The House met at 10 a.m.

Rabbi Ely Rosenzweig, Congregation Anshe Shalom, New Rochelle, New York, offered the following prayer:

O God, I pray that there shall come a day when each of us will know that it is not by virtue of might or power but by God’s spirit that we truly lead; that we be as Moses’ brother Aaron, each of us a peacemaker wherever trouble lurks and blood flows; that we love peace and pursue her in all that we do, all that we are.

I pray that we ever hear the still, small, silent voice of peace as she beckons us to ponder in her plaintive whisper: Have we not all one Father? Has not one God created us? Let us be then as Moses’ brother Aaron, each of us a peacemaker wherever trouble lurks and blood flows; that we love peace and pursue her in all that we do, all that we are.

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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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from Ohio (Mr. GOSS) is recognized for 1 minute and to revise and extend her remarks.

Mrs. LOWEY. Mr. Speaker, I am delighted to welcome Rabbi Ely Rosenzveig to the United States House of Representatives. A spiritual and moral leader of the New Rochelle community, Rabbi Rosenzveig brings honor to this body, just as he does to his own congregation. Rabbi Rosenzveig joins us from Congregation Anshe Sholom with his family, his four out of five children, with his in-laws, his parents and 40 members of the synagouge. The synagouge celebrates its 105th birthday next week. Anshe Sholom has doubled in size during the past 5 years, ensuring that it continues to be one of the anchor congregations of Westchester County.

Rabbi Rosenzveig is a remarkable man, the son of Rabbi Charles and Helen Rosenzveig, both Holocaust survivors. His father, who is here with us today, came straight from a hospital bed; is a leader of the Holocaust Remembrance Movement. Like his son, the elder Rabbi Rosenzveig demonstrates that spiritual greatness is heightened by worldly activism.

A leader with warmth and respect for all people, Rabbi Rosenzveig teaches by example and lives by the ideal that our actions mean more than words. His presence here today and the large following that has come to hear him speak bears witness to that belief.

It is my distinct pleasure to welcome Rabbi Ely Rosenzveig to the Congress of the United States.

CONFERENCE REPORT ON H. CON. RES. 83, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 136 and ask for its consideration.

This is a fair and standard rule for consideration of the conference report for the budget, and I hope we have the support of all Members.

Mr. Speaker, this is the second time this spring I have had the privilege to stand before the House and address my fellow Americans on our country’s budget. While the details may be a little different from the original House position, the sentiments do remain the same.

The budget before the House today provides an historic level of tax cuts, while still providing Americans with needed programs and services. The budget blueprint before us provides more relief than the previous administration ever dreamed possible.

From the beginning of his administration, President Bush has stressed the importance of bipartisan efforts to reach our national goals. This conference report illustrates how working together can benefit all Americans, both taxpayers and citizens who count on Federal programs. Included in the budget are allocations to pay back our country’s debt, to fortify our national defense, to improve education, and strengthen both Social Security and Medicare. These are all critical issues. After all these programs have been addressed, there is still money remaining.

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The previous question shall be considered as ordered on the conference report to final adoption without intervening motion except one hour of debate equally divided and controlled by chairman and ranking minority member of the Committee on the Budget.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentleman from New York (Ms. ROSENZWEIG) for the purpose of debate.

Mrs. ROSENZWEIG. Mr. Speaker, I rise to address the House on the Fiscal Year 2002 budget which I believe is the most important budget I have ever voted on.

The budget that has been developed crafted by the President and the members of the Congress is one that is fiscally responsible, prudent and disciplined. It is a budget that truly demonstrates the bipartisanship that is here in the Congress today.

It is a budget that provides strong relief for all Americans.

The budget before the House today provides an historic level of tax cuts, which will help to grow our economy and unleash the power of our people to choose and to succeed. It is a budget that will provide real and meaningful relief for America’s families:

—$1.35 trillion worth of tax relief over the next 11 years. This is real relief for America’s families.

—Balancing the budget and paying down our national debt, which is a laudable goal. It is something that all Americans can support.

The budget blueprint before us provides much needed relief for all taxpayers.

From the beginning of his administration, President Bush has stressed the importance of bipartisan efforts to reach our national goals. This conference report illustrates how working together can benefit all Americans, both taxpayers and citizens who count on Federal programs. Included in the budget are allocations to pay back our country’s debt, to fortify our national defense, to improve education, and strengthen both Social Security and Medicare. These are all critical issues.

After all these programs have been addressed, there is still money remaining.
given permission to revise and extend such time as I may consume. What a great idea.

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

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as time and for the fine work he has done over the last 6 years we have succeeded in doing those things that I have just named and succeeded. We have also have every year had a President's budget come to the Congress, and, frankly, every year since I have had the privilege of serving here over the last 2 decades, every President's budget which has been introduced has been associated with that moniker "dead on arrival." The acronym DOA has been placed over every President's budget.

Yet today we are going to make history for the first time in at least 2 decades and possibly since passage of the 1974 Budget Impoundment Act, we are going to actually pass the President's budget. It is the right thing to do, and that is the reason that we are going to be doing it. It is the right thing to do, because this budget is fair, it is balanced, and, as with these past budgets we have reported out of here since we have been in the majority, it successfully focuses on our Nation's priorities.

It is true that this budget conference report does not have a tax cut which is as large as the one that was reported out of the House, but it still is a very important and historic move that we have made to bring about the kind of result that is in the tax code for all Americans that we are going to with the $1.35 trillion level. This budget also pays down $2.3 trillion in national debt, it does provide tax relief for every American who pays taxes, and it does something that really was the highest priority in this past beating of the war on terrorism, focuses on this very important issue of education.

We all know that if the young people who are being educated today in this country are going to be able to be competitive as we look at this global economy, we must do everything we can to improve the quality of education. We want decision-making to be handled at
the local level, and we want teachers to be empowered to make decisions. That is exactly what this measure will do, and we are going to be, in the not too distant future, considering a very important education bill that I think will also do that.

Then going from education to an issue that is near and dear to everyone, especially as we look at baby boomers who are aging, and that is Social Security. I am very, very pleased that this budget, which has been carefully crafted, defends Federal level and the guarantees that we are not going to be going in and spending Social Security dollars for a wide range of other issues, which, frankly, was done for years up until we won the majority again.

We are going to be doing everything that we can, as well as focusing on retirement, to make sure that the number one issue that is focused on in the U.S. Constitution as far as our responsibilities here, that being national security, is addressed.

Those 15 words in the middle of the preamble of the Constitution that provide for the common defense and provide for the general welfare, I hope the gentleman from Iowa (Mr. NUSSELE) in this budget has very effectively focused on the issue of our national security.

So I am very, very proud of the work that has been done by the Committee on the Budget. We are very proud of the Committee on Rules to have been able to move this forward. Obviously, we have run into a challenge in the past week, but today we are finally going to pass the President’s budget. It is the right thing to do. I urge my colleagues to support both the rule and the budget itself.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR. Mr. Speaker, the Republicans have been congratulating themselves for changing the tone here in Washington, D.C.; and just a few weeks ago, the Senate reached a bipartisan agreement on increasing funding for education. But where in this Republican budget are the additional funds that America needs for special education? Gone. What about the money we need for early childhood education? Gone. What about the funds for a better after-school program for our children so that they have a safe haven when the school day is over? Gone. What about the money so kids have smaller class sizes so that there is a better ratio and more discipline and more attention for our children? Gone. What about the money to improve schools so that they are not the last place? The entire bipartisan agreement on education: gone, vanished, as if it was not worth the paper it was written on when it was negotiated. In fact, this budget cuts education $21 billion below the President’s request, the President of their own party.

Now, let me ask my colleagues, what is bipartisan about that?

They are not presenting us with a budget; they are conducting an elaborate shell game, a shell game where working families lose on every score. Where is their commitment to affordable prescription medicine? Where is their commitment to quality health care? Where is their commitment to the environment? Do not look for it in this budget. It is not in the budget; it is not in the two lost pages that they could not find last week. It is nowhere.

While this administration refuses to cut the amount of arsenic in Michigan’s drinking water, they are happy to cut funding for the Environmental Protection Agency. While the Republicans hold back-room meetings with oil industry to map out their energy policy, they are cutting Federal support for conservation and renewable resources. Last year, the Republicans said they had a lot of compassion, and they might; but this budget proves it is not for America’s working families. They cut education and the environment to pay for huge tax breaks for the wealthiest Americans.

Mr. Speaker, do my colleagues know what? They will rob the Social Security and Medicare funds as well. They will rob the Medicare and Social Security trust funds to put this together. We are 7 years from the retirement of the baby boomers; yet we are squandering every penny of the surplus that could be used to strengthen our retirement security. And even worse, they are using Social Security and Medicare as a piggy-back to fund their special-interest tax breaks.

And the surplus, heavens, we should talk about there is no surplus. The budget projections are from last year, before the economy slowed. We are betting the farm on wild projections that cannot possibly be accurate. A new bipartisan tone in Washington, Mr. Speaker? No way. Not with this budget, not with the way we were treated in putting it together, not with excluding us from this budget.

Let us reject the cuts in education. Let us reject the cuts in the environment. Let us sit down and write a budget that will take care of our children first and the special interests last.

Mr. GOSS. Mr. Speaker, notwithstanding the gentleman’s comments on the budget, I hope we will have his support on the rule so that we can get to the debate on the budget.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from the Commonwealth of Pennsylvania (Mr. TOOMEY), a member of the committee.

Mr. TOOMEY. Mr. Speaker, first of all, this is a very fair and standard rule that is going to allow us to have a substantive debate on the budget, and I certainly hope all of my colleagues will vote “yea” to pass this rule, because then we can get on to the substance of the budget itself, and it is a terrific budget that we have before us today.

First of all, as all of my colleagues in this Chamber know, Mr. Speaker, we have freed off the debt and Medicare surpluses. We are devoting over $2 trillion in the next 10 years to paying off all of the available national debt. We have responsible restraints on the growth of Federal spending and, at the same time, increase economic growth. Where it is appropriate, such as in health care research and the national defense, which badly needs an increase. Best of all, from my point of view, this budget provides the framework for providing meaningful tax relief from the record high taxes that are being carried by the American people.

Frankly, it is modest tax relief. Certainly, if we look at it historically, certainly if we put Nation versus self at the center of the size of our economy, this is modest tax relief; but it is very important in that it is tax relief for all taxpayers. It is still the most sweeping tax relief of a generation.

Frankly, Mr. Speaker, this tax relief is about freedom. It is about the question of who is going to get to decide how to spend that marginal dollar they earn, the American people who earn it, or politicians in Washington who would like to hoard that surplus tax money and spend it themselves. I am going to be voting for the American people on this one.

It is also about economic growth because when we lower marginal tax rates, when we eliminate the death tax, hopefully lower capital gains rate and eliminate a number of other tax reductions, we will take an enormous step forward in providing long-term prosperity for our country. It is the first time in American history that we have had sweeping tax reduction, we have seen a corresponding acceleration in economic growth and activity. The economy accelerates, take-home wages go up, productivity rises, living standards rise.

There is no coincidence; there is no mystery as to why this happens. It is simple. When we increase the rewards of working and saving and investing, we increase the incentives to work and save and invest, and when we increase the incentives, we get more work in savings and investment. That is why this tax relief will help to spur economic growth, that is why it is so good for the American people, and that is why we should adopt the rule and the budget.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. FROST).

Mr. FROST. Today, Mr. Speaker, the budgets of the President and the Republican Congress are perpetuating a fraud on the American people, one that threatens the economy and Medicare and Social Security, and one that sacrifices priorities like education, prescription drugs, and paying down the debt.
Republicans are spinning the ridiculous notion that this budget conference report represents some sort of compromise. What kind of compromise, Mr. Speaker, guts education like this, sacrificing priorities like smaller classes and more qualified teachers? This so-called compromise takes a giant step backward in education, eliminating the $294 billion the Senate added to the House bill, and even cutting education below what the President requested.

What kind of compromise guts conservable energy programs at a time when the American people are crying out for relief from skyrocketing gas prices and an electricity crisis across the West? What kind of compromise, Mr. Speaker, ignores vital defense needs? What kind of compromise, Mr. Speaker, ignores skyrocketing prescription prices and raids the Social Security and Medicare trust funds?

Mr. Speaker, make no mistake about it. Let us understand what is happening here. This is not a real document. Later in the year the Republicans will be back before this House seeking greater tax cuts, more money for defense, and more money for education. When they do that, as they inevitably will, that money will come from the Social Security Trust Fund and the Medicare Trust Fund, because there is no other place to get it.

This is a fraudulent document set up to fool the American people who do not recognize this. They do not understand what this country is saying to them. They think they are doing a disservice to the American public.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. HASTINGS), a distinguished member of the Committee on Rules and a distinguished member of the Committee on the Budget.

Mr. HASTINGS of Washington. Mr. Speaker, I thank the gentleman from Florida for yielding me this time. I would also like to thank the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, who would engage in a colloquy with me.

Mr. NUSSLE. Mr. Speaker, I would be happy to.

Mr. HASTINGS of Washington. Mr. Speaker, I would like to take this opportunity as chairman of the Nuclear Cleanup Caucus to thank the gentleman from Iowa for working with me to increase the funding for the Department of Energy Environmental Management Account. As the gentleman is aware, the administration's budget request fails well short of the necessary funding to meet the needs throughout the entire DOE complex.

Specifically, at the Richland Reservation in my district, the administration's budget request will jeopardize momentum at the Richland Operations Office and delay construction of the waste treatment plant at the Office of River Protection.

Recognizing this shortfall, is it true that the budget resolution recognizes the urgent need for up to a $1 billion increase for the EM account and the cleanup at these former defense nuclear sites for the government to meet its legal, contractual, and moral responsibilities?

Mr. NUSSLE. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Speaker, the gentleman is correct. I would first like to commend the gentleman for his hard work on this tough issue, and this has been a tough issue for the gentleman and a number of other Members; and I appreciate his leadership in ensuring that this increase was included in the conference report.

As the gentleman stated, the resolution provides specific language highlighting the recognition by Congress that up to an additional $1 billion is necessary next year, and I look forward to working with the gentleman to ensure that this increase is included in any final appropriations bill that moves this year.

Mr. HASTINGS of Washington. Mr. Speaker, I yield the gentleman very much for his leadership not only on this; but I would like to also add my congratulations to the gentleman, because this is his first budget. I think the budget that we will be voting on here soon is an excellent budget. It sets a blueprint really for well into the next century. We have heard that over and over again. But I think the gentleman has done an excellent job.

Mr. Speaker, I urge my colleagues to support this fair rule and also the underlying legislation.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. McDERMOTT), a distinguished member of the committee.

Mr. McDERMOTT. Mr. Speaker, we are here for the charade budget number two. The question is, why? Because it has been run through the House so rapidly that they lost two pages, and they are trying to get it past the American people as quickly as possible.

The view is this was constructed because they believe that all of the American people are yokels that can be fooled by an old game they play in the county fairs.

Now, this shell that we have here represents the defense budget, the tax cut, and the rest of the budget. And we have under this pea, we have the surplus from Social Security and Medicare. And what they are doing is moving it around so fast that they lost two pages.

Now, they have gone back, and they are going to start moving these shells around. We heard the gentleman from Michigan talk about the shell game. That is the shell game we are talking about. They think the American people do not understand that we cannot have an enormous tax cut, protect Social Security and Medicare, and have a big defense budget, and everything else wrapped up in the budget. They cannot do it, unless they move these shells so quickly that people do not recognize this.

Now, how do they do that? First they come out here and say, we put all of the money for Social Security in a lock box, so that is protected. Right? And then they come out and say, and now we have passed a big tax cut. I ask my colleagues, how many Americans will know the tax cut?

They have been told it here in the well 10,000, 100,000 times, or I do not know how many times, by people who say, every American is going to get a tax cut. But if they move that shell around quick enough, no one will ever know if they got one or not. Then, when it comes to their schools and there is no money, and there is no money for the environment, and they have made no provision whatsoever for energy prices going on, in this budget, there is no recognition of $3-a-gallon gas.

Mr. Speaker, I urge the Members to vote against this rule, go back and do an orderly process on a budget resolution that has hearings and actually has a vote in the House and in the Senate on a real bill.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. GARY G. MILLER), a distinguished member of the committee.

Mr. GARY G. MILLER of California. Mr. Speaker, I really enjoyed my friend who spoke last because he said how many Americans know they got a tax cut? The answer is zero, because we have never given them a tax cut. Last year, we came before this body and the leadership who was speaking today talked about our $373 billion tax proposal, and what did our colleagues on the other side say? It is a risky tax scheme. We cannot afford it. It will hurt Social Security, it will destroy Medicare, it will put homeless on the street.

Mr. Speaker, it does not matter what we do. My colleagues do not like it. The problem is, my colleagues say we cut education; the budget allows for an 11 1/2 percent increase in education. That is not rhetoric. That is a fact. Read the budget.

When my colleagues talk about people needing to pay energy bills, we have people out there who cannot afford the energy bills. Why? Because we confiscate their money through tax and redistribute it.

What is wrong with changing a punitive Tax Code and letting the American people keep more of their hard-earned money? This budget sets aside 100 percent, 100 percent of the Social Security Trust Fund over 10 years. It is not spent. All of the rhetoric in the world will not spend that money.

It says we are going to pay off all of the available debt, $2.4 trillion. That is all we can pay off because that is all that is due. The problem is, when we tell the children what about allowing people to keep their own money so they can help educate their own children? It is ridiculous.
Mr. CRENSHAW. Mr. Speaker, I rise to support not only the rule, but ultimately to support this budget. I do this on behalf of the thousands of taxpayers that live in my district.

In Florida, where I live, yesterday we celebrated Tax Freedom Day; that is the day that people can stop working just to pay their taxes and begin to start working to actually do some things they want to do. In other words, in Florida, and it is different in other States, but in Florida, in January and March and in April and part of May, people, the average taxpayer, has been working just to make enough money to pay his or her taxes. So yesterday was Tax Freedom Day.

Today in Florida, people can begin to work to do the things they need to do, like buy new clothes for the kids, maybe pay college tuition for their son or daughter, pay that mortgage down a little bit and some of those credit card bills. And so I think it is very fitting on this day, as we begin in Florida to be able to work for ourselves, that we pass this budget resolution which is going to let all Americans keep more of what they earn.

Everybody that pays taxes is going to see their tax burden lessened, and that is awfully important. But it does other things as well, because some people say we ought to pay down the national debt. In fact, it pays down virtually all the redeemable debt that we can pay down over the next 10 years, over $2 trillion. It funds education, which is important. It begins to rebuild our military, which has been hollowed out over these last 8 years. We are going to begin to make America strong again. And, most important, we are going to make sure that Social Security and Medicare are there. They are lockboxed. They are set aside. We are not going to touch those dollars. It is a great budget, Mr. Speaker, and I urge its adoption.

Ms. KILPATRICK. Mr. Speaker, I yield 2 minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

(Ms. KILPATRICK asked and was given permission to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, I yield 2 minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

(Ms. KILPATRICK asked and was given permission to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, do the math. This Congress says we will have a surplus of nearly $5 trillion over the next 15 years in this budget, not that is before us, and I am opposed to the flawed rule, as well as the flawed conference report that has been brought to us.

It does not even allow us the customary 3 days to look over the numbers. It is a nearly $2 trillion budget. We have heard about the surpluses. This budget has nothing in it for school safety; no more dollars in it to reduce class size; no dollars for special education; no new books. If there is a surplus today, why not? No dollars for school construction. Why not?

This budget cuts community development block grants that would help communities all over America. Why? This budget cuts funding for public housing and drug programs for public housing. There is a surplus; why no money?

This budget cuts nearly a million dollars, not that is a billion dollars, to our veterans who have served this country. There is a surplus. Why no money in these programs?

This budget is nearly $2 trillion. Our country is enjoying the surplus that we built (or, Nussle, our Democratic leader into the budget negotiations. Come on, America, let us hear it from you.

It is a flawed rule, it is a flawed budget, and I urge my colleagues to vote no.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to another gentleman from Florida (Mr. Putnam), a distinguished colleague and a member of the Committee on the Budget.

Mr. PUTNAM. Mr. Speaker, I appreciate the opportunity to speak on this, and I appreciate the gentleman from Iowa (Mr. Nussle), the chairman of the Committee on the Budget, and the gentleman from South Carolina (Mr. SPRATT), the ranking member, for their hard work on this budget.

Mr. Speaker, I rise today to talk about the principle-based budget that we will take up this afternoon after we have passed this rule, the principle that you do not tax people at the same rate as a portion of the economy in peacetime as we did in 1944; the principle that taxpayers deserve to have hard-earned relief delivered back to them in the form of tax cuts; that marriage and death should not be taxable events; the principle that we will not burden our children and grandchildren; that we will not burden young workers and young families with trillions of dollars in debt; and that we will do everything we can to pay off all of the redeemable debt to the tune of $2.4 trillion over the next 10 years; the principle that will make our soldiers and sailors strong again to give them the training and support and respect that they deserve, and that this Congress will stand behind them and give them the deserved funding that they have earned; that veterans who have paid so much, who have given so much, who have sacrificed so much, will receive the benefits that they have earned, and deserve, to the tune of $7 billion in increases over the next decade; that senior citizens who have lived a hard all of their life and paid into Social Security deserve to be safe and secure and independent and to be cared for and have the government keep its promise and
Congress keep its promise by locking those surpluses away, and making sure that those programs are relevant to today by providing the prescription drug benefit.

Mr. Speaker, we take care of our children to the tune of an 11 percent increase. Now, much has been made about this. But back home in central Florida, an 11 1/2 percent increase, a double-digit increase in tens of thousands of dollars is still real money.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. INSLEE).

(Mr. INSLEE asked and was given permission to revise and extend his remarks.)

Mr. INSLEE. Mr. Speaker, there is some good news and some bad news in this budget process. The good news is our Republican colleagues, indeed, did find the missing 2 pages, and that is good news. The bad news is that it allowed us the time and the American people the time to find out the dollar figure that our Republican friends across the aisle cut out of the education budget that was put in by the Senate.

We have had the time and America has had the time to figure out what that number was, and that number is minus $294 billion. $294 billion for smaller classes that America wants, $294 billion for more teachers that America wants, $294 billion for better quality in our education that America wants.

The U.S. Senate put that money in for better schools. The Republican Party took it out. The President just yesterday, the City of Cleveland issued a prescription drug benefit. It talks the talk, but it does not walk the walk for education.

Mr. Speaker, as you know, today the Congress has a very important decision to make. We are voting on our budget. Many of us believe that our Federal budget should be a statement of our national values. What is important to us should be what we commit our resources to.

Clearly, this Republican budget before us is not. It disproportionately gives a tax break to the top 1 percent in our country at the expense of our children. All scientific research shows us that children do better in smaller classes and, indeed, yes, in smaller schools.

The American people have made education their highest priority. Why, then, does this budget just play lip service? It talks the talk, but it does not walk the walk for education.

Children are smart. If one tells them that education is important, the key to their future, important to the competitiveness of our country internationally, and then not commit the resources to education and send them to schools that are not clean, well-lighted places, wired to the future, they get a mixed message from us.

Let us reject this budget which rejects the notion of school modernization by not committing funds for smaller classes and more teachers. This budget only gives an increase of inflation for education. It does not even recognize student growth and the growth in our population of our students.

So let us reject the question: Is it a statement of our national values to give a tax break at the high end at the expense of our children? Is it a statement of our national values to ignore the infrastructure needs of our children and needs for qualified teachers to give a tax break to the high end? I think not.

I urge our colleagues to reject this budget and to get real about it. This is a charade. We want a real budget that addresses the American people and serves our national values.

Mr. GOSS. Mr. Speaker, I am privileged to yield 3 minutes to the gentleman from Michigan (Mr. SMITH), a distinguished member of our conference.

(Mr. SMITH of Michigan asked and was given permission to revise and extend his remarks.)

Mr. SMITH. Mr. Speaker, through the Speaker to everybody that might be listening, how does one make the best decision on how much to spend and how high taxes should be? It seems reasonable first thing policymakers might do is say, look, how much, how high, should taxes be for the American people?

Right now, the average American taxpayer pays about $41 cents out of every dollar they earn. Here at the Federal level, our budget, in terms of total income, is approaching 21 percent of GDP.

So if we are going to have a reasonable budgeting process then we say, look, at what point are taxes so high that it discourages economic expansion in our free market economy? It is the system that has made this country great, rewarding those people that try, that start new businesses, that get a second job.

But we have sort of evolved into a tax system of penalties and punishment for some of those people that really try and save and invest. That couple that, maybe, goes out and gets a second job; we not only tax that person on the additional income, but we say, in effect, if you are going to earn more money, we are going to increase the rate of taxation.

I would suggest to my colleagues to consider that we should not have Federal Government spending that exceeds 18 percent of total income or GDP in this country. We are now approaching 21 percent.

I applaud the Committee on Rules. I congratulate the Committee on the Appropriation process is not free. It is not magic. Somebody is working hard, getting up and going to work, whether
they feel it or not, to earn that money, to send part of it to Washington.

I think as we review what has happened in taxes in this country and the fact that our taxes now are the highest they have ever been in the history of the United States except for 1 year during World War II, it should make us all very conscious of the importance of trying to be a little more efficient, trying to prioritize spending in government. Let us move ahead with support for this budget this year and hope we have the intestinal fortitude to stick with this spending level through the appropriations process.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, the veterans of this Nation ought to march on this Capitol in protest to this budget. I heard from a Member from the other side of the aisle that this budget over the next 10 years helps veterans. This does nothing of the sort. This budget barely keeps up with inflation.

The Democrats honor our Nation’s veterans. Our veterans are waiting 2 years to have their claims adjudicated. They are waiting months and months for appointments with doctors. Our research is lagging in all the diseases that have come out of the Gulf and Vietnam. Yet, this budget does not even keep up with inflation.

Even the Republican Members of the House Committee on Veterans’ Affairs said this number is insufficient to keep up with the needs of the veterans. I challenge the Republican members of the House Committee on Veterans’ Affairs to vote no on this budget. They said in the committee that this number was insufficient. I want them to stand up for our veterans in committee and vote no on this budget.

I might add that this budget took away a great victory in the Senate for our veterans, something called concurrent receipt where a veteran who had a pension and disability payments could get both. Now they have an offset, and this budget keeps that offset. It is a disgrace to the veterans of this Nation. Mr. GOSS. Mr. Speaker, I am happy to yield 2 minutes to the distinguished gentleman from Indiana (Mr. PENCE), a new Member that we welcome.

Mr. PENCE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today in support of the rule, and I thank the distinguished gentleman from Florida (Mr. Goss) and the Chair on Rules for their excellent work.

The passage of the budget today in the House is a victory for all Americans who, after 4 months of hard work, have finally earned enough to pay their taxes.

But, frankly, this budget is unrealistic. It fails to provide defense spending that we support and that the President will propose. It fails to protect Social Security and Medicare by restraining the growth of our Federal Government and spending. This is a buckeye. Folklore in Arkansas tells us about if one carries this buckeye. It is a relatively worthless little nut that grows on a bush. I do not know that humans eat it and not too sure that any animals eat it. But I can tell my colleagues that one is supposed to carry that in one’s pocket and rub it, and it will bring one good luck and take care of rheumatism.

This budget is rainbow stew. Now, to make rainbow stew, the recipe calls first for a rainbow. That is what we have got with this budget. It is a rainbow.

In the last campaign, the President and the Republicans promised prescription drugs for our seniors. Medicare and Social Security will be protected. We are going to pay off the debt. We are going to take care of education, national defense, agriculture.

This budget is an extraordinary step in the right direction. The best news of all is that this is only the beginning, Mr. Speaker.

In a little over 100 days with a Republican President in Congress, we have prepared a budget that provides $1.35 trillion in tax cuts, repays historic levels of public debt, strengthens Social Security and Medicare, and bolsters our national defense. Most important of all, we have shown fiscal discipline by reining in the growth of our Federal Government and spending. I would like to thank the gentleman from Iowa (Chairman Nussle) for all he has done to build this budget. I urge my colleagues to support this rule. Ms. SLAUGHTER. Mr. Speaker, may I inquire as to how much time remains on each side?

THE SPEAKER pro tempore (Mr. LATOURETTE). The gentlewoman from New York (Ms. SLAUGHTER) has 9 minutes remaining. The gentleman from Florida (Mr. Goss) has 7 minutes remaining.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, this budget fails to account for the fact it will return us to deficit spending and it will spend money already committed to Social Security and Medicare. That is why the fiscally conservative Blue Dog Coalition voted yesterday to oppose this budget.

Democrats want the largest tax cut we can afford; but, frankly, this budget is unrealistic. It fails to provide for defense spending that we support and that the President will propose. It fails to protect Social Security and Medicare by putting us on a course to raid both programs. It turns our back on our commitment to lockbox Social Security and Medicare surpluses. It fails to fund education even at the lower level the President proposed much less the higher level the Senate agreed upon.

This budget fails to account for the slowing economy and the resulting loss of revenue. It denies America’s families and children the best tax cut we could give them and that is paying off our national debt which would not only lower interest payments in the Federal budget, but would lower interest payments for every American family.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, there is a great country music song by Merle Haggard called Rainbow Stew. It says: “When the President goes through the White House door and does what he says he will do, we will all be drinking that free Bubbling Up and eating that rainbow stew.”

This budget is rainbow stew. Now, to make rainbow stew, the recipe calls first for a rainbow. That is what we have got with this budget. It is a rainbow.

In the last campaign, the President and the Republicans promised prescription drugs for our seniors. Medicare and Social Security will be protected. We are going to pay off the debt. We are going to take care of education, national defense, agriculture. The list goes on and on.

This is a buckeye. Folklore in Arkansas tells us if one carries this buckeye. It is a relatively worthless little nut that grows on a bush. I do not know that humans eat it and not too sure that any animals eat it. But I can tell my colleagues that one is supposed to carry that in one’s pocket and rub it, and it will bring one good luck and take care of rheumatism. That is what the prescription drug plan by the Republicans are going to amount to.

I urge my colleagues to realize what a ridiculous document this budget is.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. HILL).

Mr. HILL. Mr. Speaker, I was given permission to revise and extend my remarks.

Mr. HILL. Mr. Speaker, I like many of my colleagues, would like to support this budget, because who would not want a tax cut along the lines that had been proposed. It is politically popular to support the tax cut, and I would like to do it. I believe that we can offer some kind of tax cut, but this is not realistic. This is something that cannot be done.

I know the American people must be quite confused as to who is right and who is wrong. But let me pull out this chart. Maybe this will clear it up. This is from the President’s budget proposal that outlines what the budget surpluses are going to be over the next 10 years.

As my colleagues can see, this chart contradicts upon the fact that these surpluses are going to materialize. I do not know of any American family that would go out and buy a new car or a new house based upon income that he was told that he was going to receive for the next 10 years.

But, yet, that is what we are about to do in the Congress of the United States, Mr. Speaker.
I think if my colleagues know this fact, they have to conclude that this is a bad idea and that we ought to vote against it.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, every aspect of this budget and the way that it has been crafted and presented to this House indicate that the same folks who ran this House during the Gingrich era did it again. They added $300 billion to defense and then went to the rotation for her to close and for me to close.

But bad as the process has been, the substance is even worse. Because what is missing from this budget are not two pages, what is missing are real numbers. And let me give the most salient example: the largest account in the discretionary budget, national defense. We pass 13 appropriation bills. The defense bill is as big as all 12 others put together. In this budget there is a number for defense of $325 billion. That is a place-holder number. That is not a real number.

Now, how do we know that? Number one, we know Mr. Rumsfeld is busy at the top of the economic ladder. Vote no!

Ms. SLAUGHTER. Mr. Speaker, I yield the balance of my time to the gentleman from South Carolina (Mr. SPRATT), the ranking member of the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I have been in this House for more than 18 years, and in those 18 years I have served on a lot of conference committees; but I have never been so completely excluded, so totally shut out as in this particular conference. I hope at the end of it all, my colleagues on the other side will allow us at least one thing, and not call this bipartisan. It is by no stretch of the imagination bipartisan. It is the very opposite. And it does not augur well for bipartisanship in the House for the future.

But bad as the process has been, the substance is even worse. Because what is missing from this budget are not two pages, what is missing are real numbers. And let me give the most salient example: the largest account in the discretionary budget, national defense. We pass 13 appropriation bills. The defense bill is as big as all 12 others put together. In this budget there is a number for defense of $325 billion. That is a place-holder number. That is not a real number.

Now, how do we know that? Number one, we know Mr. Rumsfeld is busy at the top of the economic ladder. Vote no!

Ms. SLAUGHTER. Mr. Speaker, I yield the balance of my time to the gentleman from South Carolina (Mr. SPRATT), the ranking member of the Committee on the Budget.
and it is my concern. However, we may differ slightly on what bipartisanship means. If bipartisanship means we have to agree on everything all of the time, that is a goal we probably cannot achieve.

This is a country of 280 million-plus people. We are from rural areas, urban areas. We represent districts that have people that farm, that work in factories, that have kids, that are seniors; some who are highly educated, some that maybe do not have as much education, many that are black, white, Hispanic. What a diverse Nation. How could we possibly all of the time agree on every single thing?

That is not what the founders wanted us to do. They wanted us to come into this Chamber and have a debate. They wanted us to come into this Chamber and send their representatives here to debate the grand issues of the day, and we have a number of them; and we are not going to agree on every single one. But what we do is we offer both sides, if in fact there are sides, the opportunity to present their plans.

We did that. And what “we” means now, of course, is that the Republicans control the House. We, at least under some circumstances control the Senate, the other body, excuse me, and we control the White House. And so we have an opportunity to present our vision for the country. The loyal opposition has the opportunity to present their vision, and so this year, respectfully, in a bipartisan way. But we did not come to agreement.

And so at some point in time we have to have a debate, and we have to have a vote on which vision to accept. Now, because we do not agree does not mean that we are being partisan. In fact, the other side has a number of good ideas within their plan, ideas that they have worked on for many years. But I must say that they are not shared even by the members of the Democrat caucus.

Let me just give an example of what we do not agree on with the last plan that was presented by President Clinton. In his last year, just as an example, during these next 10 years, compared to our big major tax decrease that everybody is out here lambasting today, and that is fine, that is where the other side is coming from, my colleagues do not believe we ought to cut taxes, but let us compare that to the other plan. President Clinton’s last budget was $237 billion of tax increases. Now, I am sorry we do not agree.

I am not going to be partisan about that. The opposition party can fairly present their side of it. Now they have moved to the other side of the coin. They are saying now we ought to have tax decreases, not as much as the Republicans want; but at least they have moved in that direction, from tax increases to tax decreases.

But just because we do not do not agree does not mean that it has to be partisan. We can have a fair debate. It does not have to be personal. I would say by and large it has not been personal; that we have not heard some of the rancorous debate where people have come out here accusing people of throwing children in the street that we heard maybe 3, 4 years ago. I would hope that continues. But it does not mean that they are not bipartisan, because we do not agree. It is fair in this country to present plans and to allow for the debate.

So let me just briefly go through what it is that we are presenting here today as a result of this rule. I believe that we have a plan that meets the priorities of this country. Let me just run through a few of them.

This is the fifth balanced budget in a row. This is something we believe very strongly in, that our budgets should be balanced, that they should be responsible. And there is still money left over after we balance that budget. We have $2.4 trillion of debt reduction over the growth in spending, and provided for our national indebtedness that we have had in our country’s history over this same period. And we still have resources left over. We are saving the entire Social Security Trust Fund. Only since 1993 has there been a bipartisan agreement here in this House. There is still money left over. The entire Medicare surplus is set aside for modernization and a prescription drug benefit, and there is still tax surpluses left over. We are budgeting for our priorities at 4 percent, and there is still money left over to provide $1.35 trillion worth of tax relief for the American people. There is still money left over.

There are still resources left over after we have balanced the budget, provided the most debt relief in history, set aside Social Security, set aside Medicare for modernization, provided for America’s priorities at a 4 percent growth in spending, and provided for tax relief. And, believe it or not, there is still resources left over to provide for contingencies in the future.

Now, my colleagues may not agree with that budget. I invite them to vote against it. But just because they are voting against it, I will not call them partisan. I will suggest that they have a different view of America and our future. That is not partisan; that is what it means for them to be in the opposition.

Ms. SLAUGHTER. Mr. Speaker, I yield the balance of my time to the gentleman from South Carolina (Mr. SPARR) for closing.

Mr. SPRATT. Mr. Speaker, let me quickly respond to my friend, the gentleman from Iowa (Mr. NUSSELT), that if he wants an example of model bipartisanship, 1997 is a good year to refer to. That year the White House was controlled by Republicans, and we sat down and had a process that lasted several months and then came up with something called the Balanced Budget Agreement of 1997. I think what we learned from that experience is that regardless of the outcome, just putting it through the process, where everybody participates, develops a better product.

The gentleman does not have to go back to Mr. Clinton’s proposals. We did not bring his budget to the floor. He is no longer President. We had a budget in the well of the House just a few weeks ago which called for an allocation of a third of the surplus to tax cuts, and the other side was agree. We came forth with the idea in our resolution for a tax stimulus this year and next year using the surplus we know we have in hand. That has come out in this final product.

We could have had the same sort of result if we had had a real give and take. We could have had a real free market of ideas. We would not have let our colleagues get away with coming to the floor with nothing for education in their budget. We would have insisted the defense number be realistically represented in this budget. I think we would have had a better budget and we might have had an opportunity, one of those rare opportunities, to have a real bipartisan budget for the next 10 years.

Mr. GOSS. Mr. Speaker, I yield myself the balance of my time to make some closing remarks.

I think this has been actually a very good run-up to the next debate that is coming on this. Sure, we have heard some of the scare stories and we have heard some of the rhetorical questions we have expected. And I think that we are going to continue to hear those because rhetorical shibboleths and shibboleths are what you do when you do not have anything else to do.

I am sorry that there is not a feeling that this has not been a carefully thought-out effort. I believe it has, and I think it has gone through conference and had a great deal of discussion not only in the Congress of the United States but in the executive branch and across America. And I certainly have been working on it in my district when I have gone home.

I know we have done scare tactics before, and I guess some people think scare tactics are an excuse not to vote for tax relief; and that is okay if you really do not believe in tax relief. I remember very well that scare tactics do not last very long. I remember experiencing them some years ago; that somehow our party was going to stop school lunches and then we were going to stop Meals-on-Wheels. I do not believe it is true. And all that did was cause anxiety for a lot of Americans, and it was never true. Now I guess we are going to have school lunches that are going to have arsenic and salmonella in them, listening to some of the latest opposition party ads about what we are doing. I do not think that the falling-sky scenario does very well for America or is positive in getting the program or the business of government done. I think even The Washington Post editorialized a few years ago that Medicare was a tactic that was not worthy of the honorable Democratic Party when we were trying very hard to find ways to
resolve the trust fund issues, which in fact we did on a bipartisan basis, just like we found a way to protect Social Security. And I would say that that was under a Republican-led Congress, but it was certainly at a time when there was a Democrat in the White House.

So I think when we do work together, we come out with a pretty good product. And I think in this case we have a pretty good product. I do not think we ignored our veterans, and I do not think we ignored the American people. This is an honest effort, and I urge everybody’s support for so we can continue this debate.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SLAGGART. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 218, nays 208, not voting 5, as follows:

(Roll No. 103)

YEAS—218

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barnes
Barrett
Bartlett
Bass
Berenstein
Besse
Billings
Boehlert
Boswell
Boyer
Boustany
Brady (TX)
Brown (SC)
Broun
Bryant
Calder
Camp
Cannon
Canter
Capito
Carter
Chambliss
Coble
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Combest
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[Cut-off text]
We control the growth in government spending. We increase discretionary spending by about 4 percent. There are many that would like to see government spending explode, 8, 10, 12 percent growth in spending. That is not sustainable. It would not be able to fund every program, to double the funding for every program we have at the Federal level, and go home and tell the American people we are spending money on good deeds but the fact is that is not sustainable.

It is not fiscally responsible and this body has refused to do it. Four percent growth, that is about what the average household budget will grow this year.

We have cut taxes. It is a compromise. The President proposed a $1.6 trillion tax cut. We have compromised at a little bit more than $1.3 trillion. It is realistic to expect that after we have increased the size of government, after we have set aside for Social Security and balanced the budget, after we have funded important priorities, we will have what is left over to the American taxpayer that sent it here in the first place.

We have balanced the budget, controlled the growth in government spending, made the Tax Code more fair, and we have funded the right priorities: an 11 percent increase for education; more funding for men and women in uniform; increased funding for basic scientific research.

This is a compromise, sure, but it also reflects a budget that we should all be proud of that sets the right priorities for the country and continues the process of retiring debt and keeping our economy strong.

If one wants to explode the size of government, this is not for them. If one is opposed to tax relief, this resolution is not for them. But if one wants to set the right priorities, lower taxes and keep our country going in the right direction, I ask my colleagues to support the resolution.

Mr. NUSSLE. Mr. Speaker, I yield 1 minute to the gentleman from Missouri (Mr. GEPHARDT), the minority leader.

Mr. GEPHARDT asked and was given permission to revise and extend his remarks.

Mr. NUSSLE. Mr. Speaker, I rise in strong support of the chairman of the Committee on Agriculture. Mr. COMBEST, Mr. Speaker, I thank the gentleman from Iowa (Mr. NUSSLE) for yielding the time.

Mr. Speaker, I rise in strong support of the conference report to the fiscal year 2002 budget resolution.

When I became chairman of the Committee on Agriculture, I pledged that Congress would stand shoulder-to-shoulder with America’s farmers and ranchers, to see them through tough times and to strengthen U.S. farm policy. This conference report is the cornerstone of that commitment.

I thank President Bush and the House and Senate leadership for their commitment to U.S. farmers and ranchers. Mr. Speaker, I especially thank the chairman of the Committee on the Budget. The gentleman from Iowa (Mr. NUSSLE) knows what our farmers and ranchers are up against so he rolled up his sleeves and he did something about it. The fruit of that labor is what we consider today, and its timing is crucial.

Conditions in farm country are serious. Net cash income over the last 3 years has fallen in real terms to its lowest point since 1998 has helped, but it is only a year at a time. A long-term farm policy is what this country needs. The conference report gives the Committee on Agriculture the tools to make it happen and, as chairman of that committee, we will get it done.

I urge my colleagues to support this report.

Mr. SPRATT. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. GEPHARDT), the minority leader.

Mr. GEPHARDT. Mr. Speaker, I rise to vote and speak against this conference report and ask Members on both sides of the aisles to do the same thing. This is not a good budget for America.

We did not get to vote the other night because we did not have two pages, but now that we have seen all of the pages, yes, but the problem was not the lack of the right pages. The problem with this budget is that it does not have the right numbers. It does not fulfill the priorities of the American people. It is a budget that is deficient in terms of fiscal responsibility and in terms of the right priorities that I think people have.

In many ways, this budget is a definition of what we want the country to be in the next 10 years. So it is a momentous decision that we are making.

I believe this is a day that we give up on fiscal responsibility. I thoroughly believe that if this budget is followed, that in the days ahead we will return to deficits.

First of all, there is no cushion. The cushion that looks like is here is not here, and when the tax cuts go up, as they inevitably will, when other tax cuts that are not contemplated in this budget are actually passed, the deficits will start to invade Social Security and Medicare, which we said we did not want to do.

We have had innumerable votes here on lockboxes, but I predict that if this budget is passed we will be into Social Security and Medicare.

This is the day that we return to high deficits and high interest rates. Why in the world would we want to do that? For 20 years in this country all we ever talked about was deficits and what deficits mean to our ability to fund anything that people wanted to fund; what it did to high interest rates; what it did to high inflation. Now, with this budget, I believe we are back into deficits and back into invading Social Security and Medicare.

This is the day that we give huge tax cuts to the wealthiest special interests in the country, and we cannot seem to figure out how to get a decent tax cut for the middle-income people who really need it. Again, half of the tax cuts contemplated here go to the top wage earners in our country, and there is not enough for the hardworking families that really need tax relief.

This is a budget that turns its back on education. This is probably the most remarkable trade-off in this budget. The President sent a budget that asked for $21 billion over 10 years above inflation for education programs. The budget that the Democrats here on the House had asked for was $150 billion over 10 years above inflation for education. In the Senate, in a bipartisan way, they added $300 billion above inflation for education programs. The budget that the Democrats here on the House had asked for was $150 billion over 10 years above inflation for education. In the Senate, in a bipartisan way, they added $300 billion above inflation for education programs.

How in the world do we explain to anyone what we have done on education? We are right back to where we started, after a long trip of public relations saying to people we want to help education, and now we are not doing that.

Then I think if this budget is passed, there will not be a Medicare prescription drug program. In fact, I do not think there will be a prescription drug program of any reasonable kind that will affect the people in this country.

Then I think if this budget is passed, there will not be a Medicare prescription drug program. In fact, I do not think there will be a prescription drug program of any reasonable kind that will affect the people in this country.

When I go home now on weekends, people come up to me and say, ‘‘Hey, where is the prescription drug program?’’ Everybody had ads in the campaign, Republicans and Democrats alike. We all said we wanted a prescription drug program. I defy anyone to find that program in this budget.

Why do I say that? I say that because I think the budget tries to get to $300 billion over 10 years for a prescription drug program. The problem with that is it spends the Medicare surplus. It is really taking the money out of the Medicare surplus to give it to prescription drugs. I do not think we are going to do that. I do not think we are going to have a prescription drug program if this budget is our budget.

I did not even get to low-income energy assistance, COPS on the beat, conservation and renewable programs for the Coast, they are having brownouts and not having enough electricity. If one goes out on the West Coast, they are having brownouts and blackouts.

People are focused on energy and there is nothing in this budget to deal with the energy issue, which is on the lips of every American today.
Let me sum up by saying just one thing. This budget is a farce and it is a fraud. At the end, America deserves better than that. We can do better than that. I would pray we could send this budget back to the committee. Let us have a more robust bipartisan process that will result in balanced or conservative contracts. Both sides are incorporated into a final product. Let us give America a budget that is worthy of this great country.

Mr. NUSSLE. Mr. Speaker, I yield myself 30 seconds to respond.

Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. GEPHARDT) when he was the majority leader as is follows: tax increases, underfunding special education, absolutely no energy policy for this country, raids on the Social Security Trust Fund, and no prescription drug policy. So to come to the floor here today and to call this a fraud, when for years as the majority leader he did nothing to promote the policies he now does to the floor and lambastes, is an atrocity.

Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman from Iowa (Mr. NUSSLE) for the gentle treatment he did me this time.

Mr. Speaker, after listening to the last two exchanges, I am reminded of what John Adams told us over two hundred years ago: Facts are stubborn things. I think the more the American families learn about the facts of this budget, I think the more they are going to like it.

Let us look at what it really does. This is a budget that works for every family. The maximum debt elimination; we are going to pay off the redeemable publicly held debt over the next 10 years; tax relief for everybody who pays taxes; improved education for our children, an 11.5 percent increase. Some of us think maybe that is a little too much. A stronger national defense; health care reform that modernizes Medicare. Is it not about time?

We set aside $300 billion to start a prescription drug plan for those people who fall through the cracks.

Finally, we are going to save Social Security not only for today but for the future.

Our friends on the left are going to say, well, this is irresponsible. Well, Mr. Speaker, this was said already today, that according to the Bureau of Labor Statistics the average family budget will go up at a rate of about 4.2 percent.

This budget increases the Federal budget by less than that number. I think that is great news for American families.

Some people say we cannot afford this tax relief. Well, Mr. Speaker, if we look at the economy today, we look at energy prices today, I say we cannot afford not to give tax cuts to the American families.

Let me just share a couple of numbers. Last year, when the economy was growing at 5.5 percent during the first quarter, we generated a surplus of $40 billion. This year, with the economy slowing to about a 1 percent growth rate, we generated a surplus of $74 billion. Mr. Speaker, we cannot afford to give tax cuts this year.

I would also say; that the numbers we are incredibly conservative. In fact, I asked Mr. Daniels of the Budget Office, and these are the words: "So if revenue growth just equals the 40-year average, we will actually have revenues in excess of $2 trillion dollars in 2002. By currently using in your budget projections, is that correct?"

His answer was, "Yes, sir, that is correct."

We can afford this budget. It makes common sense. It is good for American families. It is good for our future.

Mr. SPRATT. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would say to the gentleman that we have never said we should not have tax cuts. We said when we brought our budget resolution to the floor, unlike theirs, that we should have some this year, take the whole surplus this year and rebate it to the American public, and we set aside $800 billion to $900 billion for additional tax relief.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. STENHOLM).

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I rise in opposition to the budget today, but with a sense of disappointment. I am disappointed because I do recognize the gentleman from Iowa (Mr. NUSSLE) made an outreach, but his leadership chose not to abide by it.

In the spirit of compromise, we in the Blue Dogs were prepared to support a tax cut higher than the budget we proposed, providing there was a strong enforceable commitment to debt reduction. The House today does nothing for debt reduction, and I defy anyone to show how it does.

This resolution we vote on today literally bet the ranch that the surpluses will continue to grow. If they do not grow, or if they are off just a little bit, we will be forced to dip into the Medicare Trust Fund before we even start dealing with increases for defense or other needs the resolution does not address.

□ 1230

This resolution sets an unrealistic spending level. Based on the history of the majority over the last 6 years, I predict another train wreck. But that is up to the majority. I rise in the strongest opposition to this budget resolution today because it does not accommodate Social Security reform. I sent a letter to our President commending him for the Social Security Commission. I have worked for the last 5 years with the gentleman from Arizona (Mr. Kolbe) on the other side and others in a bipartisan way in setting the groundwork for Social Security reform. This resolution provides zero funding for Social Security reform.

If I need one reason to strongly oppose this and why I am so proud of the Blue Dog Democrats for voting to oppose it, as it takes a two-thirds vote for us to oppose anything, to take any position, we took that position, and I am so proud of our Blue Dogs because we are still standing for the same principle of debt reduction, saving Social Security and Medicare first, providing for the needed spending in the area of defense, health care, education, our veterans. I agree on the agriculture numbers, they are much better.

This is a borrow-and-spend resolution. It borrows from our children and grandchildren in order to pay the political needs of today. I suggest you select carefully your words, my friends on the majority, because tomorrow you will either enjoy them, or you will eat them.

Mr. NUSSLE. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH), the very distinguished chairman of the Committee on Veterans' Affairs.

(Mr. SMITH of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, I would like to engage in a colloquy with the distinguished Chair. I would like to commend the chairman and commend him for his determined advocacy on behalf of our Nation's veterans.

As the chairman knows, the House-passed budget resolution included a significant increase compared to 2001 levels in total spending for veterans' benefits and services. The total increase for this function was $5.6 billion over the fiscal year 2001 budget authority level, providing a total of $52.3 billion for fiscal 2002. It is my understanding that the conference accepted the House-passed mandatory spending level for this function $788 million, which assumes a phased-in increase in the Montgomery GI Bill and other benefit improvements contained in H.R. 801.

Is that the chairman of the Committee on the Budget's understanding as well?

Mr. NUSSLE. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Speaker, before I respond, let me thank the gentleman for his leadership. There is no one in this House that stands ahead of the chairman of the Committee on Veterans' Affairs who stands ahead of our Nation's veterans.

In response to the chairman's questions, yes, the conference report reflects the House levels for mandatory spending, and it also includes the House proposals for increases above current law levels.

Mr. SMITH of New Jersey. Mr. Speaker, reclaiming my time, let me...
just ask, it is my further understand-
ing that the conference agree to an-
overall level of discretionary spending
that would allow veterans’ discre-
tionary spending to go as high as $26.2
billion in budget authority for fiscal
years 2002 and 2003, and the same as the
Senate approved level. This level would
accommodate major increases in
spending for VA health care and for
claims processing and could be as much
as $3.6 billion above 2001. In any event,
the level will be no lower than the House-passed $1.7 billion.

Is that the chairman of the Com-
mittee on the Budget’s understanding?

Mr. NUSSELE, Mr. Speaker, if the
gentleman will yield further, again, the
answer is correct. The increase was not
explicitly reflected in the budget func-
tion for veterans because the discre-
tionary increases in the conference re-
port were distributed across all budget
functions. As the distinguished chair-
man of the Committee on Appropriations makes the final de-
termination of exactly how those re-
sources are distributed, and the gen-
tleman and I will be visiting the Com-
mittee on Appropriations to make sure that they go to the highest possible
level for our veterans.

Mr. SMITH of New Jersey. Mr.
Speaker, reclaiming my time, I want to
thank the chairman for those clarifica-
tions. I congratulate the chairman on
an outstanding budget.

Mr. SPRATT. I yield 11/2 minutes
to the gentleman from Tennessee, Mr.
TANNER.

Mr. TANNER asked and was given
permission to revise and extend his re-
marks.

Mr. TANNER. Mr. Speaker, I want to
rise in a sense of disappointment also.
I want to thank the gentleman from
Iowa (Mr. NUSSELE). It is too bad his
leadership has chosen the route it has
taken today, because there were some
of us that wanted to reach out, do a bi-
 partisan budget for this country that,
albeit the tax number was little higher
than proposed by the House, and there was
not enough debt retirement as the Blue
Dogs thought, but the real kicker in all
of this is the House leadership has not
only taken us out of play, they have taken
their own Members out of play. It does
not matter what the House does.

Do you know if you read the budget
document, the House will not even
agree to reconcile to the same number
that the White House agreed to with
the Senate, I have never seen a con-
ference report like that before. But if
you read it, it is there. The intran-
sigence of this House leadership is de-
stroying the House of Representatives
when it comes to public decisions made
for and on behalf of this country.

Let me say one other thing. When I
came here 12 years ago, all I heard was,
JOHN, do something, please, about the
horrendous debt of this nation that we
are passing on to our children, a 13.5
percent mortgage on this country.

Every dime of debt reduction that
they talk about comes from the Social
Security surplus money. You know what
that is like? That is like you or I
paying off our Visa charge with a
MasterCard. It alone does nothing to
reduce the obligation that the next
generation has to pay and has to come
up with, and that is plain and simply morally, bankrupt.
Mr. NUSSELE. Mr. Speaker, I yield 2
minutes to the gentleman from Illinois
(Mr. KIRK), a distinguished member of
the Committee on the Budget.

Mr. KIRK. Mr. Chairman, I just want
to thank the service of my chairman,
the gentleman from Iowa (Mr. NUSSELE),
and also my ranking minority member,
the gentleman from South Carolina
(Mr. SPRATT), the soul of discretion in
this debate. But I do want to correct
the record.

There were two pages missing in this
budget. They are now here. But what
does that mean to me? What does that
mean to me when I read that last year,
President Clinton proposed a $237
million increase in taxes between 2000
and 2010. That is a reality from this
budget. This year, leaders on the other
side proposed a one-third plan, calling
for $740 billion in new spending, with
little details. That is missing from this
budget.

Last year President Clinton proposed
the creation of 84 new Federal
programs and the expansion of 162 oth-
ers, and that, Mr. Chairman, is missing
from this budget. Their one-third plan
would pay millions of dollars in pre-
payment penalties from working tax-
payers to the moneyed bond-
holders. That is missing from this
budget.

So what is in this budget? What is in
this budget is that we are on track for
doubling resources to the National In-
stitutes of Health; what is in this bud-
et is the President’s immediate Help-
ing Hand prescription drug plan with
the flexibility to expand that plan;
what is in this budget is an 11 percent
increase for education; and what is in
this budget are the 1999 reforms that
we did for the budget that protect So-
cial Security.

So, for me, I rise in strong support
of this budget. There are 1,000 reasons
why you could argue against a budget
from all sides, but this is an historic
agreement where we complete the Con-
gress’ action, and we do it on time.

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

Mr. Speaker, in response to the gen-
tleman, I would say what is missing
from this budget is any sense of pri-
ority that education is the number one
challenge facing our country. There is
not an 11.4 percent increase. That is
what Mr. Bush claimed when he was of-
fering $21.4 billion. That increase is not
included in this budget. The Senate added $300 billion. It is not there.

The only thing in this budget for edu-
cation is inflation, the same thing ev-
eything else gets. So the dominant
priority here is not for education, that
is for social security.

Mr. Speaker, to back up what I have
just said, I yield 5 minutes to the gen-
tleman from North Carolina (Mr.
PRICE), to talk about education, the
missing piece in this budget.

Mr. PRICE of North Carolina. Mr.
Speaker, I thank the gentleman for
yielding me time.

Mr. Speaker, our budget reflects our
values. Republicans and Democrats want to provide
tax relief. We also want to take care of
other priorities, like paying down the
debt and strengthening Social Security
and adding prescription drugs to Medi-
care and making sure that we need in
education and research and the
environment, safe communities, afford-
able housing, military readiness. Quite
simply, this Republican budget falls
short on all of those counts, but no-
where more than in education.

We need to be reducing class size in
this country and building and modern-
izing schools and recruiting and train-
ing teachers and boosting Title I aid
for disadvantaged districts, closing the
achievement gaps between majority
and minority students and increasing
Pell Grants and meeting our obligation
to special education students and ex-
paning Head Start.

This budget falls short even of what
the President asked for, and that was
already inadequate. For example, with
this budget, President Bush and the
Republicans break their promise to in-
crease the maximum Pell Grant to
$5,500. Candidate Bush promised to do
that for freshmen. Unfortunately, Pres-
ident Bush and the Republicans
have fallen at least $1.5 billion short of
the amount needed to fulfill that prom-
ise.

The President’s budget provides only
enough funding to raise the maximum
award of $3,750 by a mere $150, far
ger than Pell Grant increases in recent
years, and the budget before us today
does even less than what the President
promised.

Mr. DAVIS of Florida. Mr. Speaker,
will the gentleman yield?

Mr. PRICE of North Carolina. I yield
to the gentleman from Florida.

Mr. DAVIS of Florida. Mr. Speaker, it
is terribly important that we debate
the facts here, and the fact which has
been stated over and over again, which
has not been rebutted, is that the
House is adopting today a budget that
is $21 billion less than what the Presi-
dent proposed for education. What does
that say about our priorities?

In my home State of Florida and in
many growth States throughout the
country that have many problems in
dealing with the growing problem of
school construction. We need that to
reduce class size so we can return con-
trol of the classroom back to our
teachers.

We are left with having to raise prop-
erty taxes or raise sales taxes that are
much too high in Florida and many
other States. There is a solution at
hand if we will get our priorities
straight. It is the Johnson-Rangel bill
that provides tax credits to school dis-
tressing new schools the right size the
first time, where we can provide Federal
funding to fix that problem.
We are missing a golden opportunity. If we simply will return to where the President was, at least $21 billion higher, we can pay down the debt, we can have a tax cut, but we can get our priorities straight and begin in Florida and nationwide, to fix crumbling classrooms and reduce class sizes.

Mr. PRICE of North Carolina. Mr. Speaker, reclaiming my time, I thank my colleague for underscoring the need to get our kids out of these trailers and into modern effective classrooms where they can learn and where teachers can teach.

Mr. HOLT. Mr. Speaker, will the gentleman yield?

Mr. PRICE of North Carolina. I yield to the gentleman from New Jersey.

Mr. HOLT. Mr. Speaker, I thank the gentleman for yielding and pointing out that each day this debate goes on, education is losing ground. We started off with a number that was not as good as the President had proposed. Now it comes back from conference committee with even less than that. So whether it is Pell Grants or school modernization, we are just not keeping up.

An area that concerns me greatly is teacher recruitment. We need 2.2 million new teachers in the next 10 years just to stay even. Whatever incentives we use to recruit those teachers, whether it is debt forgiveness or other financial aid, it is not here. And we will pay. Schools all across the country will. Mr. PRICE of North Carolina. Mr. Speaker, reclaiming my time, in my State alone we are going to need 80,000 new teachers in the next 10 years. We do not know where those are coming from. The gentleman is correct, this budget has no investment in recruiting and training and improving the preparation of teachers.

Mr. HOLT. Mr. Speaker, if the gentleman will yield further, and for the continuing provision developmental of existing teachers.

Ms. HOOLEY of Oregon. Mr. Speaker, will the gentleman yield?

Mr. PRICE of North Carolina. I yield to the gentlewoman from Oregon, a distinguished member of the Committee on the Budget.

Ms. HOOLEY of Oregon. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, one of the things you do in a budget is you set priorities. That is what a budget is all about. One of the things you do when you set priorities is you put money where you say your priorities are. I mean, we do that in our home budgets; we need to do it in this budget.

Again, this budget has been cut. It is even less than what the President asked for. The President’s budget was inadequate.

We have an opportunity at this time to fund special education. We promised about 26 years ago to our schools and to our children that we would provide up to 10 percent of the funding for special education. We have not done very well. We have only provided 14.9 percent.

This is an opportunity to provide the funding we need for special education, and, in doing that, we help every single child, every single school district. But we need to make sure that our priorities are funded, and this budget does not do that.

Mr. PRICE of North Carolina. Mr. Speaker, reclaiming my time, is it not true that our colleagues in the other body actually put additional funding in the budget for special education, and now as this budget comes back to us, it needs to be scrapped out. Those funds are gone. This is an obligation which our local districts feel very acutely.

Mr. Speaker, without new resources, these crumbling classrooms cannot be repaired, new schools cannot be built, teachers cannot be hired and Pell Grants cannot be increased. We must do better. We must defeat this budget.

Mr. NUSSELE. Mr. Speaker, I yield myself 30 seconds to respond.

Mr. Speaker, if the gentleman was spending that we needed to solve education in this country, the District of Columbia schools would be the best in the Nation. This is not a county sale barn, where we are bidding on a prize heifer. Spending money on education is not the only thing we need to do. I stipulate the fact that you will spend everything you want here. That does not mean it is a responsible budget. We got to have reform. That is what is in this budget.

Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. COLLINS), a distinguished member of the Committee on the Budget.

Mr. COLLINS. Mr. Speaker, the people of the State of Georgia strongly believe that the Federal budget policies should be based on guidelines of limited government, lower taxes, and increased local control of local affairs.

The budget resolution before us today closely follows those guidelines. First, this budget plan establishes a limit on the growth of Federal spending that closely follows the rate of inflation. Second, we provide real reduction in taxes for wage-earners. Third, the budget resolution makes room for future consideration of reform bills such as education reform that will focus on returning more control to the local level.

Mr. Speaker, why is tax reduction important? In developing a budget plan, we must answer the question, what makes up the economy? It is not the government. The Federal Government represents portions of the cash flow of individuals and families.

Mr. Speaker, using our own income by collecting a portion of all private sector earnings. Today, that collection level is excessive. Over the next 10 years, the government will collect from wage-earners over $3.1 trillion more in non-Social Security taxes than it needs to fund the operation of government.

The budget resolution takes a responsible look at the Federal books and recognizes the fact that it is time to slow down the collection of the government cash flow and return those excess funds to the cash flow of individuals and families. In the words of the President, the taxpayers have overpaid their bill; and this budget resolution will provide a refund on their collected earnings that they well deserve.

Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. MENENDEZ).

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, this is the people’s House, not the special interests’ House, not the billionaires’ House, not the oil companies’ House, but the people’s House. The budget we pass tells the people what this House stands for.

The problem is, this Republican budget tells them we want to return to the days of budget-busting deficits and away from investing in our future. This budget shortchanges the agency that keeps our air clean and our water pure, while President Bush gives a free pass to oil and gas companies who want to rob our public lands for private profits; and it raids the Social Security and Medicare trust funds for tax breaks for millionaires while denying many working families even a dime in tax relief.

Budgets represent values. They tell the American people what we stand for. This House must stand for more than just doling out tax breaks to the wealthy. This budget does not represent the values of the American people; it represents the values of a few special interests. It is a sham, it is a disgrace, it is the real atrocity, and it should be defeated.

Mr. NUSSELE. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. CRENshaw), a distinguished member of the committee.

Mr. CRENshaw. Mr. Speaker, I rise today to support this budget resolution, and there are an awful lot of good reasons why we ought to all support it. Again, it lets the taxpayers keep more of what they earn; and it begins to pay down the national debt, a great legacy to our children and our grandchildren. It sets aside Social Security and Medicare to make sure that they are in a lockbox, that they are off the
table. They are going to be there for not only our senior citizens, but for their kids and their grandkids.

But maybe most important about what this budget resolution does is that it recognizes that we need to make America strong and that it is not the case today. We have watched the last 8 years while our military has been hollowed out, overdeployed and underfunded; and this budget eliminates the only way to keep America safe is to keep America strong, and that is not the case today. We have watched the last 8 years while our military has been hollowed out, overdeployed and underfunded; and this budget eliminates the only way to keep America safe is to keep America strong, and that is not the case today.

I say we ought to reject this budget. We cannot protect the American people. We can say we are serious, and the budget itself is an important document.

Mr. Speaker, today I would like to urge my colleagues to vote “no” on H. Con. Res. 83, the conference report on the budget.

As a senior member of the Budget Committee, I take the budget process seriously. If the two pages had not been missing from the budget, this blunder never would have been exposed, and we would not have allowed us to see the reality of this process and what was really being concealed.

Some of us, including me, take the budget process seriously. We consider the federal budget to be an important document that provides for the priorities and needs of the American people. This document should show how the government will support (i.e., defense, prescription drugs for seniors, environment, medicare, social security, education, and agriculture). A serious budget would clearly indicate how we are going pay for these priorities. It would indicate: What are the resources? What are the tax cuts? What are the public programs are reduced? And yes, a serious budget should help pay down the national debt when in surplus, and we do have a surplus. This conference report on this budget resolution fails miserably on being a serious or important document.

Education. The most important and serious priority to American people clearly is education. However, this conference report on the budget does not reflect this commitment. It completely eliminates the $294 billion in education that the Senate approved. In fact, the budget reduces the education budget below the President’s request by $21 billion. We take seriously the commitment and statements of the President, and the majority that “no child should be left behind”. These cuts in education are egregious.

Health. The health needs of American people are also serious. This budget makes a mockery of our commitment to help senior citizens secure prescription drugs and help prevent HIV or care for AIDS patients or respond to other health care needs. Most Members in both Chambers clearly know that it will take at least $300 billion or more for a meaningful prescription drug program. The budget provides $61.4 billion less than the President requested for appropriated health care programs such as Ryan White AIDS treatment grants, maternal and child care grants, the Centers for Disease Control, and the Food and Drug Administration.

National Debt. Instead of paying down the national debt, this budget has left a margin of error so narrow that we very well will raid the Medicare and Medicaid funds in order to pay for the tax cuts as early as next year. Do we really want to be accused of gambling with our nations resources? We are literally betting on our projections and hoping that the numbers turn out right.

This budget is a sham and a farce because they are utilizing the Social Security and Medicare trust funds; the contingency reserve that is spent also diminishes the amount of debt that is reduced by a dollar, plus the cost of interest. This conference report obviously places a low priority on debt reduction. Presuming assumptions and projections provide the conference report would pay about $300 billion less than the amount of debt reduction provided by the House Democratic budget alternative budget resolution. A budget process that would have included Democrats, would have paid for surpluses rather than tapping into the Medicare and Social Security surplus funds.

Tax Cuts. The final budget and tax package calls for tax cuts in the amount of $1.269 trillion for the years 2002 through 2011, and allows for an economic stimulus consisting of $100 billion in outlays that may occur any time from 2001 through 2011. Due to the two pages mission, it was disclosed that the Republicans had stripped $70 billion from the “so called bipartisan deal announced by the President two days earlier—which cut education—the President’s “number one” issue was that to “leave no child behind”.

So if there is just one reason, and again, there is an awful lot of reasons to vote for this budget, but just the reason alone to make America strong is reason enough. I urge adoption of this budget.

Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina (Mrs. CLAYTON).

(Mrs. CLAYTON asked and was given permission to revise and extend her remarks.)

Mr. Speaker, I thank the gentleman for yielding me this time. On behalf of us, including myself, take the budget process seriously; and we also take the budget as an important document.

We consider the Federal budget an important document because it is the document that we use to speak to the needs and the priorities of the American people, whether that is defense, education, Social Security, environment, agriculture, any of these. Also it is an important document because it says where we are getting the resources from, whether it be taxes, will it be trust funds like the Social Security trust fund, or what programs will we reduce. Indeed, it is an important document that when we have a surplus, we should be paying down the debt.

In all of these areas, we indeed do not take the process seriously; but we say that the budget indeed is an important document. The chairman says it is a guide. A guide for what? A guide for new priorities or simply a statement to get it out on the floor?

Mr. Speaker, I say we failed miserably, but in no more important place counting” when considering the contingency reserve fund. This means that every dollar of the contingency reserve that is spent also diminishes the amount of debt that is reduced by a dollar, plus the cost of interest. This conference report obviously places a low priority on debt reduction. Presuming assumptions and projections provided for surpluses rather than tapping into the Medicare and Social Security surplus funds.

Tax Cuts. The final budget and tax package calls for tax cuts in the amount of $1.269 trillion for the years 2002 through 2011, and allows for an economic stimulus consisting of $100 billion in outlays that may occur any time from 2001 through 2011. Due to the two pages mission, it was disclosed that the Republicans had stripped $70 billion from the “so called bipartisan deal announced by the President two days earlier—which cut education—the President’s “number one” issue was that to “leave no child behind”. This ten-year tax cut is larger than the $1.25 trillion cut Republicans publicly accepted earlier this week because of this revenue affects of reduction in the amount of $1.668 trillion.

This budget is a fraud, and an empty shell leaving out inevitable tax cuts and spending proposals publicly announced by the administration and Republican leaders. This agreement does not provide for the funds needed for the administration’s national missile defense proposal or any other increases in the defense budget that may be recommended as a result of the administration review of defense policy and requirements. Nor, does it include almost $1.0 trillion in tax cuts beyond the $1.35 trillion reconciled, including terms left out of reconciliation and proposals like the $300 billion to fix the AMT, extension of the R&D credit, a variety of health-related tax cuts, the Portman-Cardin pension/IRA bill that the House passed, a capital gains tax cut and small business tax cuts that Republicans want to pass with an increase in minimum wage. Last week’s budget faux pas was an attempt at procedurally rushing through a dishonest agreement backfired and allowed the American people to at least examine the conference agreement to uncover its many flaws. Repeating the mistakes of the past would be foolish for the party that won the presidency by a comet outcome of increasing the public debt and threatening a deficit.

To pass this budget means breaking our commitments to our senior citizens by robbing the Social Security and Medicare trust funds; denying our youth and children the best educational opportunities possible; and depriving the poor the money and resources needed to provide for their welfare.
We must make hard choices about how to allocate the resources of the American people. We need a conference agreement, that provides sensible tax relief for all Americans, pays down the national debt, and adopts the priorities of the American people. My fellow colleagues, I vote no to vote "no go." The conference report on H. Con. Res. 83. It is not the right decision for most Americans, and we will all pay a dear price if it is passed.

Mr. NUSSLE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Kentucky (Mr. FLETCHER), a member of the committee.

Mr. FLETCHER. Mr. Speaker, I thank the gentleman for yielding me this time.

I appreciate the opportunity to rise and speak in support of this conference committee, the budget conference committee. As we can see, it helps us set the priority of paying down the national debt at record levels to ensure that we do not leave our grandchildren and children in debt.

Tax relief for every taxpayer. Improved education. It gives us the opportunity to not just put more money into education, but actually make some structural changes that will improve the education for our children. Stronger and better health care reform and modernization of Medicare, with up to $300 billion for Medicare reform, including prescription drugs which is needed for our seniors.

Last year, in the House, we passed the first budgetary bill for our seniors out of this House, and we are going to continue to work to make sure that happens so that no senior has to choose between their food and medicine. We are going to save Social Security in the sense that we are setting aside Social Security and Medicare and making sure we are keeping that in a lockbox.

The other side talks a lot about putting more money into priorities. What does that do? We have held the spending at 4 percent. They would like to increase it 5, 6, 8 percent, we have heard, depending on who speaks. What is that? Now we have heard they want tax relief; but let me tell my colleagues, any increase in spending as it goes above inflation is a tax on the next generation, because that becomes the baseline for next year.

We have all heard in our accounts of compound interest and how that works, how we can double our money over a period of years. Well, what I call the increased spending above inflation, that the other side would like to do is compound tax payment on our children and grandchildren, because we require future revenues to be increased in a compounded way to increase the spending, or to fund the increased spending that they want every year.

Mr. Speaker, that is not good for America, it is not good for our children, and it is certainly not the kind of tax relief and freedom that we need to return to our American families.

Mr. SPRATT. Mr. Speaker, I would say to the gentleman that there is no money set aside in this budget for Social Security and Medicare, except for the money that is set aside for a prescription drug benefit, but not to make the program solvent; and there is certainly no lockbox. It is not in this bill at all.

