IN GOVERNMENT ACT OF 1978.—The Ethics in Government Act of 1978 shall not apply to members of the consensus committee to the extent of their proper participation as members of the consensus committee.

''(I) ADMINISTRATION.—The consensus committee and the administering organization shall—

''(i) operate in conformance with the procedures established by the American National Standards Institute for the development and coordination of American National Standards; and

''(ii) apply to the American National Standards Institute and take such other actions as may be necessary to obtain accreditation from the American National Standards Institute.

''(J) STAFF AND TECHNICAL SUPPORT.—The administering organization shall, upon the request of the consensus committee—

''(i) provide reasonable staff resources to the consensus committee; and

''(ii) furnish technical support in a timely manner to any of the interest categories described in subparagraph (D) represented on the consensus committee, if—

''(I) the support is necessary to ensure the informed participation of the consensus committee members; and

''(II) the costs of providing the support are reasonable.

''(K) DATE OF INITIAL APPOINTMENTS.—The initial appointments of all of the members of the consensus committee shall be completed not later than 90 days after the date on which an administration agreement under paragraph (2)(A) is completed with the administering organization.

''(4) REVISIONS OF STANDARDS AND REGULATIONS.—

''(A) IN GENERAL.—Beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the consensus committee shall, not less than once during each 2-year period—

''(i) consider revisions to the Federal manufactured home construction and safety standards and regulations; and

''(ii) submit to the Secretary in the form of a proposed rule (including an economic analysis), any proposed revised standard or regulation approved by a ⅔ majority vote of the consensus committee.

''(B) PUBLICATION OF PROPOSED REVISED STANDARDS AND REGULATIONS.—

''(i) PUBLICATION BY SECRETARY.—The consensus committee shall provide a proposed revised standard or regulation under subparagraph (A)(ii) to the Secretary who shall, not later than 30 days after receipt, publish such proposed revised standard or regulation in the Federal Register for notice and comment. Unless clause (ii) applies, the Secretary shall provide an opportunity for public comment on such proposed revised standard or regulation and any such comments shall be submitted directly to the consensus committee, without delay.

''(ii) PUBLICATION OF REJECTED PROPOSED REVISED STANDARDS AND REGULATIONS.—If the Secretary rejects the proposed revised standard or regulation, the Secretary shall publish in the Federal Register the rejected proposed revised standard or regulation, the reasons for rejection, and any recommended modifications set forth.

''(C) PRESENTATION OF PUBLIC COMMENTS; PUBLICATION OF RECOMMENDED REVISIONS.—

''(i) PRESENTATION.—Any public comments, views, and objections to a proposed revised standard or regulation published under subparagraph (B) shall be presented by the Secretary to the consensus committee upon their receipt and in the manner received, in accordance with procedures established by the American National Standards Institute.

''(ii) PUBLICATION BY THE SECRETARY.—The consensus committee shall provide to the Secretary any revisions proposed by the consensus

committee, which the Secretary shall, not later than 7 calendar days after receipt, publish in the Federal Register a notice of the recommended revisions of the consensus committee to the standards or regulations, a notice of the submission of the recommended revisions to the Secretary, and a description of the circumstances under which the proposed revised standards or regulations could become effective.

''(iii) PUBLICATION OF REJECTED PROPOSED REVISED STANDARDS AND REGULATIONS.—If the Secretary rejects the proposed revised standard or regulation, the Secretary shall publish in the Federal Register the rejected proposed revised standard or regulation, the reasons for rejection, and any recommended modifications set forth.

''(5) REVIEW BY THE SECRETARY.—

''(A) IN GENERAL.—The Secretary shall either adopt, modify, or reject a standard or regulation, as submitted by the consensus committee under paragraph (4)(A).

''(B) TIMING.—Not later than 12 months after the date on which a standard or regulation is submitted to the Secretary by the consensus committee, the Secretary shall take action regarding such standard or regulation under subparagraph (C).

''(C) PROCEDURES.—If the Secretary—

''(i) adopts a standard or regulation recommended by the consensus committee, the Secretary shall—

''(I) issue a final order without further rulemaking; and

''(II) publish the final order in the Federal Register;

''(ii) determines that any standard or regulation should be rejected, the Secretary shall—

''(I) reject the standard or regulation; and

''(II) publish in the Federal Register a notice to that effect, together with the reason or reasons for rejecting the proposed standard or regulation; or

''(iii) determines that a standard or regulation recommended by the consensus committee should be modified, the Secretary shall—

''(I) publish in the Federal Register the proposed modified standard or regulation, together with an explanation of the reason or reasons for the determination of the Secretary; and

''(II) provide an opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(D) FINAL ORDER.—Any final standard or regulation under this paragraph shall become effective pursuant to subsection (c).

''(6) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (5) and to publish notice of the action in the Federal Register before the expiration of the 12-month period beginning on the date on which the proposed standard or regulation is submitted to the Secretary under paragraph (4)(A)—

''(A) the recommendations of the consensus committee—

''(i) shall be considered to have been adopted by the Secretary; and

''(ii) shall take effect upon the expiration of the 180-day period that begins upon the conclusion of such 12-month period; and

''(B) not later than 10 days after the expiration of such 12-month period, the Secretary publish in the Federal Register a notice of the failure of the Secretary to act, the revised standard or regulation, and the effective date of the revised standard or regulation, which notice shall be deemed to be an order of the Secretary approving the revised standards or regulations proposed by the consensus committee.

''(b) OTHER ORDERS.—

''(1) INTERPRETATIVE BULLETINS.—The Secretary may issue interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation. The consensus committee may submit to the Secretary proposed interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation.

''(2) REVIEW BY CONSENSUS COMMITTEE.—Before issuing a procedural or enforcement regulation or an interpretative bulletin—

''(A) the Secretary shall—

''(i) submit the proposed procedural or enforcement regulation or interpretative bulletin to the consensus committee; and

''(ii) provide the consensus committee with a period of 120 days to submit written comments to the Secretary on the proposed procedural or enforcement regulation or the interpretative bulletin;

''(B) if the Secretary rejects any significant comment provided by the consensus committee under subparagraph (A), the Secretary shall provide a written explanation of the reasons for the rejection to the consensus committee; and

''(C) following compliance with subparagraphs (A) and (B), the Secretary shall—

''(i) publish in the Federal Register the proposed regulation or interpretative bulletin and the written comments of the consensus committee, along with the response of the Secretary to those comments; and

''(ii) provide an opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(3) REQUIRED ACTION.—Not later than 120 days after the date on which the Secretary receives a proposed regulation or interpretative bulletin submitted by the consensus committee, the Secretary shall—

''(A) approve the proposal and publish the proposed regulation or interpretative bulletin for public comment in accordance with section 553 of title 5, United States Code; or

''(B) reject the proposed regulation or interpretative bulletin and—

''(i) provide to the consensus committee a written explanation of the reasons for rejection; and

''(ii) publish in the Federal Register the proposed regulation and the written explanation for the rejection.