Mr. Speaker, I rise 1 minute to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. Mr. Speaker, I rise in opposition to this budget. It has a lot to do with philosophical issues, but it really has a lot more to do with telling the truth to the American public.

The budget that we passed out of committee, though I disagree with many philosophical issues, at least told the American public where we stood. The budget we are about to vote on today does not, and it does not because at the end of the budget, there is something I have never seen before, a negative slush fund of $37 billion because we could not get it all in. We could not make the numbers add up. What that will do is lock back hear on this year to straighten these numbers out.

This is the first time I believe that we have heard before a lot of talk about the President's budget we had a Democratic President and a Republican House being dead on arrival. This budget is dead on exit. We will be back in the fall to straighten it all out. The numbers will be meaningless, and we will be back here arguing about what the numbers mean. It is a question of the philosophical arguments. We will be back in the fall; we will be telling the people the truth about how much money we put into education and research and the defense department. Right now, no one can answer those questions.

Mr. NUSSLE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Mr. Speaker, as we can see, Washington hates to change, and this Congress and this President is intent on making Washington change the way it works. Look at its impact on the American people today. Tax Freedom Day just occurred May 3. That means for most of our families, we have worked from New Year's Day to May 3, just recently, just to pay our State and local and Federal taxes. That is the highest, that is the longest date ever; and that means that for some families, because they are not working for ourselves until the fifth month, we pay more in taxes than if we put our house payments, all of our groceries and our clothing together. We pay more than that in taxes. No wonder it is hard for families to make ends meet.

We wonder, how much of the money we send here actually gets to the people who really need it. Washington recently has funded, and we have read about it, we funded $1 million that the Park Service used to build a two-hole outhouse. We spend $5 billion a year to help salmon swim upstream. In fact, we spend so much we could buy each of those fish a first-class ticket on a plane, fly them to the top of the river and save money doing it. Not only that, we paid one group $350,000 a year to kill the same salmon. We waste dollars up here day and night.

Tax relief that grows as we pay off the debt and as our surplus grows, tax relief grows. This President is intent on helping education between the teacher and the student and the student and the parent where it really counts. Washington needs to change, and this budget and this President is intent on doing it.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman for yielding me this time.

Finally, for Federal employees, how do we take $497.6 billion out of their paychecks, promise to set it aside for our military retirees, but spend every penny of it on other things, how can we say we have a surplus? How can a Nation that has taken $255.5 billion of people's tax dollars, promised to spend it towards Medicare and spent it on other things, and tell people we have a surplus? How can a Nation that has taken $160.5 billion out of the military budget over the past 15 years, set it aside with the promise that we are going to spend it on our military retirees, but spend every penny of it on other things, how do we have a surplus? How can we say we have a surplus? How can we say we are taking care of national defense?
Mr. NUSSELLE. Mr. Speaker, I yield 21⁄2 minutes to the distinguished gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from Iowa (Mr. NUSSLE) for yielding the time to me.

Mr. Speaker, I want to say to the gentleman from Mississippi (Mr. TAYLOR), my good friend, that I agree that under the Clinton administration in the last 8 years, a lot of these things have in fact been dev- astated by the military spending, shipbuilding programs and so forth, but we are going to rebulc some of these things through a very smart budget.

The way we are going to do this is we are going to first put our priorities on top. Social Security, Medicare, edu- cation. Then we are going to take care of the normal functions of government, our obligations for roads and bridges, and for all of the departments, Na- tional Parks and Fish and Wildlife. Then what we are going to do is pay down the public debt to a zero level, which I think is extremely important. Then we get to your amount.

Mr. Speaker, let me explain it to my colleagues this way: In Johnson High School, Savannah, Georgia, a couple months back, I was speaking to a group of seniors, and I asked them, how many of you have a job? Sitting in the front row, a blonde-haired Julie Lawhon said, I have a job. Julie, how much do you make? Seven dollars an hour. Seven dollars an hour? Then if you work for 2 hours, you made $14, right? No, sir. Obviously, you have not had a job; I only get to take home about $11.

Oh, where does the rest go, little 17- year-old, Julie? It goes to taxes. Okay, let us talk about that, the $4 that you pay on your $7 an hour in taxes for 2 hours, the $4 an hour my friends in Washington take and we pay for education, we pay for roads, we pay for health care. You do not begrudge that, do you? You know those func- tions are needed. She said, yes.

Well, Julie, what if you found out I do not need $4, that my friends and I can do all of this great stuff for $3.75, what would you do with the extra quar- ter? Seventeen-year-old blonde-haired Julie Lawhon, Savannah, Georgia, says, give it back to me, it is my 25 cents.

That is all we are doing. God bless Julie Lawhon, the 17-year-old high school student. God bless the children of the next generation, because they get it.

Mr. Speaker, I am on bended knee, begging my colleagues across the aisle to get it as well. It is their money. It does not belong to one single person in here. It belongs to the taxpayers. Let us return the overcharge back to those who own it.

Mr. SPRATT. Mr. Speaker, I yield 21⁄2 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I heard the gentleman from Georgia (Mr. KINGSTON), my friend: Let us not give them 25 cents back and add 75 percent to their debt. That is what the gentleman from Mississippi said.

Mr. Speaker, our Republican friends have turned the national budget resolution into a rite of spring.

Remember what the Washington Post said last year? The Republicans seek not to just cut taxes but to increase de- fense and selected other categories of spending with the appearance of fiscal discipline.

Does that sound familiar?
The year before that, The New York Times said the Republican Congress- ional leadership appears to prefer radical tax and spending cuts to reasoned accommodation on the budget.
The tone may be different, but the substance is not.

Three years ago, of course, the ma- jority plumbed the depths of budgetary gridlock and could not even pass a budg- et resolution.

Mr. Speaker, to that poor soul who accidentally lost two pages in the budget resolution on the way to the House floor early last Friday, let me say, do not worry about it.

Mr. Speaker, that oversight is just a tiny blip on a fiscal radar screen, full, frankly, of Republican pretense.

The substance of this budget resolu- tion is shameless. It is not a plan for our future. It is a stalking horse for Repub- lican tax cuts that would mainly benefit the wealthy.

I am for a tax cut, a tax cut that is responsible and will fit defense and do- mestic discretionary spending and will help pay down the debt and save Social Security and Medicare.

Who would bear the brunt of the pro- posed spending cuts? The millions of Americans with no health insurance; the kids who go to school in crumbling buildings; the older Americans in terms of any increases; the seniors who cannot afford prescription drugs not provided for.

My colleagues are either going to steal from Medicare, from Peter and Paul, but neither Peter nor Paul are going to be able to be funded. Meanwhile, the President is pushing a missile defense system. It may be a good policy. He has no idea how to fund it, no idea how to pay for it.

He is pushing a plan to privatize Social Security, no idea and no plan in this budget how to pay for it; unless that is, of course, we continue to plan on raiding the Social Security surplus.

This budget resolution is not real any more than last year’s, the year be- fore, or the year before that. The chair of the Committee on Appropriations in the other body thinks that as well. He is a member of the party of the gen- tleman from Iowa (Mr. NUSSLE), not mine.

Mr. Speaker, we ought to reject this budget resolution. We ought to go back and do some real work for real Ameri- cans for a real future.

Mr. NUSSELLE. Mr. Speaker, the Chair- man of our Committee on Appropria- tions thinks it is a real number.

Mr. Speaker, I yield 21⁄2 minutes to the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Speaker, the chairman of our Committee on Appropriations thinks it is a real number.

Mr. Speaker, we ought to reject this budget resolution. We ought to go back and do some real work for real Ameri- cans for a real future.
Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey, Mr. ANDREWS.

Mr. ANDREWS. Mr. Speaker, I thank the gentleman from South Carolina for yielding me this time.

Mr. Speaker, the choice before us today is whether we choose the future or the present. In the present, the smart political thing to do is go home and tell everyone you cut their taxes. People like to hear that. It makes for good political patter.

But the future demands that we do something very different. It demands that we relieve our children of the $5 trillion debt that we have placed upon them. A family would never make the choice the majority is about to make. When a family has some excess income and a huge debt, they would pay off that debt, not pass it on to their children. So should we. The appropriate way to prepare for the future is not to put off the budget resolution before us because unlike the Democratic plan, it does not pay down the debt.

Mr. NUSSLE. Mr. Speaker, I yield 2 minutes to the gentleman from California, Mr. GARY G. MILLER, a distinguished member of the committee.

Mr. GARY G. MILLER of California. Mr. Speaker, I thank the gentleman from Iowa (Chairman NUSSLE) for this time.

Mr. Speaker, I thank the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on Appropriations, for bringing this budget resolution to the House and the Congress. He has done a great job, and I encourage the Members to support this budget resolution.

Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Speaker, I yield 11 minutes to the distinguished gentleman from South Carolina (Mr. BROWN), a member of the Committee on the Budget.

Mr. BROWN of South Carolina. Mr. Speaker, today we declare victory for every taxpayer in America. Finally, a tax refund is on the way. The government has overcharged the American people, and it is time to return their money.

This budget will provide long-term tax relief of $1.35 trillion over the next 11 years. This includes an immediate, much-needed hundred billion dollars this year.

When Americans have more money in their pockets, the Nation’s economy will benefit.

This agreement on the budget resolution between the House and the Senate will put historic $2.4 trillion on the debt by 2011, which is the maximum that can be repaid without penalty. This, too, will benefit our economy by lowering interest rates.

Do not be misled by political rhetoric. Let us look at the facts and support this budget resolution. This budget is good for America and a victory for the taxpayers of this great Nation.

Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, we are all entitled to our own opinion but not to our own set of facts. The fact is, contrary to what the gentleman from Georgia (Mr. KINGSTON) said earlier, it was not President Clinton that cut the shipbuilding program, it was actually President Bush that first did that. I want to clear that up for the RECORD. The facts will bear that out.

Secord. All right. Mr. Speaker, this budget is contrary to what Congress voted on this year and last year. This budget spends about $300 billion of obligated Medicare trust funds to help pay for the tax cut and to help provide some sort of prescription drug component and some form of Medicare reform, whatever that may be.

In fact, in the budget there is no specific reconciliation instruction telling the committees to report a prescription component to the full House or the full Senate. So we do not know if there is going to be a prescription drug program or not.

I would urge the Members to vote down this budget, let us write a real bipartisan budget as opposed to one that abandons our bipartisan commitments.

Mr. NUSSLE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from South Carolina (Mr. BROWN), a member of the Committee on the Budget.

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Do not be misled by political rhetoric. Let us look at the facts and support this budget resolution. This budget is good for America and a victory for the taxpayers of this great Nation.

Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I want to compliment the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on Appropriations, Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on Appropriations, Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on Appropriations, for having done an outstanding job, in my opinion, of bringing this budget resolution through the process. That job is not always easy.

I would like the Members to know that the Committee on the Budget and the Committee on Appropriations probably has a better relationship and better communication between each other this year than we have had in a long, long time.

I want to say, in the few remaining seconds, that this is a good budget. There are those who think that it does not spend enough money. But there are always Members in Congress who think budgets do not spend enough money. There are also those who think it spends too much. Somewhere in between is where we ought to be; and that is where we are today, somewhere in between.

I would remind my colleagues that this budget provides for $60 billion more than we had last year at this same point in the process. So for those who think it is not enough money, understand, there is $60 billion more than we started with last year.

So I commend this budget resolution to the Members. I encourage the Members to know that there are 61 working days basically left before the end of the fiscal year. We have 52 specific appropriations events that must take place in that 61-day period. None of them can take place at the same time. Fifty-two events for events that all have to have their own block of time.

So we need to pass this resolution today. The 302(b) process is next. Then we will start bringing appropriations bills to the floor. Again, I compliment the gentleman from Iowa (Mr. NUSSLE). He has done a really great job, and I encourage the Members to support this budget resolution.

Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey, Mr. ANDREWS.

Mr. ANDREWS. Mr. Speaker, I thank the gentleman from South Carolina for yielding me this time.

Mr. Speaker, the choice before us today is whether we choose the future or the present. In the present, the smart political thing to do is go home and tell everyone you cut their taxes. People like to hear that. It makes for good political patter.

But the future demands that we do something very different. It demands that we relieve our children of the $5 trillion debt that we have placed upon them. A family would never make the choice the majority is about to make. When a family has some excess income and a huge debt, they would pay off that debt, not pass it on to their children. So should we. The appropriate way to prepare for the future is not to put off the budget resolution before us because unlike the Democratic plan, it does not pay down the debt.

Mr. NUSSLE. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. GARY G. MILLER), a distinguished member of the committee.

Mr. GARY G. MILLER of California. Mr. Speaker, I thank the gentleman from Iowa (Chairman NUSSLE) for this time, and it is a fine job he has done thus far.

The Members on the Democratic aisle talked about telling the truth. Let us tell the truth. Last year, Republicans proposed a $373 billion tax cut for the American people, and they did not support it. In fact, the President vetoed it, and they upheld his veto.

Then they held the budget up till December. Why? Because they wanted to spend more money, and we did. Shamelessly, we did. And that spending increased alone will add up to $572 billion over 10 years. They have no problem spending $572 billion of the people’s money, but they could not give those same people the $373 billion tax cut.
On average, since 1990, the Federal revenues have grown 9.1 percent each and every year on average. How many of you at home got a 9.1 percent increase in pay every year since 1990? Nobody I know of.

My colleagues on that side of the aisle talk about cutting education. The fact is, read the budget. We are spending 11.5 percent more this year on education than we did last year. How many of you at home got an 11.5 percent increase in pay this year? Nobody I know.

Every time we set aside funds, the problem is my colleagues do not want to give them back to the people. They want to spend those dollars. We are paying down 100 percent of the debt that we can pay down over 10 years. We can pay no more than is due. We are saying we are going to set aside 100 percent of the Social Security money. The President proposed to set an additional $300 billion aside to reform Medicare and prescription drugs; yet my colleagues say we are not dealing with the problem.

Those dollars they want to feed the cow. We tell the cow owner that he deserves more of the revenue from the milk coming from that cow.

The problem is we are never going to agree. The facts are very clear. They are in the record as far as the tax cut last year. They are in the record as far as the tax cut this year.

We can afford it. The American people earned these dollars. They deserve to spend their dollars. We talk about it all the time. Why do we not let the American family keep more of their hard-earned money so they can provide for their children. They know the needs of their children. We do not. Mr. NUGSSE. Mr. Speaker, we have, as I understand it, 2 minutes remaining on our side; and we will close with that, I would just inform the gentleman from South Carolina (Mr. SPRATT). The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from South Carolina (Mr. SPRATT) has 6 minutes remaining.

Mr. SPRATT. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I would say to the gentleman from California (Mr. GARY MILLER) who just spoke that it is as a matter of record we overspent the President’s request last year. While there were some things the President got that he did not want, he wanted to give him before the negotiations began, we were already beyond the President’s request for spending, and we added $4 billion among other things to his request for national defense.

We added a huge sum to transportation precipitated by the Speaker’s request that we take care of Chicago’s mass transit. So there was a mutual effort to add to spending last year. We ought to really come clean and say we all were part of that process last year, the President, the Congress on both sides of the aisle.

Let me direct our attention to this budget. I have said from the start that my concern with this budget is, first of all, it is a watershed budget. It will affect what we do, not just in 2002, it will frame what we can do for the next 10 years, because we are making fundamental watershed decisions in this budget.

In dealing with a budget of that gravity, that importance, the numbers ought to be real. I am not worried about a couple of missing pages. I am worried about the numbers and the reality of what we do not think are real. Let me tell my colleagues which ones.

First of all, defense spending, the largest account in the budget other than Social Security, the largest appropriation bill that we handle on the floor every year. $325 billion is a number inserted for defense spending in the year 2002. But we all know that is not the number. That is the Clinton-coined budget number placeholder.

We also all know that Mr. Rumsfeld has been working for months now behind closed doors, 18 different committees, making a comprehensive review of our national security requirements. We have seen months in all kinds of publications and some directly from him by way of television, indicating that his request will be substantial. I mean 2 to $400 billion a year over the period that we are talking about at least in the way of an increase in defense spending over and above what this budget provides. That is why the defense number is patently unreal.

In fact, we have given the chairman of this committee unprecedented unilateral authority, once he gets the numbers from Mr. Rumsfeld, without consulting with anybody else, to come over and adjust the allocation to defense by up to $400 billion.

I cannot regard the kind of authority like that that we have given any single individual before, but that shows us we explicitly recognize in this budget that the defense number is not a real number. It will be jacked up considerably before this fiscal year is over.

Emergency spending. To his credit, the gentleman from Iowa (Mr. NUGSSE) tried to deal with this spending. He tried to put it in the budget because, historically, we know from experience every year we have emergencies. Hurricanes, tornados, you name it; we have them. And we pay for it out of this budget through FEMA.

The gentleman from Iowa (Mr. NUGSSE) provided $5.6 billion after a tussle with the appropriators that was taken out. Which is what back, that is $60 billion that is not in the budget but ought to be provided in the budget.

Discretionary spending. This budget purports to have a tight limit, a tight tether on discretionary spending. In the outyears, 2003 to 2011, the purported rate of increase is 2.6 percent. That is not even inflation. Over a 10-year period of time, for nondefense discretionary, this provides less than inflation, $50 billion less than inflation.

Now, that is a tough challenge to the appropriators at a time when we have a massive surplus. It used to be we could say we have got this deficit, and you could deter people from pushing their request. But with this huge surplus, it is a lot tougher to beat back the people who want to add this and add the other.

Does one think that we are going to hold discretionary spending to 2.6 percent over the period that we are taking the budget and favoring things like transportation? We have allowed transportation a special niche in the budget, giving them substantially more than inflation. We have allowed NIH and other favored activities like that a much bigger than inflationary increase. When we allow those favored programs their extra share of the budget, it means we have got to cut everything else.

That is the reason, Mr. Speaker, when you look at this budget, we should realize that all the numbers down to function 920 called allowances are not real. If we look at function 920, we will see a number called $67 billion. That is $67 billion in unspecified cuts.

The conference labored hard to come to a final conclusion, but they effectively threw in the towel. What they effectively adopted as the spending level for every function was just an inflationary rate of increase.

My colleagues know and I know that is not the way the appropriations process works. But if they cannot resolve at the function level where the cuts are going to hit, how in the world will we resolve it and bring in total spending at a 2.6 percent rate of increase for 10 years? I do not believe it will happen. I do not believe that is a real number. Function 920 is the ultimate tip-off.

Finally, Mr. Speaker, I do not believe that the tax cuts are real. As soon as the compromise at $1.35 trillion for tax reduction over 10 years, as soon as it was announced, Senator LOTT said there are other ways to do tax cuts. This is round one.

Secretary O’Neill was on the Hill. He testified that this is more of a floor than a ceiling, that there are other ways to skinn this cat and provide additional tax relief. Look at what is on the cutting room floor. Once we trim this $1.6 trillion request to $1.3 trillion tax cut bill, it will have to be increased.

Look at the charts and realize that the bottom line here will soon be gone. It puts the bottom line in jeopardy.

Two numbers I would say to my colleagues. $342 billion invasion of Medicare. $255 billion invasion of Social Security is the arithmetic. That is where this budget leads us.

Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, this is an opportunity to vote for either excuses or opportunities. That is what we are faced with...
here today. First the excuses: “we cannot,” “we should not,” “it will not work.” Those are the excuses.

The excuses have been going on for years why we cannot return the tax surplus to the American people. First is do not cut taxes until we balance the budget. We balanced the budget. Then it was do not cut taxes until we have saved Social Security. We have saved all of Social Security. Then it was do not cut taxes until the Medicare trust fund is set aside. We set aside the Medicare trust fund.

There was still money left over, but they said do not do it until you significantly increase spending. We increased spending for important priorities. They say do not cut taxes because it is the wrong time. Then it was the wrong way. Then it was the wrong process. Then they said it was too big.

Today there has even been Members who have come to the floor and have suggested that the tax cut will not work because it is too small.

Now, look, we have all heard the story about the three bears and the excuses. The excuses stop today with a budget that provides for opportunities: the fifth balanced budget in a row, maximum debt relief of $2.4 trillion, saves Social Security, provides for a Medicare surplus for modernization, budgets for Americans priorities at 4 percent for education, 11.5 percent increase. Agriculture is increased. Defense is increased. Veterans priorities are maintained. The National Institutes of Health, the largest increase in history. There is still money left over.

It is at that time that we have to recognize who does this money belong to. It is the American people. The budget that they negotiate around their kitchen table is more important than the Federal budget. So let us stop making excuses about the Federal budget. Let us recognize where those tax dollars come from and take the opportunity to provide tax relief for the American people. Vote for a budget of opportunities. Vote for the conference report.

Mr. UDALL of Colorado. Mr. Speaker, when we first debated this budget resolution in the House, I opposed it because I thought it would risk the opportunities of the future on the outcome of a riverboat gamble.

The original resolution was based entirely on a long-range forecast about the economy—a forecast that the good economic weather and budget surpluses for a full decade ahead. How prudent is that? If you want to know, ask any rancher in Colorado, or anyone who watches for fires in our forests, or anybody who has watched the stock market lately.

They will tell you how risky it can be to be too much depending on the weather or the economy for one year, let alone for a decade.

The original resolution ran the risk of shortening the solvency of Social Security and Medicare, while neglecting other important needs in order to pay for the President’s tax plan. This would not have done enough to reduce the publicly held debt and would have shortchanged education, seniors, research, and the environment.

I had hoped that after the Senate considered the resolution and there had been a conference between the two bodies, it would improve.

Unfortunately, that hasn’t happened—in fact, in some important ways the conference report is not even what the original resolution passed by the House.

It’s still a gamble, all right. But while the original resolution was like a high-stakes poker game on a riverboat, this conference report makes me think of a rigged roulette wheel in a mining town gambling hall—complete with the false front.

On the gambling hall, the false front gave the illusion of a fully-sized building, concealing the incomplete structure that lay behind.

Here, the label on this conference report conceals what is not in the conference report. It conceals that the conference report doesn’t include a way to pay for a realistic Medicare prescription drug benefit. It conceals that the conference report doesn’t include enough for education. It conceals that the conference report doesn’t include enough for scientific research. It conceals that the conference report wouldn’t do enough to reduce our debt.

And, like the false front on the gambling hall, the “balanced budget” label on this conference report conceals the real game here.

That game is to get the President’s tax plan over to the Senate under rules that will shorten the time for debate and that will make it harder to make adjustments so it would be less of a gamble with our fiscal future.

Once that has been done, I expect that this unrealistic budget has served its purpose—and I am tempted to hope it will then be discovered to be a fake front. I would like to think that its false front will be replaced by a sounder structure that will accommodate doing what should be done to bolster Social Security and Medicare and to make needed investments in education, health, and other vital needs.

But banking the budget to become another gamble—and I am afraid that the odds are not very good. What is much more likely—almost a sure thing, in fact—is that the imbalance will be made worse when the Administration completes its defense-policy review and seeks increases in defense spending that are not accounted for in this budget.

What will be the result when that happens—as I expect it will? What will result when Congress acts to relieve middle-class families from the problem of the Alternative Minimum Tax—as it defines it as good? And what will result when Congress extends other tax provisions, like the credits for research and development—as it should?

The answer is that the approach of this budget will lead us to further weaken Medicare and fail further short of meeting the test of fiscal responsibility.

I do not want to play that game. And so I cannot support this conference report.

Mr. COYNE. Mr. Speaker, I rise in opposition to the report to the conference report on the fiscal year 2002 budget resolution.

The compromise that was crafted in conference and in consultation with the White House—and finished, apparently, just hours ago—suffers from the same failings as the budget resolution passed by the House in March.

The conference report on the budget resolution calls for an irresponsible $1.25 trillion tax cut over the next ten years, and a number of Republican Representatives and Senators have already expressed an interest in enacting additional tax cuts. How can the members of the House Majority in good conscience pass a budget that they have no intention of following? We shouldn’t be surprised—we’ve seen the same actions, the same actions, the same actions, the same actions.

The unrealistic tax cuts are only one of the problems with this budget. Unrealistic spending levels are another. The discretionary spending levels specified in the conference report are, I believe, inadequate to address the most pressing challenges facing this nation over the next ten years. Moreover, if previous years are an indication, many members of the House Majority want higher appropriations levels as well. This budget plan does not include the additional discretionary spending that would be needed for President Bush’s proposed ballistic missile defense system, nor does it include the increased defense spending that the President will probably request once Secretary Rumsfeld completes his review of our current defense policies. It doesn’t do enough for education, nor does it provide enough money to enact a decent Medicare prescription drug benefit or address the problems of Americans without any health insurance.

What is more troubling is the fact that under this budget plan, Congress would most likely be forced to dip into the Medicare surplus in order to pay for the tax cuts and new spending that we can already anticipate. Throwing fiscal caution to the wind is not my idea of conservative government.

And finally, and the most troubling of all, I am concerned that this budget plan leaves no room for error or unanticipated bad news. If some of the projected surpluses fail to materialize over the next ten years, the federal government could easily start running deficits again—or dipping into the Social Security Trust Fund.

I’d like to see the House’s so-called conservatives show a little more interest in responsible fiscal policy. I will oppose this conference report, and I urge my colleagues to do the same.

Ms. LEE. Mr. Speaker, I rise in opposition to this budget which shamefully does not fund education, health care, and housing programs that this country so desperately needs. The meager 3.6 percent increase in this budget’s education funds is simply not enough to modernize our crumbling schools and institute programs to retain teachers and improve student aptitude nationwide. There is simply not enough money in the budget to fund the education rhetoric coming from the Administration.

The basis of this budget is a massive tax cut that does not come for free. It has a price. In my district in Alameda County, California we are having an affordable housing crisis at all income levels but particularly affecting low and moderate income people. To pay for this tax cut we will cut 1.7 billion in real dollars from the federal housing budget, including cuts to the drug elimination program, the community development block grant, and empowerment zone funding.

We are also having a health care crisis in this country. Many of us have been pushing for a Medicare prescription drug plan for our seniors who cannot afford costly drugs. Because of this tax cut our seniors will continue
to pay the highest cost for drugs among developed nations. This is the cost of the Bush tax cut.

This budget eliminates the COPS program which practically any law enforcement official will tell you made our streets safer and crime go down in every but past several years. Another cost of the Republican tax cut.

A vote for this budget and the Bush Administration’s mega tax cut is a vote against most Americans and their rights to decent shelter, healthcare and safety. I urge my colleagues to vote “no” on this budget.

Ms. McCOLLUM. Mr. Speaker, as Democrats and Republicans it is our job to work together on a budget that reflects the issues that the voters sent us all to Congress to address. The nation’s priorities are clear. Americans want a balanced federal budget that meets our health, education, retirement and infrastructure needs while paying down our national debt and providing for a reasonable tax cut.

Unfortunately, the Republican budget abandons the fiscal responsibility that has resulted in the lower budget deficits we are presently enjoying. The sum of the Republican tax cuts reach almost $2 trillion and are completely based on a projection for surpluses that may or may not materialize over the next ten years. I support responsible tax cuts that are targeted to working families and ensure our seniors will continue to have Medicare security.

In fact, the Republicans controlling Congress spend more on tax cuts for the wealthiest one percent of Americans than they spend on every other need in this budget. Worst of all, the Republican budget uses Medicare and Social Security Trust Funds to finance other programs that are being raided if the projected surpluses are not realized.

Today’s budget resolution shortchanges education and provides even less money than the President asked for in his budget plan. It threatens Medicare by raiding the trust fund, jeopardizing the benefits to which seniors are now entitled and does not guarantee that any portion will go toward a prescription drug benefit. In addition, it cuts back on energy programs that we should be strengthening to help our country deal with the energy crisis and cope with sky-high prices.

This budget resolution should balance all of our priorities—from the need for tax cuts to investments in public schools, our national defense to prescription drugs. Most of all, America’s budget should do nothing to break faith with the millions of seniors who rely on Social Security and Medicare.

Mr. STARK. Mr. Speaker, I rise in strong opposition to the Budget Resolution Conference Report presented to us today. That opposition is based on the substance of the budget as well as the tactics used by the Republican majority to force this bill to the floor of the House of Representatives with no input from those of us on the Democratic side of the aisle.

I guess it doesn’t matter that Democrats have not had real input into the budget process because the overall document is a sham anyway. It does not reflect the total cost of the tax cuts that Republicans plan to pursue this year. Nor does it reflect the total defense spending increases that will become law before this year is over. And, the budget resolution still fails to account for additional cuts that will have to occur in many domestic programs in order to make room for the bloated tax cut and defense spending increases. Finally, it fails to protect Medicare and Social Security and falls far short of guaranteeing the funds necessary to add a prescription drug benefit to Medicare.

On the tax cut front, the House has already passed tax legislation for more than $1.5 trillion. That is more than this budget resolution would even allow. Yet, the House-passed bills and this budget resolution still fail to address many tax issues that we know will be included before the year is over. Such tax changes include: a business tax package that could ultimately result in to increase the minimum wage, tax extenders like the Research and Development Tax Credit, adjustments to the Alternative Minimum Tax, and various tax incentives for health care and education.

I applaud my Senate colleagues for fighting to lower the amount of dollars dedicated to tax cuts in this budget resolution conference report from the $1.6 trillion requested by the President to approximately $1.215 trillion (and the $100 billion stimulus package for fiscal years 2002 and 2003) is unreasonably high, and that appreciation is strongly damped by the reality that even $1.25 trillion is too high and the tax cut number in this budget resolution is going to grow still larger. We will surpass these dollar limitations for tax cuts; in fact, we already have. We need to do it in a more reasonable way than one when we are forced to reduce expenditures in vital domestic programs that mean much more to a wider array of Americans than the tax cuts ever will.

We can and should be increasing our investment in education, President Bush has made education one of his highest rhetorical priorities, but rhetoric alone won’t fund education improvements. This budget fails to follow through with the resources necessary to make great strides on education.

My colleagues in the Senate were able to dramatically increase funding for education by $294 billion in their version of the budget resolution. This conference report strips those increases from the package. The total funding level for education in this budget conference report is even less than the amount the President requested and the House approved this past March! That’s moving backward on education—not forward.

This budget puts at risk the Medicare and Social Security Trust Funds to finance other expensive components of this package. In 2011, the baby boom generation will start to become eligible for Medicare benefits. That begins a major demographic shift with far fewer workers supporting far greater numbers of seniors on Medicare. Today the ratio is approximately one worker to one Medicare beneficiary. According to the Medicare actuary, that number is predicted to drop to about 2.1 workers per beneficiary by 2029. All of this cries out for protecting every cent that we have in the Medicare Trust Fund and making changes to law to ensure that more funds go into the Trust Fund in the future. But, the budget before us does the opposite. It raids the Medicare Trust Fund to fund an inadequate prescription drug benefit and makes the Medicare Trust Fund vulnerable for raiding for other purposes as well.

Make no mistake about it. The dollars diverted from the Medicare Trust Fund in the budget before us today will never be returned to the Trust Fund. They are being spent elsewhere. That means that there are fewer resources dedicated to Medicare’s future. We are robbing Peter to pay Paul. No ifs, ands, or buts about it.

It is past time for us to add a prescription drug benefit to Medicare. None of us would join a health insurance plan that didn’t include prescription drug coverage. This budget does not cover these necessary medical costs. The Congressional Budget Office estimates that Medicare beneficiaries will spend $1.5 trillion on prescription drugs over the next ten years. Instead of using a portion of the surplus to add meaningful coverage, this budget resolution presents a Hobson’s choice between covering prescription drugs or assuring available funds for future hospital, home health and nursing home services that are already covered. It divertis needed dollars from the Medicare surplus into an account that is labeled by the Majority for use on prescription drug coverage and so-called “modernization.”

I opposed the earlier House-passed budget for the same reasons that I am opposing this budget resolution conference report before us today. This version still fails to appropriately address the needs of the disabled and put us back in the economic ditch that the Reagan tax package created in the 1980s, and from which we only recently emerged.

During this time of unprecedented surplus, we should be shoring up the federal programs on which people rely, we should be increasing our investment in education, we should be improving the quality and availability of child care in our nation, we should be covering prescription drugs through Medicare, and doing much, much more. Instead, this budget squanders projected resources on tax cuts that disproportionally benefit the most well-off and puts at risk our ability to finance important government priorities now and in the future. I urge my colleagues to vote no on the budget resolution conference report before us.

Ms. HARMAN. Mr. Speaker, I strongly oppose the budget resolution conference report. It is not a fiscally responsible report. It does not spend our surplus wisely nor make any additional reductions in the public debt. Instead, it sets out a course that may well result in huge deficits by the end of the 10–11 year period.

When I was first elected to Congress in 1992, the annual federal budget deficit was close to $300 billion. But I joined many of my colleagues in making the hard-fought and difficult deficit cutting votes of the 1990s. I voted for the 1993 budget, Penny-Kasich, constitutional amendments to balance the budget and to limit tax increases. And I voted for the 1997 Balanced Budget Act, which finally produced the first federal surpluses in a generation.

The budget before us could well restore that $300 billion annual deficit by 2011, undoing everything I fought for.

It could return us to raiding the Social Security and Medicare trust funds—despite this chamber’s repeated promise not to do so.

And the budget retreats from making needed investments in our citizens. For example, it eliminates 98 percent of the increase proposed in the Senate’s budget for special education—a program of huge importance to educators in my district and elsewhere.

The budget before us has accounting margins so precarious that any small bump in the economy will result in a deficit. It spends, for
example, all but $1 billion of the FY01 $96 billion surplus. That surplus, however, was estimated in January—before the downturn in the economy and the freefall of the stock market.

Mr. Speaker, a fiscally responsible budget should meet our nation’s investment needs while leaving the surplus to reduce the national debt and enact responsible and affordable tax cuts. The framework I support—fashioned by the Blue Dogs—would allocate the surplus 50%—25%—25% across these three budget categories.

Most important, the Blue Dog framework earmarks half of the surplus to reducing the debt—the policy most preferred by my constituents and most Americans.

The budget before us has none of these characteristics. It is imbalanced in its priorities, and predicated on budget surplus numbers that are ephemeral at best and illusory at worst.

My constituents deserve better.

Mr. BENTSEN. Mr. Speaker, I rise in opposition to H. Con. Res. 83, the conference report to the Fiscal Year 2001 Budget Resolution. The document before us is sham which purports to set spending and tax policy for the next fiscal year, as well as important parameters for the next ten years when, in fact, this is a highly flawed budget that is destined to fail when it is adopted to become law. As the majority has been pledged to do. Mr. Speaker, we are here for the conference report to the Fiscal Year 2001 Budget. This flawed law will put us on the path back to the budgetary turmoil of the late 1980s and early 1990’s to make room for the President’s tax cuts.

The Republican Majority knows that their appetites for tax cuts will be too hard to control, just as their appetite for spending. Tax cuts are the overriding priority of the Republican budget. Over eleven years, their cut will cost anywhere between $2.2 trillion and $2.5 trillion, including debt service and the inevitable cost of fixing the alternative minimum tax (AMT). Thus, this tax plan consumes nearly all of the $2.7 trillion surplus outside of Social Security and Medicare. The tax-cuts-at-all-costs philosophy, endorsed by the drafters of this resolution, ignores logic and history to make room for this plan.

Rather than take a long look at obligations on the horizon, the national debt, Social Security, and Medicare solvency and the need to invest in education and research, the Republicans seek to push this resolution through the Congress before anyone has a chance to read it. The Republicans are bound and determined to push this budget through on a party line vote without telling the American people how they intend to live within the confines of their budget resolution or how they will pay back Medicare for the amount they seek to spend from the trust fund or how they will fund the recommendations from Secretary Rumsfeld’s Defense review or how they will fund the national missile defense or even how they will fund the President’s Social Security privatization plan. And, now we find that the Republicans have dropped even the President’s education initiative in the name of tax cuts. Hollow as it may be, the Republican Majority is desperate to claim victory here and drive home the death nail to the 2001 Budget Act. This budget is not about funding priorities. It’s not about tax cuts or tax policy. It’s certainly not about fiscal responsibility and it is most certainly not a product of bipartisanship. It’s about politics.

This budget is not so much the product of deliberation but rather arbitrariness. The Republican Majority arbitrarily set each of the non-defense discretionary levels to the CBO baseline, thus failing to make any decisions about how to allocate these resources. Then, they dropped any assumption for natural disasters or emergencies. And, finally, they assume unspecified cuts in discretionary spending of $6 billion per year. Mr. Speaker, this budget’s failure to list a meaningful dollar level for each budget function means that the Congress will be better off by adopting the President’s CBO baseline. The Republican Majority’s agreement to do this mostâ€”and so farâ€”has been nothing more than a fig leaf to hide from the American people the stark reality of what this budget really means for America:

1. Reduce the national debt. If we were to stay the course, the nation could retire all of the debt held by the public in 12 years and spending held to 4% in FY01 will be breached before the end of the year. This budget also turns its back on the looming costs of the President’s agen- cies, including the SBA, NASA, flood control, drug enforcement, alien incarceration programs and the COPS in school program. This budget does not merely limit the growth of domestic spending, as the Republican Majority asserts, it cuts domestic programs. Are the Republicans really advocating that we cut the FBI, INS or DEA?

2. Increase Social Security, prescription drugs for seniors. With the CBO reporting that its average projected spending for Social Security will average $254 billion, the Republican budget fails to adequately invest in education, one of the Presi- dent’s own priorities. This partisan budget ignores the strong bipartisan support for edu- cation funding, treasuring from this commit- ment. This measure not only strips the $294 million in FY01 education supplemental provided for by the Senate, but also provides $21 billion less education support than provided for under the President’s budget. It eliminates all of the
Senator provision to increase the federal share for special education costs absorbed by local school districts, as mandated under IDEA and it fails to adequately advance the goal of improving our schools.

If the cuts provided for under H. Con. Res. 83 and the House-passed resolution will hurt key domestic investments which enjoy broad support among the American people. If the cuts are not made and the large tax cut is enacted, Congress risks raiding the Social Security and Medicare Trust Funds and possibly pushing us back into deficits. I believe the Republicans know that these cuts will never occur, but they provide cover for their huge tax cut which will ultimately eat through the on-budget surplus and into the Social Security surplus at the expense of solvency and long-term economic growth.

As I have said before, logic tells us that basing a tax cut plan on ten-year revenue projections, when the CBO has only been in the business of doing such long-term projections, is playing with fire. In fact, CBO itself acknowledges that current projections may substantially underplay surpluses and has concluded that “the estimated surpluses could be off in one direction or the other, on average, by about $52 billion in 2001, $120 billion in 2002, and $412 billion in 2006.” Second, history has taught us that it is far easier to enact additional tax cuts in future years if economic conditions improve than to roll them back. It is far more difficult to enact tax increases or budget cuts in the future if the projections go unrealized. And, Mr. Speaker, we all know that the President will come back to Congress, after we pass this budget, and ask for billions of dollars more for the defense.

Mr. Speaker, I urge my colleagues to join me in rejecting this “spend today, borrow tomorrow” measure that was bound together by the Republican Majority in such a haphazard fashion, so as to leave no room for adequately funding the nation’s priorities or protecting against unforeseen economic downturns. As I have said before, I support a substantial tax cut but not at the expense of hard-fought fiscal ground and long-standing domestic priorities, such as strengthening Social Security and Medicare, a prescription drug benefit, and adequately funding education and defense. Mr. Speaker, that is why I cannot support H. Con. Res. 83 and would urge my colleagues to join me in rejecting this sham budget.

Mr. BLUMENAUER. Mr. Speaker, I rise in opposition to the budget conference committee report. Amazingly, this proposal keeps getting worse, not better. The item before us, getting worse, not better. The item before us, is a serious piece of bipartisan legislation. Despite the hopeful rhetoric about changing the tax code. And there are disagreements about the emergency fund between authorizers and appropriators, but there was a crucial and possibly erroneous ruling by the parliamentarian in the other body that the emergency fund would trigger a requirement for a 60-vote majority. This, with one stroke of the gavel, eliminates the creation of the funds in the conference report. While the amount of money in the emergency fund ($5 billion) might end up being an underestimate, depending on the number and severity of natural disasters, it would have been a good start in responsibly addressing the uncertainty of a need for disaster assistance funding in this big and diverse nation. This Member has been a long-time supporter of the establishment of such a fund and is hopeful that it will be created as soon as possible.

Mr. Speaker, this budget emphasizes the need for additional budget cuts of at least $6 billion next year and more than ten times that amount over the next ten years, without a hint of where those reductions will come from. Last week the budget process fell apart after keeping the Members of this House waiting until the morning for a vote. In part, this breakdown was less due to the two pages that were lost, and more due to the fact that this bill has not proceeded as a serious piece of bipartisan legislation. Despite the hopeful rhetoric about changing the tax code. Congress and the American people deserve an honest budget resolution that tells us where we want to go and how we are realistically going to get there. This proposal does neither.

Mr. ETHERIDGE. Mr. Speaker, I rise in strong opposition to this Republican budget. Unfortunately, this budget is nothing but misappropriation of priorities. Mr. Speaker, our nation needs a national economic strategy for economic opportunities for all Americans. We can charge boldly into the 21st Century with prosperity for all if we have the vision to see our opportunities and the courage to seize those opportunities. But this budget will squander our prosperity and set America back on a failed course.

We must invest in science and technology and innovation, but this budget cuts Research and Development. We must invest in better training programs to give everyone the chance to have the greatest workforce in the world, but this budget neglects education. Some people say education is too expensive; I say it’s a whole lot cheaper than ignorance. We must strengthen Social Security and reform Medicare to include a benefit for prescriptions, but this budget will raise those taxes. We must reauthorize the Farm Bill so North Carolina’s farm families have an opportunity to make a living, but this budget puts agriculture under the knife. We must modernize our defenses and make America’s military second to none, but this budget blows the resources we need to accomplish that mission.

Don’t get me wrong: I support responsible tax relief for our working families. But this budget will run our economy into the ditch and return us to the days of huge deficits, economic stagnation, high unemployment and out-of-control inflation. Our North Carolina values call for balanced budgets and responsible policy, but this budget sends us on a riverboat gamble America’s future. I urge its defeat.
Today I intend to vote against the Republican budget. A more realistic five-year spending bill should be put in place to fund critical programs important to the American people like Social Security, Medicare/Medicaid, national defense and other important programs. Then we should bring a tax relief package before the Congress that is realistic and that has a mechanism that directly ties tax cuts to controlling spending and the amount of revenue that will come to the federal treasury each year.

I am also troubled that this budget does nothing to ensure the solvency of Social Security, instead relying on a commission loaded with individuals who have publicly supported the privatization of Social Security. I am adamantly opposed to investing any money intended for a secure retirement through our current Social Security system in a stock market that is increasingly more volatile.

Mr. Speaker, today we should reject this misguided budget.

The SPEAKER pro tempore. Pursuant to clause 10 of rule XX, the question is on the conference report.

Pursuant to clause 10 of rule XX, the question is on the conference report. The SPEAKER pro tempore. Pursuant to clause 10 of rule XX, the question is on the conference report.
I think this commendation of the staff on both sides of the aisle is entirely appropriate and well in order. I thank the gentleman very much for doing so.

Mr. NUSSELLE. I thank the gentleman.

GENERAL LEAVE

Mr. NUSSELLE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report just adopted.

The SPEAKER pro tempore (Mrs. BIGGERT). Is there objection to the request of the gentleman from Iowa?

There was no objection.

PERMISSION FOR MEMBER TO REVISE REMARKS

Mr. FROST. Madam Speaker, I ask unanimous consent to revise my statement made on the consideration of the rule today to make it in compliance with the precedents of the House.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 581, WILDLAND FIRE MANAGEMENT ACT

Mr. HASTINGS of Washington. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 135 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 135

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to rule XVIII, direct the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 581) to authorize the Secretary of Agriculture to use funds appropriated for wildland fire management in the Department of the Interior and Related Agencies Appropriations Act, 2001, to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service to facilitate the interagency cooperation required under the Endangered Species Act of 1973 in connection with wildland fire management. The first reading of the bill shall be dispensed with. Points of order pursuant to the fifth minute rule shall be ordered out of the bill for amendment. The Speaker shall not permit amendments to be offered by the chair or ranking minority member of the Committee on Resources. After general debate the bill shall be closed for amendment to the five-minute rule. The bill shall be considered as read. All points of order against provisions in the bill are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has preprinted their amendments in the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendment(s) so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one for recommittal with or without instructions.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Madam Speaker, I am pleased to call to the attention of the House that the committee has adopted a rule for consideration of the bill H.R. 581, the Wildland Fire Management Act. The rule waives section 311 of the Congressional Budget Act of 1974 against consideration of the bill and makes in order a 60-minute debate on H.R. 581 and amendments there to. Finally, the rule authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD, and provides one motion to recommit, with or without instructions.

Madam Speaker, the Wildland Fire Management Act would authorize the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for wildland fire management in the Department of the Interior and Related Agencies Appropriations Act of 2001 to reimburse several Federal agencies for costs associated with the interagency cooperation required under the Endangered Species Act whenever managing wildland fires.

In response to devastating fire seasons in 1999 and 2000, Congress appropriated $2.9 billion to reimburse funds borrowed by agencies for wildfire emergency suppression and to rehabilitate and restore damaged lands and waters, to increase wildfire fighting readiness, and to provide State and local community assistance.

Subsequently, however, the U.S. Forest Service requested legislation to clarify that funds appropriated under the National Fire Plan can also be used for reviews of fire management plans required under the Endangered Species Act. Accordingly, H.R. 581 was introduced in the House at this year's session, and it was reported favorably by the Committee on Resources without amendment on March 28, 2001.

The Congressional Budget Office estimates that enacting H.R. 581 would increase direct spending by $3 million in 2001 and decrease direct spending by the same amount in 2002. Because the bill would affect direct spending, pay-as-you-go procedures would apply. Members should be advised that the bill contains no governmental or private sector mandates as defined in the Unfunded Mandates Reform Act.

Madam Speaker, I am pleased that, consistent with the request of the gentleman from Utah (Mr. HANSEN), the Committee on Rules has reported an open rule on this bill so that Members wishing to offer amendments may have every opportunity to do so.

As the fire season out West approaches, those of us who represent western States are particularly aware of the need for a coordinated Federal approach to wildfire suppression. The gentleman from Colorado's bill would certainly advance that important goal. Accordingly, I encourage my colleagues to support both the rule and the underlying bill, H.R. 581.

Madam Speaker, I reserve the balance of my time.

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

Madam Speaker, H.R. 581, the Wildland Fire Management Act, is a worthy legislative proposal which will facilitate Federal interagency cooperation in the control and abatement of wildfires, including community assistance. The Committee on Rules has reported an open rule and Democratic members of the committee have no objections. We would like to point out, however, this noncontroversial bill could have been considered under suspension but is being brought to the floor today to serve as filler in order to give the House some business to conduct.

Madam Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Madam Speaker, I am pleased to yield 2 minutes to the gentleman from Colorado (Mr. HEFLEY), the sponsor of the bill.

Mr. HEFLEY. Madam Speaker, I stand in strong support of the rule and thank the gentleman from Washington (Mr. HASTINGS) and the gentleman from Texas (Mr. FROST) for their work in crafting this rule.

H.R. 581 is a noncontroversial, I believe, bipartisan bill that is strongly supported by the administration. It deserves our immediate consideration and support.

It is imperative, especially for those of us who represent districts in the West and Northwest, that the U.S. Forest Service be able to transfer national fire program funds as soon as possible to the U.S. Fish and Wildlife Service and National Marine Fisheries Service so that they can complete their consultation requirements under the Endangered Species Act. Once this work is complete, the Forest Service will have the opportunity to reduce dangerous levels of fuel load.
I urge adoption of the rule. 
Mr. FROST. Madam Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Madam Speaker, I yield back the balance of my time, and I move the previous question, for the purpose of reconsidering the resolution.

The previous question was ordered. The resolution was agreed to. A motion to reconsider was laid on the table.

GREAT FALLS HISTORIC DISTRICT STUDY ACT OF 2001

Mr. HEFLEY. Madam Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 146) to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Great Falls Historic District in Paterson, New Jersey, as a unit of the National Park System, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

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

Mr. RAHALL. Madam Speaker, reserving the right to object, and I will not object. I yield to the gentleman from Colorado for purposes of explaining the legislation.

Mr. HEFLEY. Madam Speaker, H.R. 146, as introduced by the gentleman from New Jersey (Mr. PASCRELL), would authorize the Secretary of the Interior to study the suitability and feasibility of designating the Great Falls Historic District in Paterson, New Jersey as a unit of the National Park Service. Designed by Alexander Hamilton and Pierre L’Enfant in 1791, the Great Falls District is one of the earliest industrial centers of America and was once considered the manufacturing center of the United States. At 77 feet, the Great Falls is the second highest waterfall on the East Coast, second only to Niagara Falls.

Madam Speaker, H.R. 146, I believe, is not controversial. It has strong support from State and local officials, the residents of Paterson and the surrounding communities, and I urge my colleagues to support H.R. 146.

Mr. RAHALL. Madam Speaker, continuing on my reservation, I yield to the distinguished gentleman from New Jersey (Mr. PASCRELL), the former mayor of Paterson, New Jersey, and a valued member of my other committee, the Committee on Transportation and Infrastructure.

Mr. PASCRELL. Madam Speaker, first, I would like to thank the gentleman from Utah (Mr. HANSEN) and the gentleman from West Virginia (Mr. RAHALL) for this legislation. This is the gentleman from West Virginia (Mr. RAHALL) and the gentleman from Utah (Mr. HANSEN) and the Committee on Transportation and Infrastructure. This is the gentleman from New Jersey (Mr. PASCRELL), the former representatives of the United States of America in Congress assembled.

The Falls and the surrounding neighborhoods really represent the genesis of the American economic miracle, and increasing the presence of the National Park Service will give the area the attention and resources it rightfully needs. These Falls represent our city, its people and all of its potential. This place can be a real destination that will create jobs, grow businesses and bring people from all over. We cannot put a velvet rope around the district. We must make it a living, breathing attraction that will celebrate our past.

In conclusion, I will steal the words of the National Park Service in the Design Guidelines created for the Great Falls Historic District in 1999. “The district bears eloquent testimony to the astounding feats of engineering and construction, to ingenious manufacturers, and to the courage, creativity and drudgery of untold lives spent within the mills. It is also about the human propensity to harness the forces of nature, to put water and gravity and stone to work. The district retains the sense of having been one large factory driven by one powerful engine, an image completely consistent with Hamilton’s vision of a centralized national manufacturing.”

Mr. RAHALL. Madam Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. The request of the gentleman from Colorado?

There was no objection. The Clerk read the bill, as follows:

H.R. 146

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 “Great Falls Historic District Study Act of 2001”.

SEC. 2. NATIONAL PARK SERVICE STUDY REGARDING GREAT FALLS HISTORIC DISTRICT OF NEW JERSEY.

(a) DEFINITIONS.—In this section:


(2) SECRETARY.—The term “Secretary” means the Secretary of the Interior, acting through the Director of the National Park Service.

(b) STUDY.—As soon as practicable after funds are made available to carry out this study, the Secretary shall:

(1) conduct a study regarding the suitability and feasibility of further recognizing the historic and cultural significance of the lands and structures of the Great Falls Historic District through the designation of the Great Falls Historic District as a unit of the National Park System.

(2) STUDY PROCESS AND COMPLETION.—Section 8(c) of Public Law 91–383 (16 U.S.C. 1a–5(c)) shall apply to the study required by this section.

(d) SUBMISSION.—The Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Commerce of the Senate a report describing the results of the study.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANIMAL DISEASE RISK ASSESSMENT, PREVENTION, AND CONTROL ACT OF 2001

Mr. EVERETT. Madam Speaker, I ask unanimous consent to take from the Speaker’s table the Senate bill (S. 700) to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as “mad cow disease”) and foot-and-mouth disease in the United States, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

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

There was no objection. The Clerk read the Senate bill, as follows:

S. 700

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 called the “Animal Disease Risk Assessment, Prevention, and Control Act of 2001”.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) it is in the interest of the United States to maintain healthy livestock herds;

(2) managing the risks of foot and mouth disease, bovine spongiform encephalopathy, and related diseases in the United States may require billions of dollars for remedial activities by consumers, producers, and distributors of livestock, and animal, and blood products;

(3) the potential introduction of those diseases into the United States would cause devastating financial loss to agriculture and animal products;

(4) foot and mouth disease is a severe and highly contagious viral infection affecting cattle, deer, goats, sheep, swine, and other animals;

(b) FINDINGS.—Congress finds—

(7) once introduced, foot and mouth disease is by the slaughter of affected animals;

(8) while foot and mouth disease was eradicated in the United States in 1929, the virus could be reintroduced by—

(A) a single infected animal, an animal product, or a person carrying the virus;

(B) an act of terrorism; or

(C) other means;

(9) once introduced, foot and mouth disease can spread quickly through—

(A) exposure to aerosols from infected animals;

(B) direct contact with infected animals; and

(C) contact with contaminated feed, equipment, or humans harboring the virus or carrying the virus on their clothing;

(10) foot and mouth disease is endemic to more than 1⁄3 of the world and is considered

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to be widespread in parts of Africa, Asia, Europe, and South America; (9) foot and mouth disease occurs in over 7 different serotypes and 60 subtypes; (10) foot and mouth disease outbreaks have occurred, the United States has banned the importation of live ruminants and swine and meat-and-bone products from countries affected by foot and mouth disease; (11) recently, the United States has implemented bans in response to outbreaks in Argentina, the United Kingdom, and Taiwan; (12) although United States exclusion programs have been successful at keeping foot and mouth disease out of the United States since the outbreaks in Argentina, the European Union, and Taiwan are placing an unprecedented strain on our animal health system; (13) bovine spongiform encephalopathy is a transmissible, neuro-degenerative disease found in cattle; (14) on cattle with bovine spongiform encephalopathy, the active agent is found primarily in the brain and spinal cord and has not been found in commonly consumed beef products; (15) bovine spongiform encephalopathy is thought to have an incubation period of several years but is ultimately fatal to cattle within weeks of onset of the active disease; (16) bovine spongiform encephalopathy was first widely found in 1986 in cattle in the United Kingdom; (17) bovine spongiform encephalopathy—carrying cattle have been found in cattle in Belgium, Denmark, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, Portugal, Spain, and Switzerland; (18) cattle infected with bovine spongiform encephalopathy originating from the United Kingdom have been found and intercepted in Canada; (19) since 1989, the Secretary of Agriculture has prohibited the importation of live grazing animals from countries where bovine spongiform encephalopathy has been found in cattle; (20) other products derived from grazing animals, such as beef meal, bonemeal, fat, fetal bovine serum, glands, meat-and-bone meal, and offal, are prohibited from entry, except under special conditions or under permits issued by the Secretary of Agriculture for scientific or research purposes; (21) on December 12, 1997, the Secretary of Agriculture imposed these restrictions to include all countries in Europe because of concerns about widespread risk factors and inadequate surveillance for bovine spongiform encephalopathy; (22) on December 7, 2000, the Secretary of Agriculture prohibited all imports of rendered animal protein products from Europe; (23) Creutzfeld-Jacob disease is a human spongiform encephalopathy; (24) on March 20, 1996, the Spongiform Encephalopathy Advisory Committee of the United Kingdom announced the identification of 10 cases of a new variant of Creutzfeld-Jacob disease; (25) concerns about developed onsets of the disease in 1994 or 1995; (26) scientific experts (including scientists at the Department of Agriculture, the Department of Health and Human Services, and the World Health Organization) are studying the possible link (including potential routes of transmission) between bovine spongiform encephalopathy and Creutzfeld-Jacob disease; (27) from October 1996 to December 2000, 87 cases of Creutzfeldt-Jacob disease have been reported in the United Kingdom, 3 cases in France, and 1 case in Ireland; and (28) to reduce the risk of human spongiform encephalopathies in the United States, the Commissioner of Food and Drugs has—

(A) banned individuals who lived in Great Britain for at least 180 days since 1980 from donating blood in the United States; and

(B) established regulations that prohibit the feeding of animal-derived proteins to grazing animals.

(b) PURPOSE.—The purpose of this Act is to provide the people of the United States and Congress with guidance to—

(1) actions by Federal agencies to prevent foot and mouth disease, bovine spongiform encephalopathy, and related diseases;

(2) the sufficiency of legislative authority to prevent or control foot and mouth disease, bovine spongiform encephalopathy, and related diseases in the United States;

(3) the mechanisms associated with the potential introduction of foot and mouth disease, bovine spongiform encephalopathy, and related diseases into the United States; and

(4) the risks to public health from possible links between bovine spongiform encephalopathy and other spongiform encephalopathies to human illnesses.

SEC. 3. REPORT TO CONGRESS.

(a) PRELIMINARY REPORT.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committees and Subcommittees described in paragraph (2) a preliminary report concerning—

(A) coordinated interagency activities to assess, prevent, and control the spread of foot and mouth disease and bovine spongiform encephalopathy in the United States;

(B) sources of information from the Federal Government available to the public on foot and mouth disease and bovine spongiform encephalopathy; and

(C) any immediate needs for additional legislative authority, appropriations, or product bans to prevent the introduction of foot and mouth disease or bovine spongiform encephalopathy into the United States.

(2) SUBMISSION OF REPORT TO CONGRESS.—The Secretary shall submit the preliminary report to—

(A) the Committee on Agriculture of the House of Representatives;

(B) the Committees on Agriculture, Nutrition, and Forestry of the Senate;

(C) the Subcommittee on Agriculture, Rural Development, and Related Agencies of the Committee on Appropriations of the Senate; and

(D) the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations of the House of Representatives.

(b) FINAL REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committees and Subcommittees described in subsection (a) a final report that—

(A) discusses the economic impacts associated with the potential introduction of foot and mouth disease, bovine spongiform encephalopathy, and related diseases into the United States;

(B) discusses the potential risks to public and animal health from foot and mouth disease, bovine spongiform encephalopathy, and related diseases in the United States;

(C) provides recommendations to protect the health of animal herds and citizens of the United States from those risks including, if necessary, recommendations for additional legislation, appropriations, or product bans;

(2) CONTENTS.—The report shall contain—

(A) an assessment of the potential presence of foot and mouth disease, bovine spongiform encephalopathy, and related diseases in domestic and imported livestock, livestock products, wildlife, and blood products;

(B) recommendations to reduce and manage the risks of foot and mouth disease, bovine spongiform encephalopathy, and related diseases; and

(C) any plans of the Secretary to identify, prevent, and control foot and mouth disease, bovine spongiform encephalopathy, and related diseases in domestic and importing livestock, livestock products, wildlife, and blood products;

(D) a description of the incidence and prevalence of foot and mouth disease, bovine spongiform encephalopathy, variant Creutzfeldt-Jacob disease, and related diseases in other countries;

(E) a description and an analysis of the effectiveness of the measures taken to assess, prevent, and control the risks of foot and mouth disease, bovine spongiform encephalopathy, variant Creutzfeldt-Jacob disease, and related diseases in other countries;

(F) a description and an analysis of the effectiveness of the measures that the public, private, and nonprofit sectors have taken to assess, prevent, and control the risk of foot and mouth disease, bovine spongiform encephalopathy, and related diseases in the United States, including controls of ports of entry and other conveyances;

(G) a description of the plans taken to prevent and control the risk of bovine spongiform encephalopathy and variant Creutzfeldt-Jacob disease transmission through blood collection and transfusion; and

(H) a description of any measures including any planning or managerial initiatives such as interagency, intergovernmental, international, and public-private sector partnerships that any Federal agencies have initiated or continue to assess, prevent, and control the spread of foot and mouth disease, bovine spongiform encephalopathy, variant Creutzfeldt-Jacob disease, and related diseases in the United States and other countries;

(I) plans by Federal agencies (including the Centers for Disease Control and Prevention) to—

(i) monitor the incidence and prevalence of transmission of foot and mouth disease, bovine spongiform encephalopathy, variant Creutzfeldt-Jacob disease, and related diseases in the United States; and

(ii) assess the effectiveness of efforts to prevent and control the spread of foot and mouth disease, bovine spongiform encephalopathy, variant Creutzfeldt-Jacob disease, and related diseases in the United States;

(J) plans by Federal agencies (including the Agricultural Research Service, the Cooperative State Research, Education, and Extension Service, and the National Institutes of Health) to carry out, in partnership with the private sector—

(i) research programs into the causes and mechanism of transmission of foot and mouth disease, bovine spongiform encephalopathy, variant Creutzfeldt-Jacob disease, and related diseases in other countries;

(ii) diagnostic tools and preventive and therapeutic agents for foot and mouth disease, bovine spongiform encephalopathy, and variant Creutzfeldt-Jacob disease; and

(K) plans for providing appropriate compensation for affected animals in the event of foot and mouth disease, bovine spongiform encephalopathy, or related diseases into the United States; and

(L) recommendations to Congress for legislation that will improve early detection, prevent, or control the transmission of foot and mouth disease, bovine spongiform encephalopathy, and related diseases in the United States.
encephalopathy, variant Creutzfeldt-Jacob disease, and related diseases in the United States and in other countries.

(c) CONSULTATION—

(1) PRELIMINARY REPORT.—In preparing the preliminary report under subsection (a), the Secretary shall consult with—

(A) the Secretary of the Treasury

(B) the Secretary of Commerce;

(C) the Secretary of State;

(D) the Secretary of Health and Human Services;

(E) the Secretary of Defense;

(F) the United States Trade Representative;

(G) the Director of the Federal Emergency Management Agency; and

(H) representatives of other appropriate Federal agencies;

(2) FINAL REPORT.—In preparing the final report under subsection (b), the Secretary shall consult with—

(A) the individuals listed in paragraph (1);

(B) private and nonprofit sector experts in infectious disease, research, prevention, and control;

(C) international, State, and local governmental animal health officials;

(D) private, nonprofit, and public sector livestock experts;

(E) representatives of blood collection and distribution entities; and

(F) representatives of consumer and patient organizations and other interested members of the public.

Mr. STENHOLM. Madam Speaker, I rise today in support of this bill that deals with two, separate, animal health issues facing our nation. While Foot and Mouth Disease and BSE, commonly called ‘Mad Cow’ disease, are not related, they are both concerns to agricultural producers and citizens of this Nation. We are thankful that our efforts have successfully prevented the introduction of either of these diseases into the United States and we all want to work to maintain our disease-free status.

I am hopeful that reports and the coordination encouraged by this bill will help to keep us free from both these diseases. The U.S. Department of Agriculture has done an excellent job thus far, but I hope that increased thought and coordination will help to make our efforts even better.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EVERETT. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on S. 700, the Senate bill just considered and passed.

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

There was no objection.

WILDLAND FIRE MANAGEMENT ACT

The SPEAKER pro tempore (Mr. MICA). Pursuant to House Resolution 135 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 581.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 581) to authorize the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for the wildland fire management in the Department of the Interior and Related Agencies Appropriations Act, 2001, to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service to facilitate the interagency cooperation required under the Endangered Species Act of 1973 in connection with wildland fire management, with Mrs. MORELLA in the chair.

The Clerk read the title of the bill.

The Chair recognizes the gentleman from Colorado (Mr. HEFLEY). Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I introduced H.R. 581 to assist the U.S. Forest Service in expediting the transfer of funds from the Service to other Federal agencies for critical and necessary interagency consultation activities in connection with wildland fire management.

H.R. 581 is simply a technical fix to clarify that funds appropriated in the 2001 Interior and Related Agencies Appropriation Act for wildland fire management may be transferred to the U.S. Fish and Wildlife Service and the National Marine Fisheries Service to reimburse those agencies for the fuel load reduction consultation activities required by section 7 of the Endangered Species Act.

Madam Chairman, the fiscal 2001 Interior Appropriations Act appropriated $2.9 billion towards the National Fire Plan in response to the devastating 1999 and 2000 fire seasons. The $2.9 billion which was appropriated, which included $1.6 billion designated as emergency contingency funding, is administered by the Department of Interior and the Forest Service. Included in the plan are funds specifically directed for reducing fuel load. However, before fuel loads can be reduced, the Forest Service must first establish laws, including the Endangered Species Act.

Among the goals of the National Fire Plan are: to build firefighting readiness, to be better prepared to fight wildland fires; to reduce hazardous fuels, to invest in projects to reduce the fire risk; to restore fire-impacted sites, to restore landscapes damaged by fire; to protect communities, to concentrate efforts in the wildland-urban interface; and to assure accountability and track accomplishments of the plan.

Decades of excluding fire from our forests and past management practices have drastically changed the ecological condition of western forests and range-lands and dramatically affected fire behavior. A century ago when low-intensity, high-frequency fires were commonplace, many forests were less dense and had larger, more fire-resistant tree species. Over the last century, the number of trees has increased dramatically and composition of our forests has changed from primarily fire-resistant tree species to more species that are nonresistant to fire.

Madam Chairman, the fire ecologists point out the paradox in which we now find ourselves in terms of fire suppression: The more effective we become at fire suppression, the more fuels accumulate and ultimately create conditions for the occurrence of more intense fires, such as those we in the West have experienced the last 2 years.

To illustrate my point, here is a statistic to think about: In the early 1950s, the annual acreage burned by wildfires in the lower 48 States was about 40 million acres a year. By the late 1950s, we were effectively controlling fires at less than 5 million acres per year. By the 1970s and again in the 1980s, the annual acreage burned by wildfires in the lower 48 States stayed at about the same levels, but in 1988 and again in the late 1990s we had severe seasons, burning close to 10 million acres each year.

Experts predict that future fire seasons will be similar to last year's devastation.

Reversing the effects of a century of aggressive fire suppression and past management practices will take time and money targeted to high-priority areas to protect people, communities, readily-accessible municipal water-sheds, and habitat for threatened and endangered species. The most-at-risk areas are those wildland-urban interface zones represented by areas with increased residential development in fire-prone areas adjacent to Federal land.

With continuing drought in the western and southern United States, we are facing the threat of another possibly horrendous and catastrophic wildfire season. It is important that H.R. 581 proceed expeditiously to launch the multiagency fire prevention initiative needed to ward off another devastating wildfire season.

The funds made available in this bill to the Fish and Wildlife Services and the National Marine Fisheries Services will enable the Forest Service and Bureau of Land Management to proceed with their fire management program, as intended by the 2001 Appropriations Act. The bill will not affect other aspects of the National Forest System.

Lastly, Madam Chairman, H.R. 581, I do not believe, is controversial. It is non partisan and it is supported by the administration. It is also reported by unanimous consent from the Committee on Resources. So I would urge an aye vote on H.R. 581.

Madam Chairman, I reserve the balance of my time.
Mrs. CHRISTENSEN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, H.R. 581 was introduced, as we heard, by the gentleman from Colorado (Mr. HEFLEY) from the Committee on Resources, and our esteemed chairman of the Subcommittee on National Parks, Recreation, and Public Lands.

The legislation authorizes the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for wildland fire management in the fiscal year 2001 Interior Appropriations Act to reimburse the U.S. Fish and Wildlife Service and the National Marine Fisheries Service for the costs of carrying out the responsibilities under the Endangered Species Act in connection with wildland fire management activities.

The legislation is necessary because without such reimbursement authority, the U.S. Fish and Wildlife Service and the National Marine Fisheries Service would be required to carry out their endangered species responsibilities and wildland fire management activities using their existing resources. The effect of this would be potentially to delay important fire management projects.

Although no hearings were held on this legislation, the Committee on Resources favorably recommended the bill to the House by voice vote. The technical change made by the legislation will help facilitate completion of environmental compliance for wildland fire projects in a timely manner. I think that is something we can and should support seeing happen.

Making sure that wildland fire management activities are done in an environmentally sound manner is a key element of the national wildland fire plan, and that will yield long-term benefits for both humans and nature.

Madam Chairman, H.R. 581 is a non-controversial measure supported by all interested parties. I appreciate the leadership of the gentleman from Colorado (Mr. UDALL) and the gentleman from New Mexico (Mr. UDALL) and the gentleman from New Mexico (Mr. Udall) and the gentleman from New Mexico (Mr. UDALL). I support the bill as well, and favor its adoption by the House today.

Madam Chairman, I yield such time as he may consume to the gentleman from New Mexico (Mr. UDALL).

(Mr. UDALL of New Mexico asked and was given permission to revise and extend his remarks.)

Mr. UDALL of New Mexico. Madam Chairman, I rise in support of H.R. 581.

This bill allows us to use wildland fire funds to deal with endangered species issues, and it does so in a very responsible manner.

This is a win-win for everyone. It is a responsible piece of environmental legislation. The National Fire Plan will move forward on an expedited basis, thereby protecting our communities and their watersheds. The U.S. Fish and Wildlife Service will have the essential tools and resources to resolve issues related to overall ecosystem health.

I want to applaud the gentleman from Colorado (Chairman HEFLEY) and the ranking member, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), for their hard work and leadership on this issue. I urge all of my colleagues to support this bill.

Madam Chairman, the Wildland Fire Management Act, H.R. 581, provides the Secretary of the Interior and the Secretary of Agriculture legal authority to use wildland fire management funds for reimbursement of costs associated with Endangered Species Act compliance.

The strategy of the National Fire Plan is to identify ecosystem health issues in a manner that protects our communities. I support the National Fire Plan and believe it is a significant step in addressing a complex problem.

To support the implementation of the National Fire Plan, the Departments of the Interior and Agriculture attempted to transfer funds to the U.S. Fish and Wildlife Service and the National Marine Fisheries Service in support of endangered species (Endangered Species Act).

On December 26, 2000, however, the USDA Office of the General Council (OGC) rendered a formal opinion eliminating the use of the Economy Act as the vehicle for transferring monies to the National Marine Fisheries and the U.S. Fish and Wildlife Service for ESA consultation in implementing the National Fire Plan. Thus, the wildland fire management agencies were forced to identify other alternatives to meet ESA requirements.

Moreover, on January 10, 2001, the deputy chiefs of the USDA Forest Service wrote to their field units about the importance of implementing the National Fire Plan. In the letter, they recommended the Plan be a top priority because consultation for activities such as fuels management is critical to achieving success on the ground and to the establishment of a long-term program.

The letter outlined several options to keep the agency moving forward. However, there is still concern that a lack of funding for ESA consultations will slow down the approval of all wildland fire projects.

The intent of H.R. 581 is to allow the federal agencies to do their job, implement the National Fire Plan, and keep the agencies moving forward. This bill is consistent with the National Fire Plan’s goal of assigning the highest priority for hazardous fuels reduction to communities at risk, readily accessible municipal watersheds, threatened and endangered species habitat, and other important local features, where conditions favor uncharacteristically intense fires.

In conclusion, the National Fire Plan is a step in the right direction. The fires of 2000 underscored the importance of pursuing an aggressive program that addresses the fuels problem by encouraging collaboration between local communities, state governments, and Tribal, and federal agencies. In fact, the Report to the President for Implementation of the Wildland Fire Service for ESA consultation in implementing the National Fire Plan. Thus, the wildland fire management agencies were forced to identify other alternatives to meet ESA requirements.

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So, the bill does not establish a new policy—it merely makes clear what was intended when the fire plan was enacted last year.

We definitely need to press forward with the important work of reducing the risk of catastrophic wildfires in the areas where our communities are threatened. It does not diminish the need for other important provisions of the Endangered Species Act and all other environmental laws—and this bill will help make sure that occurs.

That means our state has a large “urban interface”—what in Colorado we refer to as the “red zone.” That is the area where forest fires present the greatest dangers to people’s lives and homes.

The fire plan focuses on that “urban interface,” and that is where it will be implemented through fuel-reduction efforts to reduce the danger by reducing the buildup of brush and other fuels that has resulted from policies that suppressed the normal role of fire in the ecosystem.

Of course, this danger of forest fires in the “red zone” is not new. But last year we got a wake-up call about it because of a fire that burned near the edge of a city. That was what led to enactment of the fire-plan legislation.

That was what had earlier led me to introduce a bill to address the problem in Colorado.

That bill was cosponsored by my colleague, Mr. HEFLEY, and by Representatives DEGETTE and TANCREDO as well.

Our bill had many similarities to the legislation that set up the national fire plan. But it would have applied only to Colorado—and it had some other significant differences, too.

For one thing, our bill emphasized public involvement by providing for setting up a committee—representing a broad spectrum of interests—to establish priorities for use of funds.

And our bill specifically provided that fuel-reduction efforts would have to meet some essential guidelines.

Like the fire-plan legislation, our bill required compliance with the Endangered Species Act and other environmental laws.

It also specified that projects could not be performed in environmentally-designated wilderness areas and that roadless areas would have to be protected.

And, notably, our bill included a specific limit on the size of trees that could be removed as part of a fuel-reduction project.

That idea—a cutting limit based on tree size—drew many comments from people holding differing views about the use of mechanical thinning to reduce fire risks.

Some people do not support removal of trees as big as our bill would have allowed, or perhaps of trees of any size. Others see any specific limit as both arbitrary and too restrictive.

I respect the sincerity of both those points of view. However, I think our bill struck an appropriate balance and represented a legitimate starting point for legislative action.

The bill recognized that where the risk of catastrophic wildfires comes from overly-dense vegetation, it is because of the build-up of small-sized materials.

It also reflected the fact that cutting larger trees often can lead to more severe fires, for a variety of reasons, and can also have other adverse effects.

The limit in our bill also reflected the fact that cutting larger trees is controversial—especially when the larger trees may have commercial value.

It is simple fact that some will see the inclusion of larger trees as evidence that a project ostensibly aimed at reducing the risk of fire is really intended to be a commercial under-taking, by the Forest Service and by industry. This could lead to challenges that would unnecessarily complicate necessary projects that were otherwise not controversial.

In short, both on the scientific merits and for reasons of public acceptability, I thought—and I still think—that there should be limits on the scope of these projects, of the kind that would have been set by our bill.

That is why last year, after enactment of the legislation setting up the national fire plan, I initiated a letter—ultimately also signed by 25 other Members of the House—to the Secretary of the Interior asking why the fire plan be implemented under appropriate safeguards and conditions.

I later received a response from the Deputy Chief of the Forest Service for State and Private Forestry, stating that the Agriculture Department shares the concerns expressed in our letter and outlining how those concerns will be addressed in the implementation of the national fire plan.

At the end of my remarks, I will attach both of these letters for inclusion in the Record.

In conclusion, Madam Chairman, in Colorado’s “red zone” and other areas covered by the national fire plan, there are very real risks to people, property and the environment—some of them resulting from past fire-management policies.

It is important that we respond to those risks—and that is why I support the national fire plan.

But it is also important that the need to respond to those risks is not misused as a convenient excuse for projects that do not meet proper standards.

That’s why the fire-plan projects should reflect public involvement. That’s why the projects need to be based on sound science.

And that’s why the projects need to be completely consistent with applicable environmental laws and regulations.

Enacting this bill will be an important step in that direction—because, as I said, the purpose of this bill is to make sure the projects comply with the Endangered Species Act.

So, I urge the House to promptly pass this legislation. I urge the Forest Service to keep the fire plan both on track and on a sound legal and environmental footing.

CONGRESS OF THE UNITED STATES
Washington, DC, October 20, 2000.

Hon. Dan Glickman,
Secretary of Agriculture, Jamie L. Whitten Building, Washington, DC.

Hon. Bruce Babbitt,
Secretary of the Interior, Department of the Interior, Washington, DC.

Dear Secretary Glickman and Secretary Babbitt:
As you know, the fiscal 2001 Interior and Related Agencies Appropriations Act provides funds for the Forest Service’s project to restore federal lands damaged by large-scale forest fires and to lessen the risk of such fires in the future by reducing accumulations of fuels.

We support these objectives. However, in the past there have been efforts to use the “fuel-reduction” label to justify environmentally-unsound timber sales and it is very important that pursuit of restoration and the reduction of wildfire risk be consistent with land management or the protection of the environment. So, we urge you to make sure that these activities will be subject to appropriate safeguards and environmental standards.

Recent events have shown the importance of a scientifically sound fuels reduction program targeted to protect communities in the wildland/urban interface. However, the relevant language in the Interior appropriation bill does not spell out adequate environmental safeguards to protect wilderness, roadless areas, old growth forests, endangered species habitat, or riparian areas. Wildness areas should be off-limits to fuels reduction by mechanical means, and appropriate conditions should be imposed to assure that mechanical fuels-reduction projects will not adversely affect old growth forests, roadless areas, endangered species habitat, or riparian areas.

In addition, we believe direction is needed to ensure that fuels reduction projects focus on the high fire risk areas that contribute to the greatest fire risks. We urge that the agencies be directed to develop ecologically-sound treatment criteria with an emphasis on underbrush and small-diameter fuels.

The Interior bill also includes language providing the Administration with an option to develop expedited NEPA procedures within the next 60 days. We are strongly opposed to any weakening of the current NEPA procedures and public involvement in decision-making for fuels reduction projects. We respectfully urge the Administration to not exercise this authority to expedite NEPA procedures.

We also believe the funding increase for fuels reduction should be carefully targeted to protect communities at risk from wildfire. The need for fuel reduction is greatest in those areas where homes exist within or about forested areas—the wildland/urban interface or “red zones,” and in particular in the areas closest to homes and communities. In many cases that means within 200 feet of homes or communities. We urge the Administration to prioritize emergency fuels reduction and to use funds to support projects in these narrowly defined areas to the maximum extent practicable. In addition, we urge the Administration to support the Firewise program and other cooperative efforts for community protection in the wildland/urban interface.

There is a significant increase in funding for preparedness activities. We urge the Administration to make the completion of fire management plans the top priority for these funds. Currently only 5% of the National Forests have completed fire management plans which were mandated by the Fire Management Policy of 1995.

The Forest Service’s ALM undoubtedly will be pressured to expedite fuel-reduction efforts by taking old projects, including timber sales, off the shelf regardless of whether these environments are suitable for fuel-reduction projects. We urge that before funds under this program be allocated for any “old project,” the projects first be reevaluated to make sure that they are consistent with the focus on fuels reduction rather than other objectives.

We have noted with some concern that the report to the President in response to this year’s fires seems to identify “recovering some of the economic value of forest stands” as the reason for salvage of burned trees in restoration and fuel-reduction efforts. We think that salvage logging...
based in part on economic considerations should remain separate from fuels reduction.

We are also concerned that funds intended to address hazardous fuels issues in western forests will be diverted to eastern forests which do not have the same ecological needs. For example, conditions in the relatively intact southeastern forest may not even remotely bear a significant fire risk, despite its proximity to the Appalachian region. We urge that emergency fuels reduction funds be used in the Forest Regions that are subject to the greatest risks—principally those in western states.

On a related point, the Interior bill authorizes the Forest Service to enter into an additional 25 “end-result” stewardship contracts. The Forest Service authorities empower the Forest Service to trade National Forest tree contracts for purchased services. If not subject to appropriate restrictions, such agreements threaten the long-term benefits of the stewardship contracts. The Forest Service is currently negotiating a number of these agreements, which would require that the Forest Service purchase services such as logging that degrade water quality, and may not provide the benefits of the agreements discussed above.

Mr. CRENSHAW. Madam Speaker, I rise in support of H.R. 581, the House-passed version of the Wildland Fire Policy Act. This legislation would require that all funds provided to reduce hazardous fuels will be used in the state in which the funds are provided. This would ensure that funds provided for fuel reduction efforts are focused in and around communities at greatest risk.

Mr. HEFLY. Madam Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. Traficant).

Mr. TRAFICANT. Madam Chairman, I do have an amendment at the desk. At the conclusion of debate, I will just offer that amendment.

Madam Chairman, this is basically a buy-American amendment. I realize much of this money is to be transferred, but some of it will end up trickling down to make a purchase or an expendable consumption.

I want to commend this chairman and the ranking gentleman handling this bill and thank them for accommodating my amendment.

Pursuant to the rule, the bill is considered for amendment under the 5-minute rule.

The text of H.R. 581 is as follows:

H.R. 581
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. USE OF WILDLAND FIRE MANAGEMENT FUNDS TO FACILITATE COMPLIANCE WITH ENDANGERED SPECIES ACT CONSULTATION REQUIREMENTS.

The Secretary of the Interior and the Secretary of Agriculture may use funds appropriated for wildland fire management in the Department of the Interior and related agencies for purposes of implementing the Endangered Species Act, as amended.

The Secretary of the Interior shall use funds appropriated for wildland fire management to facilitate compliance with the requirements of the Endangered Species Act of 1973, as amended, which require consultation with the United States Fish and Wildlife Service.
the National Marine Fisheries Service for the costs of carrying out their responsibilities under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) to consult and confer with respect to the protection of such Act (16 U.S.C. 1536), in connection with wildland fire management activities.

The CHAIRMAN. During consideration of the bill for amendment, the Chair may accord priority in recognition of the amendments offered in amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Madam Chairman, I offer an amendment.

The Clerk reads as follows:

Amendment offered by Mr. TRAFICANT:

Add at the end the following new section:

SEC. 2. SENSE OF CONGRESS. REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased using funds provided under section 1, it is the sense of the Congress that entities receiving the funds should, in expending the funds, purchase only American-made equipment and products.

(b) NOTICE OF RECIPIENTS OF FUNDS.—In expending funds provided under section 1, the head of each Federal agency receiving such funds shall provide to each recipient of the funds a notice describing the statement made in subsection (a) by the Congress.

(c) NOTICE OF REPORT.—Any entity which receives funds under section 1 shall report any expenditures on foreign-made items to the Congress within 180 days of the expenditure.

Mr. TRAFICANT. Madam Chairman, I would like to commend the chairman of the subcommittee and the ranking gentleman on our side for their work on the bill. It is a good bill. Some of this money will trickle down to be used for the purchasing of some equipment and certainly some services. Just briefly, I would like to say our last month’s trade deficit was $33 billion. Our trade deficit projected for this year will exceed $300 billion. China is now taking $100 billion a year out of our economy. Madam Chairman, even our trade deficit bears a label “made in China.”

This is a very simple amendment that says any use of these funds, we recommend and possible, services and goods, if purchased, give the American worker and the American companies a tumble.

Mr. HEFLEY. Madam Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Colorado.

Mr. HEFLEY. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I am supportive of this amendment. I would like to commend the gentleman from Ohio for keeping the fire. It comes to this buy-American theme that the gentleman has been the leader in Congress on. I think in the appropriate bill where the money is appropriated, the gentleman has gotten the amendment in last year there, so we have it there. We have it in the authorization side. I think both are good, and I support the amendment.

Mrs. CHRISTENSEN. Madam Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gent-lwoman from the Virgin Islands.

Mrs. CHRISTENSEN. Madam Chairman, we have no objection to the amendment as well.

Mr. TRAFICANT. Madam Chairman, I move the question on the amendment, and yield back my time.

The CHAIRMAN. The question is on the amendment offered by thegentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MIKA) having taken the chair, Mrs. MORELLA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 581) to authorize the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for wildland fire management in the Department of the Interior and Related Agencies Appropriations Act, 2001, to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service to facilitate the interagency cooperation required under the Endangered Species Act of 1973 in connection with wildland fire management, pursuant to House Resolution 135, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment. The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain one-minute speeches.

CUBAN MUNICIPIOS

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, fleeing the repressive communist regime that took the political and military power in Cuba in 1959, Cuban nationals started to arrive in the U.S. for freedom and democracy. The Cuban diaspora had to face the hardships of their new lives.

But despite their difficulties, the exiled Cuban-Americans succeeded in preserving their cultural heritage. They never failed to dedicate time to promote liberty for the land they had left behind. They initiated ways to help their homeland regain its freedom.

In the early 1960s, the Cuban exile community regrouped by “Municipios,” or cities from which they originated. The Municipios formed the Municipios de Cuba en el Exilio, the Cuban Municipalities in Exile, that became the largest Cuban organization outside of the island.

Undertaking numerous actions to advance the cause of democracy, freedom and human rights in Cuba, the Municipios also participate actively in projects aimed at improving mutual understanding in South Florida and beyond.

Mr. Speaker, I congratulate all of the Municipio members for helping to advance the cause of freedom and democracy in my native Cuba.

GARY YOUMANS, NATIONAL FINANCIAL SERVICES ADVOCATE OF THE YEAR

(Mr. ISSA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ISSA. Mr. Speaker, I rise today to congratulate Gary Youmans, a constituent of mine from Fallbrook, California. Mr. Youmans has been named National Financial Services Advocate of the Year by the U.S. Small Business Administration.

This prestigious award recognizes Mr. Youmans for his continued service to small businesses and his effort to encourage the flow of investment capital to small ventures.

I would like to take a moment to describe some of the many contributions that Mr. Youmans has made to advance the interests of small businesses.

In 1991, Mr. Youmans started with Community National Bank and, in 8 years, established an SBA loan department ranked in the top 25 banks nationwide in overall lending. For over 20 years, he has been involved with SCORE, a volunteer business consulting counseling program. He is also a founding director and original board member of the National Association of Guaranteed Lenders, an organization created to represent the interests of the small businesses lending community, who utilize SBA and
other government guaranteed programs.

In San Diego, Mr. Youmans organized a consortium of 11 lenders of the Greater San Diego Chamber of Commerce to financially support the “Small Business Today” page that appears monthly on the San Diego Union Tribune. In addition to all of his business-related service, he also finds time to volunteer at a local church and the Boy Scouts of America.

**SPECIAL ORDERS**

The SPEAKER pro tempore (Mr. MICA). Under the Speaker’s announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HINCHELY) is recognized for 5 minutes.

(Mr. HINCHELY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

**ENVIRONMENTAL EXTREMISM THREATENS U.S. ECONOMY**

The SPEAKER pro tempore (Mrs. MORELLA). Under a previous order of the House, the gentlewoman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Madam Speaker, yesterday, I read one news item and heard another, both of which caused me great concern. One was the headline in the Knoxville News-Sentinel which said, “Tennessee Economic Outlook Grim.”

Now, Tennessee has become one of the most popular places to move to in the whole country. Also, our economy is very diversified and not overly dependent on two or three big-ticket items and, thus, not as subject to the boom-and-bust cycle seen in some other places. So if Tennessee’s economic outlook is grim, it causes me great concern about the economy in the Nation as a whole.

The second item was a report on a national news cast that said Dell Computer and some other leading companies were withdrawing job offers previously made to people about to graduate from college. The report said that Dell was announcing additional layoffs which will soon total about 6,000, or 10 percent of their workforce, in addition to the withdrawn job offers.

Over the years, I have had many partners and grandparents bring their children or grandchildren who have graduated from college to me for help in getting jobs. For the most part, they are good-looking young people and are getting jobs. For the most part, they are good-looking young people and are getting jobs.

The main thing, though, that is going to cause our economy real trouble if we do not wake up is the energy crisis. We have wealthy environmental extremists all over this country that protest and bring down our energy production, which leaves us suffering.

Some wonder why gas is going to cost $3 a gallon, as many are predicting, and why utility bills are going way up. Well, it is primarily because rich, yuppie environmentalists are slowly but surely shutting this country down economically. They may not be hurt when gas and utility bills go way up, but millions of lower-income and middle-income people are. Jobs are destroyed and prices go up when we stop or delay for years the production of oil.

ENVIRONMENTAL EXTREMISM THREATENS U.S. ECONOMY
any energy or even many other forms of production in this country.

We have closed half of our oil refineries since 1980. We now have to import most of our oil. We are now cutting only one-seventh of the new growth in our national forests each year. Environmentalists opposed it, and passed a law in the mid-1980s saying we would only cut 80 percent of the new growth. But they always demand more, and they continually have to exaggerate the problems or their contributions will dry up.

East Tennessee had 157 small coal companies in the late 1970s. Now there are none due to environmental extremism. Former President Clinton locked up 213 trillion cubic feet of natural gas just before he left office. Now the mayor of the small town of Englewood, Tennessee, tells me he has senior citizens in his town who are having to choose between eating or paying their utility bills. One Illinois water district said its water bills would have to go up $72 a month to achieve the unrealistic Clinton standards on arsenic levels; yet even at the present safe levels, people would have to drink water full-time for their entire lives to run even a minute, minuscule risk of cancer from the 50-parts-per-billion standard now in effect. All of the coal, oil, lumber, and natural gas companies we have shut down or greatly restricted used to hire workers. College graduates cannot find utility bills. One Illinois water district would have to drink water full-time for the mayor of the small town of Englewood just before he left office. Now the mayor of the small town of Englewood, Tennessee, tells me he has senior citizens in his town who are having to choose between eating or paying their utility bills. One Illinois water district said its water bills would have to go up $72 a month to achieve the unrealistic Clinton standards on arsenic levels; yet even at the present safe levels, people would have to drink water full-time for their entire lives to run even a minute, minuscule risk of cancer from the 50-parts-per-billion standard now in effect. All of the coal, oil, lumber, and natural gas companies we have shut down or greatly restricted used to hire workers. College graduates cannot find utility bills. One Illinois water district would have to drink water full-time for

In a time when rancor and bitterness often characterize business in the Congress, we have come together around a vision for the future, where every child receives at least one nutritious meal a day and that meal is served in a school setting.

I want to commend my colleagues who join the gentlewoman from Missouri (Mrs. Emerson) and me in introducing H.R. 1700: the gentleman from Ohio (Mr. Hall), the gentleman from Illinois (Mr. Johnson), the gentlewoman from New Hampshire (Mrs. Kaptur), the gentleman from Iowa (Mr. Leach), the gentlewoman from North Carolina (Mrs. Clay), the gentlewoman from South Dakota (Mrs. Thune), the gentleman from Iowa (Mr. Boswell), the gentleman from Wisconsin (Mr. Green), the gentlewoman from Wisconsin (Mrs. Barrett), and the gentlewoman from Wisconsin (Ms. Baldwin).

Our bill is called the George McGovern-Robert Dole International Food for Education and Child Nutrition Act of 2001. It is named after two great men in their time together in the Senate, speckled with bipartisan legislation, to create our own school lunch, school breakfast and WIC programs here in the United States. Now they have called upon this Congress and this administration to duplicate those actions worldwide.

Our bill will provide long-term, reliable funding to purchase U.S. commodities in order to provide millions of hungry children around the world with a school breakfast or a school lunch or both. Madam Speaker, over 300 million of the world’s children are hungry. About 130 million of these children do not go to school, and about 60 percent of those are girls.

Isolated programs around the world have demonstrated that more families send their children to school, including the girls, when a meal is provided. In fact, in many cases, enrollment doubles within 1 or 2 years. The children become more alert and capable of learning with a meal in their bellies; and test scores improve, attendance increases, more children graduate, and dropout rates decline.

For just 10 cents a day for each meal, we can feed our children and help that child learn. With what we pay for a Big Mac, fries, and a soft drink, we could afford to feed two classrooms of kids in Ghana or Nepal. Hands down, education is the best way to improve people’s lives. Education reduces disease rates, increases economic activity, reduces the birth rate, and strengthens communities; and the best way to get a child into school is to have a nutritious meal waiting for them.

These children will grow up to be the teachers, the more productive farmers, the bankers, the small business owners, and the leaders of their countries. They will also grow up to be the new consumers of American goods and services. In the meantime, our farmers, food processors, transportation industry, ports and maritime shipping benefit from the purchases and shipment of this food aid.

This program will succeed because its scale is large, its vision is long-term, and its approach is multilateral. It will succeed because this will not just be America going it alone. We call on every country that can step up to the plate to do just that. It will succeed because we will not take money away from existing food and development programs. We need those programs to address our other long-term development priorities.

So much is already in place to move ahead with this initiative. We already have successful partnerships with U.S. private and voluntary organizations to carry out the programs on the ground. We already have successful partnerships with international food and education agencies such as the World Food Program and UNICEF to help us coordinate with other countries; and we already have a successful history with our farmers in providing food aid.

Quite frankly, we have the resources to eliminate hunger among the world’s children and get them into school. We do not need to raise taxes; we do not need to cut any domestic programs. We just need to get to work. The only thing that could stand in our way is the lack of political will.

By introducing H.R. 1700, we have shown the world that in this Congress of the United States that the political will could be mustered.

Mr. Speaker, I ask all of my colleagues to join the gentlewoman from Missouri (Mrs. Emerson) and me in support of this bill. We can help end hunger in our lifetime.

Mr. Speaker, I include the following for the RECORD:

THE MCGOVERN-EMERSON BILL BUILDS UPON AND ENHANCES THE GLOBAL FOOD FOR EDUCATION INITIATIVE PILOT PROGRAM

On December 28, 2000, President Clinton formally announced the launching of a $300 million pilot program authorizing 630,000 metric tons in commodity purchases to provide hungry children in developing countries at least one nutritious meal each day in a school setting. Inspired by a proposal put forward by Ambassador George McGovern and Senator Bob Dole, the Global Food for Education Initiative, administered through the U.S. Department of Agriculture, will reach approximately 9 million children through 40 projects in 38 countries. Representatives Jim McGovern (D-MA) and Jo Ann Emerson (R-MO) are promoting legislation—the George McGovern-Robert Dole International Food for Education and Child Nutrition Act of 2001—that builds upon and enhances the program initiated by the pilot program.

Makes the Global Food for Education Initiative a permanently-established program with funding consistent with the proposal put forward by Ambassador McGovern and Senator Dole: $300 million pilot program, in fiscal year 2002 and increasing to $750 million fiscal year 2004.

Mr. Speaker, I include the following for the RECORD:

THE GEORGE MCGOVERN-ROBERT DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION ACT OF 2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. Thune), the gentleman from Iowa (Mr. Leach), the gentleman from New Jersey (Mr. Pallone) is recognized for 5 minutes.

Mr. Pallone addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Wisconsin (Ms. Baldwin) is recognized for 5 minutes.

Mr. McGovern. Madam Speaker, last Thursday was a memorable day. That morning, the gentlewoman from Missouri (Mrs. Emerson) and I joined a bipartisan coalition of Members from the House and the Senate in introducing landmark legislation to end hunger among the world’s children in our lifetimes.
Add a Global WIC program, as originally envisioned by Ambassador McGovern and Senator Dole, beginning with $50 million in fiscal year 2002 and increasing to $250 million by fiscal year 2005. This will allow U.S. rice to be eligible for purchase (e.g., lentils, beans, etc.)

Provides for transportation of commodities to storage and distribution sites.

Provides for purchase of commodities in non-surplus years.

Allows the Food and Nutrition Service (FNS) at the U.S. Department of Agriculture to provide technical assistance and advice to recipients and to other USDA deparments on how to establish and carry out effective school feeding programs.

Allows for financial assistance to be made available to agencies and organizations for itemized administrative costs and to undertake activities that enhance the effectiveness of these programs (e.g., training of cooks, establishing and equipping school kitchens, holding community workshops to inform families that a school feeding program has begun and the benefits of such a program, etc.).

Allows for the monetization of commodities to ensure the effectiveness, longevity and sustainability of these programs (e.g., purchase of local foods to round out nutritional balance of meals, helping communities establish a pre-school or school feeding program, expanding facilities as successful programs attract and maintain more children as students, etc.)

Provides for interagency coordination and reimbursement to relevant federal agencies, such as the U.S. Agency for International Development, for activities related to implementing the program (e.g., technical assistance, monitoring, evaluation, training, etc.). This is especially important in countries where USAID has mission staff but USDA does not.

Calls upon the President to ensure multilateral involvement in this global effort, as well as engaging private sector and foundation support, and to report annually to Congress on progress in these efforts.

**SUPPORT FOR THE GEORGE MCGOVERN-ROBERT DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION ACT OF 2001**

Academy for Educational Development

ACDI/VOCA

Adventist Development & Relief Agency

American Farm Bureau Federation

American Soybean Association

American School Food Service Association

Archer Daniels Midland/ADM Milling Co.

Barlett Milling Company

Bread for the World

Breedlove Dehydrated Foods

Bunge Lauhoff/Milling Division

Cargill Foods/Floor Milling

Catholic Relief Services

Cereal Food Processors, Inc.

Coalition for Food Aid

ConAgra Grain Processing Company

Counterpart International

Didion Milling, Inc.

Friends of World Food Program

International Partnership for Human Development

International Orthodox Charities

Land O’Lakes, Inc.

Mercy USA

National Association of Wheat Growers

National Corn Growers Association

National Farmers Union

National Pork Producers Council

North American Millers’ Association

Opportunities Industrialization Centers International

Project Concern International

Save the Children

USDA Rice

U.S. Rice Producers Association

World Food Program

World Share

**ASPSA SUPPORTS GLOBAL MEALS FOR EDUCATION INITIATIVE**

ALEXANDRIA, VA (May 3, 2001)—The American School Food Service Association (ASPSA) is excited and proud to lend its support to the McGovern-Dole International Food for Education and Child Nutrition Act of 2001. It is our hope that Congress will quickly approve this legislation so that this program can continue helping needy children throughout the world.

“The global meals initiative is bringing the success and know-how of this country’s school breakfast and lunch programs to poor school children around the world,” said ASPSA President Marilyn Hurt, SFNS.

“Further, providing school meals in poor countries gives children extra incentive to attend school and get the education they need.”

An estimated 300 million children worldwide, most of them female, either do not attend school or do not receive a meal at school. Of that total, approximately 170 million children do attend school but are not fed at school. The United Nations’ World Food Program (WFP), which has been addressing these problems for years, uses food to entice children to school, which in turn helps improve literacy, break the cycle of poverty, and reduce the number of school-age girls. Last year, WFP fed more than 12 million school children in 54 countries.

Former U.S. Senators George McGovern and Robert Dole justifiably played a leading role in advocating for an international school lunch program to spread the benefits enjoyed by American children worldwide. Last December, the White House authorized $300 million to help fund school feeding projects in poor nations. Of that amount, $140 million will go to WFP to expand existing efforts and develop new school meal programs in 23 countries.

“By itself, feeding poor and hungry children is a noble and imperative to many,” Hurt said. “But when you learn of the strong linkage between nutrition, learning and the positive impact of school attendance on early child mortality rates, it becomes even more clear that this initiative is worthwhile in countless ways.”

ASPSA is a national, non-profit professional organization representing more than 58,000 members who provide high-quality, low-cost meals to students across the country. Founded in 1946, ASPSAs is the only association devoted exclusively to protecting and enhancing children’s health and well-being through school meals and sound nutrition education.

**USA RICE SUPPORTS INTERNATIONAL FOOD FOR EDUCATION BILL**

**FUNDING FOR NEEDY OVERSEAS CHILDREN ALSO A CRITICAL FOOD AID PROGRAM FOR U.S. RICE**

Why is the George McGovern-Robert Dole International Food for Education and Child Nutrition Act of 2001 important to the rice industry and why is there another food aid program?

The International Food for Education bill is designed to target commodities and resources directly to the beneficiaries, needy children. This prepositioned food aid program provides a new outlet for U.S. rice movement, a commodity particularly suited for school feeding. Rice is ready to eat with minimal preparation, and is easy to transport and store. It provides a complete protein when combined with pulses such as peas. Providing U.S. rice tonnage should not be dependent on the unpredictability of surplus designation. The International Food for Education bill secures permanent funding under Section 416(b) authority, as well as the inclusion of non-surplus commodities. This allows the rice industry to work closely with USDA and private voluntary organizations to find consistent, ongoing uses for rice in feeding and monetization projects, which helps to stabilize market conditions in the United States.

Overall, food aid funding has declined significantly over the last 10 years. The International Food for Education bill will assist the U.S. rice industry in maintaining rice food aid tonnage supply to meet overseas demand, and will generate important economic activity in local communities here in the United States.

Why are food aid programs like International Food for Education so important to the rice industry when there are other food aid programs like Inter-American Development Bank, USAID, and private voluntary organizations that can provide non-subsidy commodities?

The movement of food aid tonnage is important to the rice industry because we produce more rice than can be consumed on domestic market at the cost of the U.S. rice crop is exported, and up to 20 percent of this is in the form of food aid. Food aid is expected to rise to 200 million bushels by fiscal year 2004.

“The George McGovern-Robert Dole bill is a win-win for the rice industry as it faces increased production costs, extremely low prices, competition from low-price foreign competitors, and export restrictions and unilateral sanctions,” said Former U.S. Senators George McGovern and Robert Dole.

Last year the movement of rice food aid (9 million hundredweight) accounted for 1.2 million bushels.

Food aid serves as a long-term market development tool for the U.S. rice industry as well as a humanitarian effort. USA Rice continually seeks new outlets for U.S. rice. Food aid movement allows U.S. rice to enter developing countries that cannot currently afford to buy high-quality U.S. product. Introducing U.S. rice to consumers and traders in recipient countries allows commercial trade to develop when economic conditions improve.

**LAND O’LAKES, INC.,**


Hon. JAMES P. MCGOVERN,

House of Representatives, Cannon House Office Building, Washington, DC.

Hon. JO ANN EMERSON,

House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVES MCGOVERN AND EMERSON: Land O’Lakes commends you for taking the lead in introducing, “The George McGovern-Robert Dole International Food for Education and Child Nutrition Act of 2001.” This legislation will codify as an enduring program the feeding of many hungry school children in developing countries.

At the same time this activity assists U.S. farmers through the removal of excess stocks. Utilizing U.S. commodities in this program allows our farmers to operate in a market environment that is more balanced rather than the current situation that is characterized by burdensome levels of carry-over stocks. International child feeding programs provide increased nutrition resulting in increased attendance at school. As a result, more children participate in the educational system, and prepare them to become skilled participants in today’s global economy. Furthermore, feeding children at school also...
provides them the nourishment to improve their cognitive ability so that they also will retain the knowledge imparted during the time that they spend in the classroom. The long-term benefits (a) to encourage educated people to rise out of poverty, (b) to increase the education and earning capacity for girls providing the means to reduce the incidence of women¿s health problems, and (c) to improve the quality of life for millions of people in developing countries around the world.

The specific elements of this legislation that Land O¿Lakes is particularly supportive of include: 1. Making the recently announced Global School Education Initiative a pilot program to permanently funded program. 2. Encouraging private sector involvement in the delivery of programs under this authority. 3. The commodity contribution would allow the international school feeding program to devote $600 million in Fiscal Year 2002 and $750 million in succeeding fiscal years to establish preschool and school feeding programs, and $100 million in Fiscal Year 2002 and $250 million in succeeding fiscal years for maternal and infant health and feeding programs.

Land O¿Lakes is currently participating in school feeding programs through the 416(b) allocations in Indonesia. Working in partnership with the Tetra Pak Company, we provide 216,000 primary school students with a long-shelf life milk drink and fortified biscuit three times a week. Already we have achieved remarkable results. The Ministry of Education is reporting marked increases in school attendance rates, especially by girls. There is also evidence of significant improvement in the health and stamina of children receiving the nutritional products they consume at school. For too many of the recipient children, these servings are their predominant source of vitamins and minerals.

Land O¿Lakes was also gratified that it was selected to implement similar programs in Bangladesh and Vietnam as part of the Global School for Education Initiative pilot program announced in December 2000. Land O¿Lakes will work with Tetra Pak to provide over 1.5 million school children with the same combination of a milk beverage and snack three days per week. These programs require considerable collaboration with the local education authorities and the national education system, and strong local NGOs to monitor the distribution of product and consumption by students.

Our public-private approach to deliver low cost, industry-enhancing, sustainable school feeding programs combines Tetra Pak¿s 40 year international school feeding expertise with Land O¿Lakes 20-year history of international economic development programs. We believe that this unique approach will create immediate nutritional benefits, but also the necessary educational and health activities which ensure a nutritious meal at school for all children, including America¿s poorest. While hunger has not yet been eradicated in the United States, the lives of a whole generation of Americans have been improved thanks to that program.

Now we have the opportunity to reach an even greater audience. To that end, we are working on a plan for the 300 million poor children in the world who either receive no meal at school or do not even attend school.

We are not talking about ordinary charity. Feeding children at school yields tangible results. We can alter their lives for the better. Both bills recognize this by providing funds directly, and through commodity sales, to support not only the distribution of food but also the necessary educational and health activities. These activities include providing books, teacher training, micronutrient supplements, and take home food rations—particularly to encourage girls attendance in school.

We see two critical issues that need watchful attention as these bills progress through the legislative process: 1. PVOs must continue to have direct partnerships, as we do in the other food programs, with our Government in the implementation of this legislation. This should include substantial involvement in the decision-making processes relative to implementation. 2. The Food for Education and Child Nutrition program must work in concert with US cooperatives and agribusinesses as the move toward increased globalization press on.

The George McGovern-Robert Dole International Food for Education and Child Nutrition Act of 2001 will provide valuable nutritional and educational assistance to countless children around the world while supporting American agriculture. Land O¿Lakes supports the enactment of legislation to create a permanent school feeding program and is ready to assist in this endeavor.

I offer our support in moving the bill towards enactment, and I look forward to working with the members of the Land O¿Lakes International Division staff, including myself, are available to meet with you to discuss the necessary steps for implementing this legislation. Land O¿Lakes will gladly testify in support of the legislation in hearings held by any of the committees with jurisdiction over this matter.

Thank you for your leadership in making the international school feeding program a permanent means of improving the lives of needy children around the world. Please let me know when and how we can help to secure passage of this legislation.

Sincerely,

THOMAS A. VERDOORN,
Vice President, International and Dairy Proteins.

REMARKS OF KENNETH HACKETT, EXECUTIVE DIRECTOR, CATHOLIC RELIEF SERVICES

It is a pleasure to be here today with these distinguished guests and with the Senators and Members of Congress who have taken the bold, first steps to turn concept into legislation in a hope that millions of young lives can be improved. Today, I am speaking on behalf of 13 private voluntary organizations (PVOs) that are members of the Coalition for Food Aid. As US charitable organizations and cooperatives, we draw our support from tens of millions of Americans.

We are very pleased that the issues of child nutrition and education are the focus of this tremendous level of bipartisan support in Congress.

Starting over half a century ago, in a true public-private partnership, the US has provided over 60 million metric tons of food aid through PVOs to meet disaster and human development needs. PVOs have implemented pre-school, primary-school and mother-child health programs in poor communities throughout the world. PVO participation has been critical to changing lives, assuring program accountability, and demonstrating the effectiveness of American food aid. We will build on this inspiring example and implementing this wonderful program.

But, achieving educational and nutritional goals among the world’s poorest commuities requires more than just handing out food. Both bills recognize this by providing funds directly, and through commodity sales, to support not only the distribution of food but also the necessary educational and health activities. These activities include providing books, teacher training, micro-nutrient supplements, and take home food rations—particularly to encourage girls attendance in school.

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Vice President, International and Dairy Proteins.
the bulk of it in purchased surplus commodities.

As the program grows and more students enroll in participating schools, costs will increase 20% and expected growth at other countries will join in to help. Discussions with other governments have already begun. Rich nations that do not have farm surplus to contribute cash, shipping personnel, utensils and other educational inputs. Government costs could be further reduced or supplemented with contributions from private foundations, corporations, labor unions and individuals.

In order for the program to be sustainable, the benefits to our children this gesture would be expected. The initiative would be under the instructional and monitoring eyes of the World Food Program, which has nearly 40 years of school feeding experience. Working with other charities and aid groups, WFP can ensure that the other necessary aspects such as teacher training, sanitation and health inputs are coordinated.

In an era of cynicism and weariness about third world problems, using food surpluses to feed and help educate primary poor children may seem like a surprisingly simple way to make an impact. But a hot meal to a poor student would be under the instructional and monitoring eyes of the World Food Program, which has nearly 40 years of school feeding experience. Working with other charities and aid groups, WFP can ensure that the other necessary aspects such as teacher training, sanitation and health inputs are coordinated.

And I say to the gentleman from Massachusetts (Mr. McGovern), that I think is so very, very important, because as incomes in developing countries rise, then we know that consumption patterns change, and we also know that food and other imports of U.S. goods and services increase.

In fact, back in 1996, 9 of the top 10 agricultural importers of U.S. products were food aid recipients. While we are shipping food aid abroad, it is important for people to understand that most of the money stays in the United States.

THE GEORGE MCGOVERN-ROBERT DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION ACT OF 2001

The SPEAKER pro tempore (Mrs. MORELLA). Under a previous order of the House, the gentleman from Missouri (Mrs. EMERSON) is recognized for 5 minutes.

Mrs. EMERSON. Madam Speaker, I want to join with the gentleman from Massachusetts (Mr. McGovern), my good friend, to talk about the global food for our education bill, and also to thank the gentleman for doing such a tremendous job in getting our colleagues to be very excited about this, to be enthusiastic, and I am so very pleased also that the United States Senate is participating as well with their bill.

Madam Speaker, let me say that from an agricultural standpoint, there are many, many benefits for the United States economy for international food assistance. We have done this for many, many years as a country. I am very hopeful that we will continue that policy that we perpetuate, that we are able to get the rest of the world involved in, but, most importantly, this kind of foreign assistance.

U.S. food aid helps alleviate poverty. It promotes economic growth to the recipient countries, and this is very, very important, because as incomes in developing countries rise, then we know that consumption patterns change, and we also know that food and other imports of U.S. goods and services increase.

In fact, back in 1996, 9 of the top 10 agricultural importers of U.S. products were food aid recipients. While we are shipping food aid abroad, it is important for people to understand that most of the money stays in the United States.

The domestic beneficiaries of U.S. food aid exports include our agricultural producers and suppliers, our processors, packaging, manufacturing, rail and motor transportation lines; I could go on and on and on. Most every State in the country does benefit from food aid exports, in spite of the fact that most people would not knowingly think that they were agricultural States.

I think that we must do everything possible to help the world's hungry children. When my late husband Bill came back from a trip in the Sudan, when he came back from various trips to Ethiopia and other countries, I think it was a very, very sad experience. He would hold dying children in his arms, children who were 12 years old and 13 years old, who were about the size of a 3-year-old or 4-year-old, who did not weigh anything, who had no opportunity to go to school.

Mr. Speaker, I just want to say in closing, then, that I hope that more people will help all of us help children all over the world, as well as the American farmer.

CINCO DE MAYO CELEBRATION

The SPEAKER pro tempore (Mr. TOOMEY). Under a previous order of the House, the gentleman from Texas (Mr. HINOJOSA) is recognized for 5 minutes.

Mr. HINOJOSA. Mr. Speaker, this past weekend, I had the pleasure of joining my constituents in Goliad, Texas to celebrate Cinco de Mayo. Cinco de Mayo is celebrated with music, with dancing, with great food and, yes, and Mr. Speaker, with great speeches.

Texas A&M associate professor, Armando Alonso, said so eloquently, and I quote, "The important thing about this celebration is that it comes from the citizens of the community, not from scholars, not from politicians, or those of us who are at universities with special training."

Although the holiday has spread throughout the world, its true spirit is in communities like Goliad, Texas, where people honor the value of their Mexican history and culture and the contributions that Mexican Americans have made across the spectrum of American life.

Mr. Speaker, I stand before my colleagues as a proud first generation Texan, born of Mexican immigrant parents who came to the United States as children in 1910.

Mr. Speaker, Goliad is the true heart of Cinco de Mayo, because it is the birthplace of General Ignacio Zaragoza, the young Mexican general who defeated the French at the battle of Puebla on May 5, 1862. This triumph was not only a moral victory over tyranny and oppression.

General Zaragoza is rightly called the "George Washington of Mexico." His dedication to the cause of freedom and democracy is an inspiration and challenge to us all.

General Zaragoza was born in Goliad, Texas on March 24, 1829. He was the son of a soldier, but was educated as a priest. He was a small businessman for a short time, but his passionate support of Mexico’s struggle for democracy led him to follow his father into military service.

During the years of the War of the Reform in 1857 to 1860, he joined with the legendary Benito Juárez and fought in numerous battles, including the Battle of Calpulalpan, which ended the War of Reform.

His military brilliance in those 4 years was recognized, and he quickly rose up the ranks to general. When Mexican President Juárez was forced to declare a moratorium on Mexico’s European debt in order to salvage the
Goliad is over a thousand miles away from Puebla, Mexico. Yet the citizens of Goliad have adopted Puebla and Hidalgo, Nuevo Leon, Mexico, the birthplace of General Zaragoza’s wife, Rafaela Padilla, as sister cities. Cooperation, trade and interaction among the three towns is strong. People along the border realize that what affects their neighbors affects them as well.

The Rio Grande River—a Heritage River, has become a bridge between two peoples and two cultures through open communication, undying friendship and growing trade. This, too, is a lesson of Cinco de Mayo. General Zaragoza helped preserve our Union by defeating the French troops. Today, trade with Mexico is helping to drive our booming economy and strengthening the North American continent. In this interdependent world, we truly need each other.

As you can see, I—Congressman HINOJOSA am very proud to represent and speak in the Halls of Congress for Goliad and Goliad County because my father was extending a very cordial invitation to Mexican President Vincente Fox and President George W. Bush to jointly visit Goliad, Texas during May of 2002 to celebrate Cinco de Mayo. I want to extend the invitation to all of you, my colleagues in Congress.

Mr. Speaker, I include for the Record an exemplary speech given at Saturday’s Goliad Cinco de Mayo celebration by Professor Armando C. Alonzo, an Associate Professor of History at Texas A&M University into the RECORD immediately following my remarks.

EXCERPTS FROM TALK GIVEN BY PROF. ARMANDO C. ALONZO AT THE CINCO DE MAYO CELEBRATION

Good morning. I’m very happy to be here today with all of you for today’s celebration and I want to thank the Society of General Ignacio Zaragoza for inviting me to be part of this important event along with the city and county officials as well as Congressman Ruben Hinojosa. I’m always happy to be in Goliad because I also have some roots in this area because my father was born and raised in Yorktown, not very far from here. I want to make two points today without going too much into the historical facts of General Zaragoza’s victory over the French in 1862 because others have already talked about that.

One of the important things about this celebration is that it comes from the citizens of the community not from scholars, politicians, or those of us who are at universities with special training. It’s important that events like this be planned and organized by the people in the community because history is made by the people of these communities. Trade and the economy are certainly important but this celebration reminds us of the value that history and culture have for Mexico and its citizens and for Texas and its citizens. The celebration has taken the time and effort to celebrate our history and culture and that is very important because of the impact that this kind of events have for our children and for the entire community. Even though we are about a thousand miles from Puebla where the battle took place, this celebration still has connections and its impact evident by the fact that there are people here from the sister city of Hidalgo, Nuevo Leon, Mexico, from the entire country and we even have a direct descendant of a soldier who fought at the Battle of Puebla—the lady who lives in South Texas, whose grandfather fought at the battle.

Memory helps to keep our history alive. This celebration is a memory of an important historical event—the battle that took place on the Cinco de Mayo. It’s important for parents to connect the memory of that event to our culture and history and pass it on to our children.

This celebration, which goes back at least 55 years, keeps the memory alive of our history and our culture for the entire community. Professor Armando Paredes explained how cultural influences, such as language, music, the corridos, that are familiar to us, theater, and other factors made Texas a part of “Greater Mexico.” Today we see this “Greater Mexico” through the flow of trade and people. I look at the Rio Grande not as a political boundary but as a bridge between two peoples and two cultures. The Rio Grande is a bridge that connects us together rather than divides us. For us in Texas especially, “Greater Mexico” is part of our daily lives. In fact our roots can be traced to Coahuila from which the Spanish colonization of the provincia de Los Tejas proceeded. As a matter of fact, the settlers initially called this land, Texas, Las Filipinas (in honor of King Philip of Spain). Nuevo Leon and Nuevo Santander also helped colonize Texas by sending settlers. So as we can see, the history of Texas is connected to Mexico.

In Zaragoza we have a Tejano who is a hero of Mexico. Ignacio de Zaragoza was born in this little village, in this pueblo in Texas but his heart, his values were for his country, his patria, instead of for Santiago Vidaurre, the strongman of Nuevo Leon. Through his mother, who was part of the Seguins of San Antonio, he was a multigeneration citizen of Texas. Ignacio de Zaragoza was a Texan of Hispanic origin, a son of Texas who moved with his father to the Lower Valley and to Leon.

The legacy of General Zaragoza is the value and worth that his life gives to our history and culture. That is what this community is celebrating today.

Thank you very much. I hope you have a good day.

EXPRESSING SORROW AT THE UNTIMELY PASSING OF STEVE GREEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HUNTER) is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I want to take this time to talk about a great loss to San Diego, a great loss to journalism and a great loss to our Nation, and that is the untimely passing of Steve Green of Copley Press.

Steve had a long career in journalism. He worked as a reporter for the old Washington Star. He used to get the scoop on his better-financed opposition and adversaries in the Washington Post. He later went on to the Washington Times and the San Diego Union-Tribune, then to the San Diego Union. He was the kind of guy who really knew how to get a scoop, how to follow a story until he got everything out of that story.

He later went to work for Copley Press and was ultimately the bureau chief for the Washington Post in Copley Press, and it was there that I and the other members of the San Diego delegation and lot of other folks
in politics in Washington, D.C. got to know Steve.

The reason I am talking about Steve today is because I think that Steve Green represented the very best of one of the most important aspects of this democracy, and that is journalism. Steve was in the middle, in the heart of a lot of the very fundamental, earthshaking events in the last 34 years in Washington, D.C., and he was in the middle of the Watergate scandal. He covered a lot of national stories that had a great deal of importance to this country and to this town.

After he left the position of bureau chief for Copley, he went on to become the editor who covered the Pentagon and the United States military, a very, very important issue, especially for those of us from San Diego.

Throughout this stint of covering very important issues, issues which often revealed the sordid side of politics, the Watergate scandal and some degree, the Watergate scandal, Steve Green was a real person, was a real human being.

He was a guy who had a great sense of humor, a great sense of evenness, a great sense of decency. And those people, people with good hearts, are very important to this democracy, especially in a position in the center of journalism in Washington, D.C.

Mr. Speaker, I got to know Steve when he was covering the San Diego congressional delegation, and you noticed in Steve’s stories, Steve was a guy who got all the details. You could not pull the wool over his eyes. He knew what was going on, and he always kind of knew the story behind the story.

He also wrote those stories in a way that was very even, very fair-handed, without an agenda, and I think with a little sense of humor also, and with a sense of civility.

With this entire city searching for civility and, of course, the President asking for it and using that as a trademark for this new administration, it is guys like Steve Green in Copley Press who really manifest that civility, because they do it in writing evenhanded stories and portraying to the great public out there what is really happening in Washington, D.C.

While sometimes there are sordid sides and bad sides for the story and stories that reveal some of the darker parts of human nature, he also liked to write a story that would reveal the better sides of human nature and justice and triumph in the end and the good things about America.

To be able to cover this period in which a lot of journalists turn to cynicism when looking at Washington, D.C. and this great Capitol, this people’s House, to remember Steve Green sitting here in the Speaker’s lobby with his pencil and his paper out taking an interview after a vote on the floor or after something happened, and doing it in his evenhanded manner, his optimistic manner, always looking for the good aspect of the story was something that was very important to myself and to the other Members of the congressional delegation.

So Steve passed away, Mr. Speaker. He leaves a great legacy for Copley Press and for anybody who wants to be a journalist and cover the great national theater of action which is in Washington, D.C. with the Congress and the President and all of the aspects of a new administration like the one that is in place right now.

In fact, Alison, his daughter, sent me a few notes on Steve’s life one night, and I could tell from her conversation that she is kind of a chip off the old block. But he leaves Ginny. His widow is a wonderful lady. We all wish all the best to Steve’s family.

EDUCATION BUDGET AND VALUES

The SPEAKER pro tempore (Mr. TOOMET). Under a previous order of the House, the gentleman from North Carolina (Mr. ETHERIDGE) is recognized for 5 minutes.

Mr. ETHERIDGE. Mr. Speaker, I rise today to speak about education, the budget, and something those of us in North Carolina call North Carolina values.

Mr. Speaker, we have often heard the projected budget surplus, assuming it materializes like predicted, is the people’s money. Of course it is. It is the people’s money. We agree on that. It should be spent on the people’s priorities. The budget must reflect the values of the American people. It must affirm their long-term dreams and help them meet their daily needs.

This Congress should invest in a better future for the American people. We must build the human infrastructure. We need for an economy that creates the opportunity for prosperity for all Americans who are willing to work for it.

We must invest in long-term research in science and technology and engineering that will yield a long-term benefit but may not be seen as benefiting a short-term political gain. But it certainly will produce a strong economy down the road.

We must invest in education and lifelong learning so that Americans will have the most skilled work force in the world and continue to exert global economic leadership. We must repair the torn farm safety net so that farm families will have the opportunity, not only to survive, but to thrive.

Unfortunately, this House today passed along party lines a budget full of missed opportunities and misplaced priorities. Do not get me wrong. I strongly support responsible tax relief for working families in America. But this budget will run our economy in the wrong direction. But, it holds so much promise for a bright future for these children and for all the rest of us.

Mr. Speaker, the folks in Anderson Creek demonstrated the kind of priorities that Congress ought to be adopting. We should forgo the short-term appeal of an easy path and choose, instead, the right path. It takes vision and hard work, but in the end, the payoff is well worth the effort.

We missed an opportunity today to put money in the budget for school construction. I will talk about that at another time. But those are the kind of values that the people of North Carolina sent me to Congress to represent, and those are the values this Congress should embrace when making important decisions on the budget, taxes, and appropriations.

Today’s vote was, unfortunately, a big step in the wrong direction. But, hopefully, Congress will get its priorities straight and enact policies that honor what I call North Carolina values and reflect the kind of priorities that the American people truly want and expect us to deal with.

CLEVELAND PASSES ISSUE 14: A BOND TO FIX CRUMBLING SCHOOLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JONES) is recognized for 5 minutes.

Mrs. JONES of Ohio. Mr. Speaker, on May 1, the voters of the City
of Cleveland did a great thing. They voted overwhelmingly to pass issue 14, a bond issue needed to fix our crumbling school buildings.

This was our T-shirt. It said “Safe schools for Cleveland’s children. The cause is right. The time is now.” The voters of the City of Cleveland said that the cause was right, and they realized that the time was now.

It is a day of celebration for the children, for the teachers, for the schools, for the athletes, for the maintenance workers, for the custodians, for labor, for the neighborhoods, for property owners, for businesses, and for our country.

The bond issue was a bond issue for $338 million. We are very excited about it. Particularly because it made us eligible for a $500 million match from the State of Ohio to fix the crumbling school buildings of the City of Cleveland.

The voters looked past mismanagement, failure on the part of prior school boards to the needs of the children of the City of Cleveland and the need for safe schools.

I want to congratulate a number of people who participated in this great bond issue yesterday: Mayor Michael R. White, who is the mayor of the City of Cleveland, the first mayor to take over the responsibility for oversight of Cleveland, the first mayor to take over the plate yesterday and voted to fund schools in our area.

I want to thank God. I want to thank Cleveland for hearing and responding to the needs of Cleveland’s children. The time is right. The time is now.

NEW ADMINISTRATION’S ENERGY POLICY IS TO DRILL, NOT CONSERVATION

The SPEAKER pro tempore. Under a previous understanding of the House, the gentleman from Washington (Mr. McDermott) is recognized for 5 minutes.

Mr. McDermott. Mr. Speaker, the news magazines of this country often give us warnings what is going to happen. If one wants to know what is going to happen in the United States, always look at California. No matter what is happening, if California has got something going on, it is going to be everywhere in the United States in the next 3 years.

Now, if one picks up this week’s Newsweek magazine, there is an article by Allan Sloan called “Profiting From the Darkness.” It really lays out the rape and pillage of the California electrical consumers over the course of the last few years, last few months actually.

Now, who saves us from this kind of assault on the consumers? Well, the government does. But in January, we put out this country a new dynasty or brought back an old dynasty. George II of the oil dynasty took the White House; and he brought with him some of his counts and his dukes and so forth. The Duke of Wyoming became the Vice President. He has worked for an oil company, as did the President. The Secretary of Commerce, he came from an oil company. Go right down the line and one can see that the oil dynasty is fully in charge in this country.

Now, the question that has to be raised here is how are we going to deal with the energy problems in this country. Now, there are only three things one can do. Well, there are three major things one can do. One is increase the supply, the second is conserve, and the third is develop alternative energy sources.

Now, the Vice President of the United States met with all the legislators from California, Washington, and Oregon. He told us this is not a Federal problem. It is not a Federal problem. This is a State problem. Whatever happens to California, that is their problem. Whatever happens to Washington, it is their problem.

When the issue of conservation was raised, he said conservation may be a sign of personal virtue, but it is not a basis for sound comprehensive energy policy.

Now, his answer to our problems in this country is to drill, drill in the Arctic National Wildlife Refuge, drill in the Great Lakes, down to the President’s brother’s State, Florida, and drill in the shelf off the coast of Florida. The Governor of Florida told his brother to go on back home and stay out of his local waters. But they are the solution being offered, drill wherever you can, and maybe we can fix it.

Now, the fact is that the American Council on Energy Efficiency estimates that gradually raising the fuel efficiency on automobiles and small trucks to 35 miles per gallon would save a million and a half barrels a day in 2010 and four and a half million barrels a day by 2020.

That is seven times what could be attained if we drill in the Arctic National Wildlife Refuge. There is no reason to be drilling. We ought to be raising the conservation standards in this country. The energy czar the President appointed also says that we ought to have 1,300 new generating plants in the next 20 years. This comes from an arm of the Energy Department always pushed coal and gas and oil. But at the same time they are using that study to say we have got to build 1,300 new plants, they conveniently overlook another Energy Department study, called “Scenarios For a Clean Energy Future,” which is put out by the Energy Department’s national laboratories. This study concludes that efficiency measures alone could obviate the need for 100 plants. Air-conditioning, clothes dryers, water heater changes could save another 100 plants.

Our government is designed to help the oil industry, make it possible for them to drill everywhere. And this spring and summer, as they are now talking about $3-a-gallon gasoline, our constituents are riding around in a car and they stop and pay three bucks for a gallon of gasoline, who is the person they should thank? The President of the United States. He wants us to use that. We do not hear anything out of this administration about conservation or about alternative energy sources.

Now, here is a simple little fact: every day in California, seven times the energy that is used in California falls out of the sky in the form of solar energy. Seven times there is no energy crisis in California, and we ought to be talking about a lot of other things besides drilling for oil.
The SPEAKER pro tempore (Mr. Toomey). Under a previous order of the House, the gentleman from North Carolina (Mrs. Clayton) is recognized for 5 minutes.

(Mrs. Clayton. addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

MESSAGE FROM THE PRESIDENT
A message in writing from the President of the United States was communicated to the House by Ms. Wanda Evans, one of his secretaries.

THE EDUCATION BUDGET
The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. Langevin) is recognized for 5 minutes.

Mr. Langevin. Mr. Speaker, I rise today to protest the Republican budget on which we voted because it slashes critical investments in education that are essential to Rhode Island’s schools. This budget falls $21 billion short of even the President’s proposal for education investment. President Bush and too many of my colleagues on the other side of the aisle have made this tax cut for the rich a top priority and paid for it with Draconian budget cuts in critical social services.

I am disheartened to see the President abandoning his campaign promise and abandoning our children. Under this partisan budget that we were forced to vote on today, Rhode Island will lose critical funding for class size reduction, school construction and violence prevention programs. In 1999 and 2000, Rhode Island received more than $11 million under the 100,000 New Teachers program. With these funds, Rhode Island was able to hire 145 new teachers. President Bush wants to terminate the program and design Rhode Island’s children to overcrowded classrooms. More teachers and smaller class sizes are critical to helping all students, and they have a particularly dramatic impact on those from low-income families. In fact, smaller class sizes are key to substantially closing the achievement gap between high-performing and low-performing students. To leave no child behind, the House and Congress must make a difference for every child in America.

To truly leave no child behind, the White House and Congress must make politics more rhetoric with resources needed to turn words into deeds and hope into reality.

PUBLIC SERVICE RECOGNITION WEEK
The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Davis) is recognized for 5 minutes.

Mr. Davis of Illinois. Mr. Speaker, today we are in the midst of Public Service Recognition Week and I rise to salute the public servants whose hard work and determination have markedly improved the way government does business.

Each May, the Public Employees Roundtable launches activities in cities across our Nation which highlight excellence in public service at the Federal, State, and local government levels. The organization hosts agency exhibits and demonstrations that educate the public about the array of programs and services that public employees provide to the American people.

Activities in my own hometown were kicked off yesterday by the Chicago Federal Executive Board. The board held its 44th Annual Excellence in Federal Career Awards program at the grand ballroom at Navy Pier in Chicago. Thirty-one agencies submitted a total of 487 nominations for the Board’s consideration. Among the 11 first place winners were: Lynn Hoffstadter, a manager of the Department of Veterans Affairs, who was recognized as an outstanding supervisor for leading Hines Veterans Administration Hospital to the highest level of accreditation that hospitals can receive; Michael Johnson, an employee with the U.S. Customs Service, was recognized as an outstanding community service employee for his work with the homeless and the troubled in his church. And the Chicago Lead Enforcement Initiative at the Environmental Protection Agency was awarded the Outstanding Law Enforcement Team Award for forming an aggressive alliance between Federal, State, and local agencies to protect families from the debilitating effects of lead contamination.

Mr. Speaker, while I have only enough time to recognize a few of the winners, I believe that each award recipient and each person nominated deserves our appreciation. Some of Monday the Public Employees Roundtable held a ceremony here on Capitol Hill and presented its “Breakfast of Champions” award to representatives of exceptional programs at each level of government. The 2001 winner at the Federal level was the Ricky Ray Program at the Department of Health and Human Services in Rockville, Maryland.

Other programs receiving special recognition this year were the Ohio Appalachian Center for Higher Education in Portsmouth, Ohio; Hennepin County Adult Correctional Facility Productive Day Program in Plymouth, Minnesota; and the Long Beach, California, Department of Parks, Recreation and Marine’s Public Art in Private Spaces program.

Beginning this past Monday, and continuing throughout Sunday, May 13 over two dozen Federal agencies and employee organizations will have exhibits set up in large tents on the National Mall at Third and Independence Avenues. The public is invited to come out to learn more about the functions of these agencies and the services that each one provides. There will also be a job fair and a science fair. Some of our military bands and other groups will provide entertainment during this family-oriented event.

So, Mr. Speaker, Public Service Recognition Week offers all Americans, especially young people, the opportunity to learn and get excited about a career in public service. It also provides the opportunity to thank those who serve us daily for their efforts. I believe that public service should be valued and respected by all Americans, and the activities occurring throughout the Nation prove why. I thank all our public service employees, Mr. Speaker.

SMALL BUSINESS WEEK
The SPEAKER pro tempore. Under the Speaker’s announced policy of January 3, 2001, the gentleman from Illinois (Mr. Manzullo) is recognized for 60 minutes as the designee of the majority leader.

Mr. Manzullo. Mr. Speaker, as chairman of the Committee on Small Business of the House of Representatives, I am pleased to join with the President in helping to celebrate Small Business Week. We have several members of our Committee on Small Business here on the floor today, and I would recognize and yield to the gentleman from West Virginia (Mrs. Capito).

Mrs. Capito. Mr. Speaker, I thank the chairman of our Committee on Small Business for yielding to me.
I come to the floor today as a member of the Committee on Small Business to recognize the significant role of small businesses in the spirit of National Small Business Week. In my home State of West Virginia, where small business is big business, 90 percent of the employees in the state employ less than 20 people. Those smaller-sized firms employ nearly 60 percent of West Virginia’s private sector employees. They are at the forefront of job creation, adding a net total of 4,700 employees between the years of 1995 and 1996 in West Virginia alone. These numbers prove that small business is the backbone of our economy.

But small businesses often serve other roles: as a second family to the employees or as pillars to their community. Often small businesses invest time and resources in other causes and organizations, or they become involved in local schools, churches, and sports teams. In Charleston, West Virginia, my home, Bill Signorelli, the owner of Security America, sponsors a Little League team, along with volunteering much of his free time to the Charleston area chamber of commerce. Bill has built his business from the ground up, and now his business works to encourage the same work ethic that he used as a young person in many children through their baseball team.

In Lewis County, West Virginia, a man by the name of Frank Brewer owns and runs Sun Lumber Company, a company that employs about 10 employees. Aside from running his own business, Frank spends many hours of his valuable time as the head of the employer support of the Guard and Reserve for West Virginia. Frank’s tireless commitment helps strengthen our country by easing the way for other small businesses to serve in the National Guard and in the Reserves.

That local and local involvement is not unique to these particular small businesses; rather, it is very common among small businesses across the country. That spirit is why I stand here today, and that is why I wish to join in the celebration of National Small Business Week.

So today, and for the rest of the week, we recognize, celebrate, and commend the vital and significant contributions of small businesses, not only to our families, to their employees, but also to our local communities and our country.

Mr. MANZULLO. I have a question for the gentleman. She was kind enough to participate in a full small business hearing that we held this past week concerning the purchase of berets for our soldiers.

Mrs. CAPITO. Yes. Mr. MANZULLO. About $20 million in purchases, of which only about $1 million was domestic and the rest was procured overseas. We have succeeded to a large part in stopping the overseas procurement, but the gentlewoman had mentioned to me something to the effect that just this past week she lost several hundred jobs involved in the clothing industry; is that correct?

Mrs. CAPITO. Yes. Over the last several months we have lost an enormous employer in Roane County, in Spencer, West Virginia, which actually had a factory for clothing and textiles sewing. So we would have liked to have had that business in Spencer, West Virginia. It was a small business, and it has kind of gutted the community now that they have left. So if the military is going to demand that, we sure want to be in on that.

Mr. MANZULLO. There is about $40 billion a year worth of all types of procurement coming from the Department of Defense; a good percentage of that is clothing. I know that your heart was hurting over the fact that 3 or 400 people lost their jobs.

Mrs. CAPITO. Yes.

Mr. MANZULLO. And being it is a small town in a rural county, it is very difficult to find work elsewhere.

Mrs. CAPITO. That is right. I appreciate your bringing that to my attention. It is very difficult, because that many jobs, it not only guts the community in terms of the economics, but also the local involvement, the church, the Little League teams, school fundraisers, all of these things start to fall apart when you lose a large employer like that.

Mr. MANZULLO. Mr. Speaker, I appreciate the gentlewoman’s participation in our special order this afternoon. Mr. Speaker, I yield to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, each year for the past 38 years the President has issued a proclamation calling for the celebration of National Small Business Week. The National Small Business Week, which is sponsored by the SBA, is being held this week. We honor the estimated 25.5 million small businesses in America that employ more than half the country’s private workforce and create three out of four new jobs, and generate a majority of American innovations.

As chairman of the Subcommittee on Regulatory Reform and Oversight, I would like to lay out the principles that I believe should inform this body’s agenda for our Nation’s small businesses.

First, we need tax relief for small business owners. The House has taken a step in the right direction in passing a fiscally responsible budget that leaves room for tax relief. Contrary to what our opponents charge, cutting rates in the highest income tax brackets does not yield benefits just for the wealthy. Most small businesses pay taxes as individuals. Sixty-three percent of tax filers would benefit from the top rate cut are small business owners who will likely reinvest their money in their businesses.

The Department of Treasury reports that a top tax rate reduction could increase small business receipts by 9 percent. The tax reform and relief allowed by today’s budget will help encourage risk-taking and investment in small businesses.

Secondly, we need health care reform that protects employees and small businesses. In many situations and industry organizations can provide health care to their member organizations at lower cost than those charged by traditional providers. We should actively promote legislation that will free small businesses to choose health benefit packages that will attract and retain the best people.

Right now, government employees, our own staffs, have far more choice in health plans than the small businesses in our districts. Colleagues, this ought not to be. Let us let small business employers offer the same health care choices to their workforce as do our staffs on Capitol Hill are given. In reforming health care, we must not extend legal liability to employers for health care decisions made by HMOs or other similar providers. Holding small businesses responsible for mistakes made by health care providers will drive many of them out of business and millions of employees out of insurance.

Thirdly, I believe we must create high-tech infrastructure that aids entrepreneurs. If we do not create an economic environment that allows for high-tech innovation, our small businesses will stagnate, unable to keep up with competitors in the high-tech marketplace.

Increasingly, new small business owners are starting their own businesses in cyberspace. Unless the high-tech infrastructure is in place to make this possible, there will be a dangerous divide between the ‘haves’ and ‘have-nots’ which could undermine business growth and development in small and medium-size towns, like many which I represent in east central Indiana. Without access to the information superhighway, both education and local economies will suffer.

Fourth, we need regulatory reform which is informed by sound scientific information and careful and unbiased research. Much of the debate in the small business area is driven by Federal regulatory agencies and the new policies they create for health, safety and the environment. While the government has made great strides in recent years to improve compliance assistance and review for impact on small businesses, much more remains to be done. Let us work together to remove the regulatory impediments to innovation and problem solving.

Congress must ensure that the engine of our economy, our Nation’s small family-owned businesses, are not undermined by flawed and burdensome regulations.
Finally, we must explore new opportunities for trade to open up new markets and opportunities for small businesses. Small manufacturers and entrepreneurs are increasingly successful because they are able to win new customers in overseas markets. Congress should help the President win access to new markets through fast track trading authority. Also, we must work to expand free trade zones around the world. The President’s recently announced initiative to advance a Free Trade Area of the Americas is a visionary first step. By fighting for fair, free trade, we will help end unfair trade practices that undermine America’s national competitive advantage. These new markets will help grow our economy and ensure that our allies in the Western Hemisphere continue to grow politically and economically.

Our Nation’s small businesses are the strongest in the world. With tax relief for small businesses, the free enterprise reform that provides choice for employees, high-tech infrastructure that aids entrepreneurs, and regulatory reform to eliminate burdensome regulations, combined with expanded international trade, I believe that our small businesses will continue to be the backbone of our economy in the 21st century.

Mr. Speaker, I thank the gentleman from Illinois (Mr. MANZULLO) for his leadership of the Committee on Small Business, and permitting me to join with you in celebrating the small businesses of Indiana and the small businesses of America.

Mr. MANZULLO. Mr. Speaker, I thank the gentleman from Indiana for participating in our special order today.

Mr. Speaker, I yield to the gentleman from New York (Mr. GRUCCI).

Mr. Speaker, I thank the gentleman from Indiana (Mr. MANZULLO), the chairman of the Committee on Small Business, for yielding to me to honor America’s small businesses, and I thank him for his guiding and stable hand in directing the committee which is doing so much good work for our small businesses throughout this great country in helping to create the economic stability or the cornerstone of our economic revival.

As you may know, Mr. Speaker, over 22 million viable small businesses are thriving across the United States. Small businesses with fewer than 500 employees make up the vast majority, 99.7 percent of all employer firms. Let me repeat that number. It is 99.7 percent of our small businesses make up the vast majority of all employer firms. Let me repeat that number. It is 99.7 percent of all employer firms. Let me repeat that number. It is 99.7 percent of all employer firms.

Small businesses generate approximately 50 percent of all U.S. jobs and sales. One of small businesses’ biggest contributions to the economy is that they hire a greater proportion of individuals who might otherwise be unemployed than larger businesses. Very small firms with fewer than 10 employees hire part-time workers at a rate twice that of large firms, which employ a higher proportion of workers under 25 and age 65 and older.

Mr. Speaker, I would like to focus my remarks today on small businesses because these firms operate for themselves and for their families. Reforms that provide small businesses with access to capital and access to government contracts will help them grow and thrive.

Many of our small businesses use technology to streamline the paperwork across the board to improve the efficiency of America’s small businesses as well as their experiences with the Federal Government.

During my career both in the private sector, and as a small family businessman, and in the public sector where I served as supervisor of the largest town in Suffolk County on Long Island, I have always been a proponent of streamlining the costly bureaucracy that hinders the success of small businesses and stifles the entrepreneurial spirit.

In my small family business, I experienced firsthand how encyclopedia-sized applications discourage owners from competing for government projects. I had to hire additional attorneys, accountants and consultants just to fill out the basic paperwork. These requirements place unnecessary burdens on the backbone of our Nation’s economy.

As a local town supervisor, I streamlined and enhanced the planning review process on so many small businesses so that they could obtain permits at a faster pace. I created a streamlined, one-stop shopping system where small business owners and potential entrepreneurs could find all of the information and permits they needed to quickly expand their businesses or, in fact, start up a new one. For example, my policies afforded a high-tech company the opportunity to begin construction on a 40,000 square foot facility that created new jobs in less than 30 days. Without my streamlined plan, this process could have taken months, if not years, and those jobs would have been lost.

By streamlining the process, small businesses can start up faster, expand at a greater rate, create additional jobs and improve the quality of life for all Americans. In addition, I implemented budgets that cut the property tax burden on homeowners and businesses by $2 million. The result was the creation and retention of more than 20,000 good-paying jobs in less than 5 years.

Once again, I ask my colleagues to join in honoring small business owners across America and to support the leadership of this committee.

Mr. MANZULLO. Mr. Speaker, this is National Small Business Week, and it is a time to reflect on exactly who these people are, why they are involved in small businesses operating for themselves as opposed to working for somebody else. There is a lady back home by the name of Rebecca Hillhurst, as well as her four employees, George, Lars and Darcie Powelson, are symbolic of the small entrepreneur enterprise that makes America great. I applaud their hard work and dedication.

When I was 4 years old in 1948, my father bought a grocery store on the southeast side of Rockford, Illinois. At that time, right after World War II, times were very difficult. The immigrants coming from eastern Europe would often stop right in front of my father’s grocery store, buy a bus ticket and they would walk in with a piece of paper which would say, “See Frank at Frank’s Port Market when in Rockford.” Likewise, hundreds of families from out of Arkansas, came to Rockford because of severe crop failure in Arkansas at that time.

Dad, over the period of years that he had that grocery store, stuck staked literally hundreds of families who otherwise could possibly have starved. He would extend them credit based upon the fact that he knew he would get repaid and he was doing the right thing.

He was also a master carpenter. I recall on occasions when dad would take the Blue Star potato chip boxes which were about an inch thick, he would go to garages and places where these people lived and use those potato chip boxes to insulate their homes so the cold air would not come right through the wall and warm it up. Every year, when in the summer, people lived in tents, and many times people lived in basements, not being able to build the house on top of the basement that they themselves had constructed.
for Congress, I would talk about my father and his commitment to the people. Time after time people would come up to me and say, Mr. MANZULLO, we knew your father. Were it not for him, our family would have had a very difficult time making our way even to live but he found a way, and he was able to live. He found us jobs. We would go into the grocery store with a cut hand, and he would be there to break open a package of Band-Aids just to help us.

But Dad is not unique. He envisioned along with my mother the spirit of entrepreneurship, and that is, you work as hard as you possibly can to get ahead in life. But he also recognized something else. Dad was not much about government. Oh, he voted all the time and believed that government was necessary, but he also believed that government was getting involved in too many areas where it should have stayed out of, the regulations that hit Dad’s grocery and then eventually the restaurant that he went into and started in 1953. My brother Frankie carries on that tradition today with Manzullo’s Famous Italian Foods. I told my brother I think that name is a little bit facetious, but he believes that his menu is famous because that is what makes it different. It is the fact that people eat that Italian food, that they will be famous also. But Frankie also with his 13 tables and a small Italian restaurant carries on the tradition of entrepreneurship. He believes very strongly that people are supposed to work that hard that they are supposed to be rewarded, not asking for anything except to keep the fruits of their labor.

What do we have today? We have a government that has gotten so big, so large, exercised jurisdiction where it has no business being, that small businesses are crushed under the burden of regulations.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. TOOMEY. Mr. Speaker, I would like to thank the chairman for his leadership. And advocating for small businesses, the gentleman understands very well the critical role that small business plays in our economy, that small business plays in our entire society. I am sure he is well aware of the fact that small businesses have in recent years created 80 percent of new jobs in America. It is very hard to overstate the importance of small business, and so it is fitting that we recognize small businesses this week. I just want to recognize and commend him on his leadership, the hearings that he has held and the attention that he has focused on finding ways that the government can relieve the burden that government imposes on those people creating these jobs and really contributing so much to our economy.

I want to speak in particular about why today is a big day for small business owners across America and not just small business owners but every single person who is employed by a small business, the people who provide supplies and services to small businesses, the communities that derive tax revenue from small businesses and that is the budget resolution that has been passed today. I want to highlight a provision of the budget resolution is the tax relief that is contemplated, it is allowed for by this budget resolution. It is modest tax relief. If you look at it in any historical standards, it is quite modest. But in the size of the economy and the size of our economy it is quite modest; but it is important because it is significant, it is across the board, it will provide tax relief for all tax-paying Americans, and it is the most significant tax relief in a generation.

Why is it so important? There are a number of reasons, but let me focus on one in particular. The tax relief that we voted to allow today with our budget resolution, if enacted, which I believe the President will sign it into law, it is going to lead to economic growth and prosperity. It is going to increase the economic output of our country, and that means household workers is going to rise, that means workers’ wages will go up, that means standards of living will improve and that means a better quality of life for all Americans. That is why this is a big day, not just for small businesses but for everybody, but especially for small business. Part of what is going to help small businesses in particular is lowering of the marginal rates of taxes.