''(4) EMERGENCY ORDERS.—If the Secretary determines, in writing, that such action is necessary in order to respond to an emergency that jeopardizes the public health or safety, or to address an issue on which the Secretary determines that the consensus committee has not made a timely recommendation, following a request by the Secretary, the Secretary may issue an order that is not developed under the procedures set forth in subsection (a) or in this subsection, if the Secretary—

''(A) provides to the consensus committee a written description and sets forth the reasons why emergency action is necessary and all supporting documentation; and

''(B) issues the order and publishes the order in the Federal Register.

''(5) CHANGES.—Any statement of policies, practices, or procedures relating to construction and safety standards, regulations, inspections, monitoring, or other enforcement activities that constitutes a statement of general or particular applicability to implement, interpret, or prescribe law or policy by the Secretary is subject to subsection (a) or this subsection. Any change adopted in violation of subsection (a) or this subsection is void.'';

(2) in subsection (d), by adding at the end the following: ''Federal preemption under this subsection shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards promulgated under this section nor the Federal superintendence of the manufactured housing industry as established by this title. Subject to section 605, there is reserved to each State the right to establish standards for the stabilizing and support systems of manufactured homes sited within that State, and for the foundations on which manufactured homes sited within that State are installed, and the right to enforce compliance with such standards.'';

(3) by striking subsection (e);

(4) in subsection (f), by striking the subsection designation and all of the matter that precedes paragraph (1) and inserting the following:

''(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS AND REGULATIONS.—The consensus committee, in recommending standards, regulations, and interpretations, and the Secretary, in establishing standards or regulations or issuing interpretations under this section, shall—'';

(5) by striking subsection (g);

(6) in the first sentence of subsection (j), by striking ''subsection (f)'' and inserting ''subsection (e)''; and

(7) by redesignating subsections (h), (i), and (j), as subsections (f), (g), and (h), respectively.

SEC. 5. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL; MANUFACTURED HOME INSTALLATION.

(a) IN GENERAL.—Section 605 (42 U.S.C. 5404) is amended to read as follows:

''SEC. 605. MANUFACTURED HOME INSTALLATION.

''(a) PROVISION OF INSTALLATION DESIGN AND INSTRUCTIONS.—A manufacturer shall provide with each manufactured home, design and instructions for the installation of the manufactured home that have been approved by a design approval primary inspection agency.

''(b) MODEL MANUFACTURED HOME INSTALLATION STANDARDS.—

''(1) PROPOSED MODEL STANDARDS.—Not later than 18 months after the date on which the initial appointments of all of the members of the consensus committee are completed, the consensus committee shall develop and submit to the Secretary proposed model manufactured home installation standards, which shall be consistent with—

''(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

''(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

''(2) ESTABLISHMENT OF MODEL STANDARDS.—Not later than 12 months after receiving the proposed model standards submitted under paragraph (1), the Secretary shall develop and establish model manufactured home installation standards, which shall be consistent with—

''(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

''(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

''(3) FACTOR FOR CONSIDERATION.—

''(A) CONSENSUS COMMITTEE.—In developing the proposed model standards under paragraph (1), the consensus committee shall consider the factor described in section 604(e)(4).

''(B) SECRETARY.—In developing and establishing the model standards under paragraph (2), the Secretary shall consider the factor described in section 604(e)(4).

''(c) MANUFACTURED HOME INSTALLATION PROGRAMS.—

''(1) PROTECTION OF MANUFACTURED HOUSING RESIDENTS DURING INITIAL PERIOD.—During the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, no State or manufacturer may establish or implement any installation standards that, in the determination of the Secretary, provide less protection to the residents of manufactured homes than the protection provided by the installation standards in effect with respect to the State or manufacturer, as applicable, on the date of enactment of the Manufactured Housing Improvement Act of 2000.

''(2) ENFORCEMENT OF INSTALLATION STANDARDS.—

''(A) ESTABLISHMENT OF INSTALLATION PROGRAM.—Not later than the expiration of the 5-year period described in paragraph (1), the Secretary shall establish an installation program

that meets the requirements of paragraph (3) for the enforcement of installation standards in each State described in subparagraph (B) of this paragraph.

''(B) IMPLEMENTATION OF INSTALLATION PROGRAM.—Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the installation program established under subparagraph (A) in each State that does not have an installation program established by State law that meets the requirements of paragraph (3).

''(C) CONTRACTING OUT OF IMPLEMENTATION.—In carrying out subparagraph (B), the Secretary may contract with an appropriate agent to implement the installation program established under that subparagraph, except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this title.

''(3) REQUIREMENTS.—An installation program meets the requirements of this paragraph if it is a program regulating the installation of manufactured homes that includes—

''(A) installation standards that, in the determination of the Secretary, provide protection to the residents of manufactured homes that equals or exceeds the protection provided to those residents by—

''(i) the model manufactured home installation standards established by the Secretary under subsection (b)(2); or

''(ii) the designs and instructions provided by manufacturers under subsection (a), if the Secretary determines that such designs and instructions provide protection to the residents of manufactured homes that equals or exceeds the protection provided by the model manufactured home installation standards established by the Secretary under subsection (b)(2);

''(B) the training and licensing of manufactured home installers; and

''(C) inspection of the installation of manufactured homes.''.

(b) CONFORMING AMENDMENTS.—Section 623(c) (42 U.S.C. 5422(c)) is amended—

(1) in paragraph (10), by striking ''and'' at the end;

(2) by redesignating paragraph (11) as paragraph (13); and

(3) by inserting after paragraph (10) the following:

''(11) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, provides for an installation program established by State law that meets the requirements of section 605(c)(3);''.

SEC. 6. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting ''to the Secretary'' after ''submit''; and

(B) by adding at the end the following: ''The Secretary shall submit such cost and other information to the consensus committee for evaluation.'';

(2) in subsection (d), by inserting '', the consensus committee,'' after ''public''; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 7. RESEARCH, TESTING, DEVELOPMENT, AND TRAINING.

(a) IN GENERAL.—Section 608(a) (42 U.S.C. 5407(a)) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(4) encouraging the government-sponsored housing entities to actively develop and implement secondary market securitization programs for the FHA manufactured home loans and those of other loan programs, as appropriate, thereby promoting the availability of affordable manufactured homes to increase homeownership for all people in the United States; and

''(5) reviewing the programs for FHA manufactured home loans and developing any changes to such programs to promote the affordability of manufactured homes, including changes in loan terms, amortization periods, regulations, and procedures.''.

(b) DEFINITIONS.—Section 608 (42 U.S.C. 5407) is amended by adding at the end the following:

''(c) DEFINITIONS.—In this section:

''(1) GOVERNMENT-SPONSORED HOUSING ENTITIES.—The term 'government-sponsored housing entities' means the Government National Mortgage Association of the Department of Housing and Urban Development, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation.