As the gentleman knows, many small businesses, probably most small businesses in America, are taxed using the personal income tax rates, especially those that choose a subsection S designation, which is to say most, they should be subject to small business tax rates. When we lower the tax rate that small business is going to pay, we increase the incentive to work, to save, to invest and to grow that business. Now, the majority of people in America are going to get up and go to work every day whether or not we lower taxes. That is a fact. But growth occurs on the margin, and many small business owners have flexibility, they have a choice, they have a decision to make. Should they put in extra time, extra work, more effort, more risk, more of their capital at stake to grow their business? Should they do that? Or should they spend that marginal savings, time, energy doing other things, spending it with their families, spending it at leisure, spending it doing something else? If you think about it, when we increase the rewards that small business owner is going to be able to take home by lowering the amount of money we confiscate from him in the form of taxes, when we increase the rewards for working and saving, we have to do more working, saving and investing. Every single time in our Nation’s history that we have had significant across-the-board tax relief, we have seen a corresponding increase in economic activity and economic productivity, in growth and prosperity. That is what is going to happen when we finish through this process and we enact the tax relief that is contemplated by this budget resolution and we will continue on this path and we will follow through with this budget resolution and we provide this tax relief, and frankly I hope that this will be a floor, not a ceiling, in terms of tax relief, there are many important elements that we could add to the tax relief that was proposed by the President, I hope we will because we should, if we do that, we are going to increase the rewards and we are going to increase the incentives and we will see a corresponding increase in the output of economic activity, and that is higher wages, higher standards of living, greater economic growth.

I want to talk a bit about what this is all about. It is going to give people the opportunity to develop and accumulate capital which gets invested in this economy and really leads to all good things and continued growth in the tremendous engine of growth for our economy which small business has been.

I am delighted today to recognize the contribution small businesses make to our economy, to our prosperity, and to recognize also that the budget resolution we passed today is going to help everybody, not just small business, not just small business owners but everybody who is an owner, an employee, a provider of services or products for small businesses. That is a big step forward for all of them.

Mr. MANZULLO. I would like to ask the gentleman from Pennsylvania a question if he has the opportunity to stick around for a few minutes.

Mr. TOOMEY. Certainly.

Mr. MANZULLO. So often we hear people saying, well, look at all the things that government does for businesses. I would like to ask the gentleman what in his mind he envisions when he hears that question asked.

Mr. TOOMEY. One of the best things that I think government could do for business is get out of the way. We share several things in common, one of which is our historical involvement in the restaurant industry. My brothers and I have been in the restaurant industry, I no longer am, but for many years we were involved in this business, having started a restaurant business from scratch. The regulations are extremely onerous; but even more onerous from my point of view was the tax burden and the Tax Code, both obviously visited upon business owners by the Federal Government.

To give my colleague an example, or to put it in perspective, I think of the restaurant business in many ways; it is a simple business. You go out, you buy food, you cook it, and you sell it. It is not even a business that you have to do every year at the end of the year when it comes tax time, I have to hire an accountant and pay a great deal in fees
for the accountant to go out and calculate what our tax obligation is. What he sends back to me, or what he used to do when I was an owner of these restaurants, would be a stack of documents at least an inch high with instructions to fill out a check for a particular amount and sign the form, send it in, and hope for the best.

That is what small business owners do every day. There is no reason for that. There is no justification for a Tax Code that encourages that to stand. There is no justification for a Tax Code that rewards and punishes people with their own money based on whether they behave in a fashion that is approved of by politicians. This is not the way we ought to be doing things. Part of what we need to do is move on and provide meaningful simplification of our Tax Code and more fairness in our Tax Code.

When I talk to the people who are still in small businesses back in Lehigh and Northampton Counties and Montgomery County in Pennsylvania, the folks across the Upper Perkiomen Valley and the Lehigh Valley who are creating all those jobs, the people who tell me this is, Give us some room. Just step back, lower the regulatory burden and we will be fine. These folks are not looking for a gift; they are not looking to be given anything except the opportunity to go out and run their own businesses as they see fit. I think they deserve that.

Mr. MANZULLO. I concur with the gentleman. The best thing that government can do for all businesses is to stay out of the way. Obviously, there are necessary things that the government has to do with regard to safety. We are not questioning those things. But take the area, when my mother died about a year ago and although our brother’s business is not affected because of the very modest amounts, I would say to the gentleman what in his opinion this death tax did to the owner of the business and he wants to pass it on to his children. What has been the gentleman’s experience on that?

Mr. TOOMEY. I know of a number of cases and circumstances in which the effect is devastating. An important point to remember is that the death tax which the gentleman is referring to, which is the tax whereby at the occasion of a person’s death the government confiscates up to 50 percent of everything that person has left over, let us step back and remember that whatever a person has left over is left over after multiple layers of taxation were already paid.

Mr. MANZULLO. During the lifetime.

Mr. TOOMEY. During the course of a working person’s lifetime, the person pays tax on their income. If there is a little money left over from that and you save it or invest it, you pay taxes on dividend or interest. If you have a capital gain because an asset appreciates in value, you pay a tax on that.

If you still manage to have something left over after all those taxes are paid at the end of your life when you die, the government comes in and takes more than half of that. I think to most Americans that is absolutely unreasonable and unfair to have that many layers of taxation on the same income, the same savings. But nevertheless that is what we do.

What are the ramifications of that? They are extremely negative. One example that is all too common is that small businesses, farms, they might grow to the point where there are assets that are substantial, they may be several million dollars, but very frequently they are not cash, they are not in the form of securities. They are not liquid assets that are available to pay bills. They are investment in plants, in equipment, in factories, in land, in very tangible real property but property that is not liquid.

When suddenly the government comes in and says we are going to assess the value of this entire operation, and we want more than half of it now, that forces the heirs to that person’s family business or farm to make some very, very difficult and sometimes devastating decisions. Often they have to sell the entire thing to generate the revenue to pay the tax bill. Sometimes they have to sell portions of it. Sometimes, Mr. Speaker, a family is forced to take on a huge amount of debt to pay the tax bill. Sometimes they have to sell portions of it. Sometimes they have to lay off workers, sometimes they have to cut back on their workforce in order to afford the service on the debt.

The point is the Tax Code should not be driving that kind of decision. It should be the economics of the operation that determine whether you sell the operation, take on debt, not a Tax Code that says it is time for the government to confiscate a person’s assets. That is the kind of devastating impact it can have. It can force farmers to sell their farm, it can force small businesses out of business altogether, and it can force small businesses to have to take on a mountain of debt which their business may not be well equipped to handle.

It can have all of these unintended consequences, all in the name of trying to confiscate a person’s savings at the occasion of their death.

So it is important to remember that this is not just a tax that penalizes those people who choose to be frugal and to save and invest and accumulate an asset over their life, but also they are employees; the contribution that business makes to the community; the revenue that is derived from people who provide goods and services to that business. Even the taxes that are paid from there, and they do much harm.

Mr. MANZULLO. One of the things that I have seen taking place is farmers that really want to pass the farm on to their kids but they know the death tax would be so excessive that they sell out because the capital gains tax is cheaper than the death tax and the capital gains tax can be timed over a period of time.

Some folks in our country are concerned, and in many cases rightly so, over the loss of green space. A person wants to sell his or her farm, that is obviously their right of private property. But to sell it, essentially prematurely, that is not the way it should be.

Mr. TOOMEY. If the gentleman will yield, in my district in the Lehigh Valley and the Upper Perkiomen Valley of Pennsylvania, we have beautiful rolling countryside, farmland and a rural area, within a short distance of the center cities that make up the heart of my district.

Many people are quite justifiably concerned about the sprawl that is going on; the development that is extending ever further outward; the congestion that arises as a result of that; the diminution of the quality of the countryside as these developments have gone on.

What we have is we have a Tax Code that encourages that. In some ways, the Tax Code forces that kind of development because as the gentleman points out, it is an economically rational decision in many cases, not a decision a farmer wants to make but an economically rational decision, given the Tax Code, to sell that farm, even though he would much prefer to pass it on to his children.

To sell that farm, who is the likely buyer of a farm? It is going to be a developer.

Mr. MANZULLO. I was in a position years ago, as an attorney in Ogle County, Illinois, when a family had to sell half the 640 in order to keep the 320, just to pay the death taxes. That is not nice. That was before there was the unlimited marital deduction.

To see the widow and the kids devastated by the sale of that farm, and money just to pay taxes and they had worked on that farm their entire lives. What we see is the farmers who have to have a tremendous amount of capital assets and restaurant owners, grocery store people, people with construction companies literally can run into the millions of dollars worth of equipment in many cases to make a very modest living and they are absolutely totally devastated.

Take the difference between a professional person such as an attorney. He does not need but literally a few thousand dollars’ worth of equipment to get started. At the end of that person’s career, the cases are picked up by other people within his office and not taxed. The firm is not taxed.

Yet, for a farmer or the grocery store owner or the restaurant owner, that can be done because their wealth in their income, is based upon the use of assets that cost a tremendous amount of money.
So we see that 80 percent of small employers have to spend costly resources to protect their families from the death tax. There is a tremendous amount of money in attorneys' fees, accountants' fees, life insurance premiums, all going towards the eventual date when the owner dies that there are enough resources out there to pass that farm on to the kids. What happens when that money is used for expenses like that, it does not get plowed back into the business.

Mr. TOOMEY. If the gentleman will yield once again, that is a very important point. There is an enormous amount of money, by many responsible estimates, as much or more than what is collected from the death tax every year, is spent to avoid it.

Now think of how counterproductive that is; to force people to spend that kind of money all to circumvent this onerous tax. The gentleman is exactly right. This money is going to pay attorneys to set up trusts and all kinds of funds and to pay massive amounts of insurance premiums, which is such a counterproductive use of this capital.

This is money that could be invested in our growing economy, to grow those small businesses, to create more of those jobs that we know these businesses are so inclined to do if given the opportunity. But instead, we force them to allocate resources in a way that makes no economic sense; no sense for their business; no sense for our economy. It is all driven by this terrible flaw in the Tax Code, which is why it is so important that we repeal the death tax in its entirety rather than just create some increase in the exemption.

If we just increase the exemption, we have not gotten rid of the problem. We have diminished it somewhat, but the only way to resolve this problem is to repeal it.

Mr. MANZULLO. If we just increase the exemption, then the next Congress can come back and lower it way back again. Back in 1992, before I was elected to Congress, there was a bill that was introduced that would lower the then-exemption from $400,000 to under $200,000, which would make it even more obstructive.

We have introduced a bill called the Small Employer Tax Relief Act of 2001, H.R. 1037, that is a bipartisan bill. I actually sat down with the gentleman from New York (Ms. VELAZQUEZ), who is the ranking minority member on the Committee on Small Business. I believe that this is a breakthrough, a bill that really will help small businesses.

First of all, small businesspeople that are not incorporated should be allowed to write off 100 percent of the cost of health and accident insurance for their self-employed. My brother is facing $600 and $700 a month for health and accident insurance, and there are small businesspeople that actually go out of business, decide to work for somebody else, simply because they can get the health insurance benefits. So it is time that this Congress really stepped up to the plate and said, look, for too long we have gone with playing games. Now I think it is only 60 percent is deducted.

Mr. TOOMEY. Again, I think this is a very important point, because again we have a Tax Code that causes such an inappropriate distortion in our economy. We have a Tax Code that says if a corporation goes out and buys insurance for health, the employee, the corporation can deduct that as a legitimate expense. It is deducted from their tax liability. That is fine. When an individual or a small business, unincorporated small business, goes out and tries to purchase that identical policy, that person cannot deduct it.

Now, what is the possible justification for that?

Mr. MANZULLO. There is no rationale for that.

Mr. TOOMEY. It is not rational. It is not in the interest of anybody to do this, but yet we perpetuate this, even in light of the fact that we have millions of Americans who are uninsured. Why would it be better to afford the insurance if they could deduct it; just as corporations already do.

I think what the chairman is suggesting is merely that individuals get the same kind of treatment that corporations already get.

Mr. MANZULLO. Yes.

Mr. TOOMEY. Why would we not extend that tax treatment to individuals?

Mr. MANZULLO. It is just something that the small businesses have been trying and trying for the longest period of time to get, and it has had a very difficult time getting through. Hopefully, it will get through this year.

On this bipartisan bill, as to which I am a cosponsor, it would get rid of it by repealing the FUTA, a 2 percent surtax. It would increase expensing up to $50,000. In fact, we are in the process now of looking at whether or not the small business owner or the casual investor should be allowed to set his or her own depreciation schedule.

I just put a rubber roof on a building, a 130-year-old building, not worth that much but the roof cost $25,000. The law says one has to take 39 years to depreciate it. It has a 10-year warranty on parts and a 5-year warranty on labor. It absolutely does not make sense to have arbitrary rules like that.

If we allowed the small business owner to set his or her own depreciation schedule, then, for example, I could choose the number of years I want to do it, say 4 or 5 years, but if I expense it then I could no longer add it to the basis for the property when I sell it. Well, that is ridiculous.

To have to take through that tremendous expense and really get very little tax break to help with it, simply does not make sense.

So there are a lot of things that we can do. This small business bill also allows small businesses with annual gross receipts of $5 million or less to automatically use a cash method of accounting as opposed to the accrual system.

The gentleman would recall a hearing that was held in the Committee on Small Business where people were involved in the installation of drywall. It was a very small company and the Federal Government said even though they did not have a storefront where they took the drywall, and even though they called the wholesaler and the wholesaler delivers the drywall directly to the place where it is to be installed, that we are going to consider this to be inventory and, therefore, we are going to tax them on the accrual method, which means that they are taxed based upon what they bill as opposed to what they receive.

This is a company of about 12 people, gone out with a $200,000 tax bill. Now, it does not make sense because essentially the Federal Government collects no more money on the accrual system than it does on the cash system.

Mr. TOOMEY. It is really a question of timing, is it not, in terms of the Federal revenue on the taxes?

Mr. MANZULLO. It is.

Mr. TOOMEY. It is a question of timing, which is not terribly important to the Federal Government but it is incredibly important to the small business operator who in the example the gentleman just presented is forced to pay a huge tax bill on income that he has not collected yet. Is that correct?

Mr. MANZULLO. And may never collect.

Mr. TOOMEY. Right.

Mr. MANZULLO. In fact, the IRS had entered into some type of an agreement with a dentist in downtown Illinois that said he would have to be on the accrual method. We got wind of this and worked with a couple of organizations. I actually sat down with Commissioner Rossotti of the IRS. His background is in systems as opposed to being a tax attorney. He was really surprised that one of his 106,000 employees had forced this dentist to do that, and he put an end to it.

So we see all of these tremendous numbers of abuses and we are really working on it. I believe, some monumental, in fact bipartisan, legislation to help out the small businesspeople.

I appreciate the gentleman from Pennsylvania joining us today for special orders.

SIX-MONTH PERIODIC REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–68)

The SPEAKER pro tempore (Ms. HART) laid before the House the following message from the President of the United States; which was read and,
Congressional Record—House
May 9, 2001

WHAT ARE OUR REAL NATIONAL PRIORITIES?

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 3, 2001, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 60 minutes as the designee of the minority leader.

Ms. MILLENDER-MCDONALD. Madam Speaker, it is good to be here today, though I am saddened by the fact that a budget has passed out of this House and I was unable to be on this floor today. That budget did not speak to the needs of my community. In fact, it did not speak to many communities, that of the environmental community as well as the education community.

It is amazing that the President said, when he was Candidate Bush, that he promised a new era of environmental protection, and that we should leave no child behind. Yet the impact of this budget today was simply that: We are leaving children behind, and the environment has not been given anything to enhance or direct some of the toxic wastes, the brownfields and all of those other environmental hazards that impact my district.

I can recall that last year in the budget when we talked about 100,000 new teachers. When I was a teacher, I really did gleam at the whole notion that we would for once pay attention to the importance of quality teachers, to bring those 100,000 new teachers into the School District, where we do not have computers for every student, that once a semester they get a different teacher, that the seats are not adequate for the students who are in classes which have no computers, and many of the Members here who voted on this bill, obviously you do not need the money for educational technology funding by $55 million, less than the 2001 freeze level of $872 million. What a travesty. We have an H-1-B bill that passed out of this House sending for folks from other countries over here to do high-tech jobs because we do not have trained personnel for these jobs, and yet we are not even in the process of trying to train our future leaders in high-tech when we cut educational technology by $55 million.

I have just mentioned to you that these schools do not have computers for every child or even a computer for educational technology. Perhaps you do not need the money for educational technology, but I certainly would like for Members who are in classes which have no computers, that their children have a qualified teacher and that the class sizes are conducive to learning. That means students who are in classes which have no more than 20 students.

I say to you, those of you who voted on this bill, obviously you do not need the money for educational technology. Perhaps you do not need the money in your district for the individuals with disabilities. But I certainly have the better quality of life assurance that their children have a qualified teacher and that the class sizes are conducive to learning. That means students who are in classes which have no more than 20 students.

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order that limits arsenic in drinking water, rescinded that, that limits the arsenic in drinking water. It is asking for more studies.

How many more studies will we have to present to discern the notion that we must limit arsenic in our drinking water that we have allowed the Clean Water Act, and cannot erode that by any means; and yet it is being looked at as a possibility of being eroded by this budget, this President’s budget that passed out of this House today.

The renunciation of the Kyoto Agreement on global warming and reversed a campaign promise to regulate carbon dioxide emission from power plants. Again, there was a promise that the Candidate Bush did, but now we see has totally dissipated. But the emissions in the air are dissipating at all. We still have this problem of carbon dioxide and other toxics in the air.

This is why the clean air and clean water bills cannot and should not be eliminated or diminished in their effectiveness, because of the critical need for the environment to again be conducive to children who play outside, who have no other recourse but to play outside, playing in these areas where you have toxics, where you have carbon dioxide emissions in the air.

If that was not enough, we looked in this new budget to see deleted new acid rock mining regulations that would require companies to protect water quality, pay for cleanup, and restore public lands ruined by mining activities.

These are provisions that were inside of this budget. A delay on this, rescinding on that, pushing back, suspending on others, clearly issues that do not and will not help this environment at all. We will not have a budget that speaks to clean air, clean water, clean up of toxic waste, clean up of brownfields, to strengthen new acid rock mining regulations that would require companies to protect water quality, pay for cleanup, and restore public lands ruined by mining activities.

Another provision in this budget that was proposed was a proposal to drill for oil and gas in the Arctic National Wildlife Refuge. We have heard a lot about ANWR. We have heard a lot about the need for that. And that is not a need. We should not disturb wildlife. We should try to find alternative means by which to deal with our environment, and it should not be that drilling for oil and gas at all in a place that will disturb the inhabitants.

The proposal was to suspend several of the past administration’s environmental rules, including one that would protect the remaining roadless areas in the National Forest. What are we trying to do? Who are we simply trying to do when we tend to erode those things that past administrations have done to speak to the needs of a cleaner, safer environment? Why are we trying to destroy those provisions, those initiatives that will help the communities, the urban and rural communities, to reach levels where the air is cleaner, the water is safer, and, indeed, that there is no drilling in places that will create a climate that is not conducive to one who wants to go into National Forests and wants to not have roads and other areas that will, again, impede their solace of being there.

We have looked at EPA in the budget that is supposed to help us with the cleanfield cleanups, and yet there has been a cut in the funding of EPA by $500 million, less than the 2001 freeze level.

Those of us who come out of local government, and once as a mayor of a city I recognized that do not clean up the environment, you will not be able to induce or to even bring in businesses to provide the jobs for those who are the least of those who will get a tax cut or the results of a tax cut. You will clean those brownfields, we are able to be able to make the charge of investing in this economy, investing in this country, if they do not have the jobs that accord them the salaries that will be conducive to the quality of life that we would want all Americans to have.

Yet we see these cuts in EPA of $500 million. The budget also provides $850 million for the Clean Water State-Revolving Fund program, but it is less than two-thirds of last year’s level. If, again, Madam Speaker, we are talking about clean water, we cannot make this budget choice. Those cuts are less than two-thirds of last year’s level. We have to bring this up to the level where those in this country will realize that we are trying to clean the water, we are trying to clean the air, we are trying to clean those brownfields, we are trying to stop the emissions in the air. We simply cannot state that charge if, in fact, the budget reflects something that is totally different, and which this budget did.

The budget also cut the EPA’s science and technology program by $54 million, again, from the 2001 freeze level. This cut includes $1.5 million for safe drinking water research and a $6.3 million cut in research on key air pollutants. I simply cannot understand a person who said with the most oratorical stance that one could make that there will be a new era of environmental protection; and yet this budget does not reflect any of that, a person who spoke about this comprehensive education package that will leave no child behind; and yet we see that many children will be left behind.

I simply say as an educator, I cannot go back to my district and say, well done, we have done what you need, we have met those resources less than we have. I cannot go back to my grandchildren and those children who think that the water is tainted, that there should be something done with the water and say, well, we do not know whether we can do that or not. I do not know whether we can do that or not. I cannot tell my asthmatic children and grandchildren who have asthma that you really cannot go outside because the emission in the air is so thick that you will not be able to breathe. I simply cannot go home and say that “well done” on a great budget resolution. I cannot go home and say that this budget speaks to the needs of my community.

I simply will have to say that we do not have the right people making the right decisions for you and, therefore, we need to look at the possibility of changing that in the near future. Because, Madam Speaker, if we are talking about the environmental and educational welfare of our children, then our Nation is at stake, our children, the environment really do not take here. Because we have to speak to the children. We have to speak to the environment. We have to speak to the critical needs that will help us to address these needs, the critical needs of these areas that will not be advantaged by this tax cut. In fact, they do not even meet the levels of the tax cuts.

So if we are to live up to our promises, if we are to be the types of leaders that will be obligated to be responsible for those who are less fortunate, for those who are looking to provide those things that have not been provided for on the local and State level, then we must address why this budget resolution did not present itself in the fashion that would create the type of climate that would be conducive to the needs of those of whom I speak.

This is why I could not support the budget. I wanted to. I really wanted to help the President and help our country to have a budget that we could all rally behind and would appreciate. But that budget left behind our Nation’s poorest and the most underserved children. And because of that, we simply cannot go out and rally that this budget was one for the urban or the rural communities. In fact, we cannot even say this budget presented itself for children so that they can move forward and not leave them behind.

It is a pretty sad day when we cut from educational technology and children are desperately trying to get on the Internet and trying to see just what that computer is all about. It is a sad day when the disabled student cannot get some of the resources that he or she needs because of this budget that did not speak to them. It is a very sad day when children cannot have adequate schools because of the renouncement, the funding that has been cut from this budget.

I am pleased that we have one who has come to the floor who is a great leader, who is one of our budget persons, and who can speak to and articulate why the majority of this Democratic House did not vote on this budget. I present to my colleagues now this outstanding leader, the gentlewoman from the State of North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Madam Speaker, I thank the gentlewoman for yielding. I appreciate her leadership in coming to
the floor and speaking about the seriousness of this budget and how it affects children, how it affects the environment. I heard the gentlewoman say what a marvelous thing he is doing for the country, to point out the seriousness of our commitment. The budget document is very important. It says, where are we going to put our resources. It says, indeed, where we place value. It says if we are talking from a political campaign or from a deep-seat- ed commitment, the American people will have a choice.

Now, the document should indeed be about where our priorities and our needs are; and the gentlewoman was correct, I think I heard her talk about recruiting teachers. I know the gentlewoman has taken a leadership role on that before she came to Congress on the whole issue, and she knows the critical shortage of teachers we have across America. She also knows that the future of our country is based on having good schools. So we have to have a commitment at the end of the day. So it is so critical, and the number one priority in America happens to be education. Yet it was the most egregious omission in the budget.

Now, I come from agriculture; and I am a farmer what I saw there was some lifting up of the agriculture over what we had originally, so I want to applaud that. But I cannot accept that this budget was an important document; and you know that at the end of the day, that document will not be the guide that we just passed for several reasons. One, we cannot ignore the priorities of education and prescription drugs and the needs of America without the appropriators hearing from all of us and hearing from America who is saying, regardless of what we did with the budget, we have desperate needs. Regardless of what we have heard in terms of opportunities for us to get by with so little, we need more resources. So we know at the end of the day they are going to ignore those caps, and they are going to exceed those caps.

Also, we know that the budget is an important document because it should tell us where we are going to get our resources. We know that when we balance our budget at home, we cannot speculate that the job I do not have, I can just plug in a number. Well, the Federal Government, how we fund our resources is usually from taxes; and those are the basic resources. It says, indeed, where we place our money from somewhere. So it has to do with this trust fund here. We know that those resources are from and how we gather the revenue, and that I am not either going into the Medicare Trust Fund, I am not going into the Social Security Trust Fund.

Why is that important? Well, in the tax budget we just passed, it says that we will have a $1.25 trillion tax reduction over the next 10 years. Now, that is just the beginning of the process. That is not the end. And we are paying down less of our debt. If we pay less of our debt, that means, guess what? Interest will go up. And as the interest goes up, so will that tax bill go up. We will find as we do that, the American people will not be able to add resources, Security, the trust fund for Medicare. When we do that, the American people will not be able to add resources to Social Security Trust Fund.

So again, I want to commend the gentlewoman for taking the time to explain to the American people and to our colleagues that the gentlewoman takes seriously the budget process, and I know I do. I am on the Committee on the Budget. I am offended not only by process, but also by substance. We have 435 of us, and the process allows that in a conference stage, the confeeres, taken from both sides, should meet together. Now, we understand that the Democrats are in the minority and they will lose many of those battles supposedly, but we do not expect to be shut out on this.

So I am offended by process, but I am equally offended by substance, which is not there, the kinds of things that we will not be able to do. The kids will not be able to get educated, the environment will not be able to keep clean, and the commitment to the American people we cannot sustain if, indeed, we go with this budget resolution as it is. It means that we have to indeed get the money from somewhere. So it has to do with Social Security and Medicare. When we do that, we have violated the trust and our commitment to the American people. There is not enough money for prescription drugs, and the gentlewoman knows that as well.

Ms. MILLENDEER-MCDONALD. Madam Speaker, I thank the gentlewoman for coming to the floor, because I tried to just take portions of this to speak on and next week we will speak on some of the others; and hopefully, this will send a signal to those confeeres that we really are concerned about the impact this budget will have on our communities.

But when we look at the cuts in educational technology, the gentlewoman was one of the lead persons on the HIB bill, that really suggests to me and hopefully to some others of us that we are not trying to get the future ready for those high-tech jobs that surely should be the workforce from this country and not having to bring folks from across the waters to try to fill those types of high-tech jobs. So when we cut from educational technology, we are simply saying, that workforce that will mirror more minority, we do not worry about them anyway. We will just continue to bring people over. So the gentlewoman’s take on that is really very valid.

Mrs. CLAYTON. Again, Madam Speaker, I just want to thank the gentlewoman for taking the time and taking the leadership and for raising the consciousness and the understanding of the importance or the lack thereof, as we propose, of the budget process. Perhaps the American people will understand what happened today is of some significance, and they should wake up and be engaged in this process.

Ms. MILLENDEER-MCDONALD. Well, again, we thank the gentlewoman so much and thank her for the work that she has done on the budget, irrespective of how it came out today.

We have again with us one of the great leaders of another State that has been front and center on education and on the environment, and I am sure she hears from that any number of things that she feels was really egregious for the constituents whom she serves. Let me please recognize now the gentlewoman from Georgia (Ms. MCKINNEY).

Ms. MCKINNEY. Madam Speaker, I want to thank the gentlewoman from California (Ms. MILLENDEER-MCDONALD) for yielding to me.

Madam Speaker, I would like to applaud the fact that the gentlewoman had the initiative, the gentlewoman took the initiative to come down here to talk to the American people, to talk to our constituents about the issues that are very important to us and issues that are important to them, promises made and promises broken. At the same time, we hear from the White House statements like, I am keeping the promises I campaigned on.

Let us just go and replay that campaign, because as far as I can remember, if I remember correctly, the current occupant of the White House lost the vote of the American people by 500,000.

Then on top of that, I had an election reform town hall meeting, and at the town hall meeting, we had the private company ChoicePoint come and testify about how the voter list was affected, so that those people who would go and present themselves in Florida and try to vote were denied the right to vote, because they started off the process with a list that was wrong.
What ChoicePoint testified at our hearing was that the State of Florida requested an inaccurate list. They requested a list of ineligible voters that was larger than the number of actual ineligible voters in Florida.

What are the additional names of ineligible voters? They got those additional names from the State of Texas. Remind me. Who was running the State of Texas? Who is now running the State of Florida?

So we have the Bush brothers getting together and deciding who is going to vote in Florida and who is not going to vote in Florida, and then we have Kathy Harris coming up here on Capitol Hill to the Congress, the most powerful legislative body on the planet of Earth, coming and saying that election reform is the most important agenda for me as Secretary of State.

If the State of Florida was important to the Bush brothers in the year 2000, just imagine after having lost the popular vote, how important is the State of Florida going to be in the year 2004?

Now we are asked to come here to talk about the environment and the budget, and I see that the gentlewoman from Pennsylvania (Ms. HART), who is going to talk about the environment and the budget, and I see that the gentlewoman from California (Ms. HART) is going to talk about the year 2004?

So we have the Bush brothers getting together and deciding who is going to vote in Florida and who is not going to vote in Florida, and then we have Kathy Harris coming up here on Capitol Hill to the Congress, the most powerful legislative body on the planet of Earth, coming and saying that election reform is the most important agenda for me as Secretary of State.

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Now we are asked to come here to talk about the environment and the budget, and I see that the gentlewoman from Pennsylvania (Ms. HART), who is sitting in the chair, is watching the timer, because this is the kind of information that folks do not want to come out.

Forty-five percent of George W. Bush’s tax cut is going to go to the wealthiest 1 percent of taxpayers. If you make a million dollars, you are going to get a lot back. But if you happen to be a regular, average American, you will not get very much back; but we want to make sure that regular, average Americans get the most that they can get back.

Is it not interesting, I just happened to compile a list, we got up to 80 important issues for the first 100 of the Bush days, and I would like to remind the people that this is the wealthiest Cabinet in the history of the United States. So, of course, they are going to go all over the country talking about we have to support the President’s tax proposal. How much are they going to get back? Our Secretary of Energy, Spencer Abraham, campaigned on a platform to abolish the Department of Energy; is that not interesting? Can you imagine? No wonder the White House is now going into apoplexy as they try to recover their position on the environment.

Americans, by a remarkable 7-1 margin, think that Bush is less concerned about protecting the environment than protecting the interests of the energy industry. Of course, we see that oil is thicker than blood, because now George W. E is even going against his brother Jeb down in Florida, so that they can auction off offshore oil and gas leases in the Gulf of Mexico.

The gentleman from New York (Mr. BOEHLERT) gave the administration an “incomplete” with respect to dealing with the environment in their first 100 days. Now, we also would have to give the administration an incomplete, because even as we try and take care of business on behalf of our constituents, and, of course, we have to interact with the White House, I guess they are just yelling down the hall to empty offices, because 90 percent of the positions have not even been filled.

Madam Speaker, I have written letters to the White House on the Yucca Mountain project, the apparent appointment of Walter Kansteiner, which is an appointee to the Assistant Secretary of State for African Affairs. That appointment is an abomination.

I have written to the White House on the Kyoto Protocol, on behalf of the people of Vieques, on behalf of people who have hemophilia, about the issue of the Free Trade Area of the Americas, about the education rate or the Education program, about the National Science Foundation, about the need for the Center for Disease Control and Prevention, about tax cut which is responsible for doing the most incredible things around the world on behalf of our health security.

I have written about contract bundling and the negative impact that it has on minorities and women who want to do business with the Federal Government. I have written about the 2000 Census. I have also written about the 1946 murders of four black sharecroppers in Walton, Georgia, who were lynched.

What have I gotten in response? I got a letter that says, I have shared your letter with the President’s advisers and the appropriate agencies who have been formulating policy recommendations in this area.

Hello.

You were elected how many months ago? You had your plan of operation how many months ago? You certainly had your plan of operation in effect in November of the year 2000, because you took the election. But what comes after the election is governing, and that unfortunately is not what is being done.

The American people are being shortchanged. The American people are being shortchanged by what is happening in this Congress, with this Republican majorities, that since it was elected in 1994 has failed to produce a budget on time.

Madam Speaker, I want to thank the gentlewoman from California (Ms. MILLEREN-MCDONALD) for her leadership. I want to thank her for allowing us to have this opportunity to come here tonight and to let the American people know what is really happening with their government, our government.

We must have change. We must be able to deliver on behalf of our constituents.

Madam Speaker, I include the following for the RECORD.

1. Bush campaigned on a pledge to provide a $1.6 trillion tax cut to America’s wealthiest families.

2. Bush named the wealthiest cabinet in the history of the United States.

3. Bush’s Cabinet stumped for the President’s tax cut proposal.

4. Bush’s number one priority in his first 100 days has been promoting a tax plan that will cost $2.5 trillion over the next ten years.

5. Bush’s tax plan does not relieve taxes for all but wealthy families, who are already paying the tax on corporate profits.

6. Bush named the wealthiest cabinet in history.

7. Bush named a record number of self-dealing appointees, in the form of his Cabinet.

8. The Bush tax plan against women and low-income earners exposes tax cuts in favor of single persons earning between $6,001 to $27,000, or married persons earning $12,001 to $45,000.

9. Bush named the wealthiest cabinet in history.

10. Bush named the wealthiest cabinet in history.

11. Bush named the wealthiest cabinet in history.

12. Bush named the wealthiest cabinet in history.

13. Bush named the wealthiest cabinet in history.

14. Bush named the wealthiest cabinet in history.

15. President Bush’s choice for the No. 3 spot at the Department of Energy is Robert G. Card, who until recently was CEO and president of a cleanup contractor that has been fined or penalized more than $725,000 for numerous worker safety, procurement and other violations since 1996.

16. The New Attorney General has a history of blocking enforcement of environment laws and, in his career, Ashcroft has worked tirelessly to restrict a woman’s right to choose.

17. The new head of the EPA, Christine Todd Whitman, who doubts that global warming is a serious problem, defended global warming and got kicked by Bush. In a memo from Whitman to Bush, the EPA Administrator stressed the need for Bush administration officials to be engaged in addressing global warming, as if the environment responds to appearances.
27. Bush endangered the world’s future and damaged our credibility in the International community when he announced that the United States would withdraw from the Kyoto Protocol, an international treaty aimed at combating global warming. Seems that he’s more interested in changing the global climate than the people’s health.

28. Dick Cheney formulated crucial energy policy decisions behind closed doors.

29. Cheney’s task force focused heavily on incentives for production; easing regulatory barriers for energy development; and opening more public lands to drilling including national monuments and the Arctic National Wildlife Refuge in Alaska.

30. Americans, by a remarkable 7-to-1 margin, think that Bush is less concerned about protecting the environment than about protecting the interests of the energy industry.

31. Despite objections from his brother, Florida Governor Jeb Bush, he plans on auctioning off offshore oil and gas leases in the Gulf of Mexico. Seems that natural gas is thicker than blood.

32. The Bush administration announced that it will block a rule from Clinton’s administration requiring more energy efficient air conditioners.

33. Republican representative Sherwood Boehlert said that the Bush first 100 days deserve the grade of “incomplete in dealing with the environment.

34. Bush’s budget proposes slashing more than $200 million from federal renewable energy and efficiency research programs, even as his administration declares the United States needs to find ways to cope with an “energy crisis.”

35. The snows of Mount Kilimanjaro melt away as global temperatures and ocean levels rise, Bush adds it.

36. The Environmental Protection Agency announced it would withdraw the pending decrease in allowable arsenic for drinking water, prepared for the final days of the Clinton administration.

37. Bush asked Congress to remove from the Endangered Species Act a provision that allows environmental groups and others to sue the Interior Department to get rare plants and animals listed as endangered.

38. The Bush plans to suspend rules that require federal contractors to comply with environmental, civil rights and labor laws.

39. In Quebec, Bush announced his intention to promote a trade plan for the Americas based on the failed NAFTA model. This will lead to further erosion of labor rights, human rights, and environmental protections throughout the hemisphere.

40. And Bush is looking to kill the roadless policy rule that will protect millions of acres of public land from taxpayer subsidized logging.

41. A Bush White House aide confirms that Bush is taking a look at recommending easing clean air and water congressional actions, thus saving utilities and coal mining companies billions of dollars of violations of clean air regulations and at the same time meeting legal action against polluting companies.

42. Bush was the top recipient of contributions from tobacco companies, and his administration has aggressively defended regulations to protect the environment and family support services.

43. Eighteen-year-olds will soon be able to use their share of federal funds to attend other public or private schools. The school would then be privatized with the assistance of the federal government.

44. Bush’s budget will shortchange vital education programs. It proposes to reduce class sizes, improve teacher training, repair crumbling schools, promote after school programs, and increase the number of Pell Grants available to low income freshmen.

45. Bush plans to cut in half grants that help states investigate and prevent child abuse and neglect.

46. President Bush has proposed a regime of annual testing for all students between grades three and eight which would demonstrate an improvement in performance would be granted increased federal funding. Students at schools designated as low-performers would be able to use their share of federal funds to attend other public or private schools. The school would then be privatized with the assistance of the federal government.

47. Bush’s budget does not even provide funds to keep up with inflation for the WIC program, which would have supported parent education and family services.

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59. Plans by U.S. President George W. Bush to phase out the Anti-Ballistic Missile Treaty has already caused significant concern among some of his closest allies in Europe and Asia. The treaty that has been the keystone of nonproliferation efforts, and the U.S. has been in talks with Russia to extend it for another five years. This move could potentially violate the Anti-Ballistic Missile Treaty.
embarrassing setback at the hands of Euro-
pean governments. Neither the Germans nor
the Dutch, who have sunk up the market in
diesel submarines, are willing to allow the
sale of these submarines to
60. Under Bush, there has been a growing
Anti-US feeling in the EU and around the
world.
61. Bush's decision to proceed with arms
sales to Taiwan—China has said that offen-
sive weapons such as subs will only lead to
greater tensions in Asia.
62. Bush's commitment to the Balkans.
While trying to build peace he is reducing
U.S. commitment to peacebuilding. Same with
AIDS, where targets are growing and he is seeking to be less involved.
63. Bush has continued use of drug certifi-
cation and the nomination of another hard
liner for the DEA.
64. President Bush worked with the CIA
and a Private Military Company to cover up
their responsibility in the deaths of two
American missionaries killed by a Peruvian
fighter as part of U.S. drug war strategy.
65. For women who depend upon govern-
ment to advance economic equity in an eco-
nomic climate of recession there would be no
textile or no money for improved child/early
childhood education programs, effective
Equal Employment Opportunity Commission
enforcement against discrimination and har-
assment.
66. There will be little or no money for ex-
pansion of Violence Against Women pro-
grame; that topic is very near and dear to
the White House so far has not made changing
the government's budget and the environ-
ment; that topic is very near and dear
President
Mrs. NAPOLITANO to discuss this budget.
Mrs. NAPOLITANO. Madam Speaker, I want to thank the
gentlewoman from Georgia (Ms. MILLENDER-McDONALD) for the opportunity to speak on our
President's budget and the environ-
ment; that topic is very near and dear
to many of us from the West Coast.
President Bush certainly has not re-
ceived any honeymoon from the Na-
tional Environmental Monitoring
Council on environmental issues
while he was in office.
72. Mr. Bush's budget request would also
cut federal spending for the training of doc-
tors, nurses, pharmacists and other health professionals.
73. Bush put a stop to giving unions pref-
erence on contracts for federal building projects.
74. Senator Pete Domenici disagrees vehe-
mently with Bush's decision to hold all fed-
eral spending to no more than a 4% increase
in the current fiscal year.
75. Mr. Bush's budget request would also
cut federal spending for the training of doc-
tors, nurses, pharmacists and other health professionals.
76. George W. Bush needs to win the Flor-
da electoral college vote more in 2004 than in
2000. Therefore, don't look too soon for any easy reforms from this President.
77. According to David Broder, "The Bush
White House so far has not made changing
the election system a priority. The Presi-
dent's proposed budget, along with the budg-
et resolutions of the House and Senate, set
aside no fund for federal aid for improving
election equipment or administration.
78. Republican Jim Ramstad said that
Bush White House interference in Minnesota
politics could end up hurting the party.
Aphonzie by the độc pipeline could be a po-
tential candidate from running has all the
markings of Bush and Cheney trying to be a
"kingmaker" thwarting the will of the peo-
ple.
79. World reaction was tepid, critical or
simply silent to President Bush's announce-
ment that the United States would build a
shield against missile attacks.
80. President Bush throws a bash featuring
535 Members of Congress to celebrate his first 106 days and schedules it on a Monday
when few Members of Congress are in town;
fever than 200 Members of Congress bothered
to show up.
Ms.
MILLENDER-McDONALD.
Madam Speaker, I would like to thank
the gentlewoman from Georgia (Ms. NAPOLITANO) here, who is an out-
standing Member, an outstanding
woman who had served with me in the State legislature of California, who was also a mayor of a city at the time that
I, too, was one in another city in Cali-
ifornia.
The gentlewoman has been extremely
strong in her leadership on the issues
of education, the environment, on our
children, of our grandchildren and
their grandchildren? As a grandmother
of 14, there is a question I sure do not wish to contemplate. We must act now.
We cannot wait.
This year, Congress passed and
former President Clinton signed a bi-
 partisan legislation for the Department
of Energy to take control of this site of Moab, to clean it up, take it over from
the Nuclear Regulatory Commission.
This would not have been possible
without the support of Members of
Congress on both sides, the generosity
of the Ute Indian Tribe who had agreed to
sign a memorandum of understanding
with the Department of Energy to allow them to acquire the De-
partment's naval defense site for the low-
radioactive uranium mill.
This Federal land, rich in gas re-
serves, was taken away from the Ute
Tribe by the Federal Government in
1915. In return, the pledge made by the
Ute Tribe dedicates a portion of the gas
royalties towards the cleanup and re-
moval, not capping, removal of the ura-
nium tailings pile.
Our legislative goal this year will be
to get this $10 million for cleanup in the
Department of Energy's nondefense
environmental programs.
I remind my colleagues, this is not a
line item in the budget. It was not in-
cluded in our President's budget. It is
particular site is leaking 57,000 gallons
a day of poison into the Colorado
River, which is one of the main sources
of tap water for over 20 million Ameri-
cans, some 18 out of California, and
then others from Nevada, Utah, Colo-
rado, Arizona. And it is the main
source of tap water for all of these indi-
viduals.
Even though Moab is several hundred
miles upstream from where we are,
from the point of where southern Cali-
ifornia draws its water, and no unsafe levels of radioactive substances have
been detected in the Colorado
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viduals.
such an important issue, and yet it was not even considered for entry into our budget for this coming year.

The cleanup is not just a priority to the residents of the 34th Congressional District, my district; it is an issue for agencies like the Metropolitan Water District and others who import the drinking water from Colorado for over 17 million urban Southland residents. Efforts to clean up these uranium wastes are being championed by all of them throughout the western States of Utah, Nevada, Arizona, California, and other States.

Mr. FENEX, the gentleman from California (Mr. GEORGE MILLER), and the gentleman from Utah (Mr. CANNON) are all moving in a broad bipartisan coalition to press for the removal of this radioactive uranium waste and the cleanup of this site that affects millions of Americans.

My colleagues and I will work diligently to educate our new Secretary of Energy and Members in the House and Senate about this looming catastrophe. In the wake of this tragedy, in Congress, and with our new administration, we all look forward to joining with our president, with Secretary Abraham, and with colleagues on both sides to serve the best interest of our western States to ensure that clean water from the Colorado is available to the residents of the 34th Congressional District, my district; it is an issue for my constituents and one that has not been short left of the American Dream.

I now have another outstanding leader of this House who has demonstrated over and over again her leadership on a number of issues, but critically on the environment and education. I am pleased to yield to the gentlewoman from Illinois (Ms. SCHAKOWSKY) to speak about the impact of this budget on her constituents and on some of our American people.

Ms. SCHAKOWSKY. I thank the gentleman from California (Mr. MILLER), the gentleman from Utah (Mr. CANNON) and the gentleman from California (Mr. FENEX) for their fine efforts.

The cleanup is not just a priority to the residents of the 34th Congressional District, my district, it is an issue for agencies like the Metropolitan Water District and others who import the drinking water from Colorado for over 17 million urban Southland residents. Efforts to clean up these uranium wastes are being championed by all of them throughout the western States of Utah, Nevada, Arizona, California, and other States.

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Ms. SCHAKOWSKY. I thank the gentleman from California (Mr. MILLER), the gentleman from Utah (Mr. CANNON) and the gentleman from California (Mr. FENEX) for their fine efforts.
among women of color, continues to accelerate. There is no money for that.

Child abuse prevention is cut. Child care is cut. Graduate medical education training for doctors to work in children’s hospitals is cut. Veterans benefits are inadequate. Medicaid is being cut. We are supposed to be trying to pay down our debt, which would help us bolster the Social Security Trust Fund.

All of this is being crowded out by a tax cut almost half of which is going to go to the wealthiest Americans. Does it make any sense that we help the million millionaires at the expense of 39 million senior citizens and persons with disabilities who want a prescription drug benefit or want to know that their Medicare is safe? And it is all based on projections of a surplus for the next 10 years that is using a flamed crystal ball.

What makes us think that our projections are going to work when they never have in the past? We have always been way off; yet we are going to commit this money now and hope that it will be there. This budget is fuzzy math, big time; and it jeopardizes all of the programs that have helped Americans to improve their quality of life.

I thank the gentlewoman for letting me say that.

Ms. MILLENDER-McDONALD. Mr. Speaker, I thank the gentlewoman so much. I really do thank her, and I appreciate her leadership on the issues.

Mr. Speaker, as we close, we want to remind all of us that the number one priority for this country must be our children, the future of tomorrow. And if education is going to be anything, it should be to not leave any child behind. Hopefully, the conferes will look at this and we will have a budget coming out of the Senate side, I should say, that will help us in bridging the ones who are underrepresented along with those who are represented in terms of the American Dream.

RECESS

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 5 o’clock and 28 minutes p.m.), the House stood in recess subject to the call of the Chair.

☐ 1825

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 6 o’clock and 25 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1646, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2002 AND 2003

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107–62) on the resolution (H. Res. 130) provide for consideration of the bill (H.R. 1646) to authorize appropriations for the Department of State for fiscal years 2002 and 2003, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ISALEE (at the request of Mr. GEPHARDT) for May 8 on account of flight delays.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCVINITY) to revise and extend their remarks and include extraneous material:

Mr. HINCHLEY, for 5 minutes, today.
Ms. MORTON, for 5 minutes, today.
Mr. HINOJOSA, for 5 minutes, today.
Mr. DEFAZIO, for 5 minutes, today.
Mr. LANGEVIN, for 5 minutes, today.
Mr. DAVIS of Illinois, for 5 minutes, today.
Mr. PALLONE, for 5 minutes, today.
Mr. MCGOVERN, for 5 minutes, today.
Mr. ETHERIDGE, for 5 minutes, today.
Mrs. JONES of Ohio, for 5 minutes, today.
Mr. McDERMOTT, for 5 minutes, today.
Mrs. CAYETTE, for 5 minutes, today.
Mr. HUNTER, for 5 minutes, today.
Ms. ROS-LEHTINEN, for 5 minutes, May 16.
Mr. DUNCAN, for 5 minutes, today.
Mr. WALDEN of Oregon, for 5 minutes, today.

ADJOURNMENT

Mr. DIAZ-BALART, Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o’clock and 26 minutes p.m.), the House adjourned until Thursday, May 10, 2001, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker’s table and referred as follows:

1996. A letter from the Acting Administrator, FSA, Department of Agriculture, transmitting the Department’s final rule—Wool and Mohair Market Loss Assistance Program and Apple Market Loss Assistance Program (RIN: 0580–AG38) received April 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1997. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department’s final rule—Brucellosis in Cattle; State and Area Classifications; Oklahoma [Document No. 01–01] received April 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1998. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department’s final rule—Plant Protection; Registrations to Authority Citations [Document No. 00–663–2] received April 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.


2000. A letter from the Director, Regulatory Policy and Management Staff, FDA, Department of Health and Human, transmitting the Department’s final rule—Revision to Requirements for Licensed Anti-Human Globulin and Blood Grouping Reagents; Confirmation of Effective Date [Document No. 00N–1586] received April 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.


2003. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule—Revisions to the California State Implementation Plan; Butte County Air Quality Management District (RIN: 0590–0155; FRL–6958–1) received April 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2004. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule—Revisions to the California State Implementation Plan, Butte County Air Quality Control District and Pinal County...
1814. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Moratorium on the Construction of Certain Telecommunications Towers Near Airports-Allocations of Frequency Bands, received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1815. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Proposed Amendment to National Marine Sanctuary Boundary, received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1816. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1817. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1818. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1819. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1820. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1821. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1822. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1823. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Marine Mammal Protection Act—Modification of Class E Airspace: Molokai, HI [Airspace Docket No. 00-AWPI-12] received May 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.


1843. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service’s final rule—Low-Income Housing Credit—received April 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.


REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DIAZ-BALART: Committee on Rules. House Resolution 132. Resolution providing for consideration of the bill (H.R. 1466) to authorize appropriations for the Department of State for fiscal years 2002 and 2003, and for other purposes (Rept. 107–62). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

[Omitted from the Record of May 8, 2001]

H.R. 1088. Referral to the Committee on Government. Reform extended for a period ending not later than May 9, 2001.

H.R. 1088. Referral to the Committee on Government Reform extended for a period ending not later than May 10, 2001.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. WELLER (for himself, Mr. MORAN of Virginia, Mr. McGOVERN, Mr. ROGERS of Michigan, Mr. BOUCHER, Mr. HONDA, Mr. GORDON, Mr. VIVIAN, Mr. COX, Mr. TOM DAVIS of Virginia, Mr. GOODLATTE, Mr. CANNON, Mr. KENNEDY of Minnesota, Mr. OSE, and Mrs. KELLY):

H.R. 1776. A bill to amend the Internal Revenue Code of 1986 to make higher education more affordable by providing a tax deduction for higher education expenses, and for other purposes; to the Committee on Ways and Means.

By Mr. BARTLETT of Maryland (for himself, Mr. HUNTER, Mr. PAUL, Mr. CAMP, Mr. DOLITTLE, Mr. EHRlich, Mr. BARTLETT of California, Mr. SCHUSTER, Mr. GRAHAM, Mr. HAYworth, Mr. MCKEON, Mr. ROHRABACHER, Mr. STRAKES, Mr. TRAPANCY, Mr. WELDON of Florida, and Mr. Jones of North Carolina):

H.R. 1770. A bill to prohibit the purchasing, issuing, or wearing of berets as standard Army headgear (other than for certain special units) until the Secretary of the Army certifies to Congress that the Army uniform shortfall has been eliminated; to the Committee on Armed Services.

By Mr. BROWN of Ohio (for himself, Mr. BILIRakis, Mr. DINGELL, Mr. WAXMAN, Mr. GANsKE, Mr. TOWS, Mr. EIGHTHORNE, Mr. PAULSON, Mr. DEGETTE, Mr. GREEN of Texas, Mr. SawYER, Mr. FILNER, Ms. Lee, Mrs. Jones of Ohio, Mr. KILDRE, Mr. HINCHey, Mr. CAPuANO, Mr. KUCinch, Mr. TIERney, and Mr. DeFazio):

H.R. 1771. A bill to provide for funding for the top priority action items in the Arctic National Wildlife Refuge Plan that has been developed in response to the problem of antarctic microbial resistance, to the extent that the activities involved are within the jurisdiction of the Committee on Energy and Commerce; to the Committee on Energy and Commerce.

By Mr. CANNON:

H.R. 1772. A bill to provide for an exchange of certain property between the United States and Ephraim City, Utah; to the Committee on Resources.

By Mr. ENGLISH (for himself and Mrs. THURMAN):

H.R. 1773. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for information technology training expenses, and for other purposes; to the Committee on Education and the Workforce.

By Mr. FLETCHER (for himself, Mr. DOOLITTLE, Mr. HASTER, Mr. ARMYE, Mr. VelAzqueZ, Mr. FROST, Mr. BAKER, Mr. BALLenger, Mr. BRYant, Mr. CALVerT, Mr. CotNo, Mr. COLLINS, Mr. COOKsey, Mr. CUNNINgHAM, Mr. Deal of Georgia, Mr. EHLERS, Mrs. EMERSON, Mr. GONzALEZ, Mr. GOSS, Mr. GREENWOOD, Mr. HALL, Mr. HERBER, Mr. Hillelary, Mrs. KELLY, Mr. KOLHe, Mr. LIpINSki, Mr. LASCA, Mr. GNEL, Mr. McHUGH, Mr. MALoney of ConneCticut, Mr. MANZULLO, Mr. GARY G. MILLER of California, Mr. MORAN of Virginia, Mrs. NORTHUP, Mr. OSE, Mr. PenCE, Mr. PETrI, Ms. PHYs of Ohio, Mr. RIEBERG, Ms. SANCHez, Mr. SchraFFer, Mr. Sessions, Mr. Shays, Mr. SMITH of Washington, Mr. Upton, Mr. WAMP, Mr. WATKINS, Mr. WELDON and Mr. Therps):

H.R. 1774. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to improve access and choice for employee Retirement Income Security Act of 1974 to provide a safe harbor for determining that certain individuals are not

By Mr. GALLEGly:

H.R. 1775. A bill to amend title 18, United States Code, to create an offense of solicitation or recruitment of persons in criminal street gangs; and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GREEEN of Texas:

H.R. 1776. A bill to authorize the Secretary of the Interior to study the suitability and feasibility of establishing the Buffalo Bayou National Heritage Area in west Houston, Texas; to the Committee on Resources.

By Mr. HOLT:

H.R. 1777. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to a volunteer firefighter savings account; to the Committee on Ways and Means.

By Mr. LANTos for himself, Mr. KIRK, Mr. ACKERMAN, Mr. PAYNIE, Mr. BOUCHER, Mr. ABERCROMBIE, Mr. ROHRABACHER, Mr. FELsO, Mr. StARK, Mr. BALDWIN, Mr. KUCinch, Mr. DELAHUNTy, Mr. REILHAuTy, Mr. OHIO, Mr. SHERMAN, Mr. McGOVERN, Mr. KING, Mr. HOFFpEL, Mr. FALKomAvArO, Mr. GilMAN, Mr. FRANc, Mr. COX, Mr. WExLER, Mr. WOLF, Mr. BONOR, Ms. KINcINNEY, Mr. ALLEN, Mr. KAPuT, Mr. HINcHEy, Mr. RODRIGUEZ, Ms. LOPFREN, Mr. BLuNT, Mr. EVANS, Mr. TOWS, Mr. SuNuNI, Mr. BERMAN, Mr. SANDERS, Mr. TANcHErio, and Ms. MCCollIN):

H.R. 1779. A bill to support the aspirations of the Tibetan people to safeguard their distinct identity; to the Committee on International Relations.

By Mr. LARSON of Connecticut (for himself and Mr. WELDON of Pennsylvania):

H.R. 1780. A bill to amend the Internal Revenue Code of 1986 to provide for contributions to a volunteer firefighter savings account; to the Committee on Ways and Means.

By Ms. LOPFREN (for herself, Mr. NETHERCUTT, Mr. HALL of Texas, Mr. CUNNINgHAM, Mr. HOLT, Mr. CALVerT, Mr. GORDON, Mr. TOM DAVIS of Virginia, Mr. House, Mr. Isaac, Mrs. THURMAN, Mr. DOOLittle, Mr. FILNeR, Mr. WAMP, Ms. HARMAN, Ms. LeR, Mrs. Davis of California, Mr. RACA, and Mrs. HENk):

H.R. 1781. A bill to require the Secretary of Energy to develop a plan for a magnetic fusion burning plasma experiment for the purpose of accelerating scientific understanding and development of fusion as a long term energy source, and for other purposes; to the Committee on Science.

By Mr. MANZULLO:

H.R. 1782. A bill to amend the Trade Act of 1974 to provide for the position of Assistant United States Trade Representative for Small Business; to the Committee on Ways and Means.

By Mr. MANZULLO:

H.R. 1783. A bill to amend the Internal Revenue Code of 1986 to provide a safe harbor for determining that certain individuals are not
employees; to the Committee on Ways and Means.

By Mrs. MORELLA (for herself, Mrs. MALONEY of New York, Mr. WAXMAN, Ms. SANDERS, Ms. CHRISTENSEN, Ms. D. ELAURO, Ms. DELAHAM, Mr. AKIN, Ms. MILLENDER-MCDONALD, Mrs. CAPP, Ms. DELAURA, Ms. JACKSON-LEE of Texas, Mr. WEEXLER, Ms. SOLIS, Mrs. ROUKEMA, Mr. KILDER, Mr. KAPTER, Ms. HARMS, Mr. SCHAKOWSKY, Mr. BENTSEN, and Mrs. JONES of Ohio):

H. R. 746: Mr. EVANS and Mr. COLLINS.
H. R. 586: Mr. SHAW and Mr. CRANE.
H. R. 228: Mr. AKIN, Ms. MILLER-MC DONALD, Mr. RODRIGUEZ, and Mr. SMITH of New Jersey.
H. R. 239: Mr. BLADOVICH and Mr. BORSKI.
H. R. 298: Mr. KERNS and Mr. BONIOR.
H. R. 389: Mr. BONION.
H. R. 397: Mr. BACIOCCI, Mr. WAXMAN, Ms. JACKSON-LEE of Texas, Mr. AKIN, Mr. LANGEVIN, and Mr. CONDIT.
H. R. 403: Mr. MATHESON.
H. R. 436: Mr. ROGERS of Michigan and Mr. BAIRD.
H. R. 440: Ms. JACKSON-LEE of Texas, Mr. SANDERS, Ms. BROWN of Florida, and Mr. GORDON.
H. R. 442: Mr. McINNIS, Mr. RANGEL, and Ms. McKinney.
H. R. 458: Mr. HAYWORTH.
H. R. 490: Mr. MARKAY, Mr. McGOVERN, Mr. WICKER, Mr. EHRLICH, and Mr. WU.
H. R. 500: Mr. CONYERS and Mr. RODRIGUEZ.
H. R. 534: Mr. BARR of Georgia, Mr. ENGLISH, Mr. SPENCE, Mr. RAHA LL, Mr. WATKINS, and Mr. Jones of North Carolina.
H. R. 586: Mr. SHA W and Mr. CRANE.
H. R. 606: Mr. CAPUANO, and Mr. BALDACCI.
H. R. 622: Mr. WARD, Ms. MATHESON, Mr. SAWYER, and Mr. SMITH of Washington.
H. R. 678: Mr. DEUTSCH.
H. R. 680: Mr. OLIVER and Ms. DEGETTE.
H. R. 696: Mr. DAVIS of Illinois, Ms. KIL PATRICK, Ms. MCKINNEY, and Ms. MCGUINNESS.
H. R. 717: Mr. REISBERG, Mr. GALLEGLY, Mr. WELDON of Pennsylvania, Mr. ISRAEL, Mr. HOUGHTON, Mr. KENNEDY of Minnesota, and Mr. KIRK.
H. R. 737: Mrs. BIGGERT.
H. R. 746: Mr. EVANS and Mr. COLLINS.
H. R. 783: Mr. BARTLOTT, Mr. LOVRENCIC, Gonzalez, Mr. RANGEL, Ms. HOOLEY of Oregon, Mr. KILDER, Ms. SOLIS, and Mr. HASTINGS of Florida.
H. R. 786: Mr. SAWYER and Mr. CLAY.
H. R. 805: Mr. COOKSEY.
H. R. 808: Mr. BRYANT, Mr. PRICE of North Carolina, Mr. MILLER, Mr. SKEELOR, Mr. MCHUGH, Mr. FATTAH, Mr. HOLT, Mr. NADLER, and Mr. SMITH of New Jersey.
H. R. 822: Mr. RAMSTAD.
H. R. 832: Mr. SMITHES.
H. R. 840: Ms. RIVERS, Mr. TIERNY, Mr. HOREPPEL, Mrs. MINK of Hawaii, and Mr. OVERL.
H. R. 854: Ms. ROYBAL-ALLARD, Mr. EVANS, Mr. BERMAN, Mr. MCHUGH, Mr. HORN, Mr. DREIHER, Ms. LEE, Mr. KILDER, Mr. BONCHER, Mr. STRICKLAND, and Mr. STUPAK.
H. R. 902: Mr. MCKINNIS, Mr. AXELLER, Mr. ENGLISH, Mr. SANDLIND, and Mr. LOBOND.
H. R. 917: Mr. RANGEL.
H. R. 932: Mr. MATHEW.
H. R. 936: Mr. BROWN of Ohio.
H. R. 954: Mr. SMITH of New Jersey.
H. R. 964: Mr. SHAYS, Mr. BERMAN, Mr. GUTERREZ, and Mr. OWENS.
H. R. 968: Mr. SOUDE.
H. R. 975: Mr. MORA of Kansas, Mr. SUNDUNI, Mr. BONION, Mr. FORD, and Mr. JENKINS.
H. R. 978: Mr. JONES of North Carolina and Mrs. MEIER of Florida.
H. R. 992: Mr. SHAYS.
H. R. 994: Mr. BONCHER of Florida.
H. R. 1009: Mr. BARCIA.
H. R. 1008: Mr. TIAHHT, Mr. PICKERING, and Mr. WELLER.
H. R. 1037: Mr. BLUNT.
H. R. 1073: Mr. MASCARA, Ms. CARSON of Indiana, Mr. LARSEN of Washington, Mr. PERTON of Pennsylvania, Mr. BRADY of Pennsylvania, Mr. TOOMEY, Ms. WATERS, and Mr. TIERNEY.
H. R. 1096: Mr. BARD.
H. R. 1110: Mr. STRICKLAND, Mr. LAFALCE, and Mr. VITTRI.
H. R. 1127: Mr. KINGSTON and Mr. HORN.
H. R. 1130: Mr. HINCHY.
H. R. 1140: Mr. HORSON, Mr. HOSTETTLER, Mr. ISSA, Mr. ISAAC of California, Mr. SOLIS, Ms. HARMAN, Brown of New South Carolina, and Mr. RADANOVICH.
H. R. 1151: Mr. BONCHER.
H. R. 1156: Mr. DOTTINO.
H. R. 1185: Ms. BROWN and Ms. CARSON of Indiana.
H. R. 1189: Mr. SANDERS.
H. R. 1192: Mr. STRICKLAND.
H. R. 1195: Mr. DOOLEY of California, Mr. REYES, Mr. BECERRA, Ms. ROS-LEHTINEN, and Mr. HART.
H. R. 1198: Mr. KILPATRICK.
H. R. 1201: Ms. MILLER-McDONALD, Mr. FRANK, Mrs. MINK of Hawaii, and Ms. GUTIERREZ.
H. R. 1212: Mr. TANCREDO.
H. R. 1232: Ms. MCKINNEY, Mr. BONCHER, and Mrs. MINK of Hawaii.
H. R. 1242: Mr. OSBORNE.
H. R. 1262: Ms. BROWN of Florida, Ms. MCKINNEY, and Mr. GONZALEZ.
H. R. 1286: Mr. DOOLEY of California, Mr. NEY, Mr. OWENS, and Mr. RANGEL.
H. R. 1276: Mr. KUCINICH and Ms. DELAURA.
H. R. 1291: Mr. PETERSON of Minnesota, Mrs. THURMAN, and Mr. PETERSON of Pennsylvania.
H. R. 1292: Mr. REYES and Mr. TAYLOR of Mississippi.
H. R. 1303: Mr. BALLenger, Mr. FILNER, Mr. GREEN of Texas, Mr. GUTERREZ, Mr. KENNEDY of Rhode Island, Mr. KILDER, Mr. KINGSTON, Mr. MATSUI, Ms. MEEK of Florida, Mr. MCKINNEY, Mr. MILLER of Florida, Mr. PAUL, Mr. RANGEL, Mr. SHAW, Mr. STUMP, Mr. FORD, Mr. LANGEVIN, and Mr. REISBERG.
H. R. 1306: Mr. KUCINICH.
H. R. 1307: Mr. MORAN of Virginia, Mrs. JO ANN DAVIS of Virginia, and Ms. KILPATRICK.
H. R. 1323: Ms. LEE, Ms. MCKINNEY, and Ms. MILLER-McDONALD.
H. R. 1324: Mr. SWEETEN, Mr. QUINN, Mr. WALSH, Mr. MCHUGH, Mr. KING, Mrs. KELLY, Mr. BOEHLERT, Mr. GUCCI, Mr. RYNOLDS, Mr. FOSSELLA, Mr. McNULTY, Mr. HINCHY, Ms. VALENCAS, Ms. SLAUGHTER, Mr. TOWNS, Mr. ENDEL, Ms. MCCARTHY of New York, Mr. WECROW, Mr. SERRANO, Mr. OWENS, Mr. WINGER, Mrs. LOWEY, Mr. LAFALCE, Mr. LAUSEL, and Mr. ACKERMAN.
H. R. 1324: Mr. FOSSELLA, Mr. BUHR of North Carolina, Mr. SESSIONS, and Mr. HEPLEY.
H. R. 1354: Mr. RANGEL and Mr. HEPLEY.
H. R. 1377: Mr. CROWLEY, Mr. SOUDE, Ms. MCKINNEY, Mr. SESSIONS, Mr. FLETCHER, Mr. CALVERT, Mr. PRICE of Ohio, and Ms. SOLIS.
H. R. 1362: Ms. MCKINNEY.
H. R. 1388: Mr. CLEMENT, Mr. ISAACK, Mr. CHAMELIS, Mr. CYLBRUN, and Mr. ROEMER.
CONGRESSIONAL RECORD—HOUSE

May 9, 2001

H.R. 1436: Mrs. Mink of Hawaii, Mr. Kennedy of Rhode Island, Mr. Thompson of California, Mr. Borski, Mr. Weicker, Mr. Ford, Mr. Engel, Mrs. Roukema, Mr. Jefferson, Mr. Filner, Mrs. Emerson, Mr. Larsen of Washington, Mr. Dooley of California, and Mr. Hinchey.
H.R. 1484: Mr. McDermott, Mr. Lantos, Mr. Doggett, Mr. Lipinski, Mr. Souder, Ms. Millender-McDonald, and Mr. Smith of New Jersey.
H.R. 1494: Mr. Filner Mr. Thompson of Mississippi, and Mr. Clyburn.
H.R. 1540: Mr. Filner Mr. Thompson of Mississippi, and Mr. Clyburn.
H.R. 1541: Mr. Bonior.
H.R. 1556: Mrs. Maloney of New York, Mr. LaFalce, and Mr. Balducci.
H.R. 1561: Mr. Owens.
H.R. 1562: Mr. Owens.
H.R. 1563: Mr. Owens.
H.R. 1581: Mr. Watkins and Mr. Sessions.
H.R. 1585: Mr. Brady of Pennsylvania, Mr. Hall of Ohio, Mr. Davis of Illinois, Mr. Lantos, and Mr. Honda.
H.R. 1586: Mr. Bonior.
H.R. 1587: Mr. Stump.
H.R. 1597: Mr. Frank.
H.R. 1599: Mr. Shimkus.
H.R. 1609: Mr. Houghton, Mr. Ganske, Mr. Bachus, Mr. Everett, Mr. Combest, Mr. LaFalce, Mr. Walsh, and Mr. Balducci.
H.R. 1613: Mr. Kirk and Mr. Peterson of Minnesota.
H.R. 1615: Ms. Ros-Lehtinen and Mr. Owens.
H.R. 1624: Mr. Thompson of Mississippi, Mr. Chaver, Mr. Young of Alaska, Mr. Barcia, Mr. Tanner and Mr. Nethercutt.
H.R. 1626: Mr. Frost.
H.R. 1644: Mr. Goode, Mr. Lewis of Kentucky, Mr. Akin, Mr. Cantor, Mr. Bachus, Mr. Jones of North Carolina, Mr. Doolittle, and Mr. Terhey.
H.R. 1651: Mr. Otter, Mr. Simpson, Mr. Hastings of Washington, Mr. Nethercutt, and Mr. Graham.
H.R. 1713: Ms. Schakowsky, Mr. Green of Texas, Ms. Lofgren, Mr. Bonior, Mr. Crowley, and Mr. Owens.
H.R. 1727: Mr. Stark, Mr. Shaw, Mr. Portman, Mr. English, and Mr. Crane.
H.R. 1755: Mr. Ganske.
H.J. Res. 36: Mr. Culberson and Mr. Goodlatte.
H. Con. Res. 12: Mr. Bonior.
H. Con. Res. 104: Mr. Frank and Mr. McGovern.
H. Con. Res. 106: Mr. English, Mr. Schaffer, Ms. Hart, Mr. Kucinich, Mrs. Myrick, Mr. Hutchinson, and Mr. Hayworth.
H. Con. Res. 120: Mr. Sessions.
H. Res. 86: Mr. Cummings, Mr. Honda, Mr. Thompson of Mississippi, Mr. Watt of North Carolina, Mr. Sabo, Mr. Luther, Mr. Matsui, Mr. Thorney, Ms. Rivers, Ms. Waters, and Ms. Jackson-Lee of Texas.
H. Res. 106: Mrs. Jones of Ohio.
H. Res. 120: Mr. Gibbons.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 1646

OFFERED BY: Mr. Traficant

AMENDMENT No. 2: Page 122, after line 23, add the following:

SEC. 747. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act (including any amendment made by this Act), it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act (including any amendment made by this Act), the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

(c) NOTICE OF REPORT.—Any entity which receives funds under this Act shall report any expenditures on foreign-made items to the Congress within 180 days of the expenditure.
The Senate met at 9:30 a.m. and was called to order by the Honorable Tim Hutchinson, a Senator from the State of Arkansas.

PRAYER

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

Gracious Father, thank You for the gifts of life, intellect, good memories, and daring dreams. We do not ask for challenges equal to our talent and training, education and experience; rather, we ask for opportunities equal to Your power and vision. Forgive us when we pare life down to what we could do on our own without Your power. Make us adventurous, undaunted people who seek to know what You want done and attempt it because You will provide us with exactly what we need to accomplish it. We thank You that problems are nothing more than possibilities wrapped in negative attitudes. We commit the work of this day to You and will attempt great things for You because we know we will receive great strength from You. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable Tim Hutchinson 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Thurmond).

The legislative clerk read the following letter:

U.S. SENATE
PRESIDENT PRO TEMPORE

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Tim Hutchinson, a Senator from the State of Arkansas, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. HUTCHINSON thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore.

Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The distinguished acting majority leader.

SCHEDULE

Mr. JEFFORDS. Mr. President, today the Senate will have 5 minutes to complete debate on a Mikulski amendment regarding community technology centers, with a vote to occur at approximately 9:35 a.m.

Following the vote, the Senate will continue to debate those amendments pending or any newly offered amendments to the education bill. The Senate will suspend debate on S. 1 as soon as the papers to the budget conference report are received from the House. Further votes will occur this morning on education amendments. It is expected that a vote on the budget conference report will occur either late this evening or tomorrow morning. As a reminder, all first-degree amendments to the education bill must be filed by 5 p.m. this evening.

I thank my colleagues for their attention.

BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1) to extend programs and activities under the Elementary and Secondary Education Act of 1965.

Pending:

Jeffords amendment No. 358, in the nature of a substitute.

Kennedy (for Murray) amendment No. 378 (to amendment No. 358), to provide for class size reduction programs.

Kennedy (for Mikulski)Kennedy) amendment No. 379 (to amendment No. 358), to provide for the establishment of community technology centers.

Kennedy (for Dodd) amendment No. 382 (to amendment No. 358), to remove the 21st century community learning center program from the list of programs covered by performance agreements.

McConnell amendment No. 384 (to amendment No. 358), to provide for teacher liability protection.

Cleland amendment No. 376 (to amendment No. 358), to provide for school safety enhancement, including the establishment of the National Center for School and Youth Safety.

Biden amendment No. 386 (to amendment No. 358), to establish school-based partnerships between local law enforcement agencies and local school systems, by providing school resource officers who operate in and around elementary and secondary schools.

Specter modified amendment No. 388 (to amendment No. 378), to provide for class size reduction.

Voinovich amendment No. 389 (to amendment No. 358), to modify provisions relating to State applications and plans and school improvement to provide for the input of the Governor of the State involved.

Carnahan amendment No. 374 (to amendment No. 358), to improve the quality of education in our Nation’s classrooms.

AMENDMENT NO. 379

The ACTING PRESIDENT pro tempore. We have 5 minutes equally divided on the Mikulski amendment.

The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise to ask the support of my colleagues for my amendment to create 1,000 community tech-based centers around the country.
The BEST Act creates a national goal to ensure that every child is computer literate by the 8th grade regardless of race, ethnicity, income, gender, geography, or disability.

My amendment will help make this goal reality.