''(2) FHA MANUFACTURED HOME LOAN.—The term 'FHA manufactured home loan' means a loan that—

''(A) is insured under title I of the National Housing Act and is made for the purpose of financing alterations, repairs, or improvements on or in connection with an existing manufactured home, the purchase of a manufactured home, the purchase of a manufactured home and a lot on which to place the home, or the purchase only of a lot on which to place a manufactured home; or

''(B) is otherwise insured under the National Housing Act and made for or in connection with a manufactured home.''.

SEC. 8. FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

''SEC. 620. AUTHORITY TO COLLECT FEE.

''(a) IN GENERAL.—In carrying out inspections under this title, in developing standards and regulations pursuant to section 604, and in facilitating the acceptance of the affordability and availability of manufactured housing within the Department, the Secretary may—

''(1) establish and collect from manufactured home manufacturers a reasonable fee, as may be necessary to offset the expenses incurred by the Secretary in connection with carrying out the responsibilities of the Secretary under this title, including—

''(A) conducting inspections and monitoring;

''(B) providing funding to States for the administration and implementation of approved State plans under section 623, including reasonable funding for cooperative educational and training programs designed to facilitate uniform enforcement under this title, which funds may be paid directly to the States or may be paid or provided to any person or entity designated to receive and disburse such funds by cooperative agreements among participating States, provided that such person or entity is not otherwise an agent of the Secretary under this title;

''(C) providing the funding for a noncareer administrator within the Department to administer the manufactured housing program;

''(D) providing the funding for salaries and expenses of employees of the Department to carry out the manufactured housing program;

''(E) administering the consensus committee as set forth in section 604; and

''(F) facilitating the acceptance of the quality, durability, safety, and affordability of manufactured housing within the Department; and

''(2) subject to subsection (e), use amounts from any fee collected under paragraph (1) of this subsection to pay expenses referred to in that paragraph, which shall be exempt and separate from any limitations on the Department regarding full-time equivalent positions and travel.

''(b) CONTRACTORS.—In using amounts from any fee collected under this section, the Secretary shall ensure that separate and independent contractors are retained to carry out monitoring and inspection work and any other work that may be delegated to a contractor under this title.

''(c) PROHIBITED USE.—No amount from any fee collected under this section may be used for any purpose or activity not specifically authorized by this title, unless such activity was already engaged in by the Secretary prior to the date of enactment of the Manufactured Housing Improvement Act of 2000.

''(d) MODIFICATION.—Beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, the amount of any fee collected under this section may only be modified—

''(1) as specifically authorized in advance in an annual appropriations Act; and

''(2) pursuant to rulemaking in accordance with section 553 of title 5, United States Code.

''(e) APPROPRIATION AND DEPOSIT OF FEES.—

''(1) IN GENERAL.—There is established in the Treasury of the United States a fund to be known as the 'Manufactured Housing Fees Trust Fund' for deposit of amounts from any fee collected under this section. Such amounts shall be held in trust for use only as provided in this title.

''(2) APPROPRIATION.—Amounts from any fee collected under this section shall be available for expenditure only to the extent approved in advance in an annual appropriations Act. Any change in the expenditure of such amounts shall be specifically authorized in advance in an annual appropriations Act.''.

SEC. 9. DISPUTE RESOLUTION.

Section 623(c) (42 U.S.C. 5422(c)) is amended—

(1) by inserting after paragraph (11) (as added by section 5(b) of this Act) the following:

''(12) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, provides for a dispute resolution program for the timely resolution of disputes between manufacturers, retailers, and installers of manufactured homes regarding responsibility for the correction or repair of defects in manufactured homes that are reported during the 1-year period beginning on the date of installation; and''; and

(2) by adding at the end the following:

''(g) ENFORCEMENT OF DISPUTE RESOLUTION STANDARDS.—

''(1) ESTABLISHMENT OF DISPUTE RESOLUTION PROGRAM.—Not later than the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, the Secretary shall establish a dispute resolution program that meets the requirements of subsection (c)(12) for dispute resolution in each State described in paragraph (2) of this subsection.

''(2) IMPLEMENTATION OF DISPUTE RESOLUTION PROGRAM.—Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the dispute resolution program established under paragraph (1) in each State that has not established a dispute resolution program that meets the requirements of subsection (c)(12).

''(3) CONTRACTING OUT OF IMPLEMENTATION.—In carrying out paragraph (2), the Secretary may contract with an appropriate agent to implement the dispute resolution program established under paragraph (2), except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this title.''.

SEC. 10. ELIMINATION OF ANNUAL REPORTING REQUIREMENT.

The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

(1) by striking section 626 (42 U.S.C. 5425); and

(2) by redesignating sections 627 and 628 (42 U.S.C. 5426, 5401 note) as sections 626 and 627, respectively.

SEC. 11. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is issued under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) and published as a proposed rule pursuant to section 553 of title 5, United States Code, on or before that date of enactment.

SEC. 12. SAVINGS PROVISIONS.

(a) STANDARDS AND REGULATIONS.—The Federal manufactured home construction and safety standards (as such term is defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974) and all regulations pertaining thereto in effect on the day before the date of enactment of this Act shall apply until the effective date of a standard or regulation modifying or superseding the existing standard or regulation that is promulgated under subsection (a) or (b) of section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by this Act.

(b) CONTRACTS.—Any contract awarded pursuant to a Request for Proposal issued before the date of enactment of this Act shall remain in effect until the earlier of—

(1) the expiration of the 2-year period beginning on the date of enactment of this Act; or

(2) the expiration of the contract term.

AMENDMENT NO. 3124

Mr. GORTON. I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for Mr. GRAMM and Mr. SARBANES, proposes an amendment numbered 3124.

On page 41, line 20, strike ''appoint'' and insert ''recommend''.

On page 44, beginning on line 14, strike '', subject to the approval of the Secretary, by the administering organization'' and insert ''by the Secretary, after consideration of the recommendations of the administering organization under paragraph (2)(A)(ii)(I),''.

On page 44, line 23, strike ''may'' and all that follows through page 45, line 2, and insert ''shall state, in writing, the reasons for failing to appoint under subparagraph (B)(i) of this paragraph any individual recommended by the administering organization under paragraph (2)(A)(ii)(I)''.

On page 46, strike lines 3 through 5 and insert the following:

sensus committee, the Secretary, in appointing the members of the consensus committee—

''(I) shall ensure

On page 46, line 11, strike ''the Secretary''.

On page 48, strike lines 17 through 22, and insert the following:

''(iii) ETHICS IN GOVERNMENT ACT OF 1978.—

''(I) IN GENERAL.—Subject to subclause (II), the Ethics in Government Act of 1978 (5 U.S.C. App.) shall not apply to members of the consensus committee to the extent of their proper participation as members of the consensus committee.