What does this amendment do? My amendment builds on the excellent work of Senator Jeffords, Senator Kennedy, and Senator Gregg. It expands the Century Learning Centers by authorizing $100 million to create 1,000 community based technology centers around the country. The Department of Education would provide competitive grants to community based organizations such as a YMCA, the Urban League, or a public library.

Up to half the funds for these centers must come from the private sector, so we’ll be helping to build public/private partnerships around the country.

What does this mean for local communities? It means a safe haven for children where they could learn how to use computers and use them to do homework or surf the web. It means job training for adults who could use the technology centers to sharpen their job skills or write their resumes.

Why is this amendment necessary? Because even with dot coms becoming dot bombs, we badly need high tech workers. In fact, we have a skill shortage, not a worker shortage.

Senators Specter and Harkin have provided funds for Community Technology Centers in Appropriations but the program has never been authorized, so it has been skimpy. Only 90 centers were created last year, although over 700 applied.

We need to bring technology to where kids learn, not just where we want them to learn. They don’t just learn in school, they learn in their communities.

Not every family has a computer in their home, but every American should have access to computers in their community.

My amendment is endorsed by the NAACP, the American Library Association, the National Council of La Raza, the YMCA, the American Association of Community Colleges, and the Computer and Communications Industry Association.

I urge my colleagues to join me in ensuring that no child is left out or left behind in the technology revolution.

Mr. JEFFFORDS. Mr. President, I regretfully rise to oppose the amendment of my colleague, although I agree with the program she is talking about, the community technology centers. On the other hand, this belongs with other programs such as the community block grants, not on the educational side.

I must say I admire what the Senator is doing. The programs themselves can be very useful, but I don’t believe it belongs in this bill; rather, it belongs in other bills. For instance, the 21st century schools can provide similar programs, and there is duplication.

Regrettably, I must oppose the amendment, although I think it is only once or twice a century that I do that. Ms. MIKULSKI. Mr. President, the cosponsors of my amendment are Senators Kennedy, Bingaman, SARBANES, WELLSTONE, and Reid.

Mr. JEFFFORDS. I yield back the remaining time.

The Acting PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to a vote in relation to the Mikulski amendment numbered 379 to amendment No. 358. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll. Mr. REID. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

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

The result was announced—yeas 50, nays 49, as follows:

(Rollcall Vote No. 96 Leg.)

YEAS—50

Akaka_____________Mikulski______________

Baucus___________Derby_________________

Bentsen___________Dole__________________

Biden__________Feingold________________

Bingaman________Feinstein_______________

Boxer___________Graham________________

Breaux___________Harkin________________

Byrd__________Huntsman________________

Canwesten________Inouye________________

Carnahan________Johnson________________

Carper__________Kennedy________________

Cleland_________Kerry____________________

Clinton__________Kohl___________________

Conrad__________Lieberman_______________

Corzine__________Leahy__________________

Darcie_________Levin____________________

Dayton_________Lowey___________________

NAYS—49

Allard___________Fitzgerald______________

Alien___________Frist____________________

Bennett_________Gramm__________________

Bond___________Grandy__________________

Brownback_______Greg____________________

Bunning________Hagel___________________

Burns___________Hatch___________________

Campbell__________Reins_________________

Chafee___________Hutchinson_____________

Cochrane_________Hutchison______________

Collins__________Iholt______________

Craig___________Jeffords_________________

Crapo___________Kohl___________________

DeWine_________Lott____________________

Domenici________Lugar______________

Enzi___________McConnell______________

NOT VOTING—1

Dodd

Mr. President, I move to reconsider the vote. The amendment (No. 379) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote. Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, would the Chair inform the Senate how long it took for that vote to be completed?

The PRESIDING OFFICER. Thirty-one minutes.

The Senator from Minnesota.

AMENDMENT NO. 358 TO AMENDMENT NO. 358

Mr. WELLSTONE. Mr. President, I send an amendment to the desk. I move reconsideration of the vote. The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 403 to amendment No. 358.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with. The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To modify provisions relating to State assessments)

On page 46, strike line 19 and replace with the following:

"(D) be used only if the State provides to the Secretary evidence from the test publisher or other relevant sources that the assessment used is of adequate technical quality for each purpose for which the assessment is used, such evidence to be made public by the Secretary upon request;"

On page 51, between lines 15 and 16, insert the following:

"(E) be used only if the State provides to the Secretary evidence from the test publisher or other relevant sources that the assessment used is of adequate technical quality for each purpose for which the assessment is used, such evidence to be made public by the Secretary upon request;"

SEC. 119A. GRANTS FOR ENHANCED ASSESSMENT INSTRUMENTS.

Part A of title 29 U.S.C. 6311 et seq. is amended by inserting after section 1117 (20 U.S.C. 6318) the following:

"SEC. 1117A. GRANTS FOR ENHANCED ASSESSMENT INSTRUMENTS.

(a) PURPOSE.—The purpose of this section is to——

(1) enable States (or consortia of States) and local educational agencies (or consortia of local educational agencies) to collaborate with institutions of higher education, other research institutions, and other organizations to improve the quality and fairness of State assessment systems beyond the basic requirements for assessment systems described in section 1111(b)(3); and

(b) designate student achievement in terms of multiple aspects of proficiency; and

(c) monitor and improve judgments based on informed evaluations of student performance.

(b) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(c) GRANTS AUTHORIZED.—The Secretary is authorized to award grants to States and local educational agencies to enable the States and local educational agencies to carry out the purpose described in subsection (a).

(d) APPLICATION.—In order to receive a grant under this section for any fiscal year, a State or local educational agency shall submit an application to the Secretary at such time and containing such information as the Secretary may require.

(e) AUTHORIZED USE OF FUNDS.—A State or local educational agency having an application approved under subsection (d) shall use the grant funds to carry out the provisions of this section to collaborate with institutions of higher education or other research institutions,
Mr. WILSTON. Mr. President, this amendment greatly strengthens this legislation. It focuses on an issue that we haven’t really spent a lot of time on. That is to do with how we make sure we have the very highest quality of testing and how we make sure we give our States and school districts the flexibility to do the very best job.

There has been a rush to expand testing without stepping back to determine whether the testing system we have is working. It is only common sense—I believe we have worked hard on this amendment, and there will be strong support for it—to assume that if you want the tests to be effective, they have to be of high quality.

This goes back to why we are measuring student achievement in the first place and what our goals are. We are going to set up these accountability systems. Are we measuring for the sake of measuring only or are we measuring to get the best picture of how our children are doing? That is what we are all about or should be all about.

If we have the best picture of how our students are doing and how effective the schools are in teaching, we need to have the best possible assessments. That is what this amendment seeks. These assessments need to be aligned with standards, local curriculum, and classroom instruction. These assessments need to be free from bias. They need to reflect both the range and depth of student knowledge, and they need to assess not just memorized content but student reasoning and understanding. They need to be used only for the purposes for which they are valid and reliable. This is important.

Holding States and school districts and teachers accountable to the wrong test can, in fact, be more harmful than helpful. Using low-level national tests to measure performance within a State shows us little of how the States, the school districts, the schools, and the students are achieving their State and local educational goals.

This amendment seeks to allow States to develop tests that are of higher quality and better meet the localized needs of their students, their parents, and their teachers. I will repeat these words again. They should be important to Senators and staff. This amendment allows States to develop tests that are of higher quality and fully address the needs of students, teachers, and parents.

To ensure that the assessments are of high quality, this amendment says the assessments under title I have to meet relevant national standards developed by the National Academy of Education and the American Psychological Association, the National Council of Measurement in Education. These standards are the standards from everyone in the testing field—I say to the Senator from Vermont and the Senator from Massachusetts, these are the standards that have been used as guides for testmakers and test users for decades, and they are implied but not specifically referenced in the current law.

Secondly, it says that States have to provide evidence to the Secretary that the tests they use are of adequate technical quality for each purpose for which they are used.

Third, it says that itemized score analyses should be provided to districts and schools so the tests can meet their intended purpose, which is to help the people on the ground, the teachers and the parents, to know specifically what their children are struggling with and how high the ceiling is.

Finally, the amendment provides grants to States to enter into partnerships to research and develop the highest quality assessments possible so they can most accurately and fairly measure student achievement.

I will go into this later on, but I say to the Senate: My background is education. I was a teacher for 20 years. I don’t want to give any ground on rigor or accountability, but I don’t want us to focus only on the objectives tested, restricting the range of instructional approaches to correspond to testing format, increasing the number of drop-outs among students who do not pass the test, and encouraging other instructional or administrative practices that may raise test scores without affecting the quality of education. It is important for those who mandate tests to consider and monitor their consequences and to identify and minimize the potential of negative consequences.

With my colleagues’ support, we want to make sure the testing is done the right way, and that is what we will do if we adopt this amendment.

One of the key problems with low-quality tests and accountability systems that rely too heavily on a single measure of student progress is in producing very counterproductive educational effects. There is too much teaching to the test, leading to drill instruction which does not reflect real learning and which excludes key components of educational content covered by the tests. Further, the over-reliance on tests could cause teachers to leave the profession at a time when knowledge reflected in State content standards.

The panel went on to make a strong recommendation. It said:

Better assessments for instructional and accountability purposes are urgently needed.

The link between better assessments and better accountability was made by Robert Schwartz, president of Achieve, Inc., the nonprofit arm of the standards-based reform movement. He recently said:

You simply can’t accomplish the goals of this movement if you’re using only relatively low-level tests... Tests have taken on too prominent of a role in these reforms and that’s in part because of people rushing to attach consequences to them before, in a lot of places, we have really gotten the tests right.

This amendment is about making sure we get the tests right. That is what this amendment is about.

Beyond is exactly my point. We need to get the tests right. Research shows that low-quality assessments can actually do more harm than good. The Standards on Educational and Psychological Testing clearly indicate this. The standards state:

The proper use of tests can result in wiser decisions about individuals and programs than would be the case without their use and also can provide a route to broader and more equitable access to education and employment.

That is if it is done the right way.

The improper use of tests, however, can cause considerable harm to test takers and other parties affected by test-based decisions.

It is our obligation to help States and districts ensure that tests are done right so they can achieve the best effect.

The standards go on to say:

Beyond any intended policy goals, it is important to consider any potential unintended effects that may result from large scale testing programs. Concerns have been raised, for instance, about narrow content to focus on the objectives tested, restricting the range of instructional approaches to correspond to testing format, increasing the number of drop-outs among students who do not pass the test, and encouraging other instructional or administrative practices that may raise test scores without affecting the quality of education. It is important for those who mandate tests to consider and monitor their consequences and to identify and minimize the potential of negative consequences.

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good teachers are what our country needs the most.

Again, I am going to talk about this more, but if we do not get this right, we will rue the day that we have set up a system that basically creates a situation where our very best teachers are going to leave the profession, and we are not going to attract the best teachers.

The first concern has to do with teaching to the test. Let me cite for my colleagues the Committee for Economic Development, which is a strongly pro-testing coalition of business leaders which warns against test-based accountability systems that “lead to narrow test based coaching rather than rich instruction.”

Test preparation is not necessarily bad, but if it comes at the expense of real learning, it becomes a major problem. Many will say that teaching to tests can be good, but if the tests are of low quality, which too many are, then it may not be for the good.

The recent Education Week/Pew Charitable Trust study, “Quality Counts,” found that nearly 70 percent of the teachers said that instruction stresses tests “far” or “somewhat” too much. Sixty-six percent of the teachers also said that state assessments were forcing them to concentrate too much on what is tested to the detriment of other report topics.

I will tell you what topics are neglected; social studies, arts, science, technology, and more, of which are integral to good education.

For example, in Washington State, a recent analysis by the Rand Corporation showed that fourth grade teachers shifted significant time away from the arts, science, health and fitness, social studies, and communication and listening skills because none of these areas were measured by the tests. Is that what we want to do? We do not want to end up undercutting the quality of education in this country.

“Quality Counts” goes on to say:

Any one test samples only a narrow range of what students should be learning. If teachers concentrate on the test—rather than the broader content underlying the exams—it could lead to a bump in test results that does not lead or does not reflect real learning gains.

In fact, 45 percent of the teachers surveyed said they spent a great deal of time teaching students how to take the tests, doing activities such as learning to fill in bubbles correctly.

Another recent survey of Texas teachers indicated that only 27 percent of the teachers believe that increases in test scores reflect an increase in the quality of learning and teaching, rather than teaching to the test.

A 1998 study of the Chicago public schools concluded that the demand for high test scores had actually slowed down instruction as teachers stopped introducing new material to review and practice for upcoming exams.

The most egregious examples of teaching to the test are schools such as the Stevenson Elementary School in Houston that pays as much as $10,000 per year to hire the Stanley Kaplan Test Preparation Company to teach teachers how to teach kids to take tests.

According to the San Jose Mercury News, schools in East Palo Alto, which is one of the poorest districts in California, also paid Stanley Kaplan $10,000 each to consult with them on test-talking strategies.

According to the same article:

Schools across California are spending thousands to buy computer programs, hire consultants, and purchase workbooks and materials. They’re redesigning spelling tests and math lessons, all in an effort to help students become better test takers.

Sadly, it is the low-income schools that are affected the most. The National Science Foundation found that teachers with more than 60 percent minority students in their classes reported more test preparation and more test-altered instruction than those with fewer minority students in their class. This research is confirmed by the Harvard Civil Rights Project and several other studies.

The reason to believe the vote on this amendment will be one of the most important votes on this bill is that this amendment speaks directly to whether or not we are going to have the best teachers. I am very concerned that drill education and an increasing emphasis on test scores is going to cause the best teachers to leave the profession, to leave the schools where they are needed the most. This is tragic at the very time we face an acute teacher shortage.

We know that the single most important factor in closing the achievement gap between students is the quality of the teachers the students have. We will see teachers leaving the profession.

Linda Darling Hammond, who is a renowned educator at Stanford University, and Jonathan Kozol, who has written some of the most powerful books about poor children and education in America, have both addressed this issue. Jonathan Kozol said:

Hundreds of the most exciting and beautifully educated teachers are already fleeing from inner city schools in order to escape what one brilliant young teacher calls “examination hell.”

It is ironic because in our quest to close the achievement gap, Kozol finds that what we are actually doing is “robbing urban and poor rural children of the opportunities Senators give their own kids.”

What is going on? We already know where all the pressure is. We already know where all the focus is on the drill education, the teaching to the test. It is in inner-city, rural, small towns. What you are going to have, or what you have right now, is the teachers who know how to teach and are not involved with the education of the very teachers who are going to leave. It is the teachers who are more robotic and are intent to do worksheet teaching and learning, which is educationally deadening—they are going to be the teachers who stay. We will be making a huge mistake if we do not make sure the testing is done in a comprehensive and coherent way.

This was an op-ed in the New York Times. It was written by a fifth-grade teacher who obviously had great passion for his work. Listen to his words:

But as I teach from day to day . . . I no longer see the students who once did—certainly not in the same exuberant light as when I first started teaching five years ago. Where once they were “challenge” or “marginal” are now beginning to see “liabilities.” Where once there was a student of “limited promise,” there is now an inescapable deficit that all available efforts will only nominally affect.

One way to avoid such negative outcomes and ensure that tests do not inhibit real learning is to design higher quality tests that measure how children think rather than just what they can remember. The Standards for Educational and Psychological Testing asserts, for example, that:

If a test is intended to measure mathematical reasoning, it becomes important to determine whether examinees are in fact responding about the material given instead of following just a standard algorithm.

Too often, today’s tests are failing their mission. The Center for Education Policy’s recent study on the state of education reform concludes:

The tests commonly used for accountability purposes don’t tell us how students have reached an answer, why they are having difficulty, or how we can help them.

We therefore need to design assessments that are more closely linked to classroom instruction. That is what our school districts, schools, teachers, principals, school boards, and our PTAs at the local level are telling us. We need to reflect student learning over time so that schools are not judged in a single shot but, rather, are judged more deeply and comprehensively through multiple measures of achievement.

Such an approach would reward teachers who, as the Center for School Change in Minnesota recommends, are able to actually effect and improve children’s analytic abilities and communications skills rather than teachers who drill the best. It would reward schools and teachers who ensure that day-to-day classroom instruction is high quality, not just those who have learned how best to game assessments.

That is what this amendment seeks to do.

The Committee for Economic Development report urges this approach. It says:

There is more work to do in designing assessment instruments that can measure a rich array of knowledge and skills embedded in rigorous and substantive standards.

Before we rush ahead, let’s meet that challenge.

Beyond the effects in the classroom, higher quality tests and fairer use of tests are needed because low-quality
that write the professional standards, the National Research Council, test publishers, the business community that invested so much in the testing movement—all agree that a single test should never be the sole determinant in making high-stakes educational decisions. In short, we do not need a major departure in public policy in so many authorities and studies to cite, the evidence is irrefutable. We want to make sure we do this the right way and we must do it the right way.

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the country. Basically, I am saying, let’s make sure there is comprehensiveness, which means multiple measures. Make sure there is coherence; that we actually measure the curriculum and instruction. Otherwise the teachers teach to the tests. We don’t want that. We don’t want drill education.

Finally, let’s have continuity, which means that the assessment should measure student progress over time.

Jonathan Kozol is someone I think we all respect. He writes that the best teachers that hate testing agenda the most. They will not remain in public schools if they are forced to be drill sergeants for exams instead of being educators. Hundreds of the most exciting and beautifully educated teachers are already fleeing from inner-city schools in order to escape what one teacher, a graduate of Swarthmore calls “examination hell.” I don’t know that we have been in the inner-city neighborhoods that Jonathan Kozol does.

The dreariest and most robotic teachers will remain, the flowing and passionate teachers will get out as fast as they can. They will hire in excesses of private schools to teach the children of the rich under ideal circumstances.

He goes on to say: Who will you find to replace these beautiful young teachers? Another way of robbing the urban poor and rural children of the opportunities that we give to our own children. I think we have been in the inner-city neighborhoods that Jonathan Kozol does.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time in Minnesota, about every 2 weeks for the last 10½ years. I desperately believe in the value of equal opportunity for every child. I absolutely believe education is the foundation of opportunity. I know from my 20 years as a college teacher that if you ignite that spark of learning in a child and if you ignite that spark of learning in a child you can take a child from any background to a lifetime of creativity and accomplishment. That is the best thing about the United States of America. I also know you can pour cold water on that spark of learning.

I have raised two objections to this piece of legislation, but I think this legislation can be improved upon and can end up being a good, strong, bipartisan effort. Maybe, One of those concerns is, for God’s sake, if you are going to do the testing, you better give the children and the teachers and the schools the tools so they can do well. That is the Federal Government living up to its responsibilities by paying resources. That is holding us accountable.

The other issue I raise, which is what this amendment speaks to, is let’s just do the testing the right way. There is a reaction all over the country about too much testing and one simple standardized test. You have to have multiple measures. Let’s make sure the tests actually are connected to the curriculum and to the instruction that is taking place, that is respectful of our teachers and our local school districts. Let’s make sure the tests assess the progress of a child over a period of time.

I have been taking all of the best research and all of what we have implied in this bill. We already have in this bill, making it explicit that we are going to do this the right way; that we are going to make sure that States and school districts can do this the right way.

There would not be a more important amendment. I am sorry that some of my presentation was so technical and seemed cut-and-dried. But if we do this the wrong way, we will have worksheet teaching and worksheet education. We will have drill education. It is going to be training; but it is not really going to be education. It is not going to fire the imagination. Then arts gets dropped and music gets dropped and social studies gets dropped and none of which is tested. None of it is tested in this drill education. My God, we do not want to do that. We do not want to channel schools down that direction. We do not want to force them to go in that direction.

This amendment makes sure that this testing—if this is the path we are going down, using this definition of accountability—is done the right way.

If my colleagues think about their own States, they will see what is happening: lot of the teachers and kids around the country, actually mainly in the suburbs, are now rebelling against these standardized tests. They hate them. Some are refusing to take them, because the parents in the suburbs are saying we don’t want one-third of the time of the teachers who could be involved in great education wasted just teaching to these tests. It is interesting from where the rebellion is coming.

Again, one more time: The very school districts which are the most underserved are the ones where you want to get the best teachers. I have two children in public education. One is in an inner-city school, the other isn’t, but both hate this reliance on single standardized tests. You are not going to get the teachers. I would not teach if I was going down, using this definition of accountability. It is done the right way.

If the Federal Government is going to have this mandate, for God’s sake, let’s do it the right way—because nothing people might not be aware of is that technology is built into the bill, but it is built in with a great deal of flexibility. The $100 million to which we agreed pulled out money from the big technology pool and put it into a very specific area.

Let me tell you what happens when that gets down to Wyoming. We don’t have enough money to do a project. But if it is left in the big pool and we can utilize the technology as the school districts see fit, with a bigger pool of money, it can make a difference to every kid in Wyoming.

We have to be very careful in this legislation that we do not put in little protections, because that would destroy the flexibility of the bill. Flexibility is the key philosophy of this bill that allows the decisions to be made closest to the child and involve

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the parent, the teacher, the school board, and the community. That is where education works best.

The amendment before us now is on testing. I am not sure what all the fuss is about having some testing required. When I was in grade school, we had annual testing. I know the kinds of tests we had were called into question because they were multiple choice, which doesn't allow people their full expression. It limits the value of the test as it comes out. But let me tell you, my parents looked at those results. They expected to see my results. They expected to see how it fit in with the rest of the class and the other students in the district who were in my grade. They used that as a comparison. I can tell you, if everybody had been off the chart, they would not have been pleased. They wanted to know how I was doing. That resulted in parent-teacher involvement, which is one of the big keys to education.

When I was in the Wyoming Legislature, I headed up an education task force at one point. It was interesting to hear teacher after teacher essentially say that the biggest problem they had in the classroom was getting kids to show up, do their work, and behave. That is basic education. The way it was handled when I was growing up was it was again, parent involvement, discipline at home. If my teacher would have told my parents I did something wrong, the discipline would have happened first and then the explanation of why I felt justified. The teacher was right. I was given the opportunity to deal after the punishment because discipline in the classroom was important.

When I was in fourth grade, I had the unique experience of being in a class that was half fourth graders and half fifth graders. We do not have a lot of class size problems in Wyoming. We definitely did not at that time. To have about 15 students in the class, they could control the classes. It gave them the advantage because we were always hearing the things that the fifth graders were being taught at the point that their particular lessons were being taught.

But I also had the unfortunate situation of living about a half block from the school. I had this delightful teacher who said: As soon as you finish your work, you can go out to recess. My dad happened to be out at recess a lot. I was a fast worker. So he asked to see some of my work. When he checked it, he found out it was not correct. So we did a little discipline at that point, too.

He would say I was writing extremely small and that made it difficult for the teacher to check my work. I do remember him saying I would never write small again. It embarrassed him. He could afford the paper, and it looked as if he was not thinking about putting up with that. And we moved. We moved to another school so I would not have the same opportunity for recess.

My parents always said "when you go to college." They didn't say "if you go to college." Parents make a huge impact on students by their faith in their child and their encouragement for their child.

My dad was a traveling shoe salesman most of his life, and I got to travel with him in the summer. When we were making those trips, people would wonder: Are you going to grow up and be a salesman like your dad? Before I could answer, my dad would always jump in to the conversation. He said I don't have to care whether he is a doctor or a lawyer or a shoe salesman or a ditch digger. But what I always tell him is, if he is a ditch digger, I want that ditch to be so distinctive that anybody can look at it and say, "That is a Mike Enzi ditch." Parental encouragement, parental faith—one of the unfortunate things for us around here is we can't legislate that. There are just some things that can't be legislated. But they can be encouraged.

Today we are talking about one of these things. We are talking about the subject of teachers, which we can do something about, and we are doing something about.

Some of the most important provisions in this bill concern our Nation's teachers. As we all know, one of our Nation's greatest educational resources is our teachers. Quite often our teachers spend more time with our kids than we do. I say this not only because my daughter is a teacher but because research has found that with the exception of the involved parent, no other factor affects a child's academic achievement more than having knowledgeable, skillful teachers.

While I have been very interested in ongoing negotiations over some of the provisions in this bill, there is one area that is not negotiable, and that is ensuring that our children have high-quality teachers, especially when it comes to reading and math.

I would like everybody to think back through their past to people who influenced them the most. I suspect as you go through that little exercise—I hope you will spend some time doing that—that many of the people who will be on your list will be former teachers, ones who had some kind of an influence on your life. I hope you will not only list them, but I hope if there are any who are not here today, you will write them a little note and mention the effect they had on your life.

At this point I have to mention a couple that were my teachers.

When I was in eighth grade, I had a home room teacher who made us concentrate on where we were going to go to college and what we would take, and even had us follow a curriculum and write to colleges, get their course book, and outline the exact courses we could say I don't collect education in the field of my choice. I learned a great deal about how to plan for college.

She also involved us in a lot of interesting discussions and later served in the State legislature with me. I have to mention that she quit teaching and became an administrator. After she retired, she ran for the State legislature. It was a great deal of fun to be in the State legislature with a teacher, particularly one with a voice that attracts people's attention, gets their attention, and drives home a point. I always did like the way she started a speech just after I had spoken where I said something that I think was distinctive to me, and he knows what he is talking about. Do what he says.

You just can't have that kind of backing in legislation you are doing and with quite as much effect as she had.

I had a math teacher in eighth grade, Mr. Shovelkin. He introduced us to slide rules. Kids today don't know what slide rules are. He helped us form a future engineers club so we would be able to know what we could do if we went into anything he could do to get us excited about math. Teachers do that.

Later I had Mr. Popovich in high school, another math teacher, who was probably the most enthusiastic teacher I have had. He made everything everybody in our math class understood each principle we covered, and he did that by asking questions. If you got it right, he was enthusiastic and jumped in the air. If we got it wrong, he was enthusiasm, and he would really climb onto the chalk tray saying, No, that is not it, and giving another version of how it could be.

I also liked his explanation of geometry. He said that is really the only course that you get in high school that is logic. Today, I think there are some courses that are actually logic courses. But he pointed out how geometry is logic, and approached it as the old Greeks did, trying to prove verbally and through pictures very basic concepts by starting out with the most basic and building on it.

Mrs. Embry is a lady who is about 4-foot-nothing with bright red hair. She taught international affairs. I needed an elective, and I didn't think I would have any interest in it. Before I left high school, I applied for college at George Washington University and was planning to go into international affairs. She had a tremendous effect on my life. She also happened to be the lady who was part of the team that decoded the messages when Pearl Harbor was being bombed.

Mrs. Sprague, an English teacher, had an impact on me. She said, "Why don't you use more humor in what you write? You do very well with humor."

One little sentence such as that changes a student's perspective on themselves and their future.

There are thousands and thousands of teachers out there who are doing that every day they are in the classroom with a former teacher.

I am pleased that title II of S. 1 addresses the issue of teacher quality. Unlike more restrictive proposals that
require States and local school districts to use Federal funds exclusively for the purpose of hiring new teachers, this legislation provides maximum flexibility to States. It will allow them to develop high-quality, professional development programs, provide incentives and opportunities for innovative teacher programs such as teacher testing, merit-based teacher performance systems, or alternative routes of certification, or hire additional teachers if that is what they believe the necessity to do. It would authorize a separate program to support math and science partnerships between State education agencies, higher education math and science departments and local school districts, and activities for these partnerships through the development of rigorous math and science curriculum; professional development activities specifically geared toward math and science teachers; recruitment efforts to encourage more college students majoring in math and science to enter the teaching profession and summer workshops; and follow-up training in the fields of math and science.

When I was in junior high, Russia set off Sputnik. It launched a whole new interest in science in the United States. A group of boys, who were my friends, and I formed a rocket explorer post. It was the flexibility in the Boy Scout Program that allowed us to do careers in science. And then the American challenge that was issued at that point. That is the group of people with whom I worked.

The biology teacher worked with me to design a nose cone for our rocket that would take a mouse up and safely return it. We never put a mouse in the nose cone, but I designed space capsules for them, put mice in the capsule, spun them on a centrifuge, and then had to evaluate the way they came out of it.

I learned a lot of math. I learned a lot of science. I learned a lot of biology. He was a special teacher.

Teachers in Gillette, who are retiring now—Nello and Rollo Williams. They are brothers. One runs the planetarium. One of them runs the adventureum. The adventureum is a science lab that invites kids from all over northern Wyoming to do actual experiments and special projects. They can see a series of events that give them a better understanding of science. Each of them taught during the summers for science camps, kids doing extra school work, learning through very special teachers.

It isn’t just limited to the generation that is retiring. My daughter is a teacher. She is part of the new generation. While she has been teaching, she has been working on two master’s degrees so that she can be a better teacher, although one of those gets her a certificate in administration. I mentioned Mrs. Wright, who went to administration; Mr. Shovelin, who went to administration; and Mr. Popovich, who went to administration. My daughter is looking to go to administration. Part of the reason is that that is where the money is. All of those people liked their classroom work better than they would have in the administration. She also called the parents, told them the assignment had not been turned in, and the parents said: So, what are you going to do about it?

Not a very good parental involvement activity with the parents involved in it.

She also catches them doing things right, writes a note to their parents, and slips it in their book or their backpack, where sooner or later the child discovers it, and rather than delivering the news that they are not doing things right first to see what it is, and find out that it is something good, and it does get delivered to the parents.

And what every notes that they are doing well—better than anyone—they do the rest of the year, perhaps the rest of their life.

Teachers do have an impact. This bill will affect teachers. This bill does allow States to pursue alternative routes of certification, to encourage talented individuals from other fields to enter the teaching profession. There are many qualified individuals who might be willing to teach if it were easier to become certified.

Although the Federal Government should never dictate certification standards to individual States, we should make it as easy as possible for interested States to recruit midcareer professionals, and perhaps retired members of the military, into the teaching profession. Title II of S.1 goes a very long way toward achieving that goal.

Of course, it has some very good rural possibilities, too. I know of one very small community in Wyoming where there was a lady who grew up in France who had a good command of the French language. She wanted to teach French to the very few students—fewer than 15—who were in the school district. Sometimes certification can get in the way of that.

I think we all need to bring professionals from all careers into the schools to help the kids understand that what they are learning will be valuable later in their life. I do not think I have ever learned anything that did not turn out to be valuable sometime later. Good teachers encourage that kind of participation.

Despite all these efforts to improve teacher quality, there are some who argue that the real key to improving student achievement is to hire more teachers. I have to tell you, for small rural States such as Wyoming, that is not the answer. While I certainly recognize that our Nation is facing a teacher shortage in the coming years, the Wyoming curriculum and declining student enrollment which is forcing some districts to eliminate teaching positions. More money specifically earmarked for hiring new teachers will be of little help to the schools in those areas with declining enrollment.

In addition, rural States such as Wyoming often have difficulty recruiting and retaining teachers, especially highly qualified teachers. Money that is earmarked for hiring new teachers will support the retention of our best teachers from leaving the State.

Congress must provide States and local school districts the flexibility to pay good teachers more money or to provide them with other incentives in order to get them to teach. This bill provides flexibility.

I think it may be helpful to provide my colleagues with some hard data on Wyoming to illustrate that this is not simply lip service to a particular philosophy. We want to keep our best teachers.

For example, Wyoming has 48 school districts, with a total of 378 elementary and secondary schools. Here is the important part: Of those schools, 79 have an enrollment of fewer than 50 students. I am not talking of a classroom size of 50 students, I am talking of a total enrollment in the school of 50 students. I am not kidding when I say, in Wyoming 79 schools are defined as “rural.”

Then we have what we call the “small schools.” Those are the schools with an enrollment of 50 to 189 kids.

There are 122 such schools in Wyoming. There are 134 “medium-sized” schools, with an enrollment ranging from 200 to 599 students. And we have a whopping 34 schools with an enrollment exceeding 500 kids for grade school and 600 kids for high school. Those schools often have to incorporate several grade schools to form a big school.

Let me tell you, nothing gets the good people of Wyoming more agitated than suggestions that they ought to consolidate those small or rural schools into a medium-sized or big school. It takes away the community.

It takes away the emphasis. It takes away the way we have done things in Wyoming. Now let me put this in context. The total enrollment in Wyoming’s 378 public schools was 91,883. That is 1999 data. In New York State, 28 million children were enrolled in public school. That is...
1997 data. So both of those would have changed a little. As for teachers in Wyoming, they are our heroes. There are 6,887 of them. Based on aggregate teacher salary expenditures reported for the State last year, the average salary of a teacher in Wyoming is just under $29,000. Those teachers are underpaid.

This bill can do something about that. If we adopt the flexibility in title II of this bill, the teacher quality provision, then schools in Wyoming can use funds to give teachers a raise oreward outstanding teachers or provide incentives to recruit highly qualified teachers to our great State.

When educators from Wyoming visit me, the resounding message is usually not: Make our schools and class sizes even smaller; it is: Help us recruit good teachers and keep good teachers— with a lot of emphasis on the "keep good teachers," and the need for higher pay and flexibility.

If you can believe it, there have been teachers hired in Wyoming under the Class Size Reduction Initiative that was appropriated but never authorized for the past 2 years. If they so choose, the schools that hired those teachers can use those funds under this bill. However, the question I ask, on behalf of all the schools that were not eligible for that money because they already had school small size, is: Are the struggles they face in recruiting and retaining quality teachers any less important in ensuring that every child receives a quality education?

Do not forget the variations in this country, the fact that we cannot have one-size-fits-all Government. When it comes from Washington, it is too little, with too many regulations. We are not suggesting it ought to be more, with more regulations.

The research shows that while a small class size may have an effect on student performance and achievement, having a highly qualified teacher has an even greater impact. That was shown in a study by Rivkin, Hanushek, and Kain in 1998. And, according to the Department of Education's National Center for Education Statistics, we still need to invest in figuring out how to best help current and new teachers to be highly qualified. Massachusetts provided the perfect example of that, that assisting schools in having great teachers is as important, if not more so, than finding ways to do this. The best kinds of evaluation of a child.

I commend the Senator for Minnesota for bringing this measure to the floor. This has been a matter, among others, that he has been absolutely passionate about. It is well deserved.

What we don't want to do is pass legislation that claims we are doing something about accountability and are relying on the slick, simple, easy multiple choice tests which are being taught by teachers in different communities and then think we are doing something for children. We are not. That is something the Senator wants to address.

There are some wonderful studies that have been done in evaluating what is working and what is not working in the States and local communities. The statement of the Research and Policy Committee of the Committee for Economic Development is a very interesting evaluation of the effectiveness of evaluating students, measuring student achievement. It reviews in great detail that is. Then start off by saying that tests are a means, not an end, in school reform.

Real educational improvement requires changing what goes on in classrooms. It continues from there. Perhaps one of the more interesting comments came from Education Week, which also has been doing evaluations of the testing process. I will mention a paragraph here:

"Districts must draft policies that rely on multiple criteria, including test scores, student's academic performance, and teacher recommendations."

That is how they think you can do the best kinds of evaluation of a child. Initially I was skeptical of the use of multiple criteria," acknowledges Gary Cook, director of the Office of Education Accountability in the State education department. This is in the State of Wisconsin.

I have changed my opinion. I think it really forces districts to consider all the pieces of evidence in a student's performance to determine whether they should advance to the next grade or graduate. We must do more than just whether the child is going to be able to get the right answer or guess at the right answer. We need to evaluate how the child went on to get the answer. That is the essence of the Wellstone amendment. He has explained it very well.

I know there are other colleagues who want to address the issue. I commend them. We have enough experience now to know what doesn't work and what is an abuse of the whole testing process and what does work and can be used in evaluating children's progress so that we need our graduates. We need classrooms that are small enough so they can teach and can use these tests in ways to help children make progress during the year, understanding what the needs are of those children, and so they can continue to make progress. That is the essence of the Senator's amendment. He is right on target. It is one of the most important aspects of this legislation. This is one of the most important amendments we have. Many of us have been thinking about how to try to address it. The Senator from Minnesota has, in his typical way, found a pathway to do it.

I commend him and thank him. This is an extraordinary addition to what we are attempting to do with the legislation. I am grateful to him for bringing this to our attention. I am hopeful we will be able to achieve it. Let me mention one other evaluation. This is using these portfolio assessments. Here students collect what they have done over a period of time, not just because it is helpful to have all that material in one place but because the process of choosing what to
include and deciding how long to evaluate becomes an opportunity for them to reflect on their past learning as well as to set new goals.

As in other forms of performance assessment, they provide data far more meaningful than what would be learned from a conventional test, standardized or otherwise, about what the student can do and where they still need help. This is the conclusion of an evaluation of a number of the existing tests. It really is a few short words on what is being sought by the Senator from Minnesota. I again thank him.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I will be brief. I thank the Senator from Massachusetts for his very gracious remarks.

To summarize: What this amendment says is there is three critical ingredients. You want to use multiple measures. You want to want to use one single standardized test to evaluate how students are doing or how schools are doing or how a school district is doing.

The second thing is, you want it to be coherent. You want the testing to actually measure the curriculum, the subject matter that is being taught. You want there to be a connection. You don’t want, in turn, teachers to have to teach to standardized tests that have no relation to the subject matter.

It is critically important. This is what the Committee on Economic Development was trying to say in their report. The final thing is that it should be sustained. It should support the growth of a child’s standard, that is to say, that it is reliable, to make sure it is fair, and that it is accurate. One of those ingredients is that it is comprehensive. You want to use multiple measures. You don’t want to use one single standardized test to evaluate how students are doing or how schools are doing or how a school district is doing.

I think this debate and what the Senator from Minnesota is attempting to bring our attention to is that there are “tests” and there are “tests.” Making sure that the tests are used for the purpose of measuring student performance, determining what kind of additional help a student might need, is really what we are focused on through the Senator’s amendment.

In appreciation of the much Chairman JEFFORDS’ important amendment that we voted on last week to make sure we have Federal support, financial support, behind the design and implementation of these tests because we want to send a clear message to States and local districts that we believe in accountability, but we want to put some dollars behind that belief by saying we want you to design and implement tests that are going to really measure what students learn.

It is, I think, true that many teachers who contact my office, or the ones I see when I visit schools, as I did on Monday in New York City, are terribly concerned that what might very well happen is that more and more testing will be piled on without there being any requirement that they be worthwhile tests and without the resources to assist the teachers—who, after all, are on the front lines in the classrooms—in knowing how best to address the needs of their students that are revealed by the tests.

I was very impressed by this document put out by the Committee for Economic Development. My colleagues know that the Committee for Economic Development is a group of business people in our country. They are very committed to creating the conditions that will further economic development and they talk about what are the key conditions, if not the most important one, is the quality of our education. Looking at the board of trustees and the Committee for Economic Development, we have people from the top companies in the world who see firsthand what their employees need when they come into the workplace, who are on the front lines of hiring people for a job. They have put out the publication that I really commend to my colleagues, to the administration, and to all of us who are concerned about using testing to improve student learning. It is called “Measuring What Matters.” It makes many of the same points that Senator WELLSTONE makes.

It might be somewhat surprising for some of the people who serve on the board of trustees for the Committee for Economic Development to know that they work with Senator Wellstone, but they do. They agree that what we need are tests that will actually improve student learning. That certainly is what the intent of the bill that we reported out of the Health Committee under Chairman JEFFORDS’ leadership was aimed at doing. How do we make it clear that tests are a means, they are not an end, in school reform. We don’t just give the tests and pick out winners and losers. We have never done that in the United States. One of the reasons our educational system is both unique and successful and has been for decades despite our problems, which we talk about endlessly. We should look at some of the reasons why we have been successful.

I would rank near the top of that the flexibility of our educational system. We don’t give a test when a child is 11 years old and say, all right, this group of children, you are consigned to a certain set of obstacles or a certain set of advantages. We do not do that. We give a test when a child is 11 years old and say, all right, this group, you did well on the 11-year-old test, so we are going to send you to different schools and put you on a different path.

We don’t test when children are 14 and make that conclusion. We don’t say that there are some children who can only attend certain kinds of courses in certain schools and others are barred because of tests. We don’t make those kinds of determinations that opens the doors or shuts them in colleges in other parts of the world. I think that has served us well in our country.

There are a lot of people who don’t test school seriously until they are in high school. Sometimes they graduate and maybe then find their way to a community college. Then they really get energized; they know what they want to learn. So we have always viewed tests not as a stop sign for a child the system holds up and says: You are a loser; you don’t know anything. We use them to say: Look, we
need to help. How can we provide more support for you to be able to get the most out of your education? I think it is important for us to remember that tests are not an end; they are a means. They should be a means toward lifelong learning or improving the outcome for learning or for giving individuals the tools they need to be successful, not just in the classroom but in life.

It is also important, as the Committee on Economic Development points out, that tests need to be valid and reliable and equitable. There should not be any doubt that I think any good test would meet those three criteria. First of all, validity: Are we measuring what we intend to measure? If we spend the whole year teaching children one set of facts or studying one set of subjects and we test on something else, that is not a valid test. So we need to make sure that what we measure is what we are teaching, and whatever we are testing is in some way reflective of the standards of what we expect from our educational system.

Reliability is also a given. How consistent and dependable are the assessment results? Are these tests that teachers and students and community leaders can depend on because they really reflect what we want our children to know?

Finally, are they equitable tests? That doesn't mean there are two standards, or that children in affluent suburbs and one for children who live in our poorest neighborhoods. No, if we are doing anything with this effort, it is to try to make sure we combine both excellence and equity and we do everything possible to give the opportunities where they are most needed.

We know we have to be very careful that our tests are fair, that they have no sign of bias toward any group of students. We also know that the Federal Government should provide if they are going to stand behind the regimen of testing we are considering in this bill.

We also need to be sure, if we are going to be using tests, that we get timely results. I offered an amendment in the committee. If tests are going to be given, the results ought to be available in 30 days and no more. What is the point of giving a test in April and you get the results in June or July when the children have gone home or may not get them until the following year?

We should have a sensible testing schedule, and we should require that the results be provided in a timely manner to parents, students, and especially our teachers, if they are going to be used for diagnostic purposes and to measure and grade the curriculum as well as the children.

There are a lot of tests that are currently being administered. We give tests for everything now. We give tests for graduation. We give tests for promotion. We ought to be sensible about this. If the Federal Government, through their actions in the Congress and the administration, are going to say we want a test every year from third to eighth grade to determine how effective our children are learning reading and mathematics, then States have to take a hard look at what else they are doing and what they are spending all their time preparing for tests, administering tests, and grading tests. We have to be sure the tests are appropriate in number as well as content.

I also hope as we move forward on this important education debate that we recognize that accountability for students and teachers is best tied to school performance. I go into schools all the time that are literally within blocks of each other. Some are very successful and some are not. A lot of it has to do with how the school is organized and what their priorities are. I hope the testing we are discussing to be considered in this bill will be used to move entire schools toward better outcomes so that we lift up the performance of a school and create the atmosphere that will be conducive to learning and teaching.

One thing that bothers me, though, is that in our rush for tests and in our implementation of so many tests, a lot of schools are finding it impossible to keep the more well-rounded curriculum that has been the hallmark of American education generally.

I believe music, art, physical education, extracurricular activities, even field trips, are a part of the educational process. What I hear from so many schools in my State is that the tests take up so much time. The costs of the tests and all that goes with the tests mean that a lot of other important educational objectives are being eliminated.

I hope we take a view of testing that puts it in the context of American education generally. I take a back seat to no one in saying education has to be a local responsibility and a national priority. I have had experience in advocating for testing.

I believe I was the first person in the country who advocated testing teachers, using high-stakes tests. I even recommended schools be based on their performance in how many students they could bring up to grade level. But one thing I never thought was that if I was putting up a caution light—that we not go so much toward testing as the definition of education that we forget what the learning process is and how unique the American education system is where people can literally wake up in 10th grade or 12th grade and a child can be exposed to art or music or some other part of the curriculum, such as a good science lab in the eighth grade, and all of a sudden learning becomes real and they are not consigned to a secondary citizenship because they did not get into gear before that time.

We are starting to see, with our high-stakes testing in New York, a lot of dropouts. We are worried we are beginning to see an increase in dropouts. We have to take that seriously. Our goal is not to test children for the sake of testing, then telling them they do not measure up, and then holding them back for the sake of holding them back. I don't think that is the goal of any of us in this Chamber.

Our goal is to have an accountability system so that we actually know what is being taught and that our children are learning, and use it for diagnostic purposes to make every child a success. Raising the caution lights that the amendment of the Senator from Minnesota raises is important for us to think about. I will add one additional caution light. I guess that is the biggest issue of all for me, and that is the resources. I am very concerned, as I will state when we come to this in the days ahead, about the budget. We have been promised it will be a budget behind and will provide the resources for extra testing, to deal with special ed, to deal with more resources for our poorest children, to add teachers so we have lower class sizes, to modernize our schools. I am worried that none of that will be in the budget.

That puts many of us in a very difficult position because we know that accountability is necessary, but we also know that resources in our poorest schools are an absolute necessary condition for a lot of our kids to be successful.

I enjoyed listening to the Senator from Wyoming talk about the very small school districts of fewer than 50 children. I have some very fond memories of districts that small in Arkansas. I remember going to graduating classes of three and four children. That is a very different and wonderful educational experience. I hope we never put schools in that position, that we do have schools that are that small in states from Wyoming to upstate New York.

I come from a State that has some different kinds of problems. I have a school system with a million children. I have school systems, such as that of Buffalo, where the school stock is so old they cannot wire them for computers because the buildings were built like forts.

I visited a school called the Black Rock Academy that was built in 1898, last renovated in 1920. They are bewildered about what to do. They cannot figure out how to get those computers set up. They have wires coming up, going in a window, into a little room. They have about 30 computers, only 10 of which can be connected to the Internet. That is the best they can do under the circumstances. Buffalo has undertaken, using State dollars and local dollars, a tremendous school renovation and modernization program.

Our needs in New York are different than the needs of the small districts in Wyoming. I hope we are going to look
at all of our children from coast to coast and all of our local school districts to figure out what we can do to make everybody successful. Resources are key. It is more difficult to provide education in remote rural areas and in very concentrated poor areas in our inner cities. What we need to do is increase the resources in the bill that empower local communities to make the decisions that are best for them.

There is a wonderful menu of opportunities in the bill where people can choose professional development or technology, but we would really be selling our children short if we do not also include lower class size and school modernization because in the absence of some Federal help on those two issues, much of what we want to achieve is going to be very difficult and beyond the reach of many of our districts, even those that are making a good-faith effort, such as Buffalo, to deal with a very old stock of schools. I know my colleagues. We were educating people in some communities in New York before some of the States represented in this body were States. We were building schools before a lot of people had to build schools because of the concentration in New York. We have some of those schools that have been around a very long time.

Good education can and does occur in those schools. But the conditions are worsening to the point where, as I said the other day, we have concrete falling out of a ceiling, hitting a teacher on the head. We have overcrowded classrooms. If we are going to be seeking both excellence and equity, we have to do more to provide the resources all districts need to do the job they want to do for their children.

This is an important issue that goes right to the heart of the budget. I, along with many of my colleagues, was very disturbed to learn there was no initiative in the budget coming back from the House. This body voted in a bipartisan way for important measures that were attached to the budget. This was not just about numbers; it was about values, the value of making sure we put the dollars into our education system and many other important priorities, from defense to food safety.

The budget coming back does not reflect that. It does not reflect the flexibility Chairman I've mentioned that will enable us to do what we have already voted for in the Senate. I was very proud of the vote that said we need to fund special education. It is about as close as we can get to a mandate. A lot of school districts are under tremendous pressure because they cannot afford to do what they need to do. I was proud of this body for voting to fully fund title I. That was a values statement. It said our values are that we will invest in our poorest children. I want to commend the amendment that if the Federal Government puts this requirement of testing on our districts, the Federal Government should help to pay for the development and implementation of those tests.

This body, in a bipartisan way, made some very important values statements about education—not that we were just going to pass a bill that would go too far, but one that could actually produce results. I am very pleased that at least in the Senate we are crafting a bill that I think will make a difference in the lives of our children. If we continue on this path, it could revolutionize education across our country. It could be a model to carry the resources that will determine whether we have anything other than an empty promise.

I appreciate the opportunity to add my voice to what we are trying to do in this Chamber and to look for ways to work with my colleagues on both sides of the aisle to make sure it is real.

Mr. JEFFORDS. I appreciate the comments and excellent statement. I yield the floor.

AMENDMENT NO. 381

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding that the majority wants to go to the McConnell amendment, so I call the McConnell amendment.

The PRESIDING OFFICER. The amendment is now pending.

Mr. REID. Mr. President, I think the Senator from Kentucky is offering an amendment that has merit. I do believe it makes a tremendous improvement. I believe the amendment of the Senator from Kentucky leaves a big void. It doesn't do anything to protect students and parents who have corporal punishment administered to them either legally or illegally.

For example, the National Education Association, which represents almost 3 million teachers and other educational employees, has grave concerns about the McConnell amendment. Specifically, the National Education Association is concerned the amendment will lead to increased incidents of corporal punishment.

There are many instances where we have to take a look at corporal punishment which is administered legally in many States. Take, for example, a situation in Zwolle, LA. A story out of the New York Times a few days ago indicates a young girl was brutally beaten—legally, supposedly—in the school. In fact, the story states:

Laid out on the kitchen table, the snapshots of 10-year-old Megan make a grim collage. They are not of her sweet face, but of her bare behind. There are 12 in all, taken, her mother says, day by day, as the doughnut-shaped bruises on each cheek faded from a mottled purple to a dirty gray.

Megan's father, Robert, recalls that when he first saw the bruises hours after his daughter was sent to the principal's office, is one of millions of parents that have battled corporal punishment. In March, her family joined a small but apparently growing number to stop Megan's beating.

One of her classmates, a boy by the name of DeWayne Ebarb, is a hyperactive child who has battled corporal punishment regularly throughout his time at this elementary school. In the last 8 weeks, he has been paddled 17 times. This is a small town of some 2,000. People are wondering what is going on.

I think we should be concerned in Washington what we perhaps are laying a stamp of approval on if we allow this amendment to pass as it is written.

Mr. President, 27 States have banned corporal punishment. Kentucky was New Jersey back in 1887. Then came Massachusetts, a century later, in 1971. There was a crusade in effect started by a man name Robert Fathman from Ohio, president of the National Coalition to Abolish Corporal Punishment. You might have heard of him. He was able to get prohibited corporal punishment laws on the books in five States have adopted bans. One of those States is the State of Nevada which banned corporal punishment in 1993. West Virginia acted in 1994. The number of paddlings around the country is in the millions. In 1980, it was 1.4 million; it is now down to half a million students beaten each year. We have to look at those children who are beaten. It seems it is quite clear that black students are 2.5 times as likely to be struck as white students, a reflection of what researchers have long found to be more frequent and harsher discipline for members of minorities.

Court challenges have been largely unsuccessful, including a 1977 decision by the Supreme Court in the notion that paddling is cruel and unusual punishment. A decade later, an appeals court ruled that a New Mexico girl held upside down and beaten had been denied due process, signifying school officials could be held liable for severe beatings. But this has been rare.

The vast preponderance of lawsuits challenging the use of corporal punishment are unsuccessful, says Charles Vergone, a professor at Youngstown State University, who has been studying this issue for 15 years.

I hope that my friend from Kentucky, the distinguished senior Senator, will accept an amendment I will
offer which, in effect, basically would have corporal punishment not apply to this amendment. This, in effect, would not give a stamp of approval to corporal punishment.

I think the instances pointed out during the amendment by the Senator from Kentucky raise some interesting points: one case about the cheerleader who was asked to run a lap. I don’t know all the facts of that case. From what the Senator from Kentucky told me, it does not seem fair that she was still allowed to cheer the next night that she was supposed to have been reprimanded for not following the instructions of her coach. I don’t know all the facts, but from what I heard it appears there is some validity to that.

Also, the long narrative with which the Senator from Kentucky led his discussion, dealing with the student who actually tried to do physical harm, maybe even kill one of his teachers, wounded the teacher. I think there is some merit to what the Senator from Kentucky outlined. That is what I think would still be available if the amendment I will offer in a short time were accepted.

Teachers talk about having been in areas where they didn’t have the right to paddle and they didn’t paddle, but they say if you have the right to paddle it becomes the punishment of choice. It makes it easier. Emily Williams, in rural Mississippi, as I was told when she arrived from Williams College last year, one of the fine universities in America, she was horrified to hear teachers striking students in the hallways, classrooms, and cafeterias. But soon she was doing it herself. We are told that a number of teachers, in effect, brag about the fact that they can beat their students.

I started this discussion about 10-year-old Megan who was beaten. If she had not been beaten, it would have been in the care and custody of Megan. But because it was done by a teacher and that is legal, nothing has been done or will be done.

If you look at corporal punishment, which a few years ago numbered 1.2 million, 30,000,000 pounds of force—use them in the world of children as if they were more than those bleeding heart liberals. I am sure that is probably true, that he does, but there is a time and place for everything. We have to be very careful to make sure anything we do here does not, in effect, support something that is not good for children.

As I have indicated, the National Education Association policy opposes the use of corporal punishment as a means of disciplining students. There are no studies that have found that paddling, the most prevalent form of corporal punishment, improves school discipline. To the contrary, Dr. Irving Heiman of Temple University has found it is a detriment to children learning.

The National Education Association believes there are better ways to establish and maintain control, including reducing class sizes. Of course, we are going to deal with that later. The debate has not been completed.

There is an amendment pending by Senator Murray to deal with reducing class size. I think everyone acknowledges that would be a sensible thing to do, to make discipline better. Smaller classes enable teachers to give students more individualized attention and to better control classroom activities. Recent studies have documented reductions in classroom disruptions as a result of class size reduction. I do not think we need a study to show us that if we have smaller classes, there are going to be fewer disruptions.

I hope we will take a positive look at the amendment I will offer shortly. The Act to Protect Education Act, which is the name of the act, which now, to my understanding, is in the form of an amendment, would immunize negligent teachers, principals, and administrators when their misconduct injures students. Not only would this measure make teachers accountable to parents, it would preempt the laws of all 50 States with little or no justification for such a sweeping exercise of Federal control.

I do not think there is any need to create a special Washington-knows-best immunity for principals, teachers, and administrators. The States, which for more than two centuries have had dominion over tort law, already have laws that give protection for teachers and administrators. Washington should not dictate policy to State courts and administrators, and it should not dictate policy to the local school boards.

As I said, I don’t know all the facts dealing with the cheerleader case that was mentioned by the Senator from Kentucky, but even though I may disagree with the decision made by the court—I would still like to know the facts—I also say the court had the right to make that decision. In the State of Nevada, judges are looked at very closely, the reason being judges in Nevada run for election. They cannot, in effect, thumb their nose at public opinion. As a result of that, I think judges in Nevada generally do an excellent job of determining what the law should be. But they are totally aware of what is going on in the public, and I would say the same applies to the cheerleader case where she refused to run laps. We need to know all those facts.

The American Federation of Teachers indicates there is no crisis. In effect, the American Federation of Teachers challenges whether legal immunity is really needed. I don’t think the fear of lawsuits is keeping teachers from doing their jobs.

As I said, I think there is some merit to the amendment of the Senator from Kentucky. That is why I think the best thing to do is offer a second-degree amendment to that, to take away from that, in effect, the approval of corporal punishment, which is in keeping with many States in the United States.

Mr. McCONNELL. Would the Senator yield?

Mr. REID. I am happy to yield for a question without losing my right to the floor.

Mr. McCONNELL. I do not seek to have the Senate lose his right to the floor, but just to make certain the Senator understands my amendment neither promotes nor condones corporal punishment. I don’t know what second and third degree to apply which, in effect, basically would not apply to their administering corporal punishment. I am sorry the Senator from Nevada may have interpreted it otherwise. I think I can make it clear to his satisfaction that it is wholly unrelated to that subject. And I might well be interested in supporting the second-degree if I can take a look at it.

The purpose of this amendment is to leave that matter strictly up to the States. The Federal Government would not either support or oppose corporal punishment.

Mr. REID. The problem with that—I will be happy to share the amendment with the Senator, and I am confident he will see the fact that the amendment offered by the Senator from Kentucky, as I understand it, said basically that teachers and administrators will not be sued for basic, simple negligence, but they can be sued for gross negligence.

Is that the underlying import of the Senator’s amendment?

Mr. McCONNELL. I think pursuant to State law. What we are seeking not to do is to replace State law on this subject.

Mr. REID. I appreciate that. That is my point and my problem. If a teacher spanks, beats—whatever the term we use—a student, is doing that under the confines, and under the direction of the State law, in effect. What we want to say is that any acts of teachers that are negligent that do not apply to their administering corporal punishment, we agree with the Senator from Kentucky. I don’t think there is any hindrance on our part of State law. If the State has corporal punishment, fine. The State of Nevada outlawed corporal punishment in 1993. But that was up to the State legislature. I didn’t do that.

Amendment No. 421 to Amendment No. 384

Mr. President, I send an amendment to the desk.
The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. Reid] proposes an amendment numbered 421 to amendment No. 384.

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

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

The amended text is as follows:

(Purpose: To limit the teacher liability protections in this bill for teachers who strike a child to those situations in which such action is necessary to maintain order in and which a parent or guardian has provided recent written consent to such actions)

On page 4, line 23, insert a comma after (b), strike “and” and insert “and (d)” after (c). On page 6, line 6, insert a new subsection (c), as follows, and renumber accordingly:

“Nothing in this section shall be construed to apply to any action of a teacher that involves the striking of a child, including, but not limited to paddling, whipping, spanking, slapping, kicking, hitting, or punching of a child, unless such action is necessary to maintain order in the classroom or school and unless a parent or legal guardian of that child has given written consent to the teacher prior to the act and during the school year in which the striking incident occurred.”

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. REID. I am happy to yield without losing my right to the floor.

Mr. KENNEDY. To move the process along, will the Senator object if we are able to dispose of the Wellstone amendment while the Senators are talking, with the recognition that the Senator from Kentucky would be next on the matter after the conclusion of the Wellstone amendment?

Mr. JEFFORDS. I would appreciate it if we would withhold on that.

Mr. KENNEDY. There has been a special request of that proceeding.

Mr. REID. I say to my friends from Massachusetts and Kentucky that I would be happy to do that. We want to move to another amendment. I wanted to confer with the Senator from Kentucky, but we were told that is what the majority wanted. That is why I called up the amendment without the opportunity of giving it to the Senator. I submitted the amendment. I have other things to say. I could do that at a later time. I am asking the Senator from Kentucky and the majority manager of the bill to take a look at this amendment. If there are problems with it, tell us. We will talk some more about it on both sides.

Mr. MCCONNELL. Mr. President, I guess the underlying assumption is that we would move forward on Wellstone, and then come back to the McConnell amendment in the second degree by agreement. Is that what we are talking about?

Mr. REID. Mr. President, it is my understanding that earlier there was an agreement that the Wellstone amendment would be accepted. I guess that is no longer the case. We are now on the amendment of the Senator from Kentucky. I ask if the Senator would consider a quorum call for a few minutes. The McConnell amendment is the business before the Senate now. We can go to anything else without unanimous consent.

Mr. MCCONNELL. Mr. President, it would be my preference that we stay on the McConnell amendment in the second degree by Senator Reid, and, if it is all right with the manager, go into a quorum call to work this out and go forward. Therefore, 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. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. SMITH of Oregon], Without objection, it is so ordered.

Mr. REID. Mr. President, the Senator from Kentucky has offered an alternative that I think is in keeping with what we have tried to accomplish. I think it is something that would make his amendment better. It is something named after Senator Coverdell; something Senator Coverdell would appreciate, especially in the fashion that it was done.

Paul Coverdell, as you know, was a great conciliator, was great at mediating problems. I expect perhaps the spirit of Paul Coverdell was involved in this because I think it is a good settlement for everybody.

AMENDMENT NO. 421, WITHDRAWN.

So, Mr. President, I ask unanimous consent that my second-degree amendment be withdrawn.

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

Mr. REID. The Senator from Kentucky, at the appropriate time, will offer a modifying amendment.

The PRESIDING OFFICER. The Senator from Kentucky.

AMENDMENT NO. 384, AS MODIFIED

Mr. MCCONNELL. Pursuant to the agreement that Senator Reid and I have come to, I send a modification of my amendment to the desk and ask unanimous consent that my amendment be so modified.

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

The amendment (No. 384), as modified, is as follows:

At the end, add the following:

**TITLE — TEACHER PROTECTION**

**SEC. 1. TEACHER PROTECTION.**

The Act (20 U.S.C. 6301 et seq.) is amended by adding at the end the following:

"**TITLE — TEACHER PROTECTION**

**SEC. 1. SHORT TITLE.**

"This title may be cited as the ‘Paul D. Coverdell Teacher Protection Act of 2001.’"

**SEC. 2. FINDINGS AND PURPOSE.**

(a) FINDINGS.—Congress makes the following findings and purposes:

(1) The ability of teachers, principals and other school professionals to teach, inspire and shape the intellect of our Nation’s elementary and secondary school students is deterred and hindered by frivolous lawsuits and litigation.

(2) Each year more and more teachers, principals and other school professionals face lawsuits for actions undertaken as part of their duties to provide millions of school children quality educational opportunities.

(3) Too many teachers, principals and other school professionals face increasingly severe and random acts of violence in the classroom and in schools.

(4) Providing teachers, principals and other school professionals a safe and secure environment is an important part of the efforts to improve and expand educational opportunities, which are critical for the continued economic development of the United States.

(5) Frivolous lawsuits against teachers maintaining order in the classroom impose significant financial burdens on local educational agencies, and deprive the agencies of funds that would best be used for educating students.

(6) Clarifying and limiting the liability of teachers, principals and other school professionals about frivo-
us or capricious lawsuits against teachers is of national importance; and

(B) millions of children and their families across the Nation depend on teachers, principals and other school professionals the tools they need to undertake reasonable actions to maintain order, discipline, and an appropriate educational environment.

**SEC. 3. PREEMPTION AND ELECTION OF STATE NONAPPLICABILITY.**

(a) PREEMPTION.—This title preempts the laws of any State to the extent that such laws are inconsistent with this title, except that this title shall not preempt any State law that provides additional protection from liability relating to teachers.

(b) ELECTION OF STATE REGARDING NON-

APPLICABILITY.—This title shall not apply to any action in a State court against a teacher with respect to claims arising within that State if such State enacts a statute in accordance with State requirements for enacting legislation—

(1) citing the authority of this subsection;

(2) declaring the election of such State that this title shall not apply, as of a date certain, to such civil action in the State; and

(3) containing no other provisions.

**SEC. 4. LIMITATION ON LIABILITY FOR TEACHERS.**

(a) LIABILITY PROTECTION FOR TEACHERS.—Except as provided in subsections (b) through (d), no teacher in a school shall be liable for harm caused by an act or omission of the teacher on behalf of the school if—

(1) the teacher was acting within the scope of the teacher’s employment or responsibilities related to providing educational services;

(2) the actions of the teacher were carried out in conformity with local, State, and Federal laws (including rules) in furtherance of efforts to control, discipline, expel, or suspend a student or maintain order or control in the classroom or school;

The teacher was properly licensed, certified, or authorized by the appropriate authorities for the
activities or practice in the State in which the harm occurred, where the activities were or practice was undertaken within the scope of the teacher’s responsibilities; (4) the teacher caused willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by a teacher and (5) the harm was not caused by the teacher operating a motor vehicle, vessel, aircraft, or other vehicle for which the State requires the operator to obtain a license, a certificate, or a vessel to—(A) possess an operator’s license; or (B) maintain insurance.

(4) NONCONTRIBUTORY LIABILITY RULE OF TEACHERS TO SCHOOLS AND GOVERNMENTAL ENTITIES.—Nothing in this section shall be construed to affect the rights or safety of the individual harmed by the teacher; and the difference to the rights or safety of the individual harmed. The court shall render a separate judgment against each defendant in an amount determined pursuant to the preceding sentence.

(5) LIABILITY OF A TEACHER UNDER THIS TITLE SHALL NOT APPLY TO MISCONDUCT DURING BACKGROUND INVESTIGATIONS, OR DURING OTHER ACTIONS, INVOLVED IN THE HIRING OF A TEACHER.

5. LIABILITY FOR NONECONOMIC LOSSES.

(a) In General.—An action against a teacher, based on an action or omission of a teacher acting within the scope of the teacher’s responsibilities to a school or governmental entity, the liability of the teacher for noneconomic loss shall be determined in accordance with subsection (b).

(b) AMOUNT OF LIABILITY.—(1) IN GENERAL.—Each defendant who is a teacher shall be liable only for the amount of noneconomic loss allocated to that defendant. The court shall render a separate judgment against each defendant in an amount determined pursuant to the preceding sentence.

6. EXCEPTIONS TO LIABILITY

(a) Limitation on punitive damages may not be awarded against a teacher in an action brought for harm based on the action or omission of a teacher acting within the scope of the teacher’s responsibilities to a school or governmental entity unless the claimant establishes by clear and convincing evidence that the harm was proximately caused by an action or omission by a teacher which constitutes willful or criminal misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

(b) Constr. — Paragraph (1) does not create a cause of action for punitive damages and does not preempt or supersede any Federal or State law to the extent that such law would further limit the award of punitive damages.

1. EXCEPTIONS TO LIMITATIONS ON LIABILITY

(a) In General.—The limitations on the liability of a teacher under this title shall not apply to any misconduct that—(A) constitutes a crime of violence (as that term is defined in section 16 of title 18, United States Code) or act of international terrorism (as that term is defined in section 2331 of title 18, United States Code) for which a teacher has been convicted in any court;

(b) involves a sexual offense, as defined by applicable State or local law (including a rule or regulation) or policy pertaining to the use of corporal punishment.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect any State or local law (including a rule or regulation) or policy pertaining to the use of corporal punishment.

(d) EXCEPTIONS TO TEACHER LIABILITY PURSUANT TO STATE OR LOCAL LAW.—A State or local law (including a rule or regulation) or policy pertaining to the use of corporal punishment.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect any State or local law (including a rule or regulation) or policy pertaining to the use of corporal punishment.

(f) EXCEPTIONS TO LIMITATIONS ON LIABILITY.

(1) A State law that requires a school or governmental entity to adhere to risk management procedures, including mandatory training of teachers.

(2) A State law that makes the school or governmental entity liable for the acts or omissions of its teachers to the same extent as any employer is liable for the acts or omissions of its employees.

(3) A State law that makes a teacher liable for the acts or omissions of its employees.

(4) An action or omission of a teacher acting within the scope of the teacher’s responsibilities to a school or governmental entity unless the claimant establishes by clear and convincing evidence that the harm was proximately caused by an action or omission by a teacher which constitutes willful or criminal misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

(5) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect any State or local law (including a rule or regulation) or policy pertaining to the use of corporal punishment.

7. EFFECTIVE DATE.

This title shall take effect on the date of enactment of the Paul D. Coverdell Teacher Protection Act of 2001. (b) APPLICATION.—This title applies to any claim for harm caused by an act or omission of a teacher if that claim is filed on or after the effective date of the Paul D. Coverdell Teacher Protection Act of 2001, without regard to whether the harm that is the subject of the claim or the conduct that caused the harm occurred before such effective date.

Mr. McCONNELL. Mr. President, I ask the manager of the bill, are we going to move fairly quickly with a vote after some closing observations?

Mr. JEFFORDS. Yes.

Mr. REID. Mr. President, I think we will have to wait until after 12:40. That is my understanding. Some people may not be available, but I am sure the vote will take a little while anyway. So if it is OK, could we have the vote start at 12:40?

Mr. JEFFORDS. I have no objection.

Mr. McConnell amendment begin at 12:40.

The PRESIDENT pro Tem. Mr. President, we are about to vote on my amendment, the Paul D. Coverdell teacher protection amendment. This important legislation extends important protections from frivolous lawsuits to teachers, principals, and other education professionals who take reasonable steps to maintain order in the classroom.

The amendment, I hasten to add, does not protect those teachers who engage in ‘willful or criminal misconduct, gross negligence, or a conscious, flagrant indifference to the rights and safety’ of a student.

This is not new ground for the Senate. I remind all of my colleagues that last year we approved this virtually identical amendment by a vote of 97-0. It is now the appropriate time for the Senate to revisit this issue and give its full endorsement. Mr. President, 97-0 is about as strong as it gets in the Senate. I hope we will have a similar vote when the vote commences at 12:40.

I know Senator Coverdell would obviously be grateful to see that his legislation may well be on the way to becoming law this year. I urge all of my colleagues to support the amendment, as they did the last time it was offered.

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

The PRESIDENT pro Tem. The chair will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDENT pro Tem. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I understand we have a vote in about 7 or 8...
minutes. During this period of time, unless somebody else wishes to speak on the amendment, I would like to address the issue of teacher quality. This reflects upon one of the underlying amendments we are discussing—which is, class size—with an emphasis on the relationship that exists between a teacher and a child where we know much of that learning experience takes place, kindergarten through the 12th grade. It is that relationship and a number of factors.

We have seen, in the last 10 years, having a very good, highly qualified teacher in a classroom, an effective teacher in the classroom, so that we really can say that every child has an opportunity to have achievement boosted, to have the achievement gap, which has gotten worse in the last 35 years, be diminished over time.

The argument we have made again and again on this side of the aisle has been that while class size is important, the absolute size should not to be dictated by Washington but determined by local schools, local school districts, local communities. Whether it be Nashville TN, Anchorage, AK, New York, NY, the decision should be made by people in Washington, DC. Thus, what we have done in the underlying bill—and it is important that people understand what is in the bill;—is combine that program, with other programs so that we have the necessary resources we need—up to $3 billion. And these can be distributed, used, prioritized, locally rather than here in Washington, DC. So that in any particular classroom, a decision can be made whether or not to use that money for smaller class size, for more computers, for better reading materials, for more technology—that they have the flexibility to prioritize rather than having a Government program for each and every issue.

Yesterday, we took the time during discussion what we have in the bill for teacher quality, teacher development. It is quite extensive, in terms of State activities, where States very specifically may use these funds for things such as teacher certification, teacher recruitment, professional development, and other ways of teacher support. Examples of such activities include reforming teacher certification or licensing requirements, addressing alternative routes to State certification of teachers, or teachers who are not certified yet but are being used, providing professional development activities, looking at issues such as reform of tenure systems for teachers.

Local educational systems may use these funds for professional development, teacher development, teacher recruitment or hiring teachers. Again, these decisions are made locally with the funds provided through the Federal system—as I said, $3 billion. It moves on down to local accountability because we do want to make sure, if these funds have been pooled and these resources are available locally for teacher development, for improving the quality of teachers, for attracting new teachers to the classroom, that the system is held accountable, and there are extensive accountability provisions in the underlying bill, already in the bill, that include, in those kinds of performance objectives. Those performance objectives are related to student achievement, to reducing that achievement gap over time, to the ability to retain teachers, to the ability of taking teachers who may be certified in one field but haven’t been certified in another.

A particular area I hope we will be able to address later this week or next week is this whole specific area of math and science teachers. Again and again I have come to this floor citing the third international mathematics and science study, beginning in 1995 but even since that point in time, which shows that 4th grade students in the United States are among the top scorers in the 41st nation tested. But then both the TIMMS study and the TIMMS repeat study in 1999 show that by the 8th grade, U.S. students tested, not at the top, but in the middle. By the 12th grade, we see that U.S. students are scoring near the very bottom in math and science of all of the countries tested.

In today’s global economy this means that if we are not preparing people in the 12th grade in terms of math and science, we are going to see jobs move overseas because Americans, especially for the high tech jobs of the future are going to be very ill equipped to compete with our neighbors globally in job creation, in math and science, in technology, and broadly.

Teacher educational development has to be a continuing process. It has to be done in a collaborative partnership with those people, including at local teacher training, local universities, local high schools, where local elementary schools. It has to be done in a partnership way. Again, this is spelled out in the bill.

In closing, this bill—we call it the BEST Act—authorizes $500 million in fiscal year 2002 for the establishment of math and science partnerships, linking the math and science departments of institutions of higher education with States and local school districts. That is very positive. There is a lot more we can do in terms of clarification of how those monies are going to be used, in authorizing the States to use funding in certain areas to recruit and retain teachers and, finally, in looking at math and science funding for a master teacher program.

I am very excited about this amendment, which will be filed later today or later in the week. It will build on what is in the underlying bill, and puts the focus on the quality of teachers, not just the quantity of teachers.

The PRESIDING OFFICER. The time has expired. The question is now on agreeing to the amendment of the Senator from Kentucky. The yeas and nays have not been ordered.
(Purpose: To make amendments regarding the Reading First Program)

On page 32, line 11, strike “$900,000,000” and insert “$1,400,000,000.”