''(II) FINANCIAL DISCLOSURE.—The Secretary shall collect from each member of the consensus committee the financial information required to be disclosed under section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.). Notwithstanding section 552 of title 5, United States Code, such information shall be confidential and shall not be disclosed to any person, unless such disclosure is determined to be necessary by—

''(aa) the Secretary;

''(bb) the Chairman or Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate; or

''(cc) the Chairman or Ranking Member of the Committee on Banking and Financial Services of the House of Representatives.

''(III) PROHIBITION ON GIFTS FROM OUTSIDE SOURCES.—

''(aa) IN GENERAL.—Subject to item (bb), an individual who is a member of the consensus committee may not solicit or accept a gift of services or property (including any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value), if the gift is solicited or given because of the status of that individual as a member of the consensus committee.

''(bb) EXCEPTIONS.—The Secretary shall by regulation establish such exceptions to item (aa) as the Secretary determines to be appropriate, which shall include an exception for de minimus gifts.

On page 55, line 2, insert ''with respect to a proposed revised standard submitted by the consensus committee under paragraph (4)(A)'' after ''paragraph (5)''.

On page 55, line 5, strike ''proposed standard or regulation'' and insert ''proposed revised standard''.

On page 55, strike lines 7 and 8, and insert the following:

''(A) the proposed revised standard—

On page 55, line 18, strike ''or regulation''.

On page 55, line 19, strike ''or regulation''.

On page 55, lines 21 and 22, strike ''standards or regulations proposed by the consensus committee'' and insert ''standard''.

On page 71, strike line 3 and insert the following:

Act.

''(3) PAYMENTS TO STATES.—On and after the effective date of the Manufactured Housing Improvement Act of 2000, the Secretary shall continue to fund the States having approved State plans in the amounts which are not less than the allocated amounts, based on the fee distribution system in effect on the day before such effective date.''.

Mr. GORTON. I ask unanimous consent the amendment be agreed to, the committee substitute, as amended, be agreed to, the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 3124) was agreed to.

The committee amendment, in the nature of a substitute, as amended, was agreed to.

The bill (S. 1452), as amended, was read the third time and passed, as follows:

S. 1452

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''Manufactured Housing Improvement Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents; references.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Federal manufactured home construction and safety standards.
Sec. 5. Abolishment of National Manufactured Home Advisory Council; manufactured home installation.
Sec. 6. Public information.
Sec. 7. Research, testing, development, and training.
Sec. 8. Fees.
Sec. 9. Dispute resolution.
Sec. 10. Elimination of annual reporting requirement.
Sec. 11. Effective date.
Sec. 12. Savings provisions.

(c) REFERENCES.—Whenever in this Act an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

SEC. 2. FINDINGS AND PURPOSES.

Section 602 (42 U.S.C. 5401) is amended to read as follows:

''SEC. 602. FINDINGS AND PURPOSES.

''(a) FINDINGS.—Congress finds that—

''(1) manufactured housing plays a vital role in meeting the housing needs of the Nation; and

''(2) manufactured homes provide a significant resource for affordable homeownership and rental housing accessible to all Americans.

''(b) PURPOSES.—The purposes of this title are—

''(1) to facilitate the acceptance of the quality, durability, safety, and affordability of manufactured housing within the Department of Housing and Urban Development;

''(2) to facilitate the availability of affordable manufactured homes and to increase homeownership for all Americans;

''(3) to provide for the establishment of practical, uniform, and, to the extent possible, performance-based Federal construction standards for manufactured homes;

''(4) to encourage innovative and cost-effective construction techniques for manufactured homes;

''(5) to protect owners of manufactured homes from unreasonable risk of personal injury and property damage;

''(6) to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes and related regulations for the enforcement of such standards;

''(7) to ensure uniform and effective enforcement of Federal construction and safety standards for manufactured homes; and

''(8) to ensure that the public interest in, and need for, affordable manufactured housing is duly considered in all determinations relating to the Federal standards and their enforcement.''.

SEC. 3. DEFINITIONS.

(a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking ''dealer'' and inserting ''retailer'';

(2) in paragraph (12), by striking ''and'' at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

''(14) 'administering organization' means the recognized, voluntary, private sector, consensus standards body with specific experience in developing model residential building codes and standards involving all disciplines regarding construction and safety that administers the consensus standards through a development process;

''(15) 'consensus committee' means the committee established under section 604(a)(3);

''(16) 'consensus standards development process' means the process by which additions, revisions, and interpretations to the Federal manufactured home construction

and safety standards and enforcement regulations shall be developed and recommended to the Secretary by the consensus committee;

''(17) 'primary inspection agency' means a State agency or private organization that has been approved by the Secretary to act as a design approval primary inspection agency or a production inspection primary inspection agency, or both;

''(18) 'design approval primary inspection agency' means a State agency or private organization that has been approved by the Secretary to evaluate and either approve or disapprove manufactured home designs and quality control procedures;

''(19) 'installation standards' means reasonable specifications for the installation of a manufactured home, at the place of occupancy, to ensure proper siting, the joining of all sections of the home, and the installation of stabilization, support, or anchoring systems;

''(20) 'monitoring'—

''(A) means the process of periodic review of the primary inspection agencies, by the Secretary or by a State agency under an approved State plan pursuant to section 623, in accordance with regulations recommended by the consensus committee and promulgated in accordance with section 604(b), which process shall be for the purpose of ensuring that the primary inspection agencies are discharging their duties under this title; and

''(B) may include the periodic inspection of retail locations for transit damage, label tampering, and retailer compliance with this title; and

''(21) 'production inspection primary inspection agency' means a State agency or private organization that has been approved by the Secretary to evaluate the ability of manufactured home manufacturing plants to comply with approved quality control procedures and with the Federal manufactured home construction and safety standards promulgated under this title.''.

(b) CONFORMING AMENDMENTS.—The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

(1) in section 613 (42 U.S.C. 5412), by striking ''dealer'' each place it appears and inserting ''retailer'';

(2) in section 614(f) (42 U.S.C. 5413(f)), by striking ''dealer'' each place it appears and inserting ''retailer'';

(3) in section 615 (42 U.S.C. 5414)—

(A) in subsection (b)(1), by striking ''dealer'' and inserting ''retailer'';

(B) in subsection (b)(3), by striking ''dealer or dealers'' and inserting ''retailer or retailers''; and

(C) in subsections (d) and (f), by striking ''dealers'' each place it appears and inserting ''retailers'';

(4) in section 616 (42 U.S.C. 5415), by striking ''dealer'' and inserting ''retailer''; and

(5) in section 623(c)(9), by striking ''dealers'' and inserting ''retailers''.

SEC. 4. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

''(a) ESTABLISHMENT.—

''(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards, each of which—

''(A) shall—

''(i) be reasonable and practical;

''(ii) meet high standards of protection consistent with the purposes of this title; and

''(iii) be performance-based and objectively stated, unless clearly inappropriate; and

''(B) except as provided in subsection (b), shall be established in accordance with the consensus standards development process.

''(2) CONSENSUS STANDARDS AND REGULATORY DEVELOPMENT PROCESS.—

''(A) INITIAL AGREEMENT.—Not later than 180 days after the date of enactment of the Manufactured Housing Improvement Act of 2000, the Secretary shall enter into a contract with an administering organization. The contractual agreement shall—

''(i) terminate on the date on which a contract is entered into under subparagraph (B); and

''(ii) require the administering organization to—

''(I) recommend the initial members of the consensus committee under paragraph (3);

''(II) administer the consensus standards development process until the termination of that agreement; and

''(III) administer the consensus development and interpretation process for procedural and enforcement regulations and regulations specifying the permissible scope and conduct of monitoring until the termination of that agreement.

''(B) COMPETITIVELY PROCURED CONTRACT.—Upon the expiration of the 4-year period beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the Secretary shall, using competitive procedures (as such term is defined in section 4 of the Office of Federal Procurement Policy Act), enter into a competitively awarded contract with an administering organization. The administering organization shall administer the consensus process for the development and interpretation of the Federal standards, the procedural and enforcement regulations, and regulations specifying the permissible scope and conduct of monitoring, in accordance with this title.

''(C) PERFORMANCE REVIEW.—The Secretary—

''(i) shall periodically review the performance of the administering organization; and

''(ii) may replace the administering organization with another qualified technical or building code organization, pursuant to competitive procedures, if the Secretary determines in writing that the administering organization is not fulfilling the terms of the agreement or contract to which the administering organization is subject or upon the expiration of the agreement or contract.

''(3) CONSENSUS COMMITTEE.—

''(A) PURPOSE.—There is established a committee to be known as the 'consensus committee', which shall function as a single committee, and which shall, in accordance with this title—

''(i) provide periodic recommendations to the Secretary to adopt, revise, and interpret the Federal manufactured housing construction and safety standards in accordance with this subsection;

''(ii) provide periodic recommendations to the Secretary to adopt, revise, and interpret the procedural and enforcement regulations, including regulations specifying the permissible scope and conduct of monitoring in accordance with this subsection; and

''(iii) be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions and for public participation.

''(B) MEMBERSHIP.—The consensus committee shall be composed of—

''(i) 21 voting members appointed by the Secretary, after consideration of the recommendations of the administering organization under paragraph (2)(A)(ii)(I), from among individuals who are qualified by background and experience to participate in the work of the consensus committee; and

''(ii) 1 nonvoting member appointed by the Secretary to represent the Secretary on the consensus committee.

''(C) DISAPPROVAL.—The Secretary shall state, in writing, the reasons for failing to appoint under subparagraph (B)(i) of this paragraph any individual recommended by the administering organization under paragraph (2)(A)(ii)(I).

''(D) SELECTION PROCEDURES AND REQUIREMENTS.—Each member of the consensus committee shall be appointed in accordance with selection procedures, which shall be based on the procedures for consensus committees promulgated by the American National Standards Institute (or successor organization), except that the American National Standards Institute interest categories shall be modified for purposes of this paragraph to ensure equal representation on the consensus committee of the following interest categories:

''(i) PRODUCERS.—Seven producers or retailers of manufactured housing.

''(ii) USERS.—Seven persons representing consumer interests, such as consumer organizations, recognized consumer leaders, and owners who are residents of manufactured homes.

''(iii) GENERAL INTEREST AND PUBLIC OFFICIALS.—Seven general interest and public official members.

''(E) BALANCING OF INTERESTS.—

''(i) IN GENERAL.—In order to achieve a proper balance of interests on the consensus committee, the Secretary, in appointing the members of the consensus committee—

''(I) shall ensure that all directly and materially affected interests have the opportunity for fair and equitable participation without dominance by any single interest; and

''(II) may reject the appointment of any 1 or more individuals in order to ensure that there is not dominance by any single interest.

''(ii) DOMINANCE DEFINED.—In this subparagraph, the term 'dominance' means a position or exercise of dominant authority, leadership, or influence by reason of superior leverage, strength, or representation.

''(F) ADDITIONAL QUALIFICATIONS.—

''(i) FINANCIAL INDEPENDENCE.—An individual appointed under subparagraph (D)(ii) may not have—

''(I) a significant financial interest in any segment of the manufactured housing industry; or

''(II) a significant relationship to any person engaged in the manufactured housing industry.

''(ii) POST-EMPLOYMENT BAN.—An individual appointed under clause (ii) or (iii) of subparagraph (D) shall be subject to a ban disallowing compensation from the manufactured housing industry during the 1-year period beginning on the last day of membership of that individual on the consensus committee.

''(G) MEETINGS.—

''(i) NOTICE; OPEN TO PUBLIC.—The consensus committee shall provide advance notice of each meeting of the consensus committee to the Secretary and cause to be published in the Federal Register advance notice of each such meeting. All meetings of the consensus committee shall be open to the public.

''(ii) REIMBURSEMENT.—Members of the consensus committee in attendance at meetings of the consensus committee shall be reimbursed for their actual expenses as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

''(H) INAPPLICABILITY OF OTHER LAWS.—

''(i) ADVISORY COMMITTEE ACT.—The consensus committee shall not be considered to be an advisory committee for purposes of the Federal Advisory Committee Act.

''(ii) TITLE 18.—The members of the consensus committee shall not be subject to section 203, 205, 207, or 208 of title 18, United States Code, to the extent of their proper participation as members of the consensus committee.

''(iii) ETHICS IN GOVERNMENT ACT OF 1978.—

''(I) IN GENERAL.—Subject to subclause (II), the Ethics in Government Act of 1978 (5 U.S.C. App.) shall not apply to members of the consensus committee to the extent of their proper participation as members of the consensus committee.

''(II) FINANCIAL DISCLOSURE.—The Secretary shall collect from each member of the consensus committee the financial information required to be disclosed under section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.). Notwithstanding section 552 of title 5, United States Code, such information shall be confidential and shall not be disclosed to any person, unless such disclosure is determined to be necessary by—

''(aa) the Secretary;

''(bb) the Chairman or Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate; or

''(cc) the Chairman or Ranking Member of the Committee on Banking and Financial Services of the House of Representatives.

''(III) PROHIBITION ON GIFTS FROM OUTSIDE SOURCES.—

''(aa) IN GENERAL.—Subject to item (bb), an individual who is a member of the consensus committee may not solicit or accept a gift of services or property (including any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value), if the gift is solicited or given because of the status of that individual as a member of the consensus committee.

''(bb) EXCEPTIONS.—The Secretary shall by regulation establish such exceptions to item (aa) as the Secretary determines to be appropriate, which shall include an exception for de minimus gifts.

''(I) ADMINISTRATION.—The consensus committee and the administering organization shall—

''(i) operate in conformance with the procedures established by the American National Standards Institute for the development and coordination of American National Standards; and

''(ii) apply to the American National Standards Institute and take such other actions as may be necessary to obtain accreditation from the American National Standards Institute.