On page 201, line 19, strike “and” and insert “.”

On page 201, line 21, strike the period and insert “.”

On page 201, between lines 21 and 22, insert the following:

“(d) shall reserve $500,000,000 for fiscal year 2002 and each of the 6 succeeding fiscal years to carry out section 1228 (relating to school libraries.)

On page 203, between lines 20 and 21, insert the following:

**SEC. 1228. IMPROVING LITERACY THROUGH SCHOOL LIBRARIES.**

“(a) IN GENERAL. From funds reserved under section 1225 for a fiscal year that are not reserved under subsection (h), the Secretary shall allot to each State educational agency having an application approved under subsection (c)(1) an amount that bears the same relation to the funds as the amount the State educational agency received under part A for the preceding fiscal year bears to the amount all such State educational agencies received under part A for the fiscal year for which the application is submitted.

“(b) WITHIN-STATE ALLOCATIONS. Each State educational agency receiving an allotment under subsection (a) for a fiscal year—

“(1) may reserve not more than 3 percent of the funds to provide technical assistance, disseminate information about school library media programs that are effective and based on scientifically based research, and pay administrative costs, related to activities under this section; and

“(2) shall allocate the allotted funds that remain after making the reservation under paragraph (1) to each local educational agency within the State having an application approved under subsection (c)(2) (for activities described in subsection (e)) in an amount that bears the same relation to such remainder as the amount the local educational agency received under part A for the preceding fiscal year bears to the amount received by all such local educational agencies in the State for that fiscal year.

“(c) APPLICATIONS.—

“(1) STATE EDUCATIONAL AGENCY.—Each State educational agency desiring assistance under this section shall submit to the Secretary an application at such time and in such manner, and containing such information as the Secretary shall require. The application shall include—

“(A) how the State educational agency will assist local educational agencies in meeting the requirements of this section and in using scientifically based research to implement effective school library media programs; and

“(B) the standards and techniques the State educational agency will use to evaluate the impact of activities carried out under this section by local educational agencies to determine the need for technical assistance and whether to continue funding for any activities under this section.

“(2) LOCAL EDUCATIONAL AGENCY.—Each local educational agency desiring assistance under this section shall submit to the Secretary at such time and in such manner, and containing such information as the Secretary shall require. The application shall include a description of—

“(A) a needs assessment relating to the need for school library media improvement, based on the age and condition of school library media centers, including school library media center assessments, access of school library media centers to advanced technology, and the availability of well-trained, professionally certified school library media specialists, in schools served by the local educational agency;

“(B) how the local educational agency will extensively involve school library media specialists, teachers, administrators, and parents in the activities assisted under this section, and in which the local educational agency will carry out the activities described in subsection (e) using programs and materials that are grounded in scientifically based research;

“(C) the manner in which the local educational agency will effectively coordinate the funds and activities provided under this section, and any plans funded with funds under this subpart and other literacy, library, technology, and professional development funds and activities; and

“(D) a description of the manner in which the local educational agency will collect and analyze data on the quality and impact of activities carried out under this section by schools served by the local educational agency.

“(d) WITHIN-LEA DISTRIBUTION.—Each local educational agency receiving funds under this section shall distribute—

“(1) 50 percent of the funds to schools served by the local educational agency that were in the bottom 10 percent of the percentage of students enrolled from families with incomes below the poverty line; and

“(2) 50 percent of the funds to schools that have the greatest need for school library media improvement based upon a targeted formula, so the funds are distributed to schools that have the greatest need for school library improvement.

“(e) LOCAL ACTIVITIES.—Funds under this section may be used to—

“(1) acquire up-to-date school library media resources, including books;

“(2) acquire and utilize advanced technology, incorporate curriculums of the school, to develop and enhance the information literacy, information retrieval, and critical thinking skills of students;

“(3) facilitate Internet links and other resource-sharing networks among schools and school library media centers, and public and academic libraries, where possible;

“(4) provide professional development described in 1222(c)(7)(D) for school library media specialists, and activities that foster increased collaboration between school library media specialists, teachers, and administrators; and

“(5) provide students with access to school libraries during nonschool hours, including the hours before school, during the weekend, and during summer vacation periods.

“(f) ACCOUNTABILITY AND CONTINUATION OF FUNDS.—Each local educational agency that receives funding under this section for a fiscal year shall be eligible to continue to receive the funding for a third or subsequent fiscal year only if the local educational agency demonstrates to the State educational agency that the local educational agency has implemented—

“(1) the availability of, and the access to, up-to-date school library media resources in the elementary schools and secondary schools served by the local educational agency; and

“(2) the number of well-trained, professionally certified school library media specialists in those schools.

“(g) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement, not supplant, Federal, State, and local funds expended to carry out activities relating to library, technology, or professional development activities.

“(h) NATIONAL ACTIVITIES.—From the total amount made available under section 1223(3) for each fiscal year, the Secretary shall reserve not more than 1 percent for annual, independent, national evaluations of the activities assisted under this section. The evaluations shall be conducted not later than 3 years after the date of enactment of the Better Education for Students and Teachers Act, and each year thereafter.

Mr. REED. Mr. President, I have sent to the desk an amendment on my behalf and of Ms. SNOWE, Mr. KENNEDY, Mr. CHAFEE, Mr. BINGAMAN, Mr. WELLSTONE, Mrs. MURRAY, Mrs. CLINTON, Mr. Baucus, Mr. LEVIN, Mr. REID, Mr. ROCKEFELLER, Mr. DURBIN, and Mr. Dayton.

This amendment is a bipartisan attempt to ensure that the President’s Reading First initiative is a success. Let me commend the President for emphasizing literacy as a very important part of education reform. His proposal would recognize the importance of literacy and increase and support the training of teachers, but it would not address another important aspect of achieving literacy, and that is a well-equipped school library. My amendment would help students achieve literacy by authorizing funds so schools could acquire new library books, new library materials.

Funding school libraries has been part of the educational authorization for the Elementary and Secondary Education Act since its beginning in 1965. The very first ESEA authorized the purchase of library materials.

One of the sad commentaries about school libraries today is that much of that material is still on the shelves, with copyright dates of 1967, 1968, 1969, and 1970. Clearly, the world has moved a great deal from those days. We have landed on the Moon, we have created the Internet and done lots of other interesting things. Many other aspects of life have changed since the mid-1960s and early 1970s.

My proposal would provide resources, based upon a targeted formula, so the schools would have access to these funds, so we could, in fact, replenish library collections throughout the United States.

Last week the Senate uniformly voted for Senator Collins’ Reading First amendment, where she incorporated additional provisions into the President’s proposal for Reading First. I support this effort by Senator Collins, but I believe there is a deficiency within this initiative. It fails to include an essential component that would ensure students learn to read. We have to fund school libraries so students have the necessary books, technology, and materials, which is an integral part of our effort to improve reading in our schools.

What we are finding is the gap between the highest and lowest achieving students is widening. But what we are also finding, when we look at data, is that in those schools that have first-
rate libraries and trained library personnel, achievement goes up consistently. That is a factor I believe we cannot ignore. It is one of those factors that provide additional support for my proposal today.

As I indicated, the President’s underlying proposal authorizes $900 million for the Reading First Initiative. It has been enhanced and improved by Senator Collins’ amendment. This proposal, which I and my colleagues have offered, would provide further enhancement to this worthwhile goal of ensuring every child in America reads, and reads well.

Let me also acknowledge the great work of Senator Jeffords and Senator Kennedy who have brought us this far. But even though they have brought us this far, even though we have, with the President’s direction, emphasized literacy, we still have this gap in achieving literacy. We have to provide funds for school libraries so they can buy the materials necessary to support the scientifically based reading programs the President has made the centerpiece of his Reading First Initiative.

School libraries are really the places where we reinforce those reading skills. They are, in one sense, the laboratories where children explore their ability to read and explore a great world beyond the confines of their classroom or their community. You can go into a library and, figuratively speaking, travel in the community, even reduce yourself to the size of a microbe, and travel, coursing through the veins of the body. That is what is remarkable about reading and so fundamentally important about reading. It is also something that has to be a lifelong pursuit.

Frankly, even though we can instruct children with respect to literacy, unless we provide them with stimulating books and expose them to the library as students, it is not likely that they will appreciate reading or continue the habit of reading, this habit of self-improvement. Children leave schools, but we hope they will not leave the library. That is one of the great lessons they will take from their school— not just the mechanics of reading but a love of reading so they will leave the school but never leave the library, they will be patrons of public libraries, they will be patrons of books. That is what the library is for, independent learning, and I cannot think of a more worthwhile goal in this reauthorization than creating that type of spirit and that type of ability in the children.

As I mentioned before, as we look at high levels of literacy, we find a very strong correlation between these high literacy levels and good school library programs. In one study, this was the case for every school and in every grade level tested, regardless of social and economic status, and in very dissimilar States: Colorado, Pennsylvania, and Alaska. These findings echo earlier studies which found that students in schools with well-equipped libraries and professional library specialists performed better on achievement tests for reading.

Again, we understand one major focus of educational reform is testing students to standards, bringing those standards up and bringing every child up to those standards. Without the support of good public libraries in the community but, more particularly, good school library programs, we are most assuredly putting the children the tools to reach the standards, to pass the tests we are prescribing now for a vast section of American students.

As I indicated, there is an array of scientific evidence, research evidence, that demonstrates this fundamental point. A 1993 review of research, “Power of Reading” by education professor Stephen Krashen of the University of Southern California, demonstrates that when there is a greater investment in better qualified school library staff and more diverse school library collections.

A 1994 Department of Education report on the impact of school library programs theIndiana State Board of Education gets at least once a year. Their achievement students tend to come from schools with strong libraries and library programs. So I believe this evidence is further proof that we can improve reading by making a wise and efficient investment by enhancing our school libraries.

We also understand that we have today on our shelves, in our libraries, books that are simply out of date and inaccurate. I have made something of a cottage industry of bringing my favorite anomalous books to committee hearings, such as a book that talks about what is it like to be a flight attendant; only they use an incorrect term “stewardess.” If you look through this book, if you look through these pages, you get a distinctly different impression of what it is like to be a flight attendant. First of all, they are all women. We know that is not the case today. Second, there are very few minorities. We know that is not the case today. Third, they talk about the rule that you must leave if you want to get married, because they all have to be single. They have pictures of flight attendants doing sit-ups and describe that as their homework.

These are images that are totally out of sync with today’s times. But yet this book was on the shelves of the school library. Ask yourself. If a young man is interested in that profession and takes that book off the shelf, what impression will he get? Obviously, it is not going to open up the possibility of a career for him as a flight attendant.

That is just one example. There are examples of books on the shelves of today’s schools that say things like some day we will get to the Moon. I received a book from a librarian in Arizona that has the title, “Asbestos, the Magic Mineral,” suggesting a book that was not written recently.

One of my favorite selections that was sent to me is the story of the U.S. Constitution, and an analysis of the Constitution, with a foreword by President Calvin Coolidge—a little bit out of date but still on the shelves of a school library.

We can do more than provide our children with outdated sources of information. We also now know that we are in a situation where the President wants the Congress to provide us with communicating information to children. Libraries need sophisticated, computer-based media. They need the technology of the computer.

You see what you find at the local level is a situation where despite the best intentions of school committee men and women and the best intentions of Governors and mayors, school library collections are the first casualties of unexpected expenses.

Let me make a surprise. Here is typically what happens across this country day in and day out. A school superintendents has worked hard all year. She reserved $50,000 for a new library, new books, and new media. Their unexpected expenses have gone up $75,000. Where do you get that kind of money for an unexpected expense? We will do the library improvement next year. Next year becomes the following year, and the following year. As a result, we have a crisis at school libraries. Some shelves are near empty and the books are out of date. They are not opening up new, modern vistas to students. In some cases they are giving them erroneous stereotypes about the world at a very impressionable age.

Let me suggest, as I said before, some of the books that we find on the shelves of our libraries.

There is one called “Rockets Into Space,” copyright 1959. This book, by the way, has been checked out of a Los Angeles school library 13 times since 1995.

It informs the student that there is a way to get to the Moon. Obviously, it was written before there was the successful voyage to the Moon by man. It states that it will take two stages to get to the Moon, first to a space station, and then to the moon. Essentially, that is not what we did. But the books have been checked out numerous times within the last decade.

There is another book which I found interesting. This was from a school library in Richmond, VA, entitled “What A United States Senator Does,” copyright 1975. It notes that the Vice President of the United States and the President of the Senate is Nelson Rockefeller, and that there are two Senate office buildings, the Old Senate Office Building and the New Senate Office Building, which we now call the Dirksen Building.

There is a book from a library in Tarzana, CA, entitled “Women At Work,” copyright 1959, which informs...
the reader that there are seven occupa-
tions open to young woman: librarian, ballet dancer, airline stewardess, prac-
tical nurse, piano teacher, beautician, and author.

These are not positions open exclu-
sively to women and are certainly not the only professions open to women today.

Here is one from a Pennsylvania li-
brary entitled, "The First Book Atlas," copyright 1968, which states that the five most populated cities in the world are New York City; Tokyo, Japan; Paris, France; London, England; and Shanghai, China.

That might have been correct in 1968. But, for the record, the five most popu-
lated cities in the world today are Seoul, South Korea; Sao Paolo, Brazil; Bombay, India; Jakarta, Indonesia; and Moscow, Russia.

In a rapidly changing world when we expect our students to be internation-
ally adept and not just locally competent, we are providing them with in-
formation that is woefully out of date. I am sure there are atlases and maps through-
out most schools and in school libraries that do not have all the present sovereign nations of the world. Since the breakup of the Soviet Union, we know there has been quite a few new nations emerging into the world. But this is what we find consistently.

I believe if we do not provide better materials and better quality collections, we are not going to fully complement the Presi-
dent's initiative and Senator Collins' amendment. It is one thing to be liter-
erate and to have the mechanics of reading, but there is something else. A child must have material to read which provides accurate information and that is not full of stereotypes and misin-
formation. If you don't provide access through school libraries, students will not acquire the skills and love for reading necessary to boost scores on reading tests.

That is what my legislation will do. It will give the school libraries the op-
portunity to become up to date, to en-
treat children with the idea of reading so that in their lifelong pursuits they will know that libraries are the place to go to find knowledge and information that is accurate.

Let me also talk about the situation from the perspective of low-income students because typically this is where the most chronic absence of a good school library for the reasons I talked to previously—budget pressures that are so compelling and constraining on municipalities, and the idea that next year we will fix the li-
brary. Next year never comes. Jona-
than Kozol, who has been referred to many times on this floor, and who is a passionate advocate for students every-
where but who has a particular passion for those disadvantaged students that he works with daily basis in
in May in a school library article, enti-
titled "An Unequal Education," that a fiscal crisis in the 1970s reduced school libraries and the poorest neighborhoods in New York City to: "little more than poorly stocked collections of torn, tired-looking, or outdated books. As student populations grew and school construction was postponed by scarcity of funds, libraries themselves were soon considered far too used as classrooms and space. Librarians were reduced, more diplomatically, 'retired'—and, as they retired, were not replaced. Books were frequently consigned to spaces scarcely larger than coat closets." He continues:

Few forms of theft are quite so damaging to inner-city children as the theft of stimu-
lation, cognitive excitement, and aesthetic provocation by municipal denial of those liter-
acy treasures known to white and middle-
class Americans for generations.

The reason for this sad state of af-
fairs is the loss of targeted national funding for libraries, which we had pro-
vided in the 1965 ESEA authorization.

I would challenge all of my col-
leagues to go to their States and go to a school library. It won't take too long until you find a book that has a copy-
right of 1967, and maybe with a stamp, as they do in the Philadelphia school system, that says, "ESEA 1965." About 20 years ago, a deci-

sion was made to roll this dedicated funding into a block grant competing with other programs, and the funding for libraries declined. Schools have not been able to replace outdated books. At the same time funds have diminished, as everything else, the prices of quality school library books go up.

The average school library book costs $16. But the average spending per student for books in elementary schools throughout this country is ap-
proximately $6.75, $7.30 in middle schools, and $6.25 in high schools. You can't buy lots of high-quality books at those types of prices.

Earlier in this session, I introduced bipartisan legislation addressing the need for adequate library funds, which is the predecessor of this amendment. On February 23, 2001, there was note of that introduction in the Washington Times. Then there was a response on February 23 from a school librarian who described the real frustrations we are talking about, and that I have tried to suggest.

She has worked for 27 years, and she saw the article and took it upon herself to write the newspaper. Here is what she said:

The money coming down for spending has been diverted by administrators for tech-
ology. The computers are bought with book money and the administrators can brag about how well the schools are doing. Librar-
i ans are ordered to keep the old books on the shelves and count everything, including unbound periodicals and old filmstrips dating back to 1940s.

And most of all keep their mouth shut about the books—just count and keep quiet. Now do you wonder why librarians keep quiet?

Well they are not keeping quiet any-
more. They have taken a very strong position with respect to this amend-
ment. Coincidentally, they have come to Washington, and I believe they have visited most of my colleagues' offices, to talk about the need, not some eso-
teric hypothetical pie-in-the-sky need, but the real need for investments in school libraries.

What happens is that we have a situ-
ation where schools face this Hobson's choice: with declining resources, and other demands, do we remove all of the outdated books, leaving only bare shelves or keep outdated books on the shelves, hoping that students won't be confused or turned off. The result is too many of our students don't have the tools they need to learn to read and achieve.

Too often schools sacrifice improve-
ment in libraries. We can help change that dynamic. We can pass this legisla-
tion. We can give them flexibility at the local level, although targeted to low-income schools, to go out and buy library materials, to fulfill an impor-
tant part of our national purpose today to improve the literacy of all American children.

Now I believe that we should, and we must, complement the President's Reading First Initiative. He has, quite rightly, identified the problem. He has correctly identified the need to train teachers in the latest scientific methods, and that we need to have class-
room material, that we need to do many other things. But one aspect is still lacking; and that is books—books to practice the skills that they learn in class and books to foster a love for reading which is the key to success in school and beyond. This amendment addresses that need.

My amendment specifically would add $500 million in funding reserved to support school libraries. It would not take away any resources that have been already identified for the Presi-
dent's Reading First Initiative pursu-
ant to Senator Collins' amendment. It targets funding to those schools with the highest levels of poverty.

Recall now the comments of Jona-
than Kozol: the diminishment of the educational experience by a lack of ac-
cess to materials which in suburban schools are taken for granted.

If we can get this spirit of inquiry, this excitement about reading, if we can infuse that into every child in every public school, particularly in our disadvantaged schools, we will accom-
plish a great deal with this reauthor-
ization.

This amendment also provides the districts and the schools with the flexi-
bility to use the funding to meet local school library needs. Who better than a local school system and local librar-
ians to decide what they need? A new atlas, new materials for the younger readers, a better library media that can be used by all the students—all of that will be decided by local individ-
uals.

It also includes language that would help enhance the training of library specialists. There is a misconception sometimes that all you need to do is
have the teacher just take the children into the library and say: Pick a book. That overlooks the huge contribution a well-trained librarian can make to the education of young children. A well-trained librarian is essential to helping students read. It is also important to have libraries that will help children to be able to show children different means of research, different techniques, to be able to answer their questions, to find material for them, and to show them how to find material. That is not necessarily by walking the children into the library, and saying: Pick a book. You need to try to get a sense of their interests and you need to try to lead them from one interest to another interest.

This might be the most fundamental aspect of education, and yet if you do not have the trained professionals to do it, you will not get the kind of high-level achievement we seek in this legislation.

The amendment would also allow establishing resource sharing initiatives. In my home State of Rhode Island, and in Ohio, the school librarians have set up a wonderful network with other school libraries, with public libraries, with other libraries, so they can multiply the resources at their disposal. That would provide the kind of support that I believe is not only necessary but long overdue with respect to school libraries.

This amendment allocates funding on a formula basis to school districts, so that all needy districts and schools get the assistance they need to improve school libraries, rather than authorizing a very limited, competitive grant program which would only help certain school libraries. It is not simply enough to just prescribe the test and hope for the best. We have to give children books to read, the tools to master these techniques and, hopefully, I think in a broader sense to acquire a passion for reading that will carry them far beyond their schooldays into their adult days. That truly, in my view, is the sign of an educated person.

Let me conclude my initial remarks by quoting the Department of Education's guide for parents entitled "A Guide For Parents: How Do I Know a Good Early Reading Program When I See One?" In that guide they say that a good early reading program has: "a school library (which) is used often and has many books."

We must take this opportunity to dispense with inaccurate, out-of-date books that line the shelves of our school libraries. We have an opportunity to complement the President's proposal by adding that is critical to making the program work so it can actually improve the reading and literacy skills of our nation's students. I hope we will seize this opportunity and urge my colleagues to support this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I ask unanimous consent to proceed as in morning business.

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

(The remarks of Mr. Bond pertaining to the introduction of S. 489 are located in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Wisconsin.

ANOTHER LANDMARK TORN DOWN

Mr. FEINGOLD. Madam President, I rise to voice my objection to another blow committed by this majority against the Senate. I wish to express my dismay with the majority leader's decision, of which I first learned in Monday's Roll Call, summarily to fire the Senate Parliamentarian because of his advice on a number of budget-related issues. The motion appears to be yet another unfortunate turn in the majority's heavy-handed efforts to transform the Senate into another House of Representatives. And I fear that the real victim of this latest purge will be the tradition of the Senate body.

Bob Dove has borne the brunt of the majority's latest outburst, but I fear that the Senate, too, will suffer.

Let me begin by noting that I, as others, have had my share of disagreements with Bob Dove during his time as Parliamentarian. I suspect that most Senators who have devoted any time to learning the Senate's rules will find points on which they differ with the Parliamentarian. But in the practice of law that is a sure sign of health for the Parliamentarian that staff and even Senators make their arguments and state their cases, much as advocates before a court.

It is in the nature of judging that a judge cannot please all litigants, and it is in the nature of having a Parliamentarian that the Parliamentarian's advice to the Presiding Officer cannot always please all Senators.

Were it not so, we would not have a Parliamentarian. If the Parliamentarian cannot advise the Chair what the Parliamentarian truly believes that the law and precedents of the Senate require, then the office of the Parliamentarian ceases to exist.

If the Parliamentarian merely says what the majority leader wishes, then the majority leader has taken over the job. And in that case, the Senate has become less a body based on rules and precedent and more a body that proceeds according to rule and precedent only when it pleases, in effect at the whim of the majority leader.

That the Senate rules constrain the majority has been one of its strengths. It is oft-recounted lore that when Jefferson returned from France, he asked Washington why he had agreed that the Congress should have two chambers. "Why," replied Washington to Jefferson, "did you pour that coffee into the saucer instead of your saucer?" "To please my master," said Jefferson. "Even so," said Washington, "we pour legislation into the senatorial saucer to cool it."

It is the Senate's rules that allow legislation to cool. It is the Senate's adherence to its precedents and not to a rule adopted for this day and this day only that distinguishes the Senate from the House of Representatives. The Parliamentarian is a vital link in that chain of precedents. It is the Parliamentarian's advice to the Chair that makes this a body governed by rules.

The Senate has had an officer with the title of Parliamentarian since July
1. 1935, when the Senate changed the title of the journal clerk, Charles Watkins, to Parliamentarian and journal clerk. Since then, only four other men have occupied the office: Floyd Riddick, Murray Zweben, Bob Dove, and Alan Frumin. These five Parliamentarians held that office for an average of more than 12 years each. By comparison, during the same time, the Senate has had 14 different majority leaders.

As Justices sit on the Supreme Court, though Presidents will come and go, so Parliamentarians have maintained the rule of precedent, through changes in political majority. Removing a Parliamentarian because a majority leader disagrees with a decision is akin to a President’s attack on the Supreme Court. History has roundly decried President Franklin Roosevelt for seeking to pack the Court. I predict that history will also roundly decry the majority leader’s man-handling of the Senate’s clerk.

This majority has torn down another ancient landmark that our predecessors had set up. Once again, this majority has removed another boundary stone that once marked how far we could go. We are left today more bereft of rules, a body less governed by law, and unfortunately more governed by the wishes and ambitions of men and women.

The new Parliamentarian, Alan Frumin, has, as I have said, served as Parliamentarian before. I hope this time he can serve for a good long time. I have always known Alan to be a man who calls them as he sees them. I hope that the majority leader will allow Alan to continue to do so. For only by allowing the Parliamentarian to follow his or her best judgment will the office of the Parliamentarian continue to be able to play its important role in preserving the Senate rules, and, thus, in preserving the Senate itself.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002—CONFERENCE REPORT

Mr. LOTT. Madam President, I submit a report of the committee of conference on the concurrent resolution (H. Con. Res. 83) and ask for its immediate consideration.

THE PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 83), establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2002 through 2011, having met, agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, the Senate agree to the same, signed by a majority of the conferees on the part of both Houses.

The PRESIDING OFFICER. The Senate will proceed to the consideration of the conference report.

(The report was printed in the House proceedings of the Record of May 8, 2001.)

Mr. LOTT. There are 10 hours for debate provided under statute. I expect all debate to be used or yielded back by the close of business today with the exception of an hour or so. We will then obtain a consent for closing remarks tomorrow by vote on the conference report. I will not propound that request now but will consult with the Democratic leader and will propound the unanimous consent at a later time. I do think it best to get started.

The distinguished chairman of the Budget Committee has arrived. We will begin debate and go as long as Senators desire today and reserve about an hour tomorrow so there will be time equally divided to wrap up and then get a recorded vote.

Madam President, I thank the distinguished chairman of the Budget Committee for the job he has done again this year. A lot of people are appointed different jobs in the Senate in terms of leadership, almost since we started and quite often have difficulties in doing our jobs. But few have a job any tougher than being chairman of the Budget Committee because it lays out the plan for the year. It has to have a take at the whole budget.

The Presiding Officer, the Senator from New York, is on the Budget Committee. I know she found the process very interesting, including the hearings. It is the committee that has to decide what is set aside for Medicare, for instance; if we have reform and need additional funds, how much will be available for tax relief and how much will be available for the nondefense and, in fact, defense discretionary accounts.

It is the job to accommodate all the different parties. We have to work through the Budget Committee, Democrats and Republicans, and on the floor of the Senate, with many amendments, and quite often vote-aramas at the end of the process where we vote, many times, on 20, 30, 40 amendments, in sequence. It is not a pretty process, but it is one that has to be done.

The chairman of the committee and the ranking member of the committee go to conference and see if they can find ways to work together and deal with the House, too.

So it is a long process. Senator DOMENICI has been involved in that process, either as ranking member or chairman, I believe, almost since we began. I remember I voted for the original Budget and Impoundment Act way back in 1973 or 1974. This time was probably even more difficult than usual, trying to thread the eye of the needle, trying to get something that can pass.

I believe they have done a good job. It surprises me when I hear some of the condemnation that I just heard from the Senator from Wisconsin and in press conferences. I think this is a good budget resolution.

Some people seem to think that people who work and make work should not be able to keep a little bit more of the fruits of their labor. Anybody who wants to defend this Tax Code can go right at it, but I don’t believe it is going to work with the American people because the people I talk to, blue-collar working neighbors in my hometown—shipyard workers, paper mill workers, refinery workers, small business men and women—don’t think it is fair; they think they are overtaxed by the Federal Government, and by the State and local government, for that matter. They think they pay too much for gasoline taxes, which contributes to the price with which they are having to deal.

They think the Tax Code is too long, too complicated, and unfair. When I say: Does anybody in this room want to defend the marriage penalty tax, any Democrat, any Republican, anybody, old or young, married or single? I see not one hand.

Yet we have been yapping around here for 10 years about how we are going to get rid of the marriage penalty tax. It has gotten so serious, my daughter who got married 2 years ago, has threatened to run against me if I don’t finally do something about this. This is an unfair, ridiculous tax. Does it cost some money? Whose money is it, for Heaven’s sake? It is my daughter’s and her husband’s, a young couple trying to make ends meet. Nobody wants to defend that.

The very concept of the Federal Government coming in when you die and reaching into the grave to take the benefit of the fruits of your labor in your lifetime is so alien to what America should be about, I just cannot believe people will say estate taxes are a good idea.

Oh, it will not affect me. I have asked for and been given a life in this institution in the Congress. I came here young and don’t have any money and don’t really ever expect to have very much. But the idea that my son, who has chosen a different route, would have the Federal Government show up and say: Give me 40 percent or 50 percent of your life’s earnings—I am not going to give him an estate; he is not going to inherit it; whatever he has, he is going to give it to children; whatever he has, he is going to give it to children; whatever he has, he is going to give it to children; whatever he has, he is going to give it to children; whatever he has, he is going to give it to children. I think that is wrong, fundamentally unfair and basically wrong. Rates are too high; taxes are too high.

Oh, there will be weeping and gnashing of teeth—the very idea that you would lower the top rate from 39.6 to 33 percent. You go out and ask the average man or woman on the street, do they think one-third of what they earn is enough to pay for Federal taxes—anybody—anybody should pay more than a third, 33 percent.

Then you have to add on to that State taxes, local taxes, sales taxes. On everything you do from the moment...
you get up and flip on a switch and you
don't think this is much. In fact, I don't think
it is. Republicans made it up. We have been
wrestling to keep that a little bit more of their
money.

People say we need more money from
the Federal Government so we can help
people with the things they need, such
as child care. I have a unique idea. How
about letting them keep more of their
own money and pay for their own
childcare as they see fit. That will be
one way to do it. I am not saying we
don't need additional support, but that is
only supplementary.

I think what is provided in this bud-
get resolution is not an unfair amount.
We went through a process. It is not as
high as I would like for it to be, but it
is a pretty substantial amount. I as-
sume this has bipartisan support.

In terms of spending, why, listening
to some of the stuff I heard on TV last
night, you would think we were going
in there and slashing Federal programs
all over the place. I thought it said a
per cent increase over an inflated ex-
penditure. But here we are. I am angered
and frustrated. I urge Senators to vote for
it. Again, it is not the end of the process. This
is the kickoff. We have been wrestling
around with this thing now for 3
months, and this is just the kickoff. We
haven't even gotten into the first quar-
ter. We need to get it done.

Think of the alternative if we didn't
pass this budget resolution. What hap-
pens? We are stalled out right here and
cannot go forward with the annual ap-
propriations bills, with the tax relief
package. There would be uncertainty
about what would be available, I guess,
in certain entitlement programs.

I have been saying it right here in
this room who thinks it is only going
to be 4 percent? No; this opens the bid-
ing, unfortunately. I hope the Presi-
dent wants to do on the defense
appropriations bills if they start providing increases of
6 percent, 7 percent, 12 percent. There
is no limit.

We have been saying it right here in
the Senate. Does anybody want to offer
an amendment to have more spending?
Just offer it. It will pass. It doesn't
matter what it is. I don't know what
we think. I guess we think somebody
somewhere some other day will pay for
all this or we will worry about that later.

This is a balanced, fiscally respon-
sible budget resolution. It provides for
additional action on Medicare. It pro-
vides for increases in a lot of areas.
The President's budget does provide for
some reductions in certain areas, but
who have priorities in the Gov-
ernment? Can't we spend a little more here and a little less there? Isn't a 4-
percent increase over an inflated ex-
penditure from last year and the pre-
vious year an adequate amount? I
think it is.

I don't know, maybe we are just not
reading the same budget resolution. I
think this is much worse. It is an in-
consensual resolution. I urge Senators to vote for it. Again, it is
not the end of the process. This is
the kickoff. We have been wrestling
around with this thing now for 3
months, and this is just the kickoff. We
haven't even gotten into the first quar-
ter. We need to get it done.

The first is process.
This process was an abomination. I
have great respect for the distin-
guished chairman of the Budget Com-
mittee. I admire him for a lot of rea-
sions. I know that he isn't the one who
wrote the budget. But I think this process is inexplicable. As
we profess the desire and a need for bi-
partisanship, I don't know why we have
a process that is so highly partisan on
an issue that is so important.

It is fair to say—and I don't know
that any Republicans would ever dis-
pute it—that the Democrats were
virtually locked out from the begin-
ning on this issue. No Democrats par-
ticipated. There wasn't a markup in
the Budget Committee, therefore you
didn't see Democratic participation in
formulating this budget or Democratic
opportunities to offer amendments.
There was none. You didn't see any
participation among Democrats in the
conference committee.

I am sure that when those who cre-
ated this budget process nearly 30
years ago and enacted it into law, as
well intended as they were, they did
denote the decision as
as these being made in some closed room,
looking out one party, denying the op-
portunity for Democrats to be in-
volved. I don't think that they even
imagined that something like this
could happen.

Unfortunately, that is precisely what
has happened. I believe it is fair to say
that there isn't a Member of this body
who has seen this budget in its entirety
til year after year. I will be looking for-
ward to hearing what you have to say
about the final product. I know Sen-
ator CONRAD will have some remarks,
too, and then we will go to a vote.

I yield the floor.

The PRESIDING OFFICER. Who
yields time?

The Senator from New Mexico.

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

The PRESIDING OFFICER. The
clerk will call the roll.

The assistant legislative clerk pro-
ceeded to call the roll.

Mr. DASCHLE. Madam President, I
ask unanimous consent the order for
the quorum call be dispensed with.

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

Mr. DASCHLE. Madam President, I
know Senator CONRAD will come to the
floor in the not too distant future. But
until he arrives, I want to take a mo-
ment to comment on the budget resolu-
tion and respond, in part, to some of the
comments made by the distin-
guished majority leader.

I don't know that there has been a
budget resolution during my years in
the Senate, or at least as Democratic
Leader, that has generated greater
anger and frustration among our col-
leagues than this one.

There are three concerns we have
with this budget resolution. I want to
address each of them briefly and ac-
commodate other Senators, if they
wish to speak.
This is a fabrication. This is make-believe budgeting. This is a budget process gone awry.

This is absolutely one of the worst documents we will be called upon to vote on in this Congress. We ought to be ashamed that we are bringing this budget to the floor. To quote a Pennsylvania newspaper, "This is malarkey."

The third problem is, of course, policy. I have to say, I don’t know anybody who can say without equivocation the policy implications contained within this budget fabrication. If it is possible to come to any conclusions based on what we already know here, the conclusions one has to reach.

First of all, don’t let anybody fool you. If this budget does go into effect, the tax cut is so large that we could ultimately tap right into the Medicare and Social Security trust funds.

There is no question about that. The Medicare trust fund is no longer inviolate. All of these votes and all of these speeches about protecting Medicare and having this lockbox are malarkey. This budget threatens the Social Security trust fund.

When this resolution passes, we will dramatically hasten the date when the Social Security trust fund becomes insolvent. I guarantee you that we are going to hear actuaries talk about how short the viability for the trust fund will be as a result of this resolution passing. Why? We just heard the majority leader, and he was right about this. Who can vote against a tax cut? Who can vote against all of these wonderful-sounding opportunities to reduce taxes? If you are a politician of any ability, you ought to be able to support a tax cut. However, this President couldn’t even get his $1.6 billion.

I have to say no one should believe that the final cost of the tax cut is $1.4 trillion because that is what Republicans say it is.

I want to see what they do when the alternative minimum tax is proposed. That is $300 billion. I want to see what happens when the extenders are proposed. That is $90 billion. I want to see what people say when they are forced to acknowledge that the cost of the tax cut must include about $400 billion in interest. Where does that go? That is $800 billion on top of the $1.4 trillion. That is $2.2 trillion, and we haven’t gotten to capital gains reductions, business tax breaks, pension reform, and all the other tax ideas that someone is going to conjure up.

This budget is going critically wound the fiscal well-being of this country, in a manner in which we haven’t seen in our lifetime.

This is outrageous. We gut education at the very time we are talking about education policy in this country. It is gutted. Don’t let anybody mislead you. You are going to hear nice-sounding phrases about sense of the Senate language about how we are going to be able to manipulate the numbers to put additional education money in the budget.

If you believe that, there is a tooth fairy and a bridge I want to talk to you about. This isn’t budgeting with priorities the American people care about. There isn’t any new money in here for education. There isn’t a real plan in this budget for prescription drug benefits—regardless of how many people campaigned in the last election on the importance of this issue. This is a tax cut made into a budget, and it is a budget lacking in virtually everything that the American people said is the Social Security important? Not in this budget. Is Medicare important? Not in this budget. Is education important? Not in this budget. Are prescription drug benefits important? Not in this budget.

I daresay everything we stand for on this side of the aisle is lost in this budget. I can’t think of a reason why somebody who holds the core values that many of us hold would ever even think about voting for a fabrication as disastrous for this country as this budget will be.

If I sound exercised, I am. If I sound as deeply troubled as I hope my rhetoric would convey, I am.

This is not good for the country. It is not good because there has been a complete breakdown of whatever modicum of bipartisanship that I hoped a 50/50 Senate would deliver. There isn’t any bipartisanship reflected in this budget.

I think the die is cast. But I hope somehow over the course of this year we can truly find ways to reverse some of the incredibly disastrous decisions that have been made in this budget.

Senator Conrad has done an outstanding job in leading the Democratic caucus and providing us with his guidance and his insight. I publicly want to acknowledge my gratitude to him. No one cares more deeply. No one has studied this issue more thoroughly. As a consequence, no one has the respect of the American people. I can tell you, tomorrow when this resolution passes, we will be ashamed that we are bringing this budget to the floor. Then we are going to see how many support it and how many vote to do that. They did not want the other one. They did not want the long-term one.

So every single thing has been invented by way of the fault of this budget, to put it in the way of one thing, and one thing only: taxes given back to the American people. In fact, the minority leader, again, to borrow his own words, is frustrated. I tell you, tomorrow I think the Senate will indicate that it is frustrated, that it is frustrated in not giving back the taxpayers some of their money, and they are going to vote to do that.

Frankly, I wish we were here without controversy and that those who lead on that side and those who lead on this side, including this Senator, could say: This has been done together; we have had total bipartisan support. But let me tell you, we have already gone from the $1.6 trillion that the President asked for in the tax cut, and with some Democratic help we are down to $1.25 trillion, plus $100 billion for stimulus.

How far down would we have to go under the idea we would have bipartisan support, and write this together in the Budget Committee, and go the conference, Democrat and Republican? Just think of it. It is already, on the one hand, being claimed as a loss for the President because he did not get enough tax cuts, and, on the other hand, it is too much; and, therefore, we talk about everything wrong in this budget because we would not like to see this tax cut pass.

The good news is, fellow Americans and taxpayers, regardless of the rhetoric of today, within a week to 10 days, the Finance Committee of the Senate will produce a tax cut bill. It will come to the floor. Then we are going to see how many support it and how many say no. There are 800 billion spread equally this year and next year. I surmise there will be plenty of support for it.
But every obstacle is put in its way by those who lead on the other side of the aisle. Now they complain: It’s too big a tax cut. But the President did not get what he wanted. And there are all these other things we should be doing, not giving back money to the taxpayer.

So I again say: If not now, when? And I answer my own question: Now. Give them back some of their money. It is not an extraordinary amount. Social Security is funded. Some would like to say: the taxpayer trained—we want to fund the next generation of Social Security. I don’t know about that. I think we put all the money into Social Security that they are entitled. No matter what is said on the other side of the aisle, it is our position—and I think it is right—we do not touch Social Security and we do not touch Medicare.

For those who want to get up on the other side of the aisle and just say we do, I do not think it is our side of the aisle, and say we don’t. You can believe who you would like, but we have committed to not bringing you a budget that offended the Social Security trust fund. We have committed that we will not do that for Medicare program. You say we do, and I say we don’t.

So let’s see how we vote tomorrow. If there were a large group of Senators who thought we were violating Social Security and Medicare, this would not be an add-on to the health uninsured fund of tax cuts. They can keep on repeating it, but let’s see how the Senators vote tomorrow.

One thing happened during this process that is very extraordinary and good. The other side of the aisle has developed a budget ranking member who works hard, knows a lot, and makes his case. It is not that I agree with him all the time, but he makes his case. I commend him for that. And he does it well. It is just that on this one I do not believe. So I am going to tell all of you, I am going to tell the American people what this budget means.

I would like very much to quickly tick off on the charts right there behind me—and we will do it early on so the other side can go on and produce a chart that says it isn’t so, but I do not like to say things in this Chamber that I do not believe are true and honest and forthright.

First, it reduces the debt to $818 billion, amounting to $2.4 trillion. For those who complain that it isn’t enough, just look at the numbers. We have Treasury bills that we owe to people that are accruing interest, that we have to pay every year; and it is $2.4 trillion. It is almost as large as the surplus—well, half as large. We are going to reduce it to $818 billion, which is the largest decrease we have ever had in history and I believe very close to the maximum amount we can do. We can talk about what it does in terms of the budget percentage, amount, or the like, but those are the numbers.

It protects Social Security and the HI trust fund. In fact, on Social Security, none of the tax cuts here are predicated on any numbers that include Social Security trust fund money. That is taken out first. I don’t know what else we ought to do to live up to our lockbox commitment, unless it is to start a new funding to take care of Social Security, while we have not yet passed and don’t know anything about.

It maintains a balanced budget every year: $219 billion in fiscal year 2002, $48 billion not counting the Social Security trust fund. When you added it all up, people thought we were using the entire contingency fund, but we did not. There is a $1.2 trillion—$500 billion—unspent over the 10 years. For those who want to do something about the ID or special ed program, by making it mandatory, have at it. Let’s get it passed. It can come out of that $500 billion. We just could not pass a new mandatory program in a conference with the House for that purpose.

On taxes, let me repeat, you can state it two ways, but, in essence, over the next 11 years, the American people will either get back in their pockets or have changed the law such that $1.25 trillion will go into their pockets. In addition, for the rest of this year, plus next year, we will rebate, refund, cut, another $100 billion for the American people.

So you might say this is a $1.35 trillion reduction in taxes for the American people, and that would be a correct statement. Some would like to put it in two pieces: having the $100 billion for stimulus first, and take that out first. That is all right with me. The sum total is what I have said.

I repeat: If we are not going to give them back some of this money now, when will we? Will we wait 3 or 4 more years and find ways to spend the surplus? If you want to wait, I am not sure how somebody will spend it. You had better get on the record giving some back to the people.

On spending, there are a lot of ways to look at this budget, but I suggest that the spending in this budget, as we add it up, is $1.92 trillion for the year 2002—excuse me, $1.952 trillion for everything. This authorizes, for the appropriations process, $631 billion in 2002. In that number there is both defense and nondefense, and Social Security. The only way they can do that is to have the appropriated accounts. There are many assumptions made—many—but the appropriators will decide what they are going to fund out of that total amount and how. If they do what we assume, they will put an awful lot of it in education. They may not do that, but you can’t do more in a budget than to say that we assume it and ask the others to pay for it.

In addition to the President’s increase, which was about 5 percent for the year, we have authorized an additional $6.2 billion for nondefense programs. That is without emergencies, which are handled as they were in the past; when they come, they are added to the budget. We didn’t change that. The House wanted to change it. That was one of the things over which we fought in an argument with reference to using our budget process.

Let me talk about Medicare for a minute. I can’t understand when there is a reserve fund in this budget that says, if you do a new Medicare bill with prescription drugs in it, $300 billion is given to you to spend: How much do you want? 500? 600? 800? The House had a $16. We won that debate. We got 300, just as the Senate had voted. I don’t know what else we can do. We have stated unequivocally, you cannot use any of these programs or moneys to affect either Social Security and/or Medicare.

Let’s talk about defense for a minute. How could we have budgeted defense when the President gave us a number and said, we are having a top-to-bottom review and it won’t be ready for the next 3 or 4 months? Are we supposed to say, let’s leave it all out of the budget and start over in 3 months? The best thing I could see to do was the following: Fund defense as he requested it, which is not a very big number and put in a requirement that when the top-to-bottom review is completed, whatever their number is, they get to submit it, and it belongs to defense and nothing else.

But guess what. It is not a free tick-off line to be added by the Congress. If we don’t like it or don’t want some of it, we don’t have to do it. I didn’t know any other way to do it. It is not intended as a blank check. It is intended as what I have described. There are some saying, what else did we do in this budget, besides the $300 billion we set aside for Medicare, if they reform it and if they do prescription drugs? Frankly, I am very pleased to say the House gave on that to us; it was one of the things over which we fought in an argument with reference to using our budget process. If we don’t like it or don’t want some of it, we don’t have to do it. I didn’t know any other way to do it. It is not intended as a blank check. It is intended as what I have described.

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$28 billion to be used over the next 3 years. They can use it if they want in the committee for uninsured benefits and enhancement of the program. The House had zero. We got a full $28 billion. They gave us everything we asked.

So Medicare, health insurance for the uninsured, agriculture, and then in the area that many here worry about, home health care. For home health care we have another reserve fund that comes from the portion of the budget that is not in the Chamber. We put in $14 billion to make sure that that fund continued unabated; that is, that home health care funding, instead of coming down at a point in time which is currently prescribed, it says that sunset brings it back up, and it is almost $14 billion.

There is another one Senator Grassley and Senator Kennedy have been working on that is called the childcare credit and earned income tax, $18.5 billion for its expansion. Then we added to it to expand Medicaid benefits to children with special needs.

We don't hear anything about any of those as this budget is denounced, as it is called a fabrication, as it is called a sham. I am not of that school of thought. I have brought budgets here many times. This is a solid budget.

I will close by talking about the appropriated accounts because every year we have to do 13 bills. There is a lot of commotion and a lot of trouble getting them done. I just described to you what is going to happen on defense. I might tell you this budget resolution contemplates a supplemental this year principally for defense, which everyone knew would happen. This contemplates it because we have room under the caps for this year. But if you take just the nondefense part of this budget that is appropriated, our mathematics and arithmetic say that that is going up 5.5 percent, not 4 as the President asked.

There are some—perhaps the other side—who will say it didn't go up at all. Let's deal with that on apples and apples, the totality of the accounts now this year and the totality of the domestic accounts next year. There is $0.2 billion in new money, and the percentage increase is 5.5. If the House knew it was 5.5, I am not sure they would pass the resolution. So they used their numbers; I used mine. I knew what is going to appropriations, and it is not 4 percent for which the President asked. It is not 5 percent. It is more than 5 percent.

Can you get along with it? I don't know. Is there enough money for education? Absolutely. If you want to take every assumption in this resolution that is attributed to education and then add the 6.2 new money and assume they are going to give some of that to education, you have funding of education that I believe will be voted for in appropriations by both sides of the aisle because there is sufficient money in there for education, including the increase, a substantial increase, in special ed. In fact, I think the amount is $7 billion, 7.9—almost $8 billion for special ed, the IDEA program.

Let me say to everyone, the Senate voted in an amendment that said, do a huge new mandatory entitlement program for IDEA for special ed. It is not a mandatory entitlement. It is appropriated every year. Congress has not given 4 percent in the last one or 2 or 3 years, in doing its part for the funding for special ed kids, but we are starting up that path. For anybody who is looking in this budget to find a brand new mandatory entitlement for IDEA, it isn't here. I guarantee you there is some way you can get a new entitlement out of the House. It will work its will, and we will work our will. But we couldn't do it in the budget resolution because they said it is a whole new way to appear in the final. We still have—$5.6 trillion, and $1.25 trillion of that going back to the people, plus $100 billion to be in their pockets this year and early next year as a stimulus, for them to use as they see fit.

I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I rise to speak to the budget resolution that is now before us and the conference report on the budget resolution.

First, let me say I have profound respect for the chairman of the Senate Budget Committee, with whom I worked with him for the 15 years that I have been in the Senate. He is a man of integrity. He is an honest man. He is well motivated. He does what he believes is the right thing for the country, and certainly for New Mexico. I don't question any of that in the slightest degree. He also has an outstanding staff that benefits the entire Senate. So I want to stipulate right at the beginning that I have respect for him and affection for the Senator from New Mexico as well.

He is Italian. My wife is Italian. Italians have a lot of spirit. We saw some of that spirit from the Senator from New Mexico this afternoon. I am Scandanavian, and we Scandanavians don't show a lot of emotion, although from time to time it erupts. We also have strong feelings and strong beliefs. I believe this budget is a very poor product for the conference committee. One of the reasons has been a poor product is because the fact is that Democrats were locked out completely from the process of writing this budget. There was one meeting at the conference committee, the initial meeting, in which we were allowed to give opening remarks. After that, we were locked out completely. We weren't invited. In fact, we were told by the chairman we would not be invited back. That was true on the House side as well. The Democrats were simply excluded.

So make no mistake; this is not a bipartisan budget. This is a budget that...
has been written by one side and one side alone. They bear full responsibility for what flows from this budget. I agree with much of what the Senator described in this resolution. What he is not talking about is what is not in this budget. What he is not talking about. In fact, when he is not talking about is what is left hidden from view and how profound an effect it will have on every decision we make in this Congress, not only for this year but for 10 years, and for years beyond. I think most reasonable modifications that are going to have an effect that is going to last a very long time. Let no one make any mistake about it.

The Washington Post, on Monday, had as their lead editorial this work, entitled “An Unreal Budget.” That is a pretty good description of this budget because it, I would say, borders on bizarre. It is not a budget. It is not a budget. Much of what we know is going to be spent is not revealed in this document.

The conclusion of the Washington Post was:

The theme of this budget is tax cuts first, sweep up afterward. It’s the wrong way around. Budget resolutions are supposed to foster responsibility. This one will have the opposite effect.

Unfortunately, in my judgment, that is true. This budget abandons fiscal responsibility. The chairman of the committee referred back to 1993 and said yesterday we really done the same way then as it is being done now. That is not true. In 1993, we had a full markup in the Senate Budget Committee. This year there was no markup in the Senate Budget Committee. In 1993, we had full debate, full discussion. What we did in 1993 was to reduce deficits.

Let’s go back to 1993. We had a $230 billion budget deficit the year before. We put in place a package that reduced deficits each and every year for the 5 years of the budget resolution. We then followed it with a bipartisan plan in 1997. That one we did in a bipartisan way. We finished the job of balancing the budget and moving us from deficits to surpluses.

This is an unreal budget because there are whole chunks of spending that have been left out, conveniently forgotten, like the two pages that were lost in the House that hung up consideration of this package. The two pages that were lost in the House that hung up consideration of this package that were left out, interestingly enough, that have been left out, conveniently forgotten, like the two pages that were lost in the House that hung up consideration of this package. The two pages that were lost in the House that hung up consideration of this package.

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The deficits and the debt of this country multiplied geometrically, and they put this country in a deep hole which has taken 15 years to dig out. And these same folks with the same view and the same philosophy are getting ready to do it all over again.

Unfortunately, this time there is not time to recover. In the 1980s, we had two decades to recover. This time the baby boomers start to retire in 11 years, and then it all changes. We will go from massive surpluses to substantial deficits because all of a sudden the number of people eligible for Medicare and Social Security increases dramatically.

That is the first thing we need to keep in mind about this budget: the uncertainty of the forecast that underlines all of the assumptions. I do not think there is a family in America who would bet the farm or bet their house on the basis of a 10-year forecast. I think most people would say it would be nice if it came true, but we are not going to take a bet. We are going to be careful in what we do.

I put up the Washington Post editorial that called it an unreal budget. Boy, they have it right. It is unreal. Huge chunks of Federal spending are not included.

Let’s start with defense. We all know what is going to happen with defense. Here is a story from USA Today, Friday, April 27: “Billions Sought for Arms.” The Secretary is going to propose a boost in defense spending of $200 billion to $300 billion over the next 6 years. That is just USA Today. This is in headline after headline all across the country. The Secretary of Defense is going to ask for very major increases in defense expenditures, $200 billion to $300 billion in addition to spending in just the next 6 years.

Not a dime of it is in this budget. It is not here. They did not include it. Why not? Let’s go to the Secretary of Defense and see what he said. The Secretary of Defense was interviewed on “Meet the Press” on May 6, this past weekend.

The host of the show: Will you get the $10 billion more in defense money this year that you need? The Secretary of Defense: I don’t know. I have not gone to the President as yet. He wanted to wait until after some of the studies had been completed and until the tax bill was behind us and we’re going to be discussing that over the coming weeks.

The host of the show: But you need more money.

The Secretary of Defense: We do. And indeed they do, but the money is not in this budget. This is supposed to be a budget document that tells us the revenue and the spending of the Federal Government over the next 10 years, but it is not that. This is a document that excludes as much as it reveals.

It leaves out this major defense expenditure. Oh, not completely. It provides for a reserve fund so if there is a determination by the chairman of the Budget Committee that more money is needed, and see what he said. The Secretary of Defense was interviewed on “Meet the Press” on May 6, this past weekend.

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President’s remarks during the campaign and during his first weeks in office: Education is the top priority. We have speech after speech in the Senate by our colleagues saying education is the top priority, but it has not been given priority in this budget because there is no new money for education in this budget.

In the Senate, when the budget resolution was considered, we adopted a Harkin amendment. It reduced the tax cut by $50 billion. It gave $225 billion to education. It gave $225 billion to a further paydown of our national debt.

We got back from conference committee zero—not a dollar. In the Senate, a bipartisan Breaux-Jeffords amendment was adopted by the Senate providing $70 billion for IDEA. That is the disabilities act. That is the promise the Federal Government made to local school districts, that we were going to fund a certain percentage of the cost, a promise we have not kept.

The budget resolution was considered by the Senate. We added $70 billion to keep the promise. Every dollar was taken out. There is not a single new dollar for education in this bill. They have increased it by inflation, but there is no new money for education.

The same is true of Social Security. The President had a big meeting at the White House. He said in that meeting: We have to strengthen Social Security. The baby boomers are going to start to retire, and Social Security will be under enormous pressure.

He is right. That is going to happen. Here are contradictory goals of the administration, an editorial from the Columbus Dispatch of December 24, 2000:

... the tax-cut proposal works against this priority. Without privatizing Social Security, experts differ on how much this “transition cost” will be, but it won’t be cheap. Thus, Bush’s 10-year $1.3 trillion tax cut would undermine the system. Instead of the $1 trillion it would need to pay the $1 trillion transition cost for the first 10 years of Bush’s Social Security privatization plan. The goals are contradictory.

They couldn’t be more right.

In the Democratic plan, we provided $750 billion to strengthen Social Security in the long term. Not one penny of that is in this budget.

If it is a crisis situation, we have the administration proposing a major defense buildup, but none of the money is in this budget. We have the President saying education is the top priority, but there is no new money in the budget. We have the President saying Social Security should be strengthened, but there is no money in the budget.

Excuse those who are somewhat skeptical about this process. The Democrats are locked out. The budget is written in secret in a back room in the dead of night, presented to us late at night. And when we look at the details, if they put in the things they say they are for, if they put in money for education, if they put in money for defense, if they put in money to strengthen Social Security, the budget doesn’t add up. That is their problem. That is the little secret about this budget.

If it is a crisis situation that we are faced with, the expenditures of the Federal Government, what we are really going to do in terms of additional resources for education, a buildup for national defense, strengthening Social Security, if you put all of those things in the package and add them up, you will find we are raiding the Social Security trust fund and the Medicare trust fund. That is why they don’t have a full budget. That is why they don’t add it all up. That is why they have excluded the money to strengthen Social Security, the money to build up national defense, the money to improve education. They know what we know: When you couple it with the President’s massive tax cut, it doesn’t add up.

They will be into the Medicare trust fund for $200 billion and more. They will be into the Social Security trust fund by hundreds of billions of dollars. That is the reason we have what the Washington Post called “an unreal budget”. They are subtracting with all of the details. They don’t dare come up with all of the numbers. They don’t dare come up with what they really intend to do because it doesn’t add up.

Let’s talk a little about the tax cut in this bill. They say this tax cut is $1.35 trillion. It is a lot of money. It is a stunning amount of money—$1.35 trillion. Indeed, the amount reconciled over 10 years is $1.25 trillion. The economic stimulus is another $100 billion.

There are other elements they do not talk about, including expanded health insurance coverage, designed in the Senate to be additional spending that is now written as a tax cut, another $28 billion. The administration has been able to set up that blocks points of order against the use of that money. They have refundable tax credits—I call those tax cuts—for health, childcare, for earned-income tax credit, another $37 billion. Those they call “spending.” They don’t call them tax cuts. In common parlance, any person would recognize them as tax cuts because that is what they do.

We have a reduction in SEC matters and other enforcement matters, another $19 billion. The total revenue reduction is $1.434 trillion. That is one of the reasons they don’t have the defense buildup. That is one of the reasons they have taken out the additional money for education. That is a reason they don’t have the money to strengthen Social Security for the long term. The tax cut has become so large, the package doesn’t add up if you put in all of the things we know are going to happen.

We have a calculation on how the final conference agreement threatens Social Security and Medicare. This calculation will not be found in the budget.

They don’t want to put these numbers on a page. They don’t want to add them up. They don’t want to have any one place to look to, to put the whole puzzle together. When we put the puzzle together, it does not fit; it does not add up.

If we adjust the defense number for what the new Secretary of Defense is talking about, if we adjust the tax cost by what is needed to fix the alternative minimum tax, which now affects 2 million taxpayers. They have the tax cut plan before us, the Joint Tax Committee says it will affect over 30 million taxpayers. There is no provision to deal with that problem in the President’s tax proposal—none. It costs $292 billion just to pay for fixing the alternative minimum tax problem created by the Bush tax cut.

Make no mistake; that amount of money isn’t enough to fix the alternative minimum tax in total. That is just the amount of money necessary to make the tax cuts create a tax cut itself. The alternative minimum tax is growing every year with the effects of inflation. We have gone from 2 million people being affected. If the Bush tax cut passes, the Joint Tax Committee says 35 million people are going to be affected. Boy, are they in for a big surprise. They think they are getting a tax cut. What will happen is they will get pushed into the alternative minimum tax—one in every four taxpayers. But there is not a dime in this budget to fix it.

As I indicated, there is no new education money. Even though this week on the floor of the Senate, or last week, we passed an amendment to put in $150 billion for education, there is not a dime of it in this budget.

Emergencies. Over the next 11 years, we can anticipate $55 billion of emergency costs—tornadoes, hurricanes, earthquakes, floods. Every year it averages $1 billion, which adds up to $15 billion for the next 11 years. They don’t have it in here. We know it will happen. When you apply the interest costs to all of the above, you are deep into the Medicare trust fund and you are deep into Social Security: into the Medicare trust fund by over $300 billion; into the Social Security trust fund by over $200 billion.

What is it going to be? We are not going to have the defense buildup? We will not have any new money for education? We will not have the alternative minimum tax? We are not going to have emergencies? I don’t think so. I think we have a budget document that simply is not telling the whole story. It is telling just a piece of the story, just part of the story because if you tell the whole story, it does not add up.

This is an especially important time because we know that in this 10-year period we are forecasted to have surpluses. We also know from testimony before the Budget Committee that we are headed, for a circumstance very soon, in the next decade when the baby boomers start to retire, that the Social Security and Medicare trust funds face
hugue cash deficits. Those deficits start in the year 2016, and you can see what happens after that. There is a cascade of red ink. The deficits explode.

There is no provision in this budget for strengthening Social Security for the long term. That year, we had $750 billion. It is just another one of the missing pieces of this budget.

Some have said there are all these increases in spending in this budget. The chairman talked about a 4-percent increase. The only 4-percent increase that is in this budget is for 1 year in one part of the budget. It is not the whole budget. The whole budget over the 10 years goes up by 3.5 percent a year. Domestic discretionary spending goes up by 2.9 percent a year on average over the 10 years of this budget. This is not big spending.

In fact, what we see, as I have indicated, is that total spending goes up on average per year for the 10 years of this budget by 2.9 percent a year. Discretionary spending goes up on average by 2.9 percent a year. When we look at spending as a percentage of our gross domestic product, which the economists tell us is the best way to measure changes in spending over time, what we see is that total spending in this budget resolution is going to the lowest level since 1951—the lowest level since 1951. The size of Federal Government, that has already come down rather dramatically over the last 9 years from 22 percent of the gross domestic product to 18 percent of the gross domestic product today, will continue to decline to 16.3 percent of the domestic product in the year 2011, the lowest percentage since 1951.

Discretionary spending is military spending. Discretionary spending is the other part of domestic spending that is not controlled by the mandatory spending. Discretionary spending is law enforcement, education, parks. Discretionary spending as a percentage of GDP is going to its lowest level ever. 5.1 percent. So much for the claims of big spending.

In fact, the appropriated spending levels shortchange education and other critical priorities. Here is what the Senate passed: $181 billion over 10 years. The conference committee has actually produced a cut of $56 billion. This is going to mean dramatic changes—in law enforcement funding, funding for education, funding for health care—because the money simply will not be there.

The fundamental difference in our budget approach and the budget approach of the other side has been, yes, we have had a difference on the tax cut. We believe the tax cut should be about half as big and that we should do twice as much on debt reduction, both short term and long term. That is the fundamental difference between us on budget priorities. But, in addition to that, we also have different priorities on education. We believe that is a place where a significant investment should be made. But in this budget there is no new money for education.

As I indicated, this budget threatens to put us back into deficit, back into debt, and to see the gross debt of the United States actually larger at the end of this period rather than smaller. The chairman of the Budget Committee has talked about the reduction in the so-called publicly held debt. That is what the red line on this chart shows. He is exactly correct: Debt held by the public is going down. Debt held by the public is going to be paid down to about $800 billion.

But at the very same time that debt held by the public is going down, debt held by the trust funds of the country is going up. In fact, the gross debt of the United States at the end of this period is going to be substantially more than it is as we meet here today. The gross debt of the United States today is $5.6 trillion. At the end of this 10-year period, the gross debt of the United States will be $13 trillion. The gross debt is increasing by just about the same amount as the tax cuts contained in this budget resolution.

Here is a comparison of what President Bush proposed, what the Democrats proposed, what the Senate passed, and with what the conference has come back. There are two differences that really jump out at you. They are dramatic differences. The first one is in education, where the President proposed $13 billion of new money over the 10 years, Democrats proposed $139 billion, the Senate passed $308 billion, and the conference committee has come back with nothing—zero. That is a pretty dramatic difference.

The second dramatic difference is in strengthening Social Security. The President had reserved $600 billion of the trust fund to strengthen Social Security for the long term. We proposed $250 billion out of the trust fund because we believe that is double counting. We took it out of the general fund to strengthen Social Security because that is what we believe it will take to do the job. Just taking money out of the trust fund does not solve the problem. This problem is bigger than saving every penny of the trust fund.

What came back out of the conference committee? Nothing, zero. The same on defense—defense—where they have left out the massive defense buildup that we all know is about to be proposed by the Secretary of Defense.

I want to conclude by saying I believe there are six key reasons to oppose the budget resolution conference report that is before us.

No. 1, there is no new money for education. No. 2, the magnitude of this tax cut crowds out other important priorities, including national defense, including education, and including expanding health care coverage in America. No. 3, this budget hides the defense spending increases by providing a blank check to the Bush administration.

I have never seen this before, a reserve fund created where one person is able to determine what the defense spending of the United States is going to be. That is a rather extraordinary grant of power to one individual. It sets up a raid on the Social Security and Medicare trust funds just as certainly as night follows day. Because of all they have left out, because of all they have left aside, because of all that we know is to come, this budget sets us up for major raids on the Social Security and Medicare trust fund.

No. 5, it cuts spending for high priority domestic needs by $56 billion over the next 10 years. That, by the way, was something that just changed in the final hours of the conference committee.

No. 6, it fails to set aside funds for strengthening Social Security for the long term.

I submit to my colleagues that those are the reasons this budget conference report should fail.

I urge my colleagues to oppose it so that we can have a bipartisan budget agreement, one that is in line with the values of the American people.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, it almost seems to me as if we are not reading the same pages. To say that there is no new money in this budget for education is incomprehensible to me.

In fact, this chart shows exactly what the increase in spending in education is. This is just the baseline. We are probably going to increase spending even above this.

But this is the Clinton request. This is the Bush request. This is what we are voting on right now. The difference is $40 billion, and the Bush request we are voting on as a baseline is $44 billion. We probably have $6 billion on top of that.

When we are talking about no spending increases when the President has clearly given an 11.6-percent spending increase, the largest of any Federal agency, I think it is just some vast miscommunication.

Senators understand what is in this budget resolution. We are increasing spending 5 percent above last year’s level. That is bigger than the rate of inflation.

There is not a business or household in this country that considers a 5-percent increase a cut—a cut in our spending needs? I think what we have here is really a difference in basic philosophy and basic priorities.

The budget we will be voting on today increases spending in priority areas, such as education at the 11-percent increase. It will also increase defense. It will increase other high-priority areas. It will bright-line some areas and there is no doubt about that.

Those are the kinds of choices that every American has to make in their own household budgets. Why shouldn’t
Government do the same thing with the American taxpayer dollars? Let's not forget whose money it is. Let's not forget our responsibility for the stewardship of other people's money. If we had our own choices, maybe we would spend it a little differently. But we must spend it as taxpayer dollars. That is what this budget does.

It also makes sure that we return some of the excess money back to the people—$1.5 trillion in tax relief for the American people, which is about 25 percent of the whole surplus. It is not the whole surplus; it is approximately 25 percent of the surplus.

Social Security is going to be kept totally intact. All of the money that comes into the Social Security fund is going to stay with Social Security because we are going to need to reform Social Security to keep it from going into a deficit in the year 2038. We are going to keep the money in the Social Security trust fund, just as we said we would. But we will prepare for a form that will keep Social Security secure. And the downpayment on that is to keep the money that is coming in, in Social Security, right there and not allow it to be spent for any other purpose.

Yes, there is a difference in philosophy. We will see that coming forward. The difference is we believe the money that is coming into the coffers of the taxpayers of America should be carefully spent and should not be overspent, and should not be thrown around but should be carefully spent and carefully prioritized, just as the people who earned the money and send it to Washington do in their own budgets. That is our responsibility. That is what we are producing in this budget today.

Senator DOMENICI has been the most bipartisan and cooperative chairman of the Budget Committee I have ever seen. When I heard some of the comments about Democrats not having a role in this budget, I couldn’t believe my ears because I have been watching Senator DOMENICI for the last month. I know he has been in meeting after meeting after meeting with the Republicans and the Democrats on the committee and, yes, with the White House to have the total input and, yes, with Members of the House of Representatives to try to see what we could do to pass a bill in a very evenly divided Senate.

I think what was produced by the Budget Committee under the leadership of this great chairman is a wonderful budget that shows we respect the taxpayers of this country and we are going to manage their dollars wisely. We are going to spend more on public education, on Medicare, and on defense. We are going to spend money in high-priority areas. We are not going to spend more money in every area. I think it would be irresponsible to do that.

Let’s argue about those priorities. That is legitimate. That is a legitimate debate. But to say that we aren’t increasing spending when we are increasing spending 5 percent, which is more than the rate of inflation and more than the spending increases in most households in this country, I think we have to get the truth on the table.

The face of the matter is, in the area of education, we see the largest increase and the highest level of funding for education for disabled children. We are making a commitment to the disabled children in this country. We are increasing Pell grants for low-income students, but should be carefully spent and carefully prioritized, as the people who earned the money and sent it to Washington do in their own budgets. That is what this budget does.

We have increased Pell grants every year I have been in the Senate. In fact, I submitted the amendment that made sure Pell grants went to needy students first rather than being peeled off by other interests.

New reading program: That is the basis of the increase in spending in the education area by continuing current funding, because we believe that if a child can’t read at grade level in the third grade, that child is going to fall behind. There is no doubt about it. If you wait until that child drops out of junior high or high school, of course, the child is lost. Of course, the child is frustrated. In fact, that is exactly the cause of many high school dropouts today—not that the young people aren’t smart, it is not that they can’t learn. It is that they cannot read. If they cannot read, of course, they can’t comprehend the math and the history and the geography: Of course, they can’t.

That is why we are prioritizing getting people at the early stages and finding out what the weaknesses are and correcting those weaknesses while they still have a chance to have the full benefit of their education. There is $472 million to encourage school choice and innovation. We are increasing the spending for historically black colleges and Hispanic-serving institutions. That is an area where I have been involved since I have been here. We have been year after year after year increasing the spending in both of those. This is going to increase what we have increased by 30 percent by the year 2005 because that is a priority.

Under the National Science Foundation, there will be $200 million for new K-12 math-science partnerships to try to encourage our young people to go into science and math because we know that is where the future is.

I commend the Senator from New Mexico. I appreciate that he has been a responsible steward of taxpayer dollars in our country. I would not want someone in the Senate who thought that just because the money was there it should be spent whether or not the program warranted the added expenditures. And continuing spending is still something that should be worth applauding. If we are continuing the spending for a program, if we are increasing it, then I think that we have a responsibility. I think we should look at this budget from the eyes of the people we are representing to determine what the priorities should be, and knowing that perhaps we did not increase in some areas, and we have decreased in some areas, but that does not mean we will not be able to come back and do something later. But it does mean we are going to keep our eye on the ball, and we are going to increase education spending, we are going to increase defense spending, we are going to increase Medicare, we are going to keep Social Security secure, and we are going to do the things that people elected us to do; that is, to represent them and their tax dollars with respect for their hard work to earn that money.

The people of this country are hard working. They are productive. They should be able to keep as much of their money as we do not need for Government. We should spend as they wish on their priorities. I do not think that is a bad priority.

So, Mr. President, I thank the Senators. I thank them for this budget. I hope we will have a budget adopted by a majority because I think they have done a good job.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico?

Senator DOMENICI. Mr. President, I have been talking with the ranking member. There are two Members on his side ready to speak. I am going to just speak for a couple of minutes, and then the other side can have two in a row. If we have another speaker, I will work to accommodate that person, but that will be after the two speakers from the other side.

Mr. CONRAD. Might we just lock it in at this point?

Mr. DOMENICI. Sure.

Mr. CONRAD. We will recognize the two Senators after Senator DOMENICI has concluded his thoughts. On our side, we will first go to Senator KENNEDY.

I ask Senator KENNEDY, are you seeking 20 minutes?

Mr. KENNEDY. Please.

Mr. CONRAD. Twenty minutes for Senator KENNEDY.

I ask Senator STABENOW, are you seeking 20 minutes?

Ms. STABENOW. Fifteen minutes.

Mr. CONRAD. And then we will go to Senator STABENOW for 15 minutes, if we can enter into that as an agreement after Senator DOMENICI concludes. I ask unanimous consent that that be the sequence of recognition.

The PRESIDING OFFICER. Is there objection?
Mr. DOMENICI. Let me say to the Senator, I hope the debate does not go late into the evening. But I think we are just on a path now where each side has 5 hours. I hope we do not use it. I do not know if you will use it. But essentially, for anybody who wants to speak on our side, you just heard the consent agreement. So if you want to speak, it will be 40, 50 minutes before we have another Senator from our side. I hope we will all recognize that. We will welcome you before the evening is out.

I might say to anybody who is concerned about what this budget resolution has in it, I have stated that one time today. But I believe as a wrap-up I will go through again everything that we have put in this because anyone can pick out certain areas and debate them.

But overall, I want to first thank those Democrats who voted with us, those from the other side, so we could go to conference and get a conference report that included tax cuts. How the tax cuts are going to come out and the ingredients of that over the next 11 years, including 2 years of stimulus, clearly, those on the other side will have a very big impact on that. Not only did they have an impact as we left here, but the Budget Office and the Budget Committee on the Budget may increase the allocation for farmers by $66 billion.

Lastly, there is no question that everyone wants to do something in Medicare. I repeat, I think when the Senate comes out with a $300 billion reserve fund—the House had $145 billion or $146 billion, and we end up with $300 billion—we did pretty good, considering that both Houses have to speak. We doubled the amount the House had. Frankly, it is a pretty good number for those who want all that.

There are many other things that will be addressed from time to time. I will try, after much discussion, to recap it all. But it may be we will get through early and, who knows, maybe the Senate may not want to even hear from me again.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask the Presiding Officer be good enough to tell me when I have 5 minutes remaining.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I see my good friend from New Mexico in the Chamber, Senator DOMENICI. I saw, as well, my friend from the State of Texas in the Chamber. They were commenting earlier—particularly the Senator from Texas—about how this budget protects education. Well, it does not. We Democrats challenge the chairman of the Budget Committee or the Senator from Texas, if you want to say that, and show us where and how education is protected in this budget—because it is not protected.

We will give you a very quick lesson on why the budget fails to protect education.

First of all, let's take how this budget considered the tax breaks. It is very clear, on the top page H1961 in the CONGRESSIONAL RECORD, in how it is presently written it is to pass. The Senate Committee on Finance shall report a reconciliation bill'' which is to include their tax reduction of $1.25 trillion. The Finance Committee shall do it.

Then we come over to the issue of defense on page H1962. A sham when it talks about increasing education for the children of this country. It is a sham. It is a sham. It is a sham. It is a sham. It is a sham. It is a sham. It is a sham. It is a shame. It is a sham.