''(J) STAFF AND TECHNICAL SUPPORT.—The administering organization shall, upon the request of the consensus committee—

''(i) provide reasonable staff resources to the consensus committee; and

''(ii) furnish technical support in a timely manner to any of the interest categories described in subparagraph (D) represented on the consensus committee, if—

''(I) the support is necessary to ensure the informed participation of the consensus committee members; and

''(II) the costs of providing the support are reasonable.

''(K) DATE OF INITIAL APPOINTMENTS.—The initial appointments of all of the members of the consensus committee shall be completed not later than 90 days after the date on which an administration agreement under paragraph (2)(A) is completed with the administering organization.

''(4) REVISIONS OF STANDARDS AND REGULATIONS.—

''(A) IN GENERAL.—Beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the consensus committee shall, not less than once during each 2-year period—

''(i) consider revisions to the Federal manufactured home construction and safety standards and regulations; and

''(ii) submit to the Secretary in the form of a proposed rule (including an economic analysis), any proposed revised standard or regulation approved by a ⅔ majority vote of the consensus committee.

''(B) PUBLICATION OF PROPOSED REVISED STANDARDS AND REGULATIONS.—

''(i) PUBLICATION BY SECRETARY.—The consensus committee shall provide a proposed revised standard or regulation under subparagraph (A)(ii) to the Secretary who shall, not later than 30 days after receipt, publish such proposed revised standard or regulation in the Federal Register for notice and comment. Unless clause (ii) applies, the Secretary shall provide an opportunity for public comment on such proposed revised standard or regulation and any such comments shall be submitted directly to the consensus committee, without delay.

''(ii) PUBLICATION OF REJECTED PROPOSED REVISED STANDARDS AND REGULATIONS.—If the Secretary rejects the proposed revised standard or regulation, the Secretary shall publish in the Federal Register the rejected proposed revised standard or regulation, the reasons for rejection, and any recommended modifications set forth.

''(C) PRESENTATION OF PUBLIC COMMENTS; PUBLICATION OF RECOMMENDED REVISIONS.—

''(i) PRESENTATION.—Any public comments, views, and objections to a proposed revised standard or regulation published under subparagraph (B) shall be presented by the Secretary to the consensus committee upon their receipt and in the manner received, in accordance with procedures established by the American National Standards Institute.

''(ii) PUBLICATION BY THE SECRETARY.—The consensus committee shall provide to the Secretary any revisions proposed by the consensus committee, which the Secretary shall, not later than 7 calendar days after receipt, publish in the Federal Register a notice of the recommended revisions of the consensus committee to the standards or regulations, a notice of the submission of the recommended revisions to the Secretary, and a description of the circumstances under which the proposed revised standards or regulations could become effective.

''(iii) PUBLICATION OF REJECTED PROPOSED REVISED STANDARDS AND REGULATIONS.—If the Secretary rejects the proposed revised standard or regulation, the Secretary shall publish in the Federal Register the rejected proposed revised standard or regulation, the reasons for rejection, and any recommended modifications set forth.

''(5) REVIEW BY THE SECRETARY.—

''(A) IN GENERAL.—The Secretary shall either adopt, modify, or reject a standard or regulation, as submitted by the consensus committee under paragraph (4)(A).

''(B) TIMING.—Not later than 12 months after the date on which a standard or regulation is submitted to the Secretary by the consensus committee, the Secretary shall take action regarding such standard or regulation under subparagraph (C).

''(C) PROCEDURES.—If the Secretary—

''(i) adopts a standard or regulation recommended by the consensus committee, the Secretary shall—

''(I) issue a final order without further rulemaking; and

''(II) publish the final order in the Federal Register;

''(ii) determines that any standard or regulation should be rejected, the Secretary shall—

''(I) reject the standard or regulation; and

''(II) publish in the Federal Register a notice to that effect, together with the reason or reasons for rejecting the proposed standard or regulation; or

''(iii) determines that a standard or regulation recommended by the consensus committee should be modified, the Secretary shall—

''(I) publish in the Federal Register the proposed modified standard or regulation, together with an explanation of the reason or reasons for the determination of the Secretary; and

''(II) provide an opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(D) FINAL ORDER.—Any final standard or regulation under this paragraph shall become effective pursuant to subsection (c).

''(6) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (5) with respect to a proposed revised standard submitted by the consensus committee under paragraph (4)(A) and to publish notice of the action in the Federal Register before the expiration of the 12-month period beginning on the date on which the proposed revised standard is submitted to the Secretary under paragraph (4)(A)—

''(A) the proposed revised standard—

''(i) shall be considered to have been adopted by the Secretary; and

''(ii) shall take effect upon the expiration of the 180-day period that begins upon the conclusion of such 12-month period; and

''(B) not later than 10 days after the expiration of such 12-month period, the Secretary publish in the Federal Register a notice of the failure of the Secretary to act, the revised standard, and the effective date of the revised standard, which notice shall be deemed to be an order of the Secretary approving the revised standard.

''(b) OTHER ORDERS.—

''(1) INTERPRETATIVE BULLETINS.—The Secretary may issue interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation. The consensus committee may submit to the Secretary proposed interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation.

''(2) REVIEW BY CONSENSUS COMMITTEE.—Before issuing a procedural or enforcement regulation or an interpretative bulletin—

''(A) the Secretary shall—

''(i) submit the proposed procedural or enforcement regulation or interpretative bulletin to the consensus committee; and

''(ii) provide the consensus committee with a period of 120 days to submit written comments to the Secretary on the proposed procedural or enforcement regulation or the interpretative bulletin;

''(B) if the Secretary rejects any significant comment provided by the consensus committee under subparagraph (A), the Secretary shall provide a written explanation of the reasons for the rejection to the consensus committee; and

''(C) following compliance with subparagraphs (A) and (B), the Secretary shall—

''(i) publish in the Federal Register the proposed regulation or interpretative bulletin and the written comments of the consensus committee, along with the response of the Secretary to those comments; and

''(ii) provide an opportunity for public comment in accordance with section 553 of title 5, United States Code.

''(3) REQUIRED ACTION.—Not later than 120 days after the date on which the Secretary receives a proposed regulation or interpretative bulletin submitted by the consensus committee, the Secretary shall—

''(A) approve the proposal and publish the proposed regulation or interpretative bulletin for public comment in accordance with section 553 of title 5, United States Code; or

''(B) reject the proposed regulation or interpretative bulletin and—

''(i) provide to the consensus committee a written explanation of the reasons for rejection; and

''(ii) publish in the Federal Register the proposed regulation and the written explanation for the rejection.

''(4) EMERGENCY ORDERS.—If the Secretary determines, in writing, that such action is necessary in order to respond to an emergency that jeopardizes the public health or safety, or to address an issue on which the Secretary determines that the consensus committee has not made a timely recommendation, following a request by the Secretary, the Secretary may issue an order that is not developed under the procedures set forth in subsection (a) or in this subsection, if the Secretary—

''(A) provides to the consensus committee a written description and sets forth the reasons why emergency action is necessary and all supporting documentation; and

''(B) issues the order and publishes the order in the Federal Register.

''(5) CHANGES.—Any statement of policies, practices, or procedures relating to construction and safety standards, regulations, inspections, monitoring, or other enforcement activities that constitutes a statement of general or particular applicability to implement, interpret, or prescribe law or policy by the Secretary is subject to subsection (a) or this subsection. Any change adopted in violation of subsection (a) or this subsection is void.'';

(2) in subsection (d), by adding at the end the following: ''Federal preemption under this subsection shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards promulgated under this section nor the Federal superintendence of the manufactured housing industry as established by this title. Subject to section 605, there is reserved to each State the right to establish standards for the stabilizing and support systems of manufactured homes sited within that State, and for the foundations on which manufactured homes sited within that State are installed, and the right to enforce compliance with such standards.'';

(3) by striking subsection (e);

(4) in subsection (f), by striking the subsection designation and all of the matter that precedes paragraph (1) and inserting the following:

''(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS AND REGULATIONS.—The consensus committee, in recommending standards, regulations, and interpretations, and the Secretary, in establishing standards or regulations or issuing interpretations under this section, shall—'';

(5) by striking subsection (g);

(6) in the first sentence of subsection (j), by striking ''subsection (f)'' and inserting ''subsection (e)''; and

(7) by redesignating subsections (h), (i), and (j), as subsections (f), (g), and (h), respectively.

SEC. 5. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL; MANUFACTURED HOME INSTALLATION.

(a) IN GENERAL.—Section 605 (42 U.S.C. 5404) is amended to read as follows:

''SEC. 605. MANUFACTURED HOME INSTALLATION.

''(a) PROVISION OF INSTALLATION DESIGN AND INSTRUCTIONS.—A manufacturer shall provide with each manufactured home, design and instructions for the installation of the manufactured home that have been approved by a design approval primary inspection agency.

''(b) MODEL MANUFACTURED HOME INSTALLATION STANDARDS.—

''(1) PROPOSED MODEL STANDARDS.—Not later than 18 months after the date on which the initial appointments of all of the members of the consensus committee are completed, the consensus committee shall develop and submit to the Secretary proposed model manufactured home installation standards, which shall be consistent with—

''(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

''(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

''(2) ESTABLISHMENT OF MODEL STANDARDS.—Not later than 12 months after receiving the proposed model standards submitted under paragraph (1), the Secretary shall develop and establish model manufactured home installation standards, which shall be consistent with—

''(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

''(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

''(3) FACTOR FOR CONSIDERATION.—

''(A) CONSENSUS COMMITTEE.—In developing the proposed model standards under paragraph (1), the consensus committee shall consider the factor described in section 604(e)(4).

''(B) SECRETARY.—In developing and establishing the model standards under paragraph (2), the Secretary shall consider the factor described in section 604(e)(4).

''(c) MANUFACTURED HOME INSTALLATION PROGRAMS.—

''(1) PROTECTION OF MANUFACTURED HOUSING RESIDENTS DURING INITIAL PERIOD.—During the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, no State or manufacturer may establish or implement any installation standards that, in the determination of the Secretary, provide less protection to the residents of manufactured homes than the protection provided by the installation standards in effect with respect to the State or manufacturer, as applicable, on the date of enactment of the Manufactured Housing Improvement Act of 2000.

''(2) ENFORCEMENT OF INSTALLATION STANDARDS.—

''(A) ESTABLISHMENT OF INSTALLATION PROGRAM.—Not later than the expiration of the 5-year period described in paragraph (1), the Secretary shall establish an installation program that meets the requirements of paragraph (3) for the enforcement of installation standards in each State described in subparagraph (B) of this paragraph.

''(B) IMPLEMENTATION OF INSTALLATION PROGRAM.—Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the installation program established under subparagraph (A) in each State that does not have an installation program established by State law that meets the requirements of paragraph (3).

''(C) CONTRACTING OUT OF IMPLEMENTATION.—In carrying out subparagraph (B), the Secretary may contract with an appropriate agent to implement the installation program established under that subparagraph, except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this title.

''(3) REQUIREMENTS.—An installation program meets the requirements of this paragraph if it is a program regulating the installation of manufactured homes that includes—

''(A) installation standards that, in the determination of the Secretary, provide protection to the residents of manufactured homes that equals or exceeds the protection provided to those residents by—

''(i) the model manufactured home installation standards established by the Secretary under subsection (b)(2); or

''(ii) the designs and instructions provided by manufacturers under subsection (a), if the Secretary determines that such designs and instructions provide protection to the residents of manufactured homes that equals or exceeds the protection provided by the model manufactured home installation standards established by the Secretary under subsection (b)(2);

''(B) the training and licensing of manufactured home installers; and

''(C) inspection of the installation of manufactured homes.''.

(b) CONFORMING AMENDMENTS.—Section 623(c) (42 U.S.C. 5422(c)) is amended—

(1) in paragraph (10), by striking ''and'' at the end;

(2) by redesignating paragraph (11) as paragraph (13); and

(3) by inserting after paragraph (10) the following:

''(11) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, provides for an installation program established by State law that meets the requirements of section 605(c)(3);''.

SEC. 6. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting ''to the Secretary'' after ''submit''; and

(B) by adding at the end the following: ''The Secretary shall submit such cost and other information to the consensus committee for evaluation.'';

(2) in subsection (d), by inserting '', the consensus committee,'' after ''public''; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 7. RESEARCH, TESTING, DEVELOPMENT, AND TRAINING.

(a) IN GENERAL.—Section 608(a) (42 U.S.C. 5407(a)) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(4) encouraging the government-sponsored housing entities to actively develop and implement secondary market securitization programs for the FHA manufactured home loans and those of other loan programs, as appropriate, thereby promoting the availability of affordable manufactured homes to increase homeownership for all people in the United States; and

''(5) reviewing the programs for FHA manufactured home loans and developing any changes to such programs to promote the affordability of manufactured homes, including changes in loan terms, amortization periods, regulations, and procedures.''.

(b) DEFINITIONS.—Section 608 (42 U.S.C. 5407) is amended by adding at the end the following:

''(c) DEFINITIONS.—In this section:

''(1) GOVERNMENT-SPONSORED HOUSING ENTITIES.—The term 'government-sponsored housing entities' means the Government National Mortgage Association of the Department of Housing and Urban Development,

the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation.