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Mr. KENNEDY. Yes, the differences in proposed Elementary and Secondary Education Act increases.

Mr. CONRAD. That is what is in the President's proposal. It is very interesting. We had the Senator from Texas bold up a chart that talked about the proposed Bush amendment. Will the Senator from Massachusetts correct me if I am wrong? Are we voting on the President's proposal or are we voting on the conference report?

Mr. KENNEDY. The Senator, who has spoken eloquently, knows we are voting on the budget conference report. Mr. CONRAD. And would the Senator from Massachusetts correct me if I am wrong. As I read the conference report, there is no increase in any year for education, other than the sense-of-the-Senate language buried deep in the document that every Senator knows isn't worth the paper it is written on because it means zero. Isn't that correct?

Mr. KENNEDY. The Senator is absolutely correct and reminds us about the importance of being accurate in the representation of what is in this budget.

I hope that those on the other side will take the time to come out here, because we are challenging them on this point on education. Come out here and refute us. Show us where we are wrong. I would welcome that opportunity to hear how we are wrong. Mr. CONRAD. And would the Senator from North Dakota have it in the outer years, as we see it?

Mr. KENNEDY. Yes, the differences—

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thing that one person has the power to decide what we are going to spend on defense. When they want to have funding for education, there is no reserve fund. They say it is the top priority. There is no reserve fund, and there is no increase. In fact, the number of students in poverty has increased in the last few years, so we need to increase funds for education, not cut them.

The PRESIDING OFFICER. The Senator from Massachusetts has 5 minutes remaining.

Mr. CONRAD. We are talking a real increase for education. It would require more than last year’s budget. It would require more than what we have already. In 2009, we will have a million more students who will come to school over the next 9 years whose interests aren’t even being taken care of. This budget is a complete abdication of responsibility to students in this country.

I wonder if I could have 10 minutes to offer my prepared remarks for the consideration of my colleagues.

Mr. CONRAD. Mr. President, I ask unanimous consent that the Senator from Massachusetts be given 10 minutes off the bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I oppose this conference report. Their tax breaks are excessive and tilted overwhelmingly to the wealthy, and it ignores the urgent need to invest effectively in education.

Under the enormous tax breaks provided by this Republican budget, there will be no funds to increase education investments for the next ten years. It’s a budget that fails to provide the nation’s schools, teachers, parents, and communities with the resources that are essential to carry out the reforms we all know are needed. At the same time, it gives away half a trillion dollars to the wealthiest one percent of Americans. How very Republican!

That is the bottom line proposed by this Republican budget—nothing new for education, and over half a trillion new dollars for those whose incomes already average over $1.1 million a year.

This budget doesn’t just leave some children behind—it shortchanges an entire generation of children. Nowhere are Republicans’ misplaced priorities clearer. After all the talk about the importance of education to children’s lives and the nation’s future after all the talk about unmet needs in the nation’s schools—after all the Senate votes to increase investments to meet the most basic education needs, this Republican budget contains no new funds for education. It tells millions of children who attend disadvantaged schools that no help is on the way to give them the long-overdue support they need and deserve.

The federal budget is, in fact, the budget of the nation as a whole. Individual families have their own budget process. They know what they would like to do, but almost all of them have limited resources, so they set their priorities. Wise family budgets guarantee that the family’s basic daily needs for food and shelter are met. Then the family can plan for long-term needs. And after these needs are met, vacations and other non-essential items can be included. Families know that failing to budget for both immediate and long-term needs can risk financial disaster even bankruptcy.

The same is true of the federal budget. Yet Republicans have chosen to purchase the country club membership, the extravagant cruise, and the high-priced sports tickets. They decide to invest in educating the youth who will lead the nation and guide its economy in the next generation. Today’s irresponsible Republican decisions on this budget jeopardize America’s future.

Two basic laws fail to tell the whole sad story about how badly this budget treats education. First, it spends every penny of the total $2.7 trillion surplus that will be available over the next ten years, without providing even one penny of that surplus to improve education. Second, to add insult to injury, this GOP budget caps education funding at the amount needed only to maintain current services and then it applies heavy additional pressure to cut discretionary funding even below the level of current services over the next ten years.

In allocating the surplus, the only real Republican priority is to protect the GOP tax cut. As the conference report bluntly states, “the Committee on Finance of the Senate shall report to the Senate a reconciliation bill not later than May 18, 2001 that consists of changes in laws within its jurisdiction sufficient to reduce revenues” by $1.25 trillion. And this language requires a tax cut. It sets a date certain for the tax cut to be sent to the full Senate for a vote. It sets a specific amount for the tax cut. And it even protects the tax cut from a Senate filibuster—the ultimate protection for GOP tax cuts. Wouldn’t it be nice if our Republican friends would give the same tender loving care to education that they give to tax cuts under their budget.

Democrats support a tax cut. But it must be a responsible tax cut—one that the nation can afford, and one that is fair to all workers. But the tax cut supported in this budget flunks those tests. The GOP tax cut—so explicitly touted and protected in this budget—is irresponsible, excessive, unfair, and unaffordable.

In addition to tax cuts, this GOP budget carves $66 billion out of the surplus to enable the Agriculture Committee to provide a billion dollar increase for farmers. The GOP budget also adds special protections to increase spending on defense. Democrats support these priorities too and their inclusion in the conference report clearly demonstrates Republicans’ House and Senate know how to write a priority into the budget when they want to. But they refuse to do so for education.

Let’s look at what the budget does say about education. Here it is: “Sense of the Senate With Respect to Education Funding. It is the Sense of the Senate that this budget resolution makes available up to $6.2 billion in discretionary budget authority for funding domestic priorities.” As we all know, a Sense of the Senate provides no binding effect on anyone. That is why Republicans did not use a Sense of the Senate to protect their tax cut.

The language of this budget proves that Republicans know how to protect their priorities—it also proves that education is nowhere to be found in Republican priorities. All of the GOP education rhetoric rings hollow when you examine the GOP budget.

The Republican leadership could easily have accepted the recent Senate vote on the Harkin amendment, to reduce the size of the tax cut by 20 percent, so that support for education could increase by $250 billion over the next 10 years. A responsible proposal like that would enable vital improvements to be made in education throughout America, while still leaving $1 trillion dollars for tax cuts. But no, said our Republican friends. They want every last penny for their tax cut, and they write specific language to force it into law.

In addition, they added specific budget language that restricts education funding. The conference report itself specifically sets education discretionary funding at CBO’s current services level, and then adjusts it for inflation for the next 10 years. These figures fail to account for the predicted increase in enrollment of 1.1 million new students, which the Department of Education expects between now and 2008. When this increase is taken into account, it is clear that Federal spending per student will actually decline under the Republican budget. With all the challenges facing schools and students today, Republicans intend to reduce Federal funding per student.

The conference report goes even further and directs a $5.5 billion cut next year in total discretionary spending—2 percent below the amount that the Congressional Budget Office says is needed to maintain current
services next year. With all this downward pressure on overall domestic discretionary spending, any increased education investments will be difficult at best to achieve.

We are already well aware of the difficulties that the small $1.8 billion increase that President Bush proposes for education next year. None of it comes from the surplus. Instead, Republicans expect it to come from cuts in other domestic programs, as I pointed out earlier.

The cuts include—$541 million from a range of job training programs, $20 million from the Early Learning Opportunities Act, $35 million from Pediatric Graduate Medical Education, $497 million from the Environmental Protection Agency’s Clean Water Fund, $156 million from renewable energy programs, $200 million from basic science research at NASA and the National Science Foundation, $270 million from disaster relief at the Federal Emergency Management Agency, and $270 million from Community Oriented Policing Services. All of these cuts are demanded under the Republican budget in exchange for a small increase in education.

If the tax cut were trimmed by 20 percent, major resources in the range of $250 billion over the next decade such as the Harkin amendment that was approved by a bipartisan vote in the Senate a few weeks ago, would be available to vastly improve education throughout America, without requiring cuts in other essential services.

America’s school administrators, teachers, and State and local leaders all know the need for additional Federal investments in education. They are the ones today who cannot afford to hire additional qualified teachers in overcrowded school districts. They are the ones today who confront the social problems that arise when 7 million children are left alone after school each day. They are the ones who endure first-hand the crumbling school buildings.

Countless business executives know the needs too. They are the ones who see young children enter school without being ready to learn. They are the ones who search in vain for qualified employees among graduates of many public schools.

Across America, 12 million children live in poverty. We provide the full range of title I Federal education services to only one in three of these children. The rest are left to fend for themselves, with the most inadequate teaching, the most inadequate attention, and the most inadequate facilities.

Four of every five children in poverty are taught by teachers who lack an undergraduate major or minor degree in their primary field. Gym teachers are teaching math. English teachers are teaching physics.

Because title I Federal funding is so deficient, needy children have more teachers’ aides than teachers. The vast majority of teachers’ aides never graduated from college. In all, at least 750,000 well-meant but underqualified teachers are working in classrooms across America today.

Nearly one in five third graders are attempting to learn in overcrowded classes of 25 or more students. In these cases, some students inevitably lose in the competition for essential teacher time. Entire classrooms suffer as well. Ask any teacher or student. Overcrowded classrooms undermine the most adequate facilities.

Even though Head Start ranks as the public’s favorite Government program, inadequate funding continues to deny Head Start services to half all eligible children. In the case of Early Head Start, 95 percent of eligible infants and toddlers are left out.

Students with disabilities suffer from the same Federal budget cuts. The Federal Government has long promised to fund 40 percent of disability education. Yet it still only funds 17 percent. As a result, only one in six children with a disability obtains the needed Federal support.

This afternoon, we have a release from the White House talking about the education program:

The administration strongly opposes the costly and unwarranted amendment to convert special education funding under the Individuals with Disabilities Education Act to direct spending.

Unwarranted. Tell that to the parents of disabled children. Tell that to local communities that are paying for these services. Unwarranted. Unwarranted against this tax program? Please.

For years, States have called on the Federal Government to live up to its commitments to States. Yet this Republican budget says no.

Fourteen million children attend crumbling schools—schools with contaminated drinking water, heating and plumbing systems that do not work, falling tiles, broken windows, and soot-filled ventilation systems. Seven million children attend schools with severe safety code violations.

Parents across the country are pleading for increased investments to meet these basic needs for modern facilities. But the Republican leadership says no, no, no.

In all of these cases, our Republican colleagues say that “money doesn’t guarantee a quality education.” What it does is allow such funding. It does not guarantee quality education, but it is impossible to provide quality education in today’s schools without substantial new investments. “Reform” without resources simply rearranges the deck chairs on the Education Titanic.

Make no mistake. The Nation stands at a crossroads. It is long past time for Congress to make the investments that are so urgently needed in education, and we can do so by using less than ten percent of the $2.7 trillion budget surplus estimated over the next decade.

Sadly, lip service is all the Republican leadership gives to education. We have a unique opportunity to use the budget surplus to improve education, and we cannot afford to waste that opportunity. I urge my colleagues to vote against this anti-education budget and ask that our Republican colleagues of the Senate can do the job that needs to be done and do it right.

I yield the floor.

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

Mr. CONRAD. Will the Senator yield? Ms. STABENOW. Absolutely.

Mr. CONRAD. The Senator from West Virginia be recognized for 15 minutes after the Senator from Michigan has completed?

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

Mr. BYRD. I thank the Senator and manager of this conference report, and I thank the distinguished Senator from Michigan.

Ms. STABENOW. Mr. President, I rise to thank our ranking member on the Budget Committee, Senator CONRAD from North Dakota, for his leadership on this important issue and, as well, Senator KENNEDY, who has spoken so eloquently about the fact that there are no dollars in this budget resolution for education for our children.

One of the real pleasures for me as a new Member of the Senate on the United States budget committee who has been so eloquently about the fact that there are no dollars in this budget resolution for our children.

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sense from an economic standpoint, it makes no sense from a human standpoint, and it makes no sense from the standpoint of our families.

What we are saying regarding this budget is that this is a budget in toto, not just a tax cut. Moreover, a tax cut is a debate about the values and priorities of the American people. I believe in using and I know the people in Michigan desire using common sense. They want us to be balanced in our approach. They want to see tax cuts. I suppose no one's more inclined to middle-class families, folks working hard every day, having to make those choices for their families—our small businesses, our family farmers. I support providing meaningful tax relief.

I also hear from my constituents of a concern about paying down our national debt. We have certainly heard a lot of people talk about it for years and years. Now is the time when we can actually do it. We need to do it.

I am concerned about making key investments in the education of our children. I hear that whether I am talking to a business group, whether I am talking to a local PTA, or whether I am talking to people in the community basis. There is a great concern about education and what it means for the future of the country. I hear great concerns about education.

There is more than one way to put money into people's pockets. One way is tax relief. I support that. Another way is to provide lower interest rates by paying down the debt. That means lower mortgage payments. That means lower car payments. Coming from the great State of Michigan where we make a lot of those automobiles, we want people to be able to buy new automobiles. We want those car payments to be lower. Lower student loan payments, business loans, all of these things put money in people's pockets.

But there is another item that puts money in people's pockets. That is for those who are senior citizens in this country. When we look at the tax cut proposed for those under $25,000 in income a year, they don't see anything from the proposed tax cut. A large percentage of those are our seniors. For them, if we want to put money back into their pockets, we need to lower the cost of their prescription drugs.

That is one more way to put money back into people's pockets. I support a variety of strategies that make sure we do that, as well as making sure we are responsible and that we are willing to make sensible commitments for the future.

We will hear colleagues talk about different percentages, different amounts on the budget surplus, but I choose to look at it like this: When we look at a surplus, some of it is Social Security and Medicare. We are paying in without building up surpluses in the trust funds. Within 11 years, many baby boomers will start to retire and we will see the major strain on Medicare and Social Security, but we are building up surpluses. If we take that out of the equation and the debate, as I believe we should, and we look at the non-Medicare and Social Security surpluses, when all is said and done, virtually every penny of that surplus, non-Medicare, is solely dedicated to the tax cut. That means for the next 10 years for our families, the only priority we believe American families have is the tax cut geared to the wealthiest Americans with the idea that it will somehow fund Social Security to finance this tax cut and spent. This budget spends the Medicare trust fund as if it were not a trust fund but as if it were dollars to be spent on other programs.

This is a serious issue underlying this budget. We now find out, in addition to Medicare, this budget spends a portion of Social Security. We know within 11 years baby boomers will start to retire in large numbers. We don't have time to pay it back. This is a serious issue. As I see it, in my mind that the way this is structured puts us back into debt. It causes Medicare to be insolvent much sooner—within 10 years—and it seriously weakens Social Security.

What we see underlying this budget and all that is being talked about is the idea of using Medicare and a portion of Social Security to finance this tax cut and budget. I believe that is fundamentally wrong. I support the position that we strengthen Medicare both for our hospitals and home health and other providers, and we strengthen it by modernizing it with the prescription drug benefit for our seniors. I believe it is important we say, "Hands off Social Security." We have a budget surplus. There is no reason we ought to be spending a dime out of Medicare or Social Security to fund anything in this budget or a tax cut. Yet that is what is happening. That is a fundamental flaw in this budget. We have a situation where we are using Medicare and Social Security in this budget resolution to fund the tax cut and the budget. We see zero dollars being put aside for education. We are not paying down all the national debt that we can, we do not have dollars included for education, and we have a very narrow, ill-conceived budget resolution in front of us.

I also believe we need to keep our promises to special education, as was talked about earlier. I think we have made several promises as a country. Two of them were Medicare and Social Security—great American success stories, promises made to the American people.

Another promise that was made 25 years ago was that the Federal Government was to provide 40 percent of special education costs for children in schools. We have yet to hit 15 percent. If we are not going to keep that promise now, when will we keep it? We are hearing now the President is saying he will not support that. Yet when I go home and talk to my teachers and principals, they tell me if we had just kept our promise to special education, that would go a long way to free up other dollars for them to be able to address lowering class size, safety in schools, math and science efforts, reading, and other important areas—if we just kept our promise.

If we cannot do it when we are projecting trillions of dollars in budget surpluses at this time in our history, when will we? When do we keep our promises, if not now?

Finally, we all know we are looking 10 years into the future. We do not have to be doing that, but this is being designed as a process to somehow look 10 years down the road. We know in the Committee on Ways and Means, the Budget Office told us there is a 10-percent chance they are accurate. It may be more; it may be less. It could be a $1 trillion surplus; it could be a $50 billion deficit. We do not know. We are being asked to look 10 years down the road and to guess, to basically gamble with the future of the country and the families of this country by picking a number and somehow spending dollars that we do not know will materialize in the future.

I joined earlier in this debate with Senators on both sides of the aisle to propose that we put in place some kind of budget trigger so that if the dollars did not materialize, they would not be available. I don't know; I am just a midwesterner. I am new here. But it seems to me common sense says we ought to have it in hand before we spend it. A trigger would do that. Yet there is no trigger in this budget resolution. We are guessing about what will happen down the road, CBO says there is a 10-percent chance they are right.

I urge my colleagues to take another look. We can do better than this. We can do better than this for everybody. We can provide a meaningful tax cut. We can pay down the national debt. We can do it without spending Medicare and Social Security. And we can invest in education and in health care and critical quality-of-life issues for our families if we decide that is what we want to do.

It can be done the right way and can be done in a way that is fiscally responsible, that keeps the books balanced, and makes sure we can be proud when we are done that we have truly been going in the right direction as a country.

My fear with this budget is it is looking at the future through a rearview...
mirror. I am very afraid of what is coming down the road because we are using Medicare to pay for this tax-cutting budget, using part of Social Security, and refusing to invest in education even though we know increased labor productivity is what will keep our economy away. We have to know what works and what does not work and what needs to be done to be fiscally responsible.

I urge my colleagues to vote no on this legislation and give us a chance, as the Budget Committee, to do our work. We were not given a chance to sit down together and work something out that made sense. It is not too late if we stop now and vote no and decide we are going to try again because we can do better for our families.

I yield.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, it is my understanding that the order was entered by the Rules Committee, to do our work. We were not given a chance to sit down together and work something out that made sense. It is not too late if we stop now and vote no and decide we are going to try again because we can do better for our families.

I yield.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Is my understanding correct that by my speaking out of order the time limit charged against either side on the pending measure? That was what I had hoped.

The PRESIDING OFFICER. That was the Chair's understanding.

Mr. BYRD. I thank the Chair.

Mr. President, I yield to the Senator from West Virginia.

SENATE PARLIAMENTARIAN

Mr. BYRD. Mr. President, the Senate has just undergone an abrupt change in an office well known to all of us here in the Senate, but hardly visible, until lately, outside of the Senate—the office of the Senate Parliamentarian. I wish to make some comments on this matter. But first I would like to commend the outgoing Parliamentarian, Robert Dove, for his years of devoted service and to congratulate Alan Frumin on his assumption of the duties of the office.

In my view, there are important institutional considerations that must guide the selection of any individual who is to assume the office of the Senate Parliamentarian. I wish to make some comments on this matter. But first I would like to commend the outgoing Parliamentarian, Robert Dove, for his years of devoted service and to congratulate Alan Frumin on his assumption of the duties of the office.

A long career in non-partisan service in the Senate offers the obvious benefit of experience, and fosters a detailed comprehension of the Senate's institutional role. An understanding of the Senate's unique constitutional role can best be developed by actually working on the floor of the Senate, and by close observation of Senate debate.

A prospective parliamentarian should have little or no history of active partisan politics. Instead, he should demonstrate an interest in the whole Senate as an institution. An individual with such a background can best represent the Senate's prerogatives in its dealings with the other departments of Government and with the other body, the House of Representatives.

To date, each person who has served as Senate Parliamentarian has devoted a career to service to the Senate. Every person who has become Senate Parliamentarian has served at least a decade as an assistant Senate parliamentarian before rising to the position of Senate Parliamentarian. Each person who has become Parliamentarian served in a role from the status of most senior assistant parliamentarian.

The five individuals who have been Senate Parliamentarian—and I have known them all—served an average of 12 years in the Secretary's Office before becoming Parliamentarian, with none less than 10 years. Each Parliamentarian served as an apprentice to his predecessor and progressed in sequence through the ranks following his predecessor.

The first Parliamentarian, Charles Watkins, served in the office of the Secretary of the Senate as the Journal Clerk for 13 years before becoming Senate Parliamentarian.

The second Parliamentarian, Dr. Floyd Riddick, who only recently passed from this life, served in the office of the Secretary of the Senate for 17 years, 13 as assistant parliamentarian, before becoming Senate Parliamentarian.

The third Parliamentarian, Murray Zweben, who I believe only recently succeeded, served in the Parliamentarian's office for 16 years, 13 as assistant parliamentarian, before becoming Senate Parliamentarian.

The fourth Parliamentarian, Bob Dove, served as an assistant parliamentarian for 14½ years before becoming Parliamentarian. The fifth Parliamentarian, Alan Frumin, served as an assistant parliamentarian for 1½ years, and an assistant parliamentarian for 13 years of non-partisan Congressional service before becoming Parliamentarian.

Mr. President, trust is the basis of all fruitful human relationships. Loss of trust has poisoned many a well.

Kings have fallen, presidents have fallen, and Senators have fallen because the people lost their trust. Treasonies have been abrogated because trust was compromised. Especially in a body like the Senate, where one's word is one's currency, trust makes the wheels turn. Trust and comity, I would say, are the twin pillars upon which this institution of the Senate. To me this is the one institution in that constellation of institutional stars that comprise the universe of a Representative democracy which is designed to protect the rights of the minority. The right of unlimited debate and the right to amend are prima facie evidence of the Senate's raison d'être.

Unlike the House of Representatives, unlike the Judiciary, the Senate alone has the interest of the minority. The proceedings of the Senate's deliberations are key to guarding those rights and preventing the Senate from losing its purpose. Remember, majorities change, and it is in the interests of both political parties to have an independent, experienced keeper of the Senate's historical and constitutional mandate.

There must never, ever be a majority or a minority parliamentarian. As difficult as it may be in some times as these, we must all work together to strive to avoid the crass politicization of that critical office. Such an event, were it ever to occur, would be a nail in the coffin of the United States Senate. We must not travel down that road, no matter how tempting such a path may be. Expediency must never become the driver of any political party. As difficult as it may be in such times as these, we must all work together to avoid the crass politicization of that critical office.

I yield.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. DOMENICI. Might I say to Senator BYRD, I yield the floor.

SENATE PARLIAMENTARIAN

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, might I yield the floor to the distinguished Senator, with reference to this place, that while I can't claim to have spent as much of my life as you, it seems almost forever. It has been 29 years for me. It has been
a long time since I first met you. You had been here a long time before you met the Senator from New Mexico. But I have 29 years of activity here of seeing how things are done.

This is a rather unique institution—unique in the very best sense of the word. You really have to be part of it for a while. You can’t just read a history book. Many political scientists have written about it, but none have really captured what it is.

What you say about trust and comity is very right. There is no doubt about it. When people ask you how it runs, you say by rules. But by unanimous consent, a lot of the time, Senators can agree. A lot of times they are not here when agreements are entered into. Leadership does that. That is just one example. Everybody trusts them. They trust us who are doing it. We put together a unanimous consent, or my good friend, the ranking member, did, and it sounds right to both sides. Everybody thinks we are not going to cut them out or improperly agree to something. But we run that way.

Unanimous consent is an interesting word. It means a lot of comity, a lot of trustworthiness between individual Members. I am not as acquainted with the history, but I have known a number of those who are mentioned.

But you took to the floor talking about this great institution of America, and about its moving forward. I thank you.

When I talked about whether your time should come off the resolution and about whether you had 15 minutes or an hour, whatever you needed, you got.

Mr. BYRD. Mr. President, I thank the distinguished Senator from New Mexico, my friend.

Mr. DOMENICI. Thank you.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002—CONFERENCE REPORT—Continued

Mr. DOMENICI. Mr. President, so Members on our side of the aisle understand, I want to say that we are going to go on this evening because there is kind of a gentleman’s agreement that we are going to use up most of the time tonight; that is, most of the 10 hours allowed and set a small amount aside tomorrow just before the vote. I am not dictating that. I am merely saying under the rules we can stay here until the 10 hours are used tonight. I hope we don’t use all of it. I don’t intend to do so. But if there are Senators who would like to speak, and for whatever reason they want to talk about one portion of this budget, they want to talk about defense, they want to talk about taxes, we have time. I don’t have anyone planning at this time to address the Senate.

I want to make a couple of comments, however, before I move to the other side to see if Senator CONRAD has additional speakers. I want to talk about a habit we get into, depending upon what we have been saying and how we have been acting in the past. But, essentially, there were some comments about what the tax bill would look like and how one part of this income and expenditure bill was for the rich. I assume by that they meant that the other party is for the poor. But, in any event, I think it would be good for the American people, and those who are watching the evolution of this budget resolution, to know who is going to make the decision about the tax bill. So give me a moment while I tell everyone who is going to make that decision.

The makeup of that bill—that $1.25 trillion over 11 years and the $100 billion that is going to go back to the American taxpayers this year and next year—is not decided or determined by this budget resolution. It tells them how much to use. But the Finance Committee of the Senate decides what are the cuts.

I believe it will serve a purpose to read their names. Then people can think about them as a group, and then somebody else will say, ‘Well, I don’t think we should agree to that.’ Frankly, I believe it is a very representative group. I believe it represents the various philosophical and ideological attitudes of Senators from both sides of the aisle, and even subgroups within what some people would call a majority.

So let me start: The chairman is Senator CHARLES GRASSLEY of Iowa; the ranking member is Senator MAX BAUCUS of Montana. Senator ORIN HATCH is second on the Republican side; and Senator JOHN BREAUX is a Democrat. The counterpart on the Democrat side, Senator FRANK MURKOWSKI is a Republican; and Senator TOM DASCHLE, the minority leader, is a Democrat. Senator DON NICKLES is a Republican; Senator HERB KOSSUTH of Vermont; Senator JEFF BINGAMAN of New Mexico; Senator FRED THOMPSON of Tennessee; Senator JOHN KERRY of Massachusetts; Senator OLYMPIA SNOWE of Maine; Senator ROBERT TORRICELLI of New Jersey; Senator JON KYL of Arizona; Senator BLANCHE LINCOLN of Arkansas.

All I want everybody to know is they are going to decide what the tax cuts are. They are going to decide who benefits over the next 11 or 12 years, and we give people back money in an urgent manner this year and next year.

Frankly, I believe if we were to decide we wanted a well-balanced committee, that clearly would make it. In my own mind, without any big differences of opinion, that is what you would have. Those would be the Senators. And more than half-half plus one—must agree on what is the tax plan.

I am not fearful they are going to bias this result in favor of the rich against the poor or they are going to bias it in some way that is not common sense. In the past, of the bill we call the Senate. I do not see how they could and expect it to be adopted.

So after all the words are finished about who is going to be helped by the tax bill, let me say, no matter what we say in this Senate Chamber in a budget meeting, it is the economic condition of this country, to no matter what we are accusatory about, that group of Senators, with a simple majority required—which means one more than half—will decide what is the tax bill.

Having said that, I want to speak for a moment and then I will yield the floor. I will be pleased, once again, before we finish, to wrap up on what is in this budget and how we got there and how it will be implemented.

I believe it is a very good budget. If one were to look at a previous budget and determine that we wanted to look at every single item in it, and analyze it, and take it to the floor and talk about what should have been done versus what it is, nobody else would say, ‘Yes, but it is subject to others looking at it and saying: We would have done it differently.’ But I say, whatever the adjectives are that have been used to describe it, it is an honest budget. It may have different things we may not answer questions the way some would want them answered, but it is a well-intentioned, honest, honorable budget.

I am hopeful that those who helped us get where we are will help us get the vote tomorrow and let the Congress, with the President, decide what is going to happen during the next 8 or 9 months.

For those who are concerned about Social Security or Medicare, let me reemphasize: The Medicare side, we have set aside $300 billion that can be used for Medicare reform and for prescription drugs.

How well did we do? The House had $146 billion. They went to our number of $300 billion—a pretty good compromise. We won. They gave up. We have a lot more available if we get a bill.

With reference to farms in America, and the farm program, which clearly, for some reason requires changes, and that we supplement the money that would come under the existing law every year by way of emergencies and the like, we have put in a number for the next decade that uses $5 billion in the first year, $80 billion over a baseline that would be the law as we have it implemented on the books. The House even asked that we put in more than we had passed which had received very broad bipartisan support.

If you look at education—what we are preparing, before we close, a separate chart about it, but I want to repeat, the special ed program of the United States is going up $1.25 billion over a year. I
We put in $13 billion to complete it over the decade with the increases instead of the cuts currently contemplated. In the conference they said: We should have give and take. They gave us the whole number and conceded that we could proceed on that front. Then there is the bill of Senator Grassley and Senator Kennedy, the Family Opportunity Act. We went into conference with nothing on that. We came out with $9 billion on top of the other items for just that program. The House gave in and gave us the whole thing. We had some great successes in the direction of championed causes that came from the Senate to the Senate budget resolution, to conference, and back to us intact.

AGRICULTURE RESERVE FUND

Mr. LUGAR. Mr. President, I rise to thank Senator Domenici for all his efforts helping to bring about this historic conference agreement on the fiscal year 2003-2011 agriculture bill. It is my understanding that the Senate Appropriations Committee this year, which would interpret the reserve fund for agriculture, Section 213, provides the Agriculture Committee with mandatory spending authority totaling $66.15 billion over fiscal years 2003-2011 in addition to the current law baseline to support the Agriculture Committee's work to formulate a new multi-year farm bill. I want to make certain that there is full agreement among all of the appropriators and the Appropriations Committee how the Budget Committee will interpret the reserve fund for agriculture on a couple of key points. First, I understand that the $66.15 billion in new mandatory spending authority over fiscal year 2003-2011 will be available to support reauthorization, modification, extension, expansion, and innovation concerning any or all titles of the Federal Agriculture Improvement and Reform Act of 1996. FAIR Act titles are the Agricultural Market Transition Act, Agricultural Trade, Conservation, Food and Nutrition Assistance, Agricultural Promotion, Credit, Rural Development, Research, Extension and Education, and Miscellaneous. Is my understanding correct?

Mr. DOMENICI. Yes. Senator Lugar's understanding is correct. Section 213 is intended to give the Agriculture Committee the flexibility to use this additional mandatory spending authority in the ways the Senator mentioned, if it so chooses in reporting a new farm bill.

Mr. LUGAR. I thank the Senator. I also understand that the Joint Explanatory Statement of the Committee of Conference which accompanies this conference agreement suggests that the agriculture reserve fund's $66.15 billion total is not exceeded over the specified time period. Is my understanding correct?

Mr. DOMENICI. Yes, the Senator's understanding is correct.

Mr. LUGAR. I thank the Senator for clarifying these key points.

Mr. DOMENICI. Mr. President, I hope on our side, if anyone wants to speak, they will let me know. I will be here to try to save time. The Democrats can go with one Senator. Then we go with one. In the meantime, if there is none, I will tell Senator Conrad he can have as many Senators as he wants in a row if he wants to line some of them up. If I don't hear from our side, I may agree in advance with Senator Conrad.

Mr. CONRAD. Mr. President, we have Senator Dorgan ready to go for 20 minutes and then Senator Sarbanes. If we could put those two in at this point, that would be helpful to moving the process along.

Mr. DOMENICI. Let's agree now so they will know where they are.

Mr. CONRAD. Twenty minutes for Senator Dorgan and Senator Sarbanes only requested 10.

Mr. DOMENICI. Mr. President, I make that request.

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

Senator Dorgan is recognized.

Mr. DORGAN. I thank Senator Conrad.

What I would like to do at the beginning is to ask a few questions and see if I can get some information from Senator Conrad. It is interesting to me, we now have this budget agreement on the floor of the Senate. We have a Senate that is divided 50/50—50 Democrats, 50 Republicans, elected by the American people to come and serve. We have a Budget Committee, and that Budget Committee worked and produced a budget. We had a vote on the floor. Then we had a conference between the Senate and the House. I ask Senator Conrad whether, as the ranking Democrat on the Budget Committee of the Senate, he was part of the conference. Was he, along with the other Democrats, part of the budget conference which produced this conference report?

Mr. CONRAD. No. What happened was, we had an initial meeting in which statements were made, the opening statements that are traditionally done in any conference. Then we were invited not to return. So this is a budget that has been written wholly by the other side of the aisle.

Mr. DORGAN. Mr. President, I further ask the Senator; isn't it the case that at the start of this year we heard all of this talk about, “this is a new day, a new approach; we are all going to work together, have a great deal of bipartisanism; we are not going to do things like we used to do them”?

Mr. LUGAR. I think if you have a 50/50 Senate and you have a Budget Committee that is 50/50, equal membership on each side, and then you have a
conference but only one side is invited to the conference, that that somehow sounds like the old way, sounds like the partisanship we used to see? Would the Senator from North Dakota agree with that?

Mr. CONRAD. It certainly is not a new way. It is certainly not what we were given to believe we were going to see when the President came to town, saying he was a uniter, not a divider. We have seen precious little of his moving in any way but insisting that it be his way or no way.

This budget is certainly an example of that. Not only was there no involvement of our side or any Member of our side in the budget conference, there was not even a markup in the Budget Committee—none. There was not even an attempt to mark up a budget resolution in the Budget Committee.

Mr. DORGAN. The reason I ask the question is I think most people would be very surprised by that. I think they would be very surprised, by the way, that we have a Senate that is 50/50, a Budget Committee that has 50 percent of its membership Democrats, 50 percent Republican. Then you go to a conference, and the Democrats are told they are not welcome. The American people would be mighty surprised by that.

Let me ask a couple other questions because this is a very important area. I want to try to understand it. I heard the chairman of the Budget Committee talk about this conference report with respect to defense. He said: This is not a blank check with respect to defense. He said: What we have done is we have created a circumstance where whatever number the President would ask us for will be "subject to appropriation." In other words, we don't have the right number in here. Whatever it is the President wants, he is going to get, subject to appropriation.

I ask Senator CONRAD, is there any other area of this budget that is treated quite that generously?

Mr. CONRAD. No, not to my knowledge. I find it really rather incredible that we have a circumstance in which one person is going to be able to decide the defense budget for the United States—now in the Senate, the chair of the Senate Appropriations Committee, but you are not welcome as part of the conference. The way it was brought to us is kind of a virtual budget. There is no way we are going to have the answers to the questions I think they are—then we have an increase in gross indebtedness by $1.1 trillion in the next 10 years. At the same time, we have people advertising that there is so much money that we need to create a huge tax cut, the bulk of which will go to the top 1 percent of the taxpayers, and that is fine because we are paying down the debt at the same time.

The numbers are fundamentally untrue. Gross debt will increase by over a trillion dollars. That is the bottom line. Let's talk about that. I will be here if someone wants to talk about it.

Let me talk about this general budget. Here is a budget written in a conference by the majority party, telling the minority party: You are not welcome. You are not welcome as part of the conference. That is the way it was written. The way it was brought to us is kind of a virtual budget, in the sense that it suggests certain things that exist that don't exist.

I was thinking about the story about raccoons and something raccoons do that is quite unusual. They apparently have a tendency—and I watched this as a kid—when they get their food, to take it to a stream and begin to wash it meticulously with their hands. They wash it and wash it. But if raccoons find something to eat and there is no water around, they still walk away and
pretend there is water, and they do the same actions with their hands, pretending they are washing. Somehow it makes them feel they have done the right thing.

We have kind of a pantomime activity in the budget like the raccoons, I guess. We believe if we pantomime it, somehow people will believe it. Let me talk about what this pantomime is about. Education. We have replaced the Elementary and Secondary Education Act on the floor of the Senate—that is what we were debating—with this budget conference report. In the Elementary and Secondary Education Act, we have made commitments as a Senate. We have said we are going to pay for education. We, by the way, are going to require accountability. We are going to insist on accountability, and we have a whole series of things to do that.

We want better schools and we also say, by the way, we are willing to authorize funding to pay for those schools—at least pay to the improvement of those schools. We know most of the funding for schools comes from State and local governments and school boards. We know that, but we provide some important niche funding.

We have said we insist on accountability and we want to improve this country’s schools and we commit ourselves to authorizing the funding to do it.

Then we bring a budget conference report to the floor of the Senate and say no; I know we committed ourselves going to pay for this. We are going to require these things, but we will not pay for it. Talk about unfunded mandates.

I have been around here year after year when we have had people standing on the ceiling talking about unfunded mandates, how awful that is. Well, the fact is, we are, in the underlying bill—the Elementary and Secondary Education Act—going to make certain representations about what we expect of schools and what we are going to do to help them; and then in this budget we say, by the way, we didn’t mean that.

That is kind of a virtual argument we made. That is kind of the raccoon washing without water—a pantomime. We didn’t really mean that.

This budget would have been a much better budget had that conference been able to get the best ideas that everyone had to offer. We work better, it seems to me, when we take the ideas from all sides and try to find out what works and what doesn’t, who has a good idea and who doesn’t, gather all the ideas, make it a competition of ideas. That is not what happened. The reason it didn’t happen is because Mr. Conrad had a mission at the start by the President and majority party—I should say the majority party. Republican Party, which has 50 votes in the Senate. They said: We want a $1.6 trillion tax cut, which I don’t have much faith in but I insist on that and we are going to try to make everything else fit in that format.

Well, it doesn’t fit. They know it; we know it; everybody knows it. In fact, the gross debt is going to go up $1.1 trillion, even as we shortchange schools and give a blank check to defense. Can you imagine a city council saying we can’t do that, go them out of town. Can you imagine a family making these choices? It doesn’t make any sense. It is the wrong way to do business. It is the wrong result. It is not giving anything to the American taxpayer except in which we underfund the most important things that exist in this country’s future—educating our children.

We underfund a range of areas that are very important to this country, including agriculture, which is critically important to my State. At the same time, we provide substantial room for a very large tax cut, at the very time that our economy is softening, and the tax cut is a $1.6 trillion, which are the surpluses that don’t yet exist. It anticipates 10 years of straight surpluses at a time when our economy is beginning to have significant troubles, when yesterday productivity was down for the first time in some years, and very few everybody should know that we will not likely have 10 straight years of surpluses. I hope we do. I wish we would. But we may not.

If we don’t, this $1.1 trillion in increased gross debt in the budget will balloon and grow, and we will find ourselves back in the same circumstance we were in during the late 1980s and early 1990s, with a mushrooming budget deficit strangling the economy of this country and driving up interest rates and causing economic havoc.

We worked long and hard to get back to a point where we had a balanced budget. That wasn’t easy to do. We tax cut is a budget that says let’s fix our energy problem but not cut back on renewable energy research, for example to contribute to solving our energy problem.

We have a whole package of opportunities. We ought not to be wringing our hands and gnashing our teeth and ripping our brow about this. This represents an opportunity. We live in a time and place that is a blessing. We have an opportunity to do the right thing here at this time. If this Senate passes this conference report, it moves this country in the wrong direction.

Let’s do it over and do it right. Mr. President, I yield the floor.

The PRESIDENT pro tempore. Under the previous order, the Senator from Maryland is recognized for 10 minutes.

Mr. SARBANES. Mr. President, because I know he has a pressing commitment, I yield 2 minutes to the Senator from Delaware.

Mr. CARPER. Mr. President, I thank the Senator from Maryland.

I voted for the original budget resolution a month or so ago. I did so because I believe we ought to cut taxes and cut marginal tax rates, eliminate the marriage penalty, and provide estate tax relief. I would like to see us increase the child tax credit.

I also voted for a budget resolution that dramatically reduced Federal funding for education. We are in the throes, last week and this week, of re-defining the Federal role in education in this country. Part of that legislation says to States: We expect you to narrow the achievement gap for all your students over the next 10 years. We expect your students to perform at higher levels, making progress along the achievement path toward being able to read well and doing math well.

If States, school districts, and schools are going to measure up under the accountability provisions of the education bill on which we are working, there is real accountability and real
prospects for those schools that do not measure up, that do not make progress, and that do not narrow the achievement gap.

Meanwhile, in our Nation’s Capital, we fund one out of every three children for Head Start. We do not provide for the others.

We fund one out of every three kids who are eligible for title I funding. These are kids who need extra help, especially in reading and math. Fortunately, there is precious little more money for title I, and there is precious little more money to meet our obligations under the Individuals with Disabilities Education Act.

I cannot support this conference report on the budget resolution. I wish I could, but I cannot.

This is the farthest we are going to end up doing. I fear we are going to end up cutting taxes more than we ought to and, in the end, come back and say we are spending more money than we can afford. We went down that path in 1981, and I fear if we are going to go right down that same path in 2001.

We do not have to do it. The real tragedy is we could have had a broad bipartisan agreement on a tax cut of a trillion dollars. We could invest in education, defense, and needed investments in health care, and we could have had a bipartisan majority do that.

My fear is we are, in the end, short-changing the States, the schools, and the kids about whom we say we care so much.

I wish it did not have to be this way. Unless we defeat this budget resolution tomorrow, it will be.

I, again, thank the Senator from Maryland for indulging me this time.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I rise in very strong opposition to the conference report pending before us. Unfortunately, this budget falls far short of the mark in almost every respect.

We had just a brief meeting of the conference committee in which the Democrats participated. We were excluded from everything else that took place. I think that I thought we were at a crossroads in considering this budget; that I thought we had a historic opportunity before us if we made wise decisions, and that I was fearful we were going to lose that opportunity. This conference report bears out that fear.

If we pass this misguided budget, I have no doubt that in a few years we will all be put in mind of the words of John Greenleaf Whittier, who wrote:

For the words of tongue or pen
The saddest are these: “It might have been.”

We are throwing away a magnificent opportunity to develop a sane, rational fiscal policy for the Nation which will help to deal with a whole series of problems. We have this unparalleled opportunity to pay down the Nation’s debt; to invest in our Nation’s future, and to shore up our programs. If we act prudently, we can ensure that the Federal Government will have the resources in the future to meet our obligations after the baby boomers retire and beyond. We can do a reasonable tax cut in response to the problems confronting working families all across the Nation, and we can do this all in a very balanced way.

Instead, because of this excessive zeal for a massive tax cut, we risk knocking our economy off track and sending ourselves back into the deficit ditch from which we have only recently emerged.

The budget outlined in this conference report would squander our best chance for investing in America’s future, lifting the debt burden off the next generation, and providing a reasonable tax cut for our working families.

We are constantly told these revenues are the people’s money. Of course they are the people’s money. From where else does it come? But the debt is the people’s debt. The challenge of educating our children is the people’s challenge. Providing Social Security and Medicare for our seniors is the people’s challenge. It all flows from the people.

That sort of bumper-sticker comment does not come to grips with the real problems. There are other bumper-sticker comments we can make. Every time they say, “Well, the tax money is the people’s money,” we can say, “The debt is the people’s debt,” and on and on.

One cannot use a bumper-sticker slogan as a substitute for tough analysis and a real effort to figure out what serves the Nation’s interest.

I commend the ranking member of the Budget Committee, the very distinguished Senator from North Dakota, for his terrific leadership through this budget process. I know how frustrating it was. He continually implored the publican leadership was trying to pull a fast one— to rush through a huge tax cut before anyone had a chance to look at the details.

Krugman, in this column, goes on to talk about, in effect, other missing pages in the budget document. Whatever really happened, the fundamental cause of the mishap was that the Republican leaders was trying to pull off Thursday’s planned vote on the budget resolution because two pages that were supposed to be in the document were accidentally omitted. If we pass this budget, we have over the weekend.

One meeting they had, said there was a moment when the Republican leaders had to call off Thursday’s planned vote on the budget resolution because two pages that were supposed to be in the document were accidentally omitted. Whether the author is trying to pass this thing, and all of a sudden they discovered two essential pages were missing out of the budget document.

That led Paul Krugman in the New York Times to write an article which I would call “More Missing.” I ask unanimous consent this article be printed in the Record at the end of my comments.

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

(See Exhibit No. 1.)

Mr. SARBANES. There is a subheading called “The Farce is With Us.” It was, if you believe the official story, a case of farce majeure: House Republican leaders had to call off Thursday’s planned vote on the budget resolution because two pages that were supposed to be in the document were accidentally omitted.

Whatever really happened, the fundamental cause of the mishap was that the Republican leadership was trying to pull a fast one—to rush through a huge tax cut before anyone had a chance to look at the details.

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(See Exhibit No. 1.)
May 9, 2001

CONGRESSIONAL RECORD — SENATE

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finish with the budget, will ask for a massive defense buildup. So they have created a special reserve fund with a black hole in this budget that says whatever they decide later—whatever the President recommends—they can stick it in the budget. They will not have a vote on it. We will sort of have a vote, we will vote now, before we know what the number is.

Mr. SARBANES. What does this budget do about education? We are voting on this budget this week, the President says we will not leave any child behind, and everyone is making terrific speeches about education and beating on their chests about education. But to do a lot of these programs, we need resources. What does the budget do on education?

Mr. CONRAD. It is interesting, it is mostly speeches. All the speeches that were given, all the votes that were cast when we had the budget resolution on the floor, that money added for education, all of it has been taken out.

We are in the middle of a budget debate on the floor of the Senate, last week adding $150 billion. Meanwhile, we add to a budget with no new money for education. The President said his top priority was education. The priority is every place but in the budget. There is no new money for education.

Mr. SARBANES. Defense is a missing piece; education is a missing piece. And this tax cut will create a problem, as I understand it, with the alternative minimum tax. I am told that there is no provision for in this budget for alternative minimum tax reform, and that such reform may cost as much as $300 billion over the 10-year-period; is that correct?

Mr. CONRAD. Unfortunately the Senator is correct. In fact, the alternative minimum tax that affects now 2 million Americans, if the President’s plan is passed, will affect 35 million American taxpayers, nearly 1 out of every 4. Just to fix the part of the alternative minimum tax caused by the President’s tax bill will cost nearly $300 billion.

Mr. SARBANES. That $300 billion is not allowed for in the budget?

Mr. CONRAD. That is a missing page.

Mr. SARBANES. I am told that, while there is some adjustment for inflation in this budget, there is no adjustment for a growing population and the additional stress and strain that places on all levels; is that correct? There is no adjustment for population growth, which we know will happen?

Mr. CONRAD. Not only is there no adjustment for population growth, in truth, there is full one adjustment for inflation. This was done in the dark of the night in one of these closed rooms when none of us was able to be there. They actually took out another chunk of money, nearly $60 billion, so they don’t even have an inflation-adjusted budget.

Mr. SARBANES. Imagine that. It is incredible to come out with a fiscal program for the country with all these missing pages and vanished pieces. This conference report, which provides for this excessive tax cut, is premised on a projected surplus, two-thirds of which is in the last 5 years of the budget. Now we discover that there is no money for education, and the defense figure will rise by who knows how much? Clearly, it will rise. It will be slugged into this budget. We don’t even provide for inflation, let alone a growing population, and there is no provision for the alternative minimum tax fix.

I ask my friend from North Dakota, given all these missing pages, won’t this budget plan eat into the Medicare trust fund and the Social Security trust fund? I don’t see any other way. Once all the pieces are put into place, are we not going to be eating into the trust funds?

Mr. CONRAD. I think there is no question that is will happen. There is no question that is why the budget plan has been presented the way it has. They don’t want all the numbers put together in one place so we can add them up because it doesn’t add up.

This has been associated with a difficult problem. They have a budget that does not add up. How do you avoid making that obvious? You avoid making it obvious by not having all of the elements of the budget in the budget plan. That is exactly what we have in this budget. There is the budget we have been presented with, and then there is the real budget. One of them doesn’t add up. That is why they don’t want to present it to the membership.

Mr. SARBANES. It is absolutely irresponsible to be doing the budget this way. I think we are going to pay the price in the years to come. I thank my very able colleague for his constant effort to try to get the Budget Committee to come to grips with these problems.

We have a budget before the Senate based on projections that may never materialize. They made assumptions about growth and productivity which have been severely undercut by the report of the productivity figures in the first quarter, which failed to grow. They are assuming a growth of 2.2 percent in productivity as we project out, which is a very unusual growth. Now all of our plans, all of our projections, all of our assumptions are based on a figure that was negative. Imagine what that will do to the surplus projections.

We are running the risk, by this excessive tax cut, that we will not pay down the debt at the rate we could have done. We won’t invest in a number of important programs for the future strength of the country—education, the environment, health care. All will be undercut. There is no money here for education because instead, we give an excessive tax cut. It will knock the economy over, and now we will lose this magnificent opportunity we had to move forward in a reasonable, sensible, and constructive way.

I thank the Senator for his leadership. I regret this document before the Senate. I urge my colleagues to vote against it. I yield the floor.

EXHIBIT 1

[From the New York Times, May 5, 2001]

More Missing Pages

By Paul Kronenberg

It was, if you believe the official story, a case of farce majeure: House Republican leaders had to call off Thursday’s planned vote on the budget resolution because two missing pages meant that the whole document were accidentally omitted. Strangely, the two missing pages happened to contain language crucial to the compromise that had been reached between moderates and conservatives.

Just as strangely, the budget resolution contained only a 4 percent increase in spending—the amount George W. Bush originally wanted, not the 5 percent he had agreed to.

Whatever really happened, the fundamental cause of the mishap was that the Republican leadership was trying to pull a fast one—to rush through a huge tax cut before anyone had a chance to look at the details.

Now the case of the missing pages has led to charges of a few days. So many I may suggest that Congress—and Senate moderates in particular—check carefully around that Xerox machine? You see, there seem to be a few other pages missing from the budget plan.

For starters, we seem to be missing the page that factors in the likely cost of a missile defense system. (The page that explains how missile defense will work in the first place is missing from some other document.) Nobody knows how much this system will cost, but few think it will come in under $100 billion.

We also seem to be missing the page that explains how the conventional defense buildup-up being planned by Secretary of Defense Donald Rumsfeld—reports suggest an extra $25 billion per year on weapons systems alone, that is, $250 billion or more over the next decade—is consistent with a budget that makes no room for increases in defense spending beyond those already proposed by the Clinton administration.

Then there’s the page about prescription drug coverage under Medicare—a solemn pledge by Mr. Bush during the campaign. Everyone in Congress agrees that the $115 billion allotted by the administration is laughably inadequate, that a realistic program would cost hundreds of billions more. But the extra money doesn’t seem to be in the budget plan; maybe the missing page explains the discrepancy.

Somewhere near the page on prescription drug coverage we might find an explanation for the administration’s position on the Medicare hospital insurance surplus—$400 billion that both parties have promised to put in a “lockbox,” but which the administration now wants to use for other purposes. Presumably there’s a missing page that explains why this isn’t a naked plan to raid Medicare to pay for tax cuts.

Then there’s the puzzle of how the administration plans to maintain government services in the face of a growing population while increasing spending no faster than inflation. Everyone familiar with the issue knows that both parties have promised to put in a box, a box, but which the administration now wants to use for other purposes. Presumably there’s a missing page that explains why this isn’t a naked plan to raid Medicare to pay for tax cuts.

Then there’s the puzzle of how the administration plans to maintain government services in the face of a growing population while increasing spending no faster than inflation. Everyone familiar with the issue knows that both parties have promised to put in a "lockbox," but which the administration now wants to use for other purposes. Presumably there’s a missing page that explains why this isn’t a naked plan to raid Medicare to pay for tax cuts.
but there doesn't seem to be any allowance for that revenue loss in the budget. I guess there must be a missing page that explains why.

Finally, there's the page on Social Security reform. Because Social Security has been run on a pay-as-you-go basis, with each generation financing the previous generation's retirement, the system has a huge "implicit debt"—the money promised to people whose past contributions were used to support their elders. If Mr. Bush wants to partially privatize the system, he must pay off some of that implicit debt; to make his campaign proposal work would require infusing more than a trillion dollars into the Social Security system. But that money isn't in his budget plan. There must be a missing page with some explanation of the omission.

Oh, and there's one more page missing: the one that explains why moderates should support a tax cut that, while slightly smaller than Mr. Bush wanted, is still irresponsibly large—and why they should put their names to a budget resolution that is patently, shamelessly dishonest.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the senior Senator from Maryland, one of the most senior Members of the Senate Budget Committee, who has been a strong voice for fiscal responsibility on the Budget Committee of the Senate. He is one of the key reasons that we restored fiscal sanity in 1993 and put us on a path to reduce the deficits, ultimately eliminate them and start running surpluses.

I thank the Senator from Maryland who was named as a conferee on the budget because of the respect with which he is held.

Mr. SARBANES. Will the Senator yield?

Mr. CONRAD. I am happy to yield.

Mr. SARBANES. I thought when I was named as a conferee I would have important work to do as a member of the conference committee on the budget. And, there was nothing for me to do. We went to one meeting. The chairman told us there was nothing for us to do. He said, you are dismissed, you can leave now. Don't bother to come around again.

It was an incredible way to do business—an incredible way not to do business, to put it more accurately.

Mr. CONRAD. It was a disappointing way to do business. I think the result has suffered. I will follow up on the point the Senator made about slower productivity growth. We saw in the first quarter, instead of 1 percent increase, it was negative 1 percent. If we want to have 1 percent less productivity growth per year, the projected surplus of $5.6 trillion would be reduced to $3.2 trillion. That is the hard reality of how dramatically affected the ultimate results are by very small changes in the assumptions. That is something we should all understand.

How much time is the Senator from Illinois seeking?

Mr. DURBIN. I ask the Senator for 15 minutes.

Mr. CONRAD. The Senator from Illinois wishes 15 minutes. The Senator from Minnesota?

Mr. WELLSTONE. I ask I follow the Senator from Illinois, just for 10 minutes.

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

The Senator from Illinois.

Mr. WELLSTONE. Thank you. The Senator from North Dakota for yielding to me.

Mr. President, during the course of this presentation, I would like to call on the Senator from North Dakota from time to time.

Let me start by asking the Senator from Maryland for coming to the floor. He made an eloquent statement to put in perspective the issue on which we now have to vote. It may be one of the most important votes we will cast this year.

People say: A budget resolution? What in the world is a budget resolution? What does it mean to my family or my business?

A budget resolution is basically the blueprint which says this is how far we go beyond the rules of the Senate and the House, in spending. So once you put that blueprint in place, when the Appropriations Committees sit down to put the spending bills in place, they look to this blueprint. What does it mean to the Finance Committee when it looks to the tax consequences of this same budget resolution. So we have to pay careful attention to this blueprint.

I salute the Senator from North Dakota. I tell you, we are fortunate on this side of the aisle. In fact, the Senate is fortunate to have a man of his ability and commitment in the midst of this debate.

I have just spoken to my colleague from Minnesota. I will gladly speak to others and tell them I have been so proud of the job Senator CONRAD has done. He is good at this. He is extremely good at this. I never want to get on the other side of a debate with Senator CONRAD when there is a row of names in front of him. He understands them. He doesn’t just see the numbers on the page, he sees the policy behind them. He can think beyond the box we are in many times, to the ultimate impact of some of these decisions. I would like for a moment to reflect on what we have been doing for the last week and a half or 2 weeks on the Senate floor. We have been discussing the issue which the American people identify as their single highest priority, not just this month or this year, but for all time. At every level, when it comes to local government, State and Federal Government, their highest single priority is education—education, our schools. I often wonder why do we give away billions of dollars to the Federal Government, their highest sin-cere priority, when it comes to education.

But mark my words, all of that debate is worth nothing, absolutely nothing, if tomorrow we vote for this budget resolution because this budget resolution which was proffered by the Republicans provides no additional funding for education—none.

You look at it and say, How can this be? President Bush came to office. He invited Senator Kassebaum and Congresswoman Millender and all the Democrats. He wrapped his arms around them. He invited them to movies and lunch and gave them all nicknames and he said: I
just love education. I can’t wait to make it the linchpin of my Presidency.

He convinced a lot of people in this town and a lot of people across America that he was genuine. But in this town you have to look beyond the holy pictures. You have to look at the facts. When you look at the facts of this budget resolution, you find there is no money there.

All the promises have been made: We are going to test the kids year after year after year; we are going to hold them to high standards, as we should; we are going to demand accountability; we are going to want the very best teachers, the very best technology. Then take a look at this budget resolution.

I ask the Senator from North Dakota, if I might, if he will answer a question. I want to make certain it is clear on the record. In the budget resolution before us, House Concurrent Resolution 83, which projects spending over the next 11 years, would the Senator from North Dakota, having analyzed this, tell me what commitment is being made by the Republican leadership and the Bush administration to new funding for education to improve the schools and the lives of children across America?

Mr. CONRAD. There is no increase for education beyond simple inflation. I think the most honest direct answer that I can give is that there is no real increase, period.

In addition to that, the pool of money from which education spending comes is actually below inflation. The cuts are going to have to come from somewhere.

Mr. DURBIN. I ask the Senator from North Dakota, so there is clarity on the record: We have been debating for 2 weeks about education on the floor of the Senate. It is a debate about authorizations and this is a debate about a budget resolution.

Will the Senator from North Dakota explain the difference, if we say we are going to commit hundreds of millions of dollars to education as part of the elementary and secondary education authorization, will that money then automatically go to the schools and improve the schools for our children?

Mr. CONRAD. No. The way it works, authorizations mean nothing without appropriations. And the money for appropriations is not available unless it is made available by the budget resolution.

The hard reality here is all of this talk about money for education is just that, it is talk. We can pass 100 amendments that say we are going to provide money for education, but if the money is not in the budget, it does not get allocated to the Appropriations Committee to be available for actual expenditure. We have a lot of great speeches here, but without the money in the budget resolution, they don’t mean much.

Mr. SARBRANE. Mr. President, will the Senator yield?

Mr. CONRAD. Yes.

Mr. SARBRANE. Mr. President, I draw the analogy: For 2 weeks now we have been out on the floor on this education authorization bill. It is like putting the sides of a box into place. You put the sides of the box into place—like this. You build up your education box. But then you need a budget resolution because you need the resources to make this work. You look in the box when the budget resolution comes along after 2 weeks of putting up these sides and it is empty. It is empty. There is nothing in here for education. It is a phony box. People need to understand that.

Mr. DURBIN. Mr. President, I would like to ask the Senator from Minnesota, because he has followed this education debate. He and I may disagree to some extent on this. We believe testing is an important part of education. It has proven itself in the city of Chicago with our public schools. But if you don’t put the resources to good teachers, good teachers—children are going to need resources.

Is that how the Senator from Minnesota sees it?

Mr. WELLSTONE. Mr. President, I thank my colleague. I thank him for the question.

This also goes to what the Senator from Maryland says. It is not just a question of nothing in the box; it is how it affects the lives of people. I am heartbroken. I don’t mean to be melodramatic, but I am heartbroken about this because I say to the Senator from Illinois that it is quite one thing to have our picture taken with children—we all love to do that; we all love to be in the schools—it is quite another thing to make a real investment to help improve their lives.

The Senator is quite right. If all you do is tell every school and every school district and every State you will have these tests age 3 to 13 every year, and you don’t provide the resources, and we don’t have the money, in fact we provide a pittance—next to nothing—to give them the tools so the teachers and the schools and, most important of all, the children, do you want to know something? This is cruel. It will be cruel and it will be punitive. It will be downright dishonest. It is symbolic politics, with children’s lives, at its worst.

Mr. DURBIN. The President’s motto is “Leave No Child Behind.” Only one out of three kids is currently enrolled in Head Start—that early learning experience which gives kids a chance to be successful in the classroom. Only a third of the kids who are struggling in school because of poverty in their family and circumstances beyond their control receive any help whatsoever from the Federal Government. What we are told by the Senator from North Dakota is there are no additional funds; we will still be stuck at one out of three kids. I would like to ask if the Senator from Minnesota, two out of three kids are going to be left behind by the Republican budget resolution which we are going to be asked to vote for tomorrow. I do not know if the Senator sees it that way. We certainly aren’t getting the resources necessary to making sure no child is left behind.

Mr. WELLSTONE. Mr. President, I can say to the Senator from Illinois that at least 100 times I have said on the Senate floor you cannot realize a goal of leaving no child behind if you cut budgets. You can’t.

Again, think about it for a moment. Then I will promise not to take much time. But I am going to start testing these children. Let’s have the best test. Let’s make sure it is done the right way so you know how these children are doing. Take 8-year-olds. You have two, and one of them has 4 years of schooling and one of them has 2, and the other has 3, then also is there the same test for kindergarten. The other child is probably receiving 7 years of early schooling because he came from a family with a lot more income, and you can count on the home. There was all the intellectual stimulation, with reading to the child and where there was really good child care. They came to kindergarten ready to learn.

If you are going to fund Head Start—not at the 50-percent level—and Early Head Start, grades 1, 2 and 3, at the 50-percent level, and that is all, do you know what you are measuring with 1- and 2-year-olds when you do these tests? It is poverty. You are not measuring anything else. This is a really critical time. I hope people in the country will realize that.

I thank the Senator for his question. This is all about who we are. It is all about priorities and values. This budget reflects the most distorted and perverted values imaginable because it is Robin-Hood-in-reverse tax cuts, with over 40 percent of the benefits going to the top 1 percent, and not the investment in children and education.

Mr. DURBIN. I thank the Senator from Minnesota.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. One minute, 10 seconds.

Mr. DURBIN. I ask the Senator from North Dakota for additional minutes.

Mr. DOMENICI. I have no objection.

Mr. DURBIN. I would like to make sure that under the current time agreement, when the time agreed upon time has expired, the next Senator to speak from our side, Senator Inhofe, has 10 minutes.

Mr. WELLSTONE. Reserving the right to object, I believe I was in order to follow. To give other Senators time, I had an opportunity to speak. So
Mr. DOMENICI. Mr. President, I want to answer the distinguished Senator from Illinois who just spoke.

We haven’t said very much about who is responsible for gasoline prices. The fact is we don’t have enough electricity for America. But to come down here and say that if the President has anything to do with it or this budget has anything to do with it is absolutely wrong.

What happened is the previous President was convinced—we don’t like to be partisan, but he sure wasn’t a Republican—did absolutely nothing to give America an energy policy. It was a nothing policy. It finally caught hold and gave us California, giving us higher prices for gasoline. And we are going to have to fix it—and this Congress and this President—because no one did anything about it during the last 8 years.

I gather Senator INHOFE is next. I yield the floor to him.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I thank the Senator from New Mexico for yielding.

Let me be the first to say, I am not on the Education Committee. I am not on the committees dealing with this resolution. But I have been listening to some of this debate. I feel compelled to at least share some thoughts that I have as someone who does not serve on these committees.

First, I want to respond to the distinguished Senator from Illinois, who was talking about the tax cuts for the wealthy. I just wish that President Kennedy was here to tell him that he could hear this debate because I can remember quite well back in the 1960s when we had new programs. I say to Senator WELLSTONE, they had decided that they were going to expand into areas, expand into the Great Society. I remember that quote, just from memory, of President Kennedy. He said: We have a desperate need for more revenue. We have to have more revenue to take care of some of the needs that we have. He said: The best way to increase revenue is to reduce marginal rates. And he did it. In fact, the tax reduction during the Kennedy administration was twice the reduction that is being advocated by President Bush right now. And it worked. At the end of the decade, the increase almost doubled over the next 5 years as a result of cutting marginal rates.

Let’s remember some of those rates. They were cutting down the highest rate from 91 percent down to 70 percent. And it stimulated the economy. And it did increase the revenues that came from that. But that is not supposed to be the discussion today. The discussion is supposed to be on education.

The budget resolution that we are talking about provides a total of $961 billion in discretionary spending. It provides an additional $6.2 billion above the President’s request for non-defense programs. This $6.2 billion can be used for additional spending on our domestic priorities. Everyone agrees that education is one of these priorities. Certainly we have heard the President say this over and over again, both during the campaign and currently.

At the bare minimum, this resolution will fully fund the President’s request for education, which is an 11.5-percent increase over last year, the largest of all Federal agencies.

Just so Senators understand the minimum in education spending they will be voting for if they vote for this resolution, the President’s request will support the highest ever level of funding for the education of disabled children: $460 million increase for title I, including a 78-percent increase in the assistance to low-performing schools; a $1 billion increase in Pell grants for low-income college students; $1 billion for new reading programs, a tripling of current funding; $520 million for charter schools; $472 million to encourage school choice and innovation; a down payment on increasing aid to black and Hispanic-serving colleges and universities by 30 percent by 2005; $6.3 billion to serve 916,000 children under Head Start; and under the National Science Foundation, $200 million for new K-12 math and science partnerships.

In addition to all of the above, we have up to $6.2 billion for further increases to high-priority education programs, such as IDEA, title I, class size, school construction, assessments, and reading—whatever priorities emerge from the current debate on ESEA reauthorization.

For example, the conference report has singled out IDEA as a particular priority, and so we say that an additional $250 million should be added to the President’s request of $1 billion for grants to States to educate disabled children.

I listened to the statements in this Chamber where Senators were saying: We have cut every penny of money to strengthen these programs. That is just not true. We are increasing funding. One of the increases, as I have listed, is a 14-percent increase for impact aid, $200 million for additional impact aid. The amendment did. In looking at impact aid, I think it is very important that we realize this is a part of this program.

Back in the 1950s, we established impact aid. This is a program with which I heartily agree. It said simply that if the Federal Government comes along with either a military base or Indian lands, something that the Federal Government requires to be taken off of the tax rolls, that impact aid should be paid to that community that money that would go to education. There is not a Senator who would disagree with that. However, because we are all kind
of sneaky, and have been over the years, different politicians have gone down, since the 1950s, and taken money out of impact aid. So it dropped down to about a 20-percent funding level. In my State of Oklahoma, I have five major military installations. We have a lot of them there. It is something where we should live up to the obligation that we said we would live up to back in the 1950s and fully fund impact aid.

I started last year, with the help of some of my colleagues, and virtually all the Republicans, saying: Let’s go ahead and fully fund impact aid over a period of time. I want to do it over 4 years, but it looks as if it is going to be closer to 7 years. I had the amendment last year. I have the amendment this year. It has been very popular.

I have some letters that I pulled out of a long stack of letters coming from the various States. I know the Senator from North Dakota has been in this Chamber talking about it. I have a letter from the superintendent of Garrison Public School district in Garrison, ND, saying:

Again, thank you for taking on the challenge of putting Impact Aid on a time line that will get it to a point where the federal obligation of full funding is realized.

That is from Garrison Public School district in North Dakota.

Here is one from the Minot public school system in North Dakota:

The amendment you offered on the Senate floor to the Fiscal Year 2002 Budget Resolution is appreciated by federally connected school districts all across the country.

We have another one from Cass School District 63. They are in Illinois. I know that the Senator from Illinois has been talking about this. The superintendent writes: Thank you for doing this.

Mr. President, I ask unanimous consent that those three letters be printed at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. INHOFE. I guess what I am saying is, we have letters from every State saying this is something that should be done.

This budget resolution stays on line to ultimately fully fund the impact aid.

I want to share an experience that I am going to abbreviate because I know we are short on time. I do not have that much time.

I was having a townhall meeting in Frederick, OK. Frederick, OK, is in the southern part of the State. At the meeting, I noticed on the sign-in sheet—I know the Senator from North Dakota and Senators from all the other States have townhall meetings. People sign in so we know where they are from.

There were two ladies there in Frederick, OK, who were from Texas. I said: I am glad to have you ladies here. You are certainly welcome to stay; however, I am a Senator from Oklahoma. I don’t have a lot of say about what goes on in the State of Texas. They said: No, we want to be here because we want to give a testimonial. These two ladies stood up and they said: We are Democrats. We are very strong supporters of the NREA. Their community was out with some new programs we were violently opposed to them because they deviated from the programs we have been used to. The values have been increased. And we decided, since we were left behind. Governor Bush was trying to do in Texas, we would now come up here and say to you, in every place we can, that we were wrong, because essentially what we have been doing—and what I hear a lot of these Democrats over here talking about—is taking a failed system, a system that has not worked, and just pouring more and more money into it.

The criticism I hear on this budget is that we are trying to pour on more and more money without making major changes. I think we ought to have vouchers. We ought to do a lot of things we are not doing. At least we are trying some things that are new and different. That is what President Bush was doing when he was Governor Bush in the State of Texas.

These two ladies, these Democrats came up to make their testimonial at my public hearing in Frederick, OK. They said: What he has done is try new things. It is having a huge, positive impact on our school district, on testing in the State of Texas.

We need to try something new and innovative, and we are.

I will share an experience. Some of the things that are new and innovative really go back and latch on to things that have been discarded over a period of time. I happen to have four children and eight grandchildren. Back when my kids were young, I can remember coming home after I had been leading the opposition to what President Bush was doing when he was Governor Bush in the State of Texas.

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We need to try something new and innovative, and we are.
Impact Aid community to be there for you. Again, thank you for taking on the challenge of putting Impact Aid on a timeline that hopefully will get it to a point where the federal obligation of full funding is realized. Not since the late 1960's has the program been fully funded, but due to your efforts we find ourselves at the threshold of a new era for Impact Aid.

Sincerely,
MIKE KLABO
Superintendent

MINOT PUBLIC SCHOOLS,

DEAR SENATOR INHOFE:

On behalf of the Minot Air Force Base School District, including the students and the community we serve, I want to thank you for your leadership and support for the Impact Aid Program. The amendment you offered on the Senate floor to the Fiscal Year 2002 Budget Resolution is appreciated by federally connected school districts all across the country. You have consistently supported the Impact Aid Program. The leadership during the past two years that you have yielded the list of priority education programs among your Senate colleagues. Although the program does enjoy a broad base of bi-partisan support because of your role in Impact Aid has been taken to a new level.

All of us working with Impact Aid realize that much work still remains if the $263 billion figure you placed in the Senate Budget Resolution is to become reality. Please know you can count on our school district and the community it serves to do whatever it takes to help make that happen. You have been there for us and now is the time for the Impact Aid community to be there for you. Again, thank you for taking on the challenge of putting Impact Aid on a timeline that hopefully will get it to a point where the federal obligation of full funding is realized. Not since the late 1960's has the program been fully funded, but due to your efforts we find ourselves at the threshold of a new era for Impact Aid.

Sincerely,

M. KLABO
Superintendent

CASS SCHOOL DISTRICT #6,

DEAR SENATOR INHOFE:

On behalf of the Cass #63 School District including the students and the community we serve, I want to thank you for your leadership and support for the Impact Aid Program. The amendment you offered on the Senate floor to the Fiscal Year 2002 Budget Resolution is appreciated by federally connected school districts all across the country. You have consistently been there for the Impact Aid Program, but the leadership you have brought to the Senate floor the past two years has put Impact Aid on the list of priority education programs among your Senate colleagues. Although the program does enjoy a broad base of bi-partisan support in the Senate, because of your role in Impact Aid has been taken to a new level.

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Sincerely,

RICHARD LARSON
Superintendent of Schools.

CASS SCHOOL DISTRICT #6,

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Sincerely,

MIKE KLABO
Superintendent

MINOT PUBLIC SCHOOLS,

Hon. JAMES M. INHOFE,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

Mr. CONRAD. I wonder, could we give 12% to both? Would that be all right? At this point we are starting to run out of time.

Mr. HARKIN. That is fine.

Mr. CONRAD. I yield the Senator from Iowa, well minutes and I yield the Senator from Florida 12%.

Mr. HARKIN. That is fine.

Mr. CONRAD. I yield the Senator from Florida 12%, perhaps, who needs some help, to be there for you.

Mr. HARKIN. I wonder, could we give 12% to both? Would that be all right? At this point we are starting to run out of time.

Mr. HARKIN. That is fine.

Mr. CONRAD. I yield the Senator from Iowa, well minutes and I yield the Senator from Florida 12%. And can we lock that in at this point?

Mr. HARKIN. We will do that. If we have no Senators to go on our side, they can go sequentially, the two of them? That is our unanimous consent request.

The PRESIDENT PRO Tempore (Mr. Inhofe). Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I understand I have been yielded 12% minutes. I thank the Senator from North Dakota for yielding me some time to speak on this budget.

I guess you could sum up this budget in very few words. It is bad for what all us in this country. It is bad for our people. It is bad for our future. It is bad for our kids, and especially bad for our children of color.

Hubert Humphrey, one of my great political heroes, once said that the moral test of government is how the government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; those who are in the shadows of life, the sick and the needy.

Let's be clear: This conference report flunks the moral test of government. It turns its back on far too many of these Americans. And to the extent that it implements the Bush tax proposal, it basically says: If you earn $1 million a year, if you are very secure, we are going to help you get wealthier. But if you are in the dawn of life and you are a child, perhaps, or the elderly, those who are poor, sick, elderly, if you are one of the baby boomers getting ready to go on Social Security, well, they are telling you, so long, sucker, we will see you later.