''(2) FHA MANUFACTURED HOME LOAN.—The term 'FHA manufactured home loan' means a loan that—

''(A) is insured under title I of the National Housing Act and is made for the purpose of financing alterations, repairs, or improvements on or in connection with an existing manufactured home, the purchase of a manufactured home, the purchase of a manufactured home and a lot on which to place the home, or the purchase only of a lot on which to place a manufactured home; or

''(B) is otherwise insured under the National Housing Act and made for or in connection with a manufactured home.''.

SEC. 8. FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

''SEC. 620. AUTHORITY TO COLLECT FEE.

''(a) IN GENERAL.—In carrying out inspections under this title, in developing standards and regulations pursuant to section 604, and in facilitating the acceptance of the affordability and availability of manufactured housing within the Department, the Secretary may—

''(1) establish and collect from manufactured home manufacturers a reasonable fee, as may be necessary to offset the expenses incurred by the Secretary in connection with carrying out the responsibilities of the Secretary under this title, including—

''(A) conducting inspections and monitoring;

''(B) providing funding to States for the administration and implementation of approved State plans under section 623, including reasonable funding for cooperative educational and training programs designed to facilitate uniform enforcement under this title, which funds may be paid directly to the States or may be paid or provided to any person or entity designated to receive and disburse such funds by cooperative agreements among participating States, provided that such person or entity is not otherwise an agent of the Secretary under this title;

''(C) providing the funding for a noncareer administrator within the Department to administer the manufactured housing program;

''(D) providing the funding for salaries and expenses of employees of the Department to carry out the manufactured housing program;

''(E) administering the consensus committee as set forth in section 604; and

''(F) facilitating the acceptance of the quality, durability, safety, and affordability of manufactured housing within the Department; and

''(2) subject to subsection (e), use amounts from any fee collected under paragraph (1) of this subsection to pay expenses referred to in that paragraph, which shall be exempt and separate from any limitations on the Department regarding full-time equivalent positions and travel.

''(b) CONTRACTORS.—In using amounts from any fee collected under this section, the Secretary shall ensure that separate and independent contractors are retained to carry out monitoring and inspection work and any other work that may be delegated to a contractor under this title.

''(c) PROHIBITED USE.—No amount from any fee collected under this section may be used for any purpose or activity not specifically authorized by this title, unless such activity was already engaged in by the Secretary prior to the date of enactment of the Manufactured Housing Improvement Act of 2000.

''(d) MODIFICATION.—Beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, the amount of any fee collected under this section may only be modified—

''(1) as specifically authorized in advance in an annual appropriations Act; and

''(2) pursuant to rulemaking in accordance with section 553 of title 5, United States Code.

''(e) APPROPRIATION AND DEPOSIT OF FEES.—

''(1) IN GENERAL.—There is established in the Treasury of the United States a fund to be known as the 'Manufactured Housing Fees Trust Fund' for deposit of amounts from any fee collected under this section. Such amounts shall be held in trust for use only as provided in this title.

''(2) APPROPRIATION.—Amounts from any fee collected under this section shall be available for expenditure only to the extent approved in advance in an annual appropriations Act. Any change in the expenditure of such amounts shall be specifically authorized in advance in an annual appropriations Act.

''(3) PAYMENTS TO STATES.—On and after the effective date of the Manufactured Housing Improvement Act of 2000, the Secretary shall continue to fund the States having approved State plans in the amounts which are not less than the allocated amounts, based on the fee distribution system in effect on the day before such effective date.''.

SEC. 9. DISPUTE RESOLUTION.

Section 623(c) (42 U.S.C. 5422(c)) is amended—

(1) by inserting after paragraph (11) (as added by section 5(b) of this Act) the following:

''(12) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, provides for a dispute resolution program for the timely resolution of disputes between manufacturers, retailers, and installers of manufactured homes regarding responsibility for the correction or repair of defects in manufactured homes that are reported during the 1-year period beginning on the date of installation; and''; and

(2) by adding at the end the following:

''(g) ENFORCEMENT OF DISPUTE RESOLUTION STANDARDS.—

''(1) ESTABLISHMENT OF DISPUTE RESOLUTION PROGRAM.—Not later than the expiration of the 5-year period beginning on the date of enactment of the Manufactured Housing Improvement Act of 2000, the Secretary shall establish a dispute resolution program that meets the requirements of subsection (c)(12) for dispute resolution in each State described in paragraph (2) of this subsection.

''(2) IMPLEMENTATION OF DISPUTE RESOLUTION PROGRAM.—Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the dispute resolution program established under paragraph (1) in each State that has not established a dispute resolution program that meets the requirements of subsection (c)(12).

''(3) CONTRACTING OUT OF IMPLEMENTATION.—In carrying out paragraph (2), the Secretary may contract with an appropriate agent to implement the dispute resolution program established under paragraph (2), except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this title.''.

SEC. 10. ELIMINATION OF ANNUAL REPORTING REQUIREMENT.

The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

(1) by striking section 626 (42 U.S.C. 5425); and

(2) by redesignating sections 627 and 628 (42 U.S.C. 5426, 5401 note) as sections 626 and 627, respectively.

SEC. 11. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is issued under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) and published as a proposed rule pursuant to section 553 of title 5, United States Code, on or before that date of enactment.

SEC. 12. SAVINGS PROVISIONS.

(a) STANDARDS AND REGULATIONS.—The Federal manufactured home construction and safety standards (as such term is defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974) and all regulations pertaining thereto in effect on the day before the date of enactment of this Act shall apply until the effective date of a standard or regulation modifying or superseding the existing standard or regulation that is promulgated under subsection (a) or (b) of section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by this Act.

(b) CONTRACTS.—Any contract awarded pursuant to a Request for Proposal issued before the date of enactment of this Act shall remain in effect until the earlier of—

(1) the expiration of the 2-year period beginning on the date of enactment of this Act; or

(2) the expiration of the contract term.

ORDERS FOR MONDAY, MAY 8, 2000

Mr. GORTON. Mr. President, I ask unanimous consent when the Senate completes its business today, it adjourn until the hour of 1 p.m. on Monday, May 8. I further ask consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate begin a period of morning business until 3 p.m., with Senators speaking for up to 10 minutes each with the following exceptions: Senator DURBIN or his designee, 1 to 2 p.m.; Senator THOMAS or his designee, 2 to 3 p.m.

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

PROGRAM

Mr. GORTON. For the information of all Senators, the Senate will convene at 1 p.m. on Monday. It will be in a period of morning business until 3 p.m. Following the morning business, Senator LOTT will be recognized to offer the Lott-Gregg amendment to the Elementary and Secondary Education Act. Debate on that teacher quality amendment is expected to consume the remainder of Monday's session. By previous consent, Senator LIEBERMAN will offer his substitute amendment on Tuesday morning. Any votes in relation to the Lott-Gregg amendment will not occur until Tuesday, at a time to be determined.

ADJOURNMENT UNTIL 1 P.M. MONDAY, MAY 8, 2000

Mr. GORTON. If there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:43 p.m., adjourned until Monday, May 8, 2000, at 1 p.m.