That is what this budget to the extent that we stick to the President's plan, says:

I think stacking the deck even more against those who already have the deck stacked against them, through no fault of their own, is not the purpose of government. It is not why I came here, and I don't think that is what we ought to be about. I hope we will see a strong shift from this Bush budget.

This budget was fashioned under a plan to make room for huge tax cuts that is far too large an extent go to the wealthiest. In my saying these things, you might say that is just rhetoric. I am just saying those things. I am a Democrat, and the people who put this together are Republicans, so I am just saying these things.

But let's look at the facts. Don't accept what I say, look at the facts. This
Senator Jeffords and Senator Breaux offered an amendment that also put $70 billion into deficit reduction over the next 10 years. Well, that adds up to almost $300 billion—$295 billion—and that was in the Senate-passed budget. The House of Representatives had only provided $2.9 billion for education over those next 10 years. That was what President Bush wanted, $21.3 billion.

Well, now, you would think that, since we passed $225 billion over 10 years and the House passed $21.3 billion, they would compromise somewhere. Well, they compromised all right—at zero. Not only did they take out the $225 billion over 10 years under my amendment to zero, they took out the Jeffords-Breaux amendment of $7 billion down to zero, and the Bush plan of $21.3 billion.

They say they put it in a contingency fund. Good luck in getting anything out of that contingency fund. Why do I say that? I also last week was in the Senate passed, on a bipartisan vote, a unanimous vote—a voice vote, and no one objected to it—we appropriated for the next 10 years about $181 billion to fully fund the Individuals With Disabilities Education Act. To move to parity and meet our obligation of 40 percent of the average per pupil expenditure for IDEA over 10 years. A welcome sigh of relief echoed from our local school districts and our State boards of education. Finally, the Federal Government was going to provide this money for special education. We just did that last week here in the education bill that is in front of us. But this budget, with its projected contingency fund, is not going to allow us to meet our obligation.

This is kind of a busy chart. But what this chart really points out is that if we pass this budget as it is presented to us, doing the things that are talked about, we are going to raid Social Security and we are going to raid Medicare. The facts are here. If we take the final conference and look out over the next 10 years to what we are going to spend on defense—we are not going to cut defense; let’s not kid anybody around—and not get to cut defense below this. The alternative minimum tax is going to be paid by an ever growing number of people exasperated lowering the top tax rates, creating a pressure to change the AMT. Look at special education that we passed last week, which is mandatory. It is mandatory spending. We have to spend this money if we are to meet a commitment that this Senate has without objection to finally meet. Think about the emergencies that will occur. We always have to come up with additional money for emergencies. Then there are the interest payments we have to make.

So when you add all of this up, they gave us a $504 billion surplus in this budget—they say. OK, it looks like a nice little slush fund we can use for all these things, but when you add up all of the mandatory things we are going to be spending over 10 years, it comes to a deficit of $21.3 billion. So that means in order to make up this deficit in each of these years, we are going to have to take money out of Medicare for the first 3 years and then, from year 4 on, both Medicare and Social Security is not rhetoric; the numbers are there.

What the House of Representatives gave us, what they voted on in the House of Representatives—every Congressman and Congresswoman who voted for that budget voted to raid Medicare and to raid Social Security over the next 10 years. Make no mistake about it. That is what they did, and that is what we have in front of us here.

So if you vote for this budget, you are voting to take money out of Medicare and you are voting to take money out of Social Security, to pay for what? The House has already passed a set of tax cuts that dramatically favor tax breaks that go to the wealthiest in our society.

President Bush is always talking about waitresses and the people working out there and how they need a tax break, too. Here is a letter which appeared in the Des Moines Register on May 3. It was written by Deb Stehr of Lake View, IA. She is a waitress. She wrote this. The headline is “Bush’s Tax Cut Won’t Help This Waitress Mom.” I ask unanimous consent that this entire letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, May 3, 2001]

Bush’s Tax Cut Won’t Help This Waitress Mom

If He’s Not Going to Talk to Me, Shouldn’t He Stop Talking About Me?

(By Deb Stehr)

President Bush has said his tax plan would be great for a waitress with two kids and income of $28,000. I’m a waitress, married, with one child still at home and a family income that’s a little lower than $26,000 in most years. If Bush visited the cafe where I work in Lake View, I would tell him that when it comes to my family and folks like us, he has all wrong.

The fact is, we wouldn’t get anything from his tax cuts. Instead, they would hurt programs we depend upon and gladly pay taxes to support, such as Medicare and Medicaid. They would kill the chances for programs such as prescription-drug coverage for our parents, which would make all our lives a little easier.

I’m the kind of person the politicians woo like crazy when there’s an election coming up, and then forget about the rest of the time. So let me tell you one story. I have a son who was born with severe cerebral palsy and lives at home. She said:

If Bush visited the cafe where I work in Lake View—I would tell him that when it comes to my family and folks like us, he has it all wrong.
The fact is, we wouldn't get anything from his tax cuts. Instead, they would hurt programs we depend upon and gladly pay taxes to support, such as Medicare and Medicaid. They would kill the chances for programs such as prescription drug coverage for our parents, which would make all our lives a little easier.

Deb goes on to say that she has been a waitress for 13 years and her husband owns a small auto body repair shop. They don't have private health insurance. They have to rely on Medicaid because their son Jonathan was born with a heart condition and has had open heart surgery twice. He receives Medicaid because of his disability. Medicaid helps him to be independent. She has an older parent who has cancer, and he relies upon Medicare money.

Well, she said in the end:

That's what I'd tell Bush if I ever had the chance. Even though he likes to say his plan would help someone like me, he is not likely to visit with a waitress in a small town in northwest Iowa. But if he is not going to talk to me, then shouldn't he stop talking about me?

I think that sums it up, Mr. President. If you want to help the working people of America, who are out in the small towns and communities, who have their small businesses and are working hard to keep their families together, this is not the budget you want for your future. This budget is going to hurt them. This is not the budget you want to help educate our kids and to make sure they are going to have the funds necessary for their future growth and development. If you want to make sure our elderly get the prescription drugs they need so that their lives are healthier and better, this is not the budget you want. If you want to make sure that we secure Social Security for the baby boomers and that we have the ability to make sure the Social Security System is sound for the next 40 to 50 years, this is not the budget you want.

This budget has everything in there for people everywhere in this country. The President likes to say he wants to 'leave no child behind.' I think we have to revise that. What he really is saying is he wants to leave no child in the wealthiest suburb behind, no child whose parents have a great income; he doesn't want to leave them behind. But if you are poor, black, Hispanic, and you are from the lower socioeconomic strata, if you are in elementary school, if you are nearing retirement with no Social Security income, you are left behind with this budget.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. President, the other thing I want to say is if you have interested in bringing the national debt, because we also put $250 billion in the Senate bill through the amendment I proposed to reduce the national debt so that our kids are not saddled with interest payments every year of their lives, if you are interested in bringing the national debt, this is not the budget for you because this budget does not pay down the national debt.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Florida is recognized for 12½ minutes.

Mr. GRAMM. I thank the Chair.

Mr. President, a week ago today on May 2, the Washington Post had three significant articles about the debate we are conducting tonight.

The first says, "Bush Calls for Missile Shield."

The second says, "Bush to Unveil Panel on Social Security Change."

And the third says, "Tax Cut Compromise Reached."

What is the relationship of those three articles? The relationship is that the decisions we are going to be making tonight, tomorrow, and next week on the tax cut compromise which has been reached will have significant effects on our ability to finance the missile shield and the Social Security changes which, on the same front page, the President has asked our Nation to consider.

Although we do not have a number, we have heard that the Secretary of Defense may be asking for as much as $250 billion on top of this budget resolution for additional defense expenditures. Whether that includes the national missile defense is a question mark.

We do not know the exact number, but the project is to pay for the privatization of a portion of Social Security as this Commission has been charged to develop will cost upwards of a trillion dollars over the next 10 years in the transition costs.

What these three stories show is the need to set priorities and to set priorities at the same time so that, just as any family, you would know how much you were going to spend for every component of the family's budget as you started the new year, as you began the new intelligent planning for your family's resources.

I suggest one intelligent step to take tonight is not to take one 10-year tax cut based on projections of what the Federal Government surplus will be from this year through the year 2011 but, rather, to take a step-by-step approach. Yes, passing a significant tax bill—and I will discuss later what I think its components should be—then reviewing what the state of the economy is to determine, evaluating what our projected surpluses would be after that first tax cut, and deciding whether, when, and for what purpose a second tax cut would be prudent.

It has been said that we are engaged in a zero-sum game, and we are. Much attention has been given over the last several weeks to how big a tax cut Congress should build into the budget. Much less has been given to the fact that these budget decisions are a zero-sum game. Every dollar we spend on a tax cut cannot be spent for something else. Every dollar we spend for something else is a dollar we cannot spend on the tax cut. The greater the tax cut, the fewer dollars are available for other priorities.

What are some of those priorities? In my opinion, they would be paying down the $5.5 trillion national debt we have developed over the last 20 years and must start to reduce so we do not leave to our children and our grandchildren a credit card bill of ours to pay; meeting the No. 1 priority, which the President has stated and which this Congress has reaffirmed, and that is education; providing for Social Security; dealing with the serious issues of energy security and the contractual responsibilities we have for Social Security and providing for an adequate national defense.

In addition to being a zero-sum game, there is also a zero-sum minus because one of the flaws in this budget resolution that includes using the Medicare trust fund without a question, and arguably also the Social Security surplus trust fund as a reserve for older Americans; dealing with the serious issues of energy security and the contractual responsibilities we have for Social Security and providing for an adequate national defense.

Mr. President, a week ago today on May 2, the front page of the Washington Post had three significant articles about the Budget Act we look at our Nation's finances for 10 years, but that does not put us in unneeded handcuffs to recognize the fact that there are responsibilities just beyond that horizon.

A very significant event in world history occurred in late March of this year. My daughter, Suzanne, and her husband, Tom, hosted a sixth birthday party for their triplet daughters, Ansley, Adele, and Kendall Gibson all became 6 years old on the same day. What is the significance of that for this debate? The significance is they are all going to become 16 years old from now on. If the Gibson family looked at the life of their triplet granddaughters, Ansley, Adele, and Kendall Gibson all became 6 years old on the same day. What is the significance of that for this debate? The significance is they are all going to become 16 years old from now on. If the Gibson family looked at the life of their triplet granddaughters, Ansley, Adele, and Kendall Gibson all became 6 years old on the same day. What is the significance of that for this debate? The significance is they are all going to become 16 years old from now on.
The problem is that 2 years later, in the year 2013, those triplets are all going to want to go to college at the same time. Anybody who is putting one child through college can appreciate what the challenge is going to be to put through triplets at the same time. 

This is almost an exact parallel to what our Nation is facing. We are on the verge of one of the most significant demographic surges in the history of America, and it can be seen in this chart.

If we just use as our amount to pay down the national debt the sums in the Social Security surplus, we are going to go back into deficit in the year 2017. The reason we are going to go back into deficit is because we will be 5 years into the baby boomers reaching their retirement age and starting to draw down Social Security.

Conversely, if we put all of the unified surplus into paying down the national debt, we will stretch that out to the year 2027 before we will be back into deficit. But we are just looking at this narrow window into which we are now entering and saying things look great for the next 10 years, but it is the period just after the 10 years that will be the death knell for Congress and for this Nation.

What are some of the implications of this chart? In the year 2017, the year we are going to go back into deficit, 52 million Americans will be receiving Social Security retirement benefits. That is up from 36 million in the year 2000, a 16 million increase in the number of Social Security retirees in just a 17-year period. Mr. President, that is 44 percent above current beneficiary levels. In addition, 56 million Americans will be eligible for Medicare benefits, up from 39 million in the year 2000.

Those are some of the challenges in the zero-sum-plus game. We have to add a longer vision to our fiscal telescope and look just the 10 years immediately ahead.

I am also concerned in this approach of one humongous tax bill. We are not putting first priorities first in our Nation’s economic life. I think the most challenging issue for America today is the fact we are facing the potential of a further and even more serious economic decline. There have been mixed economic figures in the past few weeks. The figures of last week show unemployment to be remaining high, and a whole series of major American companies announcing yet another round of layoffs. Certainly that sends alarm signals. We ought to be using our energy and using the people’s resources to help buy an economic insurance policy to do everything we can on the fiscal side of the American economy as the Federal Reserve Board is doing on the monetary side in order to give the American people the greatest confidence that they will not be facing a hard, perhaps a crash landing. That is almost an exact parallel to what our Nation is facing.

My suggestion is rather than pass the $1.35 trillion, 10-year “spend it all right now” tax plan, which I think will be seen quickly in history as being the equivalent of the 1981 tax cut which brought these enormous deficits and now a $5.5 trillion national debt, we ought to be patient and proceed step by step.

I suggest the first step ought to be to buy an economic insurance policy by passing a simple, immediate, broad-based and substantial tax cut of approximately $50 billion this year and in the next years, which will go, primarily, to American families in a sufficient amount of money to $550 per family, or approximately $35 every other week in the paycheck, increase in the disposable income of American families so they will have not only the additional dollars to contribute to strengthening the demand side of our American economy but also the psychological reassurance that they are going to be that much better off on a permanent basis.

That is the kind of tax plan this Senate ought to be considering. The American people have worked hard for the last few years to get where we are. In 1992, we had the largest single deficit in any year in the history of the United States of America, almost $300 billion. In 1995, it was down to $12 billion. In 1998, the last year we had a surplus, we were seeing the prospect of surpluses for the foreseeable future. We are facing the prospect of surpluses for the foreseeable future.

We have the potential of making that future stretch all the way to the middle of the 21st century if we act prudently and prudently our budget next week. This is not the time to go back where we have been and where we do not want to go again, a nation on its economic knees through deficits and excessive debt.

Mr. CONRAD. I yield 12 1/2 minutes to the Senator from Florida.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, as chairman of my committee has given courageous leadership in trying to sort through all of the funny money and the distorted figures as we try to make some sense out of this budget resolution. I thank the Senator from North Dakota for his leadership.

I strongly support a tax cut that would benefit all Americans fairly, but I support a tax cut that doesn’t sacrifice the fiscal discipline that enables us to provide tax relief for this year. I support a tax cut that supports and is based on our commitment to such critical areas as Social Security, Medicare, education, national defense, and the environment. I was among those voting for such a tax cut when we first debated the budget a few weeks ago. It would have given taxpayers substantial relief—$900 billion over 10 years—while enabling us to meet our Nation’s most pressing needs.

With the administration demanding $1.6 trillion instead of $900 billion, that is sensible proposal of a balanced way of approaching the budget for all of these different needs that I want to talk about, and that my colleague, my sen-

lor Senator from Florida, has already talked about, was rejected. Instead, we are now considering a budget resolution calling for a $1.4 trillion tax cut over 10 years that is certain to cost far more if it is carried out.

We are going to get it by raiding the Medicare trust fund, $326 billion over 10 years. I promised I wasn’t going to do that.

Mr. CONRAD. I yield.

Mr. NELSON of Florida. Mr. President, as chairman of my committee has given courageous leadership in trying to sort through all of the funny money and the distorted figures as we try to make some sense out of this budget resolution. I thank the Senator from North Dakota for his leadership.

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lor Senator from Florida, has already talked about, was rejected. Instead, we are now considering a budget resolution calling for a $1.4 trillion tax cut over 10 years that is certain to cost far more if it is carried out.

We are going to get it by raiding the Medicare trust fund, $326 billion over 10 years. I promised I wasn’t going to do that, and I will not.

And I promised to give all children a chance for a quality education. And we are stripping out that money for education.

I promised to protect our precious natural resources. There is not any money for that.
I promised to strengthen our Nation's military. And there is not any money for that, either. I promised to modernize Medicare with a real prescription drug benefit, and there is no money for that. I promised one of the most significant promises to all of the people of Florida—Floridians who have labored under budget deficits and who have worried, as they worry about paying off their mortgages on their homes—I promised to pay down the national debt with this surplus so our economy can grow and prosper. We are not doing that with this budget.

No, the budget plan before us would eat up our entire surplus. It would cripple our ability to do all of those things I promised our people in Florida. So I am going to vote against it. Because of the promises I made to our people in Florida, I will continue to fight for reforms and I will continue to fight for tax cuts in the days and the weeks ahead. I will continue to fight for those reforms and tax cuts that will better serve all of our people.

I say to the chairman of our committee, my senior Senator, the distinguished Senator from the State of Washington, it has been a privilege to be a part of the process. Thank you for letting me express some very deeply felt convictions, most of which were discussed in detail as I had the privilege of visiting all of the back roads and cities, the rural areas, and the back roads of Florida as I traversed the State last week in the campaign. What a high honor it was to be elected to represent the State of Florida. I came here with those promises. I intend to keep them.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. If the Senator will yield for just a moment...—

Mr. CONRAD. I appreciate the courtesy of the Senator very much. I would like to say that Senator NELSON of Florida has been a very valuable member of the Senate Budget Committee. Nobody has been more serious about the work of the committee. I think nobody is more dedicated to fiscal responsibility. His senior colleague as well, who sits next to me on the Senate Finance Committee—I think on the questions of fiscal responsibility, they are two of the best. I appreciate the sound thinkers who have come before the Senate. I admire the remarks of both tonight.

I especially want to say to the junior Senator from Florida, Mr. NELSON, how much I appreciate the effort he has extended to be involved in the budget process. It has been a great help to me, and I will not forget the assistance he has provided.

I yield the floor. Again, I thank the Senator for his courtesy.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. DOMENICI. How much time did the Senator ask for?

Mr. SESSIONS. I haven't asked but 7 minutes....

Mr. DOMENICI. I yield 10 minutes, if you like. Will you yield me 1 minute of that time—or let me ask consent that the Senator be permitted to speak for up to 10 minutes?

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

Mr. DOMENICI. And then who is next? Do we have another Senator?

Mr. CONRAD. We are ready on our side with Senator MURRAY.

Mr. DOMENICI. How long would she like? Why don't we just set it in place. Mr. CONRAD. I yield 12 1/2 minutes for Senator MURRAY, and then Senator CORZINE on our side, 12 1/2 minutes as well.

Mr. DOMENICI. We will do that following the Senator from Alabama, and if any other Republicans want to speak, an average of 7 minutes. Does the Senator yield me 2 minutes?

Mr. SESSIONS. Yes.

Mr. DOMENICI. Mr. President, it is just amazing to this Senator. I don't know where they get the numbers. Somebody is giving them to them. Somebody is making a lot of assumptions that are not in this budget resolution.

We do not need a lesson from anyone about whether or not we should dip into Social Security trust funds for purposes of spending in this budget. We were the first to put before the Congress of the United States a lockbox concept. By the time we were finished, everybody had to lock in the Social Security trust fund. That is a lockbox. Before we were finished, President Clinton was for it. He had not been for it before. We start it; everybody takes credit.

Let me say to the American people, whenever you want to give the American people a tax cut of sizable proportions—not as big as the Kennedy tax cut, not as big as the Reagan tax cut—just try to give the taxpayers some of their money back out of this huge surplus, there is no end to excuses as to why we cannot do it.

The latest one is: Seniors, you ought to be angry about this tax cut, even though it is going to your children and grandchildren and to your friends because, they are saying on that side, we are spending it; we are spending part of your trust fund money for tax cuts.

Not true. And it should not be a condition precedent to cutting taxes. Next, what do they insist on? You can't touch Medicare. We didn't have to learn that from anyone. We did not, we do not, and wherever those numbers came from, they are not the numbers in the budget. What we assume will be spent. They are assuming the alternative minimum tax will be passed. They are assuming defense will get $370 billion. They are assuming education will get $146 billion more. How are we responsible when we do not even have the numbers in our budget? We don't know what is going to happen there. What is in our budget does not use Medicare, does not use Social Security.

I believe every time we have a significant tax cut going to Americans so the economy will keep going, that is the best thing for seniors. Keep an economy that is booming. What do we boom on? Low tax rates. That is what America's economy expects. So you do this to help your friends in the next election, and you get excuses that you have not done everything yet that is necessary.

Mr. SESSIONS. Will the Senator yield for a question?

Mr. DOMENICI. I am pleased to yield on your time.

Mr. SESSIONS. This tax cut that you proposed and the analysis that has been made of it, does it have dynamic scoring? Does it provide any projected boost in the economy by virtue of the tax cut?

Mr. DOMENICI. No, it does not.

Mr. SESSIONS. That is a very conservative posture to take.

Mr. DOMENICI. Also, let me say the economy is not booming as much as we like, and there is $100 billion in it that was sought after by Democrats for upfront stimulus between this year and next year. That is going to go right into the pockets of Americans. It is going to go into the pockets of the seniors and the neighbors and grand-children of the seniors whom they are trying to scare in that we cannot keep our faith with Social Security and give people back some of their money. We can. We will. And it will not touch Social Security. So don't get worked up about it, our friends who are seniors. If you want to call our offices, we will give you the numbers.

Those numbers are invented. Since they use all kinds of inventive here on the floor about our budget resolution, they are invented numbers. That is not accusing anyone. They just borrowed them somewhere. They are not in the budget.

I will be pleased to yield the remaining time, except I want to say we were asked to balance the budget before we would give any tax relief. We have. It will be. We were asked to reduce the debt. We have. It will be. It will be reduced dramatically. The real numbers are $3.2 trillion in debt. It will be down to $9.8 trillion under this budget resolution, a huge reduction in debt. What are we arguing about? It is as big as you can get. Probably you cannot do any more.

I especially want to say to everybody says this budget should do before we give Americans a tax break. We have done them all. We tried. They are inventing new ones. Every time we are on the floor, they are inventing new ones.

I don't kid anybody. This is not a budget that Senator HARKIN would put forward. This is not a budget resolution he would write. I don't know what he would write, I don't know what he would support. Clearly, he came and supported part of this. He didn't vote for it even when it left the Senate when 15 Democrats did. Nor did most of the people who are speaking...
against it. They didn’t even vote for it when it passed the Senate with 15 Democrats in support of it, with a lower tax number than the President wanted and that we wanted.

So I want to wrap my arguments up very simply. Everything a budget could be asked to do before we give any money back to our American people to grow our economy even better, we have done it all.

Every time we try to do a reasonable tax reduction plan, we find new conditions and new things we ought to be doing as a Government. What? Before we can give the American people a tax break? Give us a break. How many more conditions? There will be more tonight. We have a couple of hours. There will be more tomorrow morning. We have an hour or so. There will be more things we should have been doing before we give the American people a tax break. I guarantee you that is what it will be. More things the government ought to do and less and less about what people should get. Give back to them some of their money.

I yield the rest of your time. I am sorry I used it. I ask unanimous consent that he have 10 minutes nonetheless.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank the Chair and the distinguished Budget Committee chairman. There is no one who has given more of his heart and soul to the search for a sound economy in this country and a sound balance between the individual American citizen and our Government than the chairman of the Budget Committee.

We are looking at numbers. They are extraordinary. Money is pouring into our National Government. Even in this time of slowdown, preliminary numbers I heard recently indicate that we will still have more money coming into the Government this year than was projected even last year. All the projections for the last 4 years have been below the size of the actual surplus.

What are we talking about? We are talking about an unusual period of time in which the Federal Government is growing at an unprecedented rate.

It is a fundamental period for us to make a decision. Are we going to go down the road of the socialistic economy of Europe and other countries and others in the world, or are we going to maintain the great American tradition of individual freedom and free enterprise? It is a fundamental question. There are Members of this body who either have not thought about this or have thought about it and won’t admit it and want to see us go in that direction because every time a tax cut is proposed, they say: No, we can’t trust the American people with their money. We have to take it and spend it, this program, this program, and this program.

Are there not families in America and senior citizens in America who need to put a set of tires on their car and need a $75-a-month tax reduction to help them do that? Are there not people who will benefit from that? Aren’t children going to benefit from the tax credit that families will have with two children with a $1,000-a-year tax credit?

I don’t mean you get $1,000 and have to pay taxes on it. I mean they get to keep $1,000, if they have two children, for the year. It adds up to almost $100 a month to help them raise their children, to take care of us when we retire, educate their children, and raise them in the proper way.

But the most important thing for us to know is that in 1992 this Federal Government alone took 17.6 percent of the total gross domestic product in the form of taxes. Mr. President, 17.6 percent of all the goods and services produced in this country were sent to Washington, DC. Since 1992, it has grown every single year. We are now at 20.7 percent of the tax cut is not a breathtaking tax cut. We are looking at it over 10 years. But it is significant. I believe it will help contain that trend of ever increasing concentration of wealth in Washington, with more and more Federal programs—all for the greatest sounding good that seldom produces the results they set out to do.

I think we are on the right track. I believe we are going to have a strong vote for this. I think it is the right direction for our country to go in. I could not be more excited about it.

I have no doubt that we will not cast a more important vote. We will not deal with a more important governmental issue than trying to contain this powerful growth in spending and wealth in this Nation.

By the way, we are paying down the debt as fast as it can be paid down without paying penalties on the Treasury bills that are out there. It is a tremendous reduction of wealth. The estimates are that instead of paying 14 percent down now to fund our debtload, we will be down to under 2 percent at the end of this budget projection at the rate we are going. It is a good trend to be on. Less than 2 percent for debt service is a healthy trend for us. In a couple more years, we could have all the debt eliminated. That is a wise economic step for us to take at that time.

I certainly believe in paying down debt. I certainly believe we ought to lockbox the Social Security surplus and not spend it.

Senator DOMENICI is correct. Senator DOMENICI founded the idea of a lockbox, and fought for it on this floor. I supported him. Senator Spence Abraham of Michigan supported him. We worked hard on the lockbox. We didn’t get it passed. The Democrats opposed it. The Democrats opposed that lockbox.

Then, stunningly, we were in a political campaign and the Vice President used the idea of a lockbox. He should have told some of his friends in the Senate.

But we are going to do that. We are locking that money up.

I will say one thing. I am not voting for a budget that is going to spend the Social Security surplus. That debt needs to be paid down. It should be for that purpose and should not be spent. I will oppose any spending or any tax program that reduces or spends any of that surplus. It is not going to happen. I am not going to support the lockbox as an aide not to allow that to happen. We are not going to allow that to happen. That would be wrong. We have done
that too long. It is time to end that. In fact, a good frugal congressional battle has resulted in better spending ideas and the containment of spending which has helped produce this surplus.

The budget is pretty good on spending increases. The President proposed to hold it to 4 percent. It looks like the budget is going to have us at a little over 5 percent. We have to watch ourselves. It is so tempting to spend. If we can just maintain spending at the rate of inflation, or only slightly above the rate of inflation, I think we can do well. But if we go crazy and we spend like we did last year—nearly an 8-percent budget increase in spending—and do that every year, we are not going to have any Social Security or tax cut possibilities.

I am excited about what is happening. I think we will have bipartisan support for this. I know some people just cannot stand the thought of a tax cut. I think it is a great idea. I think it is not the money we have to do it. We ought to let the American people keep some of their money, and quit this unprecedented growth in the accumulation of wealth going to Washington, D.C.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. CONRAD addressed the Chair.

Mr. CONRAD. The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. The PRESIDING OFFICER. The Senator from Alabama.

Mrs. MURRAY will yield to me briefly, so I can respond to a number of points that have been made.

The PRESIDING OFFICER. Does the Senator yield?

Mrs. MURRAY. Yes.

Mr. CONRAD. Mr. President, the Senator from Alabama used some pretty strong language out here. Socialistic? Please. I do not know of a single socialist in the Senate or anybody that has any thought of proposing anything socialistic in this Chamber. That is talk that is a little beyond the pale.

Let’s review what has happened in fact—not the rhetoric, the fact. This chart I have here demonstrates what has happened to Federal spending as a share of national income since 1966. Ronald Reagan took over in 1980. I do not think he was a socialist. But look what happened to Federal spending as a share of national income under Ronald Reagan. We are going to be deep into the Social Security trust fund, deep into the Social Security trust fund because what we have here is not a real budget. I thank the Senator from Washington for the time.

Mr. President, I ask unanimous consent that the Senator from Washington be given an additional 5 minutes because I used her time.

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

The Senator from Washington.

Mrs. MURRAY. Mr. President, how much time do I have total at this point?

The PRESIDING OFFICER. The Senator from North Dakota used 3 1⁄2 minutes. The Senator had 12 1⁄2 minutes reserved. So now the Senator has about 16 or 17 minutes.

Mrs. MURRAY. I thank the PRESIDING OFFICER. And I thank the President. And I thank the President for his tremendous leadership on this issue and for working with us who serve on the Budget Committee in one of the best ways I have ever seen, including, in the process, helping us to understand the true impact of this budget. I really want to let him know how much I appreciate that.

Mr. President, as my colleagues can imagine, the budget resolution before us provides the framework for Federal budget priorities for the coming fiscal year. In fact, this debate and this budget are the most important things the Senate will do this year. The vote we take today will take a significant impact on our Nation’s ability to meet our challenges and to provide opportunity for America’s working families.

But this vote isn’t just about what happens to Americans a year from now. It is about what happens to our country generations from now because this budget will have a major impact on the projected surplus and on future budgetary decisions.

Over the last 8 years, we learned what a difference a responsible budget can make. We learned it starts with the basics—such as using real numbers and not “betting the farm” on rosy projections. We learned that if we invest in the American people and their needs, our country and our economy will also benefit. We learned we need to be fiscally responsible. That means making tough choices and holding the line on deficit spending. And we learned that we have to work together to get things done.

The last 8 years have shown us that if we follow those lessons—using real numbers, investing in people, meeting our needs, being fiscally responsible, and trying to turn our deficits into surpluses, and we can transform the American economy into a job-creating machine.

Today, there is a new President in office. There is a new Congress. And we have new economic realities as our economy slows and an energy crisis grows.

Mr. President, the times are different, but the lessons are the same.

This isn’t the time for tax and spend the way the people have used for the past 8 years. It is time to follow the lessons it offers. Unfortunately, the administration and the Republican leadership are running in the opposite direction. And I fear we are going to repeat the same mistakes of the past—mistakes that we are just now getting over. Let me say that again. The Republican budget ignores the lessons of the last 8 years. Instead of focusing on real numbers and realistic estimates, the Republican budget ignores all those projected surpluses that may never materialize.

The things we know so far about this budget are disturbing. We know it is based on surplus estimates that may not come true. We know that it abandons fiscal responsibility in the name of a tax cut primarily benefiting a few. We know that it fails to adequately meet the priorities and needs of the American people and the people of my home State. We know it fails to invest in our future economic security and competitiveness. And we know it fails to eliminate the $5.3 trillion in debt that has accumulated over the past 20 years.

What we already know about this budget is enough to give us pause, but what we don’t yet know about this budget is enough to stop it cold. We don’t know what the surplus or the overall economy will look like a few years from now. And today there are very real reasons to be concerned. In my home State, and up and down the West Coast, we are experiencing an energy crisis. Gasoline prices are skyrocketing, factories are closing down,
and energy bills are up significantly. This energy crisis is having a negative impact on the economy of the country—but this budget resolution and its projections do not take any of that into account.

This budget resolution is also silent on two major Bush proposals: developing an unfettered missile defense system and privatizing Social Security.

Now, what is significant about these announcements is not just that they represent departures from past policy, but that they came with no price tag. So, we have the President proposing to spend huge sums on these initiatives, but they are not accounted for in the budget proposal, that he presented, nor in the one being considered by this Congress.

Why would we as a country pass a budget that we know is based on shaky projections, that excludes huge bills we know we are going to have to pay, and that forces cuts in vital services just to fund a tax cut? The needs of the moment are a few? Why are we proceeding down the slippery slope of rosy predictions and fiscal irresponsibility? Frankly, it is because it is the only way this President can pay for his tax cut.

Determining a fair tax cut. All of us have been working on that. We want a fair tax cut for middle-class Americans, and we are fighting for an immediate tax rebate that would put an average of $600 in your family’s pocket this year. A tax cut is one of the many things Americans deserve, but it is not the only thing. We also deserve a Government that stops corporate polluters, that supports the hiring of more police officers and good teachers, and that strengthens Medicare with a real prescription drug benefit. Americans do deserve to get a tax cut this year. After all, it is our money. But it is also our national debt, our overcrowded classrooms, our prescription drugs, and our drinking water. And we cannot walk away from those responsibilities.

Finally, this budget does not address the needs of the American people. I want to talk about some of those.

This budget eliminated the amendment that this Senate passed to increase our investment in education. This budget falls short of our targeted debt reduction goals. It fails to give major bills we know will come due, and leaves out major programs that have helped thousands of communities achieve some of the lowest crime rates in a generation. The police on our streets have worked to restore a measure of safety and security in our communities, and this budget takes away that funding.

This budget also cuts the budget for Eximbank which allows our Nation’s industries to compete with highly subsidized foreign competitors. This budget also jeopardizes the Federal class-size initiative which has helped school districts hire 40,000 new qualified teachers so our kids can learn in a safe environment.

This budget cuts rural health care initiatives, including telemedicine grants that literally provide a lifeline for remote and underserved areas, and it cuts support to our family farmers who need it now more than ever. This budget does not invest enough in environmental restoration and conservation efforts.

This budget does not provide adequate funding for veterans programs for which the House and the Senate conferees refused to hold the budget conference to do better than the President’s funding level. The Republicans met behind closed doors and stuck us with the President’s insufficient number. Not only did the conferees refuse to honor the increases for veterans programs that were approved by both the House and Senate, but they also discarded an amendment that I proudly cosponsored about concurrent receipt. The amendment that was offered by Senator Reid would have allowed our military retirees to collect both their retirement pay and their disability benefits. Today, we single out veterans by denying them these benefits.

The Senate passed an amendment that would have corrected that injustice, but the Republican conference, behind closed doors, when no one was looking, dropped that critically important provision. America’s veterans are big losers in this budget.

To me, that is another example of why this process should have been bipartisan and open from the start. By closing the door on bipartisanship, the conference has left America’s priorities behind.

Let me mention two more: prescription drugs for seniors and the Federal Government’s obligation to clean up nuclear waste. On prescription drugs, we all know that the lack of affordable drug coverage is a problem not just for those with low incomes, all seniors and the disabled face the escalating costs of prescription drugs and lack of affordable coverage. This issue did not go away the day after the election. We know that a prescription drug benefit is essential; that’s what we said was originally. Now estimates show that it will take about twice that amount to provide a real benefit. We know that seniors need an affordable drug benefit that is part of Medicare.

The Republican budget that we are looking at does not set aside enough money to provide that budget and that benefit. That is a promise all of us made in the last election.

Let me turn to another example. This budget reduces the Federal Government’s responsibility for the clean-up of nuclear materials and waste. In Washington State, we face a tremendous challenge of cleaning up the Hanford Nuclear Reservation. Hanford cleanup has always been a nonpartisan issue, and I hope we can keep it that way. There were some press reports back in February that the Bush budget was going to cut these important critical cleanup funds. I talked to the White House budget Director, Mitch Daniels. He assured me there would actually be an increase in funding for the Hanford cleanup.

The President’s proposed budget cut the Hanford cleanup program, which is assumed, by the way, in this conference report, and that would make it very difficult to meet the Federal Government’s legal obligations in this area. Any retreat from our cleanup commitment will result in a legal challenge by the State of Washington. To avoid that and meet our legal obligations to clean up the Hanford Nuclear Reservation, we need an increase of approximately $330 million. The price of America’s victory in World War II and the cold war is buried in underground storage tanks and in facilities, and we have a responsibility, both morally and legally, to clean it up. That is not in the budget we are considering.

As you can see, this budget leaves a lot of American priorities behind. It takes rosy projections. It leaves out major bills we know will come due, and it puts a squeeze on hard-working families. We can do a lot better. I want to be brought together to come up with a proposal that is fair and balanced, that meets the needs of the American people.

This administration came to town and promised to restore bipartisanship and promised to reach across party lines to meet the challenges of governing. This budget doesn’t do that. As a member of the joint House-Senate conference committee, I can tell my colleagues, Senator Conrad and I were not invited to that table. We were told we would be part of a small majority. This partisan, back room dealing spells disaster for the entire budget process. Adoption of this budget resolution is only the first step in a lengthy budget process. It is far too early for this bipartisan budget to be feasible.
think those lessons are being ignored in this budget resolution. I fear that it is going to put us on the road to repeating the same costly mistakes of yesteryear.

I urge my colleagues to reject this budget agreement. I hope we can sit down and work on a budget agreement that is bipartisan and that works for the needs of the American people.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DOMENICI. Mr. President, I thank the Senator from Iowa for her contribution tonight and, more importantly, for her contribution on the Senate Budget Committee. She is one of the most valued Members on our side of the aisle. I believe she could have made a significant contribution in the conference committee but, of course, we were excluded from the conference committee.

Again, I thank Senator MURRAY for everything she has done as a member of that conference committee. I believe the Senator from New Mexico wanted to deal with a unanimous consent request.

Mr. DOMENICI. Would the Senator permit me to talk to Senator MURRAY about that matter?

Mr. CONRAD. Certainly.

Mr. DOMENICI. I know we have an area of mutual concern with reference to defense cleanup that has to do with your State and has to do with two or three others, not as much with my State as other defense issues. I told you awhile ago that I was going to do my very best. We are short a significant amount of money in the President’s budget in terms of cleanup which will have a big effect on Idaho, your State, and South Carolina. I want you to know, I am still working on that.

Contrary to what some people would think, we can do it under this budget. We are going to work very hard with you to see that we can.

Mrs. MURRAY. Mr. President, if I could respond quickly, I thank the Senator from New Mexico. He has been a champion for our State in assuring that we have the cleanup dollars that are so drastically needed. I know he understands the moral obligation we have to clean up that site. So I thank him for his comments.

Mr. DOMENICI. On behalf of the leadership I have a unanimous consent request in hand. I ask unanimous consent that all time be used or yielded back by the close of business this evening with the exception of the following: 40 minutes under the control of Senator CONRAD or his designee, 30 minutes under the control of Senator Byrd or his designee, and 40 minutes under the control of Senator DOMENICI or his designee, with 15 minutes of that time consumed just prior to the vote.

I further ask consent that when the Senate resumes consideration of the conference report at 9:30 a.m. on Thursday, tomorrow, the vote occur on adoption of the conference report following the use or yielding back of the time as described in this unanimous consent agreement.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. We have no objection.

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

Mr. DOMENICI. Mr. President, in light of this agreement, there will be no further votes this evening. I think most Senators will not be surprised by that. The Senate will reconvene at 11:30, or thereabouts, on Thursday, on the adoption of the budget resolution conference report. It is also my understanding, and the Senators should note, that the two leaders would have leader time available for their use prior to the vote. However, we would still expect the vote to occur at 11:30, or shortly thereafter, if the leaders use their allotted time.

Mr. President, with that, I inquire, how many more Senators might speak tonight?

Mr. CONRAD. I am pleased to report that Senator CORZINE is next for 12 and a half minutes, and then we have Senator LEVIN, who has reserved 12 and a half minutes. We are told by his staff he should be on his way. So then we will be able to wrap up quickly thereafter.

Mr. DOMENICI. Fine. I have no objection to finishing up with two more Democrats in a row. We have no Senators desiring to speak. They may speak as part of my 40 minutes tomorrow.

With that, I thank the Senator for his cooperation today and his side of the aisle for the way they have handled the use of time, and I thank my side of the aisle for placing so much faith in me that you left it all up to me. I wish you could have come down and I could have taken a rest.

I will have substantially more to say tomorrow, if I ever get a prospectus or budget plan to my management team or the investing public, and one other item—the $500 billion contingency fund that remains in the budget to be used for other items beyond this budget. That will be part of my wrap-up tomorrow.

Mr. CONRAD. Mr. President, I yield 12 and a half minutes to the Senator from New Jersey. Mr. CORZINE. Before he starts that, I say to my colleague, Senator DOMENICI, I think we have moved pretty well today. I thank the Senator very much for his leadership and his graciousness during the day.

Mr. DOMENICI. I thank the Senator. The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. CORZINE. Mr. President, I rise in strong opposition to the conference report on the budget resolution.

I raise the floor.

Mr. CONRAD. Mr. President, I yield 12 and a half minutes to the Senator from New Jersey, Mr. CORZINE. Before he starts that, I say to my colleague, Senator DOMENICI, I think we have moved pretty well today. I thank the Senator very much for his leadership and his graciousness during the day.

Mr. DOMENICI. I thank the Senator. The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. CORZINE. Mr. President, I rise in strong opposition to the conference report on the budget resolution. Before I make specific comments on the resolution, let me express my sincere appreciation to the distinguished senator from North Dakota for his leadership and truth about this budget. He has done a truly outstanding job of analyzing, clarifying and revealing this budget proposal for what it is—a overarching, transparent defense of a misguided and oversized tax cut.

I know all of us on this side of the aisle are grateful for Senator CONRAD’s and his staff, disciplined and intellectually honest efforts.

I am new to the federal budget process. But I find virtually everything about this resolution, and the so-called process by which it was developed, utterly mystifying. It appears to have been produced in a partisan way with no meaningful input from Democrats—and with little regard for the Senate-passed version of the budget resolution. The conference report now has been put on the Senate floor with little opportunity to study the final numbers and language. And it leaves more questions than it answers.

What we do know is, that its numbers are based on surplus projections that are little more than guesses based on assumptions with incredible real world variability. What we do know is, that the resolution puts no new money into education, the environment or other priorities. What we do know, is that the resolution raids the Medicare Trust Fund.

Next, what do we know, it that it does nothing to prepare for the future of Social Security and the retirement of the baby boomers. And if changes in productivity and economic growth lead to a reduction in future revenues, and Congress later, as expected, increases defense spending substantially, we clearly will be invading the Social Security Trust Fund—an outcome anathema to senators on both sides of the aisle.

Mr. President, as most of my colleagues know, I used to run a major investment banking firm. We didn’t plan with abstract numbers or set inflexible budgets that fixed policies for ten years without review. And I can tell you, in any investment banking firm, if you overload a prospectus or budget plan to my management team or the investing public, and gave them 24 hours to review and approve it, I’d be opening myself up to an enforcement action by the SEC, And if I produced prospectuses which ignored major costs or risks that I knew our company would be facing, I could have faced potential criminal liability.

Unfortunately, that’s what’s happening here in the United States Senate. We debate this budget resolution. And it’s simply wrong.

We haven’t had time to study it. There are a whole bunch of risks that are ignored, and we are making commitments that go far too long relative to the priority mix that I think the country needs today.

There are so many unanswered and unaddressed issues in this resolution that it’s hard to know where to begin. But I’m profoundly concerned that it fails to make needed investments in education. In my view, the people of New Jersey believe that nothing is more important for the future of our country than investing in our kids, and
they want a real partnership between the federal, state and local governments to pay for that investment.

New Jersey’s citizens are fed up with property taxes having to bear the major brunt of the costs of education. They want relief. They expect the unfunded mandated education to be paid for by those who create the mandates.

Unfortunately, the conferees rejected the Harkin amendment, a bipartisan effort to back the Federal government’s investment in a variety of education programs. And the end result is a totally inadequate commitment to the many educational needs facing our country, from dilapidating schools to the need to reduce class sizes, to the need to fully fund IDEA and Title I.

Unfortunately, education is just one of many priorities being ignored by this conference report. It also does too little to move forward in protecting our environment, to keep our air and water clean, too little to provide prescription drug coverage for our seniors, too little to expand health care coverage for the uninsured, and too little to strengthen our national defense.

And, incredibly, we are turning our back on the successful economic formula of the last few years: paying down the debt, and keeping interest rates low so that the private sector isn’t competing with the federal government for scarce investment dollars.

All of these priorities have been sacrificed on the altar of huge tax breaks—tax breaks that, in all likelihood, will be provided disproportionately to the top one percent of taxpayers in our nation—the most fortunate—those who have done the best, and who need help the least.

I support cutting taxes—cutting them for the middle class. But the proposed mix of tax cuts we are about to debate and the subsequent limitations on future investments is flatout irresponsible.

In light of my experience in the private sector, it is hard for me to comprehend why we would make such enormous long-term commitments based on 10-year projections that nobody accepts as reliable.

After all, 1 year ago, CBO’s then 10-year projection was lower by $2.4 trillion than this year’s. Think about that.

One year ago, we were projecting $2.4 trillion less than we are now using as the baseline to make these tax cuts and set our investing priorities.

If last year’s projection was so far off, for the life of me, I do not understand why we can be so certain about this year’s, and we want to set all these variances as our baseline for tax cuts over the next 11 years. I believe that is more than we can afford. Yet many assume that Congress will soon violate even that limit with a series of additional tax breaks beyond those anticipated in this resolution, sort of the Lego approach to how we build things.

Forgive me for asking the obvious, but what is the point of having a budget if you know you are going to ignore it? I am now around here, I admit it. I am reluctant to cast aspersions based on only a few months of Senate service, but the more I see, the more I share Americans’ deep frustration with the political rhetoric that does not match the discipline that we expect us to bring to this budget process.

No legitimate business, no individual, no family would budget this way. None would completely ignore such huge unfunded liabilities. None would rely on speculative 10-year projections to lock itself into vast, permanent commitments. None would adopt a budget knowing that it later would be ignored. In the real world, it just wouldn’t happen. People would get fired if they did that.

I hope my colleagues will forgive my frustration with this process and substance of this budget resolution. Maybe that is the way it works around here, but I believe this budget is wrong for our country, for our future. I suspect it will pass, but for me I think we are making a very serious mistake—a serious mistake with regard to priorities, a serious mistake in locking in on a plan that gives us very little flexibility.

Simply put, I hope that many of my colleagues will rethink their views, bring some flexibility to their own thinking and have a truly bipartisan approach to putting together this budget resolution.

The Senator from North Dakota has done a terrific job of informing us. I appreciate his help. I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank Senator CORZINE from New Jersey for his remarks. He brings a special credibility to financial questions given the fact he was one of the most successful businessmen in America before he came to this Chamber, and given the fact that he was known for his brilliant financial analysis. I thank him for commenting on this process and outlining to colleagues the extraordinary divergence from how things would be done in the private sector, the really almost breathtaking decisions that are being made based on a 10-year projection that the people who made the forecast warned us of its uncertainty, the people who made the forecast telling us there is only a 10 percent chance of this number coming true, a 45 percent chance there will be more money, a 45 percent chance there will be less money, and we are rushing and betting the farm that it all comes true on a 10-year forecast.

If that is conservative, I do not understand the meaning of the word. It is not conservative. I think what is being done here borders on radical. I do not think there is a company in America that would make decisions in the way they are being made in this budget.

Mr. President, the Senator from Michigan was recognized to be the next to speak. Was the Senator from Michigan seek 10 minutes?

Mr. LEVIN. I would appreciate 10 minutes. That will be fine.

Mr. LEVIN. Mr. President, the budget resolution before us does not offer a fiscally responsible budget and it should be rejected. It uses most of the projected surplus for tax cuts that not only go mainly to upper income people but are also based on surplus projections which are highly speculative.

I want to turn the attention of the Senate to this chart for a moment. In 1985, we projected a deficit 5 years hence, in 1990, of $167 billion. It turned out the deficit was much worse—by $50 billion. That was an error rate of 30 percent in this 5-year projection.

Every single year in the last 10 years that we looked at these projections, the error rates have averaged over 100 percent, with the smallest error rate being 28.1 percent and the largest error rate being the most recent one, a 268 percent error rate.

We talk about speculative projections. This is a 5-year projection. That is how far off these projections have been for the last 10 years using a 5-year projection. The budget resolution before us, a 10-year projection, has a 100 percent-plus error rate for the last 10 years and we are betting the economy on that kind of a wildly speculative projection of surpluses down the road. To base permanent tax cuts on such projections is simply fiscally irresponsible.

Tax cuts should be based on real surpluses, not on far-off projections. It would be far preferable to use most of the projected surplus for debt reduction and a smaller immediate tax cut which would give our economy a boost. That way, if the surplus projection is wrong, we will not go back into a deficit ditch out of which we just climbed.

As for tax cuts beyond this year, we should have a smaller tax cut which helps middle-income and lower income people more and upper income people less than the Bush tax proposals, and we should also give tax relief to the 25 million working Americans who pay more than a $100 a year for health care, and a smaller immediate tax cut which would give our economy a boost. That way, if the surplus projection is wrong, we will not go back into a deficit ditch out of which we just climbed.

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The budget resolution before us is fiscally irresponsible for other reasons as well. It is timed to be passed before we receive an expected request for a huge defense spending increase, which is going to follow the strategic review due to be completed by the Secretary of Defense in the next few months. The request for added defense dollars could well be $250 billion over 10 years. It is going to be in that range, reliable estimates indicate. $250 billion for defense is likely to be requested by the administration following the strategic review which is going to be completed.
within the next few months. It just is simply not sound planning to rush to a judgment on a tax cut, as this resolution forces us to do, with its 8-day deadline to the Finance Committee to write a huge Tax Code when we know, with reasonable certainty, that the administration is not seeking a huge increase in the defense budget.

Because the projected surplus will have been used for the tax cut, the defense increase will dig further into Medicare and Social Security surplus funds—‘further’ because does anyone here really seriously doubt that there are going to be tax extenders which are going to be added to the tax cut? Does anyone doubt that the tax-writing committees are going to avoid pushing additional millions of people into paying alternative minimum taxes? Does anyone here really doubt that there is going to be added interest costs that result from the budget resolution and its tax cuts?

I think it is clear, almost beyond any doubt, that there are going to be tax extenders, there are going to be further interest costs as a result of this budget resolution and its tax cuts, and that we are going to force millions of Americans onto our alternative minimum taxes. When all that happens, we have additional huge raids on Medicare and Social Security. That is before the expected defense increase is presented to this Congress by the administration.

The tax section also violates the pledges to add money for education. For instance, the Senate version of this budget resolution included the Harkin amendment and the Breaux-Jeffords amendment. Those two amendments alone projected $300 billion in added spending for education. They were summarily dropped in conference.

The budget resolution will result in significant cuts in renewable energy funding. Funds for energy research will be cut. There will be cuts in clean water infrastructure. It provides for cuts in clean air research and investment. All the rhetoric about a prescription drug program will go up in smoke because other Medicare programs are used in this resolution to pay for the prescription drug benefit.

The opportunity to keep our economy sound, keep Social Security sound, to keep Medicare sound, to keep education commitments to our children, and to keep the commitment of a prescription drug program to our seniors, to keep our promises of environmental and alternative energy initiatives—they are all thrown out the window in the frenzy of this administration to give big tax cuts to upper income people.

This budget resolution represents a terrible application of fiscal and social responsibility. And it should be defeated.

I thank the Chair. I not only thank the ranking member of the Budget Committee, but I know that I add my voice to probably every voice on this floor, even those who may vote for this budget resolution, but particularly those of us on this side who rely so heavily on the ranking member for his tenacious determination to simply get to the facts—just the facts. This is the responsibility of this body from North Dakota has spent a huge amount of his time and his life looking at numbers and looking at the facts. He has given us some unvarnished information which is of immense value to this body. And as we move forward, I think we will realize the truthfulness of it, and the honesty of those facts will regard him in greater esteem, even if that is possible, for the courage that he brings to this process, and the determination that this body, before it votes on a budget resolution, understands fully the implications of what it is voting for and the fundamental underlying numbers which are either there or hidden and which are an important part of the future security of this country. I want to add my personal thanks to him.

Mr. President, I ask unanimous consent that a chart setting forth the history of the budget projections over the 10-year period I referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

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Source: OB.

Mr. LEVIN. I thank the Chair and thank my good friend from North Dakota for his extraordinary effort. The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank my colleague, the senior Senator from Michigan. Praise from him is high praise indeed. There is nobody that I respect more in this Chamber than the Senator from Michigan. The Senator from Michigan is the ranking member on the Armed Services Committee. He is our leader on defense issues.

Mr. FEINGOLD. Mr. President, I rise with regret to oppose this conference report on the budget resolution. I regret this Congress appears willing to turn its back on 8 years of fiscal responsibility and prudent stewardship of our Nation’s resources.

The favorable surpluses that we enjoy today did not come quickly or easily. Many of our citizens experienced sacrifices in the 1980s. But the Members of Congress took some hard votes to get there. Regrettably, this Congress seems all too willing hurriedly to dissipate that achievement.

The fiscal responsibility over the last 8 years has allowed the Government to pay down hundreds of billions of dollars of Federal debt, and it has allowed interest rates to remain lower than they otherwise would have been, saving American families billions of dollars on their mortgages, car loans, and student loans. We should continue to pay down the debt.

Yes, taxpayers deserve tax relief. The surplus does give us a golden opportunity to cut taxes, but Senator CONRAD’s proposal to cut taxes by $745 billion over the next 10 years. With its associated interest costs, that package would have devoted roughly $900 billion to tax relief.

The tax cut in this conference report is too large and not responsible. It seeks to devote $1.35 trillion to this one purpose. Interest costs could add another $400 billion to the cost. The budget resolution makes tax cut this almost twice the size of Senator CONRAD’s more measured approach.

The budget resolution seeks to commit these resources all in one fell swoop before the projections of future surpluses. The $1.35 trillion dollars have been projected by the President, we have ensured the long-term solvency of the vital Medicare system, before we have brought that program up-to-date with needed prescription drug and long-term-care benefits, and before we have done anything to prepare the vital Social Security safety net for the impending retirement of the baby boom generation. This budget resolution addresses the Nation’s needs in exactly the wrong order.

Some on this other side of the aisle have argued that we need to engage in this rush to cut taxes because if we don’t, then Congress will simply spend the money. I share the concern of my Colleagues that the Government will spend more than it should.

But it appears that this massive tax cut is by no means abating the Government’s appetite for spending. Just last Thursday, for example, the Wall Street Journal reported that the Pentagon wants $25 billion more a year for new weapons alone a whopping 42 percent jump in the Pentagon’s procurement budget. And almost unbelievably, this budget resolution gives the Pentagon what amounts to a blank check to spend just what it wants. It contains a special reserve fund that allows for increases in military spending if the President’s National Defense Review just asks for them.

Some argue that this tax cut will prevent unconstrained government spending. I am concerned that we will end up with both.

I think the unease expressed by Senator SARBANES at a Budget Committee hearing earlier this year, when he said that the powers-that-be here in Washington appear to be taking the lid off of the punch bowl. Remembering the hangover that will follow these festivities today.

Mr. President, I ask unanimous consent that the PRESIDENT proffered the amendment to reduce the $25 billion in funding by $10 billion, and that the PRESIDENT propose that the remaining $15 billion be used to provide for a tax cut this year. It is a modest step, but a start toward approaching the President’s original cuts. And it accomplishes the goal of providing tax relief to the American people while maintaining our Nation’s fiscal well-being.

There being no objection, the amendment was agreed to, and the PRESIDENT proffered the amendment to reduce the $25 billion in funding by $10 billion, and that the PRESIDENT propose that the remaining $15 billion be used to provide for a tax cut this year. It is a modest step, but a start toward approaching the President’s original cuts. And it accomplishes the goal of providing tax relief to the American people while maintaining our Nation’s fiscal well-being.

The PRESIDENT. The amendment is agreed to.
Recall that back in 1981, they had surplus projections, too. In President Reagan’s first budget, incorporating his major tax cut, the administration projected a $28 billion surplus in the fifth year, 1986. In the actual event, the federal government ran up a $221 billion deficit in 1986. The Reagan budget was thus off by $249 billion in its fifth year alone. Over the 5 years covered by the Reagan budget, its projections were off by a total of $821 billion.

Expressive to the government’s total outlays, the first Reagan budget’s surplus projection for 1986 was off by an amount equal to fully a quarter of all the government’s spending. Expressed as a share of the gross domestic product, the first Reagan budget’s surplus projection for 1986 was off by 5.6 percent of the economy.

If this budget resolution conference report is off by the same share of the economy as President Reagan’s budget was, it will miss the mark by $744 billion in 2006 alone and $2.9 trillion over 5 years.

As both Senators Conrad and Byrd have ably pointed out, the people who make the surplus projections, the Congressional Budget Office, say in their own report they regularly miss the mark in their projections. CBO says that over the history of their 5-year projections, they have been wrong in the fifth year by an average of more than 3 percent of the gross domestic product. Thus, CBO says right in their own report that just their average error in the past would lead you to expect that they will be off by $412 billion in 2006.

We should not commit to massive tax cuts of the size in this conference report on the strength of these flimsy projections. Rather, we should enact a moderately-sized tax cut now, and revisit the possibility of additional tax cuts in a few years if the projected surpluses materialize.

And this budget resolution conference report also puts the Nation’s needs in the wrong order by committing to these massive tax cuts before we have updated and ensured the long-term solvency of the Medicare system. In their 2001 annual report, concluded under the Bush Administration, the Trustees of the Medicare Hospital Insurance trust fund project that its costs will likely exceed projected revenues in the year 2016. The Trustees say: “Over the long range, the HI Trust Fund fails by a wide margin to meet our test of financial balance. The sooner reforms are made the smaller and less abrupt they will have to be.”

This budget resolution conference report puts the Nation’s needs in the wrong order by putting these massive tax cuts before extending the solvency of Social Security. Social Security’s Trustees warned us again this year that when the baby-boom generation begins to retire around 2010, “financial pressure on the Social Security trust funds will rise rapidly.” The Trustees project that, as with Medicare, Social Security revenues will fall short of outlays beginning in 2016. The Trustees conclude: “We should be prepared to take action to address the OASDI financial shortfall in a timely way because, with Medicare, the sooner adjustments are made the smaller and less abrupt they will have to be.”

We know, these are not alarmist projections. These projections were signed by, the Secretary of the Treasury Paul O’Neill, Secretary of Labor Elaine Chao, and Secretary of Health and Human Services Tommy Thompson. If the right hand of this Government knew what the left hand was saying about our future commitments, we would not be acting first to cut taxes and only later taking steps to extend the lives of Medicare and Social Security.

This budget resolution addresses only one side of the Nation’s needs. It is a lopsided budget. And we can do better.

Let us not neglect our long-term commitments to Medicare and Social Security. Let us not squander years of efforts to balance the budget in one great fiscal gamble. I urge my Colleagues to reject this conference report. And let us begin to address the long-term needs of our Nation.

The PRESIDING OFFICER. The Senator from Nevada, Mr. ENSIGN.

Mr. ENSIGN. Mr. President, on behalf of the leader, I have a number of items for wrapup. I ask the following consents as in morning business.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. ENSIGN. Mr. President, in executive session, I ask unanimous consent that the HELP Committee be discharged from further consideration of the following nominations, and, further, the Senate proceed to their consideration: Pat Pizzella, PN296; Ann Combs, PN354; David Lauriski, PN324; Shinae Chun, PN370; and Stephen Goldsmith, PN222. I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, and any statements relating to the resolution be printed in the Record.

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

The resolution (S. Res. 85) was agreed to.

The preamble was agreed to.

(To the text of the resolution is located in today’s Record under “Statements on Submitted Resolutions.”)

HONORING THE NATIONAL SCIENCE FOUNDATION

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 108, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 108) honoring the National Science Foundation for 50 years of service to the Nation.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and the motion to reconsider be laid upon the table.

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

The resolution (H. Con. Res. 108) was agreed to.

The preamble was agreed to.

AUTHORIZING THE USE OF THE CAPITOL GROUNDS

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Senate
proceed to the immediate consideration of H. Con. Res. 74.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 74) authorizing the use of the Capitol Grounds for the 26th annual National Peace Officers' Memorial Service.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from consideration of S. Res. 80 and the Senate then proceed to its immediate consideration without objection.

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

The concurrent resolution (H. Con. Res. 74) was agreed to.

HONORING THE “WHIDBEEY 24”

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from consideration of S. Res. 80 and the Senate then proceed to its immediate consideration with unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (H. Con. Res. 74) was agreed to.

RECOGNIZING THE IMPORTANT ROLE PLAYED BY THE SMALL BUSINESS ADMINISTRATION

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 86, submitted earlier by Senator Boxer for himself and others.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 86) to express the sense of the Senate recognizing the important role played by the Small Business Administration on behalf of the United States small business community.

There being no objection, the Senate proceeded to consider the resolution.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from consideration of S. Res. 86 and the Senate then proceed to its immediate consideration with unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table, with no intervening action.

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

The resolution (S. Res. 86) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 80

Whereas the Electronic Countermeasures Squadron One (VQ-1) at Whidbey Island Naval Air Station performs an electronic reconnaissance mission for the defense of our Nation;

Whereas on April 1, 2001, a VQ-1 EP-3E Aries II electronic surveillance plane collided with a Chinese fighter jet and made an emergency landing at the Chinese military airfield in Hainan Island;

Whereas the 24 crew members on board the plane (referred to in this resolution as the “Whidbey 24”) displayed exemplary bravery and courage and the highest standards of professionalism in responding to the collision and during the ensuing 11 days in detention in the People’s Republic of China;

Whereas Navy Lieutenant, Shane J. Osborn, displayed courage and extraordinary skill by safely landing the badly damaged EP-3E; and

Whereas each member of the “Whidbey 24” embodies the selfless dedication it takes to defend our Nation: Now, therefore, be it

Resolved, That the Senate—

(1) expresses regret at the release and safe return of the “Whidbey 24” and shares in their families’ joy;

(2) applauds the selfless devotion to duty of the “Whidbey 24” who risked their lives to defend our Nation;

(3) praises the “Whidbey 24” for their professionalism and bravery and expresses the admiration and gratitude of our Nation; and

(4) acknowledges the sacrifices made every day by the members of our Nation’s Armed Forces as they defend and preserve our Nation.

(5) recognizes the sacrifices made every day by the members of our Nation’s Armed Forces as they defend and preserve our Nation; and

(6) recognizes the sacrifices made every day by the members of our Nation’s Armed Forces as they defend and preserve our Nation.

The resolution now before the Senate recognizes the critical role played by small businesses and the Small Business Administration in this business community. It is appropriate that we take a moment from our hectic lives to acknowledge the success of small businesses and to encourage our federal government to continue to provide its help to insure future successes.

I urge each of my colleagues to vote for the Small Business resolution as a gesture to thank the SBA and the small business community for its contributions to our Nation.

Mr. KERRY. Mr. President, this legislation authorizes the Small Business Administration to discontinue its Technology Transfer Program. The STTR program funds cooperative R&D projects between small companies and research institutions as an incentive to advance the nation’s technological breakthroughs. For those of us who have observed how when Congress created this program in 1992, we will remember that we were looking for ways to move research from the laboratories to market. What could we do to keep promising research from stagnating in Federal labs and research universities? Our research in this country is world renowned, so it wasn’t a question of good science and engineering. We, without a doubt, have one of the finest university systems in the world, and we have outstanding research institutions. What we needed was more development, development of innovative technology. We needed a system that would take this research and find ways it could be applied to everyday life and national priorities. One such company is Sterling Semiconductor. Sterling, in conjunction with the University of Colorado, has developed silicon carbide wafers for use in semiconductors that can withstand extreme temperatures and conditions. In addition to defense applications, these wafers can be used for everything from traffic lights to automobile dashboards and communications equipment.

With technology transfer, it was not just the issue of the tenured professor who risked security if he or she left to try and commercialize their research; it was also an issue of creating businesses and jobs that maximized the contributions of our scientists and engineers once they graduated. There simply weren’t enough opportunities at universities and labs for these bright individuals to do research and development. The answer was to encourage the creation of small businesses dedicated to doing just that—developing technology to meet national needs.
to research, its development, and ultimately moving that research out of the lab and finding a commercial application.

We knew that the SBA’s existing Small Business Innovation Research (SBIR) program had proven to be extremely successful over the previous ten years, so we established what is now known as the Small Business Technology Transfer program. The STTR program complements the SBIR program. Whereas the SBIR program funds R&D projects at small companies, STTR funds cooperative R&D projects between a small company and a research institution, such as a university or Federally funded R&D lab. The STTR program fosters development and commercialization of ideas that either originate at a research institution or require significant research institution involvement, such as expertise or facilities, for their successful development.

This has been a very successful program. One company, Cambridge Research Instruments of Woburn, Massachusetts, has been working on an STTR project with the Marine Biological Lab in Woods Hole. They have developed a liquid crystal-based polarized light microscope for structural imaging. While that is a mouthful, I’m told that it helps in manufacturing flat screen computer monitors, and even helps improve the in vitro fertilization procedure. This company and the lab expect to have sales in excess of $1 million dollars next year from this STTR project.

As this example illustrates, the STTR program serves an important purpose for this country’s research and development, our small businesses, our economy, and our nation. The program is set to expire at midnight on Sunday, September 30th. By the way, we absolutely have no intention of letting reauthorization go down the drain, which was the unfortunate fate of the reauthorization of the SBIR program last year. I have worked in partnership with Senator Bond to develop this legislation, and as part of the process we have consulted with and listened to our friends in the House, both on the Small Business Committee and the Science Committee. We do not see this legislation as contentious, and we have every intention of seeing this bill signed into law when we return in September.

Shaping this legislation has gone beyond policy makers; we have reached out to small companies that conduct the STTR projects and research universities and Federal labs. On my part, I sponsored two meetings in Massachusetts on March 16th to discuss the STTR program. At my office in Boston, there was a very helpful discussion with six of Massachusetts’ research universities expressing what they like and dislike about the program, and why they don’t use it more. The meeting included the licensing managers from Boston University, Harvard, MIT, Northeastern University, and the University of Massachusetts. They said they need to hear more about the STTR program and have more outreach to their scientists and engineers so that they understand when and how to apply for the program. As a result of their suggestions, we’ve included an outreach mandate in our bill. In addition, we’re trying to provide SBA with more resources in its Office of Technology to be responsive to the concerns of STTR institutions and small businesses.

Later that day my office was part of a meeting in Newton at Innovative Training Systems in which about 20 leaders and representatives of small high-tech companies talked about the SBIR and STTR programs. They make a tremendous contribution to the economy and state of Massachusetts. They said that the Phase II award for STTR should be raised from $500,000 to $750,000 to be consistent with the SBIR program. Otherwise, since a minimum of 30 percent of the award goes to the university partner, it was too little money to really develop the research.

As I said, we listened to them. And we also listened to what the program managers of the participating agencies had to say. Considering this program if their extramural R&D budget is greater than $1 billion. Consequently, there are five eligible agencies: the Department of Defense, the Department of Energy, the National Aeronautics and Space Administration, the Department of Health and Human Services, and the National Science Foundation. For the STTR projects, they set aside .15 percent of their extramural R&D budget. That comes to about $65 million per year invested in these collaborations between small business and research institutions.

Combining all the suggestions for improvement, the STTR Program Reauthorization Act of 2001 does the following:

1. It reauthorizes the program for nine years, setting the expiration date for September 30th, 2010.
2. Starting in two years, FY2003, it raises in small increments the percentage that Departments and Agencies set aside for STTR R&D. In FY2004, the percentage increases from .15 percent to .3 percent. After three years, in FY2007, the bill raises the percentage from .3 percent to .5 percent.
3. Starting in two years, FY2003, the legislation increases the Phase II grant award amount from $500,000 to $750,000.
4. It requires the participating agencies to implement an outreach program to research institutions in conjunction with any such outreach done with the SBIR program.
5. As last year’s legislation did for the SBIR program, this bill strengthens the data collection requirements regarding awards and the data rights for companies and research institutions in STTR projects. The goal is to collect better information about the companies doing the projects, as well as the research and development, so that we can measure success and track technologies.

While I believe that these changes reflect common sense and are reasonable, I would like to discuss two of the proposed changes.

First, I would like to talk about reauthorizing the program for nine years. The STTR program was a pilot program when it was first enacted in 1992. Upon review in 1997, the results of the program were generally good and the program was reauthorized that year. A more recent review and study of the program shows that the program has become more successful as it has had more time to develop. Specifically, the commercialization rate of the research is higher than for most research and development expenditures. Further, universities and research institutions have developed excellent working relationships with small businesses, and the SBA has also had good geographic diversity, involving small companies and research institutions throughout the country. The nine-year reauthorization will allow the agencies, small businesses and universities to gradually ramp up to the higher percentage in a predictable and orderly manner.

Second, I would like to talk about the gradual, incremental increases in the percentages reserved for STTR contracts and the increase in the Phase II awards. When we reached out to the small businesses and the research institutions that conduct STTR projects, and the program managers of the five agencies that participate in the STTR program, we heard two recurring themes: one, raise the amount of the Phase II awards; and two, increase the amount of the percentage reserved for STTR projects.

As a response to the first issue, we heard that the Phase II awards of $500,000 generally are not sufficient for the research and development projects and should be increased to $750,000, the same as the SBIR Phase II awards, to make the awards worth applying for the small businesses and research institutions.

As for the second issue, we were told that the percentage of .15 reserved for STTR awards needed to be increased in order to better meet the needs of the agencies. Last year, that .15 percent of the five agencies’ extramural research and development budgets amounted to a total $65 million dollars available for small businesses to participate in the STTR program.

It is important to note that we are not only focusing on increasing the amount of the Phase II awards, but also on improving the program outcomes and ensuring that the research and development projects are successful. By increasing the percentage reserved for STTR projects and raising the Phase II awards, we aim to provide more support for small businesses and research institutions to develop innovative technologies and commercialize their research.

In conclusion, I believe that the proposed changes to the STTR program are necessary to ensure its continued success and to support the growth of small businesses and research institutions. By reauthorizing the program for nine years, increasing the Phase II awards, and raising the percentage reserved for STTR contracts, we can help small businesses and research institutions develop innovative technologies and commercialize their research. This will ultimately benefit the economy and contribute to our nation’s progress.
and departments that participate in the program. Consequently, the legis-
taxation does not increase the percentage for STTR awards until two full years after the program has been reauthor-
ated.

We are also conscientious about the fact that we want more research, not less, and therefore the increase of the Phase II awards to coincide with the initial percentage increase reserved for STTR projects.

Overall, we believe this gradual in-
crease will help encourage more in-
novation and greater cooperation be-
tween research institutions and small businesses. As the program requires, at least 30 percent of these additional funds will go to university and re-
search institutions. Not only do the universities and research institutions that collaborate with small businesses get a portion of the STTR award money for each contract, they also benefit in that they often receive li-
cense fees and royalties. We are also conscientious about being fiscally re-
ponsible, the percentage increases will have to budget implication since it does not increase the amount of the money spent. Rather, it ultimately, after six years, redirects one half of one percent to this very successful pro-
gram which benefits the economy over-
all.

This bill will ensure that this suc-
cessful program is continued and in-
creased. It will also provide Congress with important information and data on the program and encourage more outreach to small businesses and re-
search institutions.

Mr. President, I want to encourage my colleagues to learn about this pro-
gram, find out the benefits and have the United States hi-tech small businesses and re-
search universities and labs, and to join me in passing this legislation in the Senate as soon as possible. To my friend from Missouri, Senator Bond, I want to thank you and your staff for working with me and my staff to build this country’s technological progress. I also want to thank all of the cospon-
sors: Senators Cleland, Landrieu, Bennett, Levin, Lieberman, Harkin, Bingaman, Enzi and Cantwell.

Mr. President, I ask that my state-
ment and a copy of the bill be included in the RECORD.

Mr. ENSIGN. 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, finally, any statements be printed in the RECORD.

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

The resolution (S. Res. 81) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas, on March 12, 2001, a fighter air-
craft of the People’s Republic of China inter-
cercepted a United States Navy EP-3E ARIES II maritime patrol aircraft on a routine recon-
naissance mission in international airspace over the China Sea;

Whereas one of the two Chinese aircraft collided with the United States aircraft, jeopardizing the lives of its 24 crewmembers, causing serious damage, and forcing the United States aircraft commander, Navy Lieutenant Shane Osborn, to issue a “MAY-
DAY”: ‘“C-17’ perform an emer-
gency landing at a Chinese airfield on Hai-
nan Island;

Whereas, in violation of international norms, the Government of the People’s Repub-
lic of China detained the United States aircrew for 11 days, initially refusing the re-
quests of United States consular and mil-
itary officials for access to the crew; and

Whereas the persistence and devotion to duties of the members of the United States mission in the People’s Republic of China re-
sulted in the release of all members of the United States aircrew on April 12, 2001: Now, therefore, be it

Resolved, That the Senate hereby commends the members of the United States mission in the People’s Republic of China, and other responsible officials of the Depart-
ments of State and Defense, for their stand-
ing performance in obtaining the safe repatriation to the United States of the crew of the Navy EP-3E ARIES II aircraft.

PARTICIPATION OF TAIWAN IN THE WORLD HEALTH ORGANIZATION

Mr. ENSIGN. I ask unanimous con-
sent that the Foreign Relations Com-
mittee be discharged from further con-
sideration of H.R. 428 and that the Sen-
ate then proceed to its immediate con-
consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 428) concerning participation of Taiwan in the World Health Organization.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 67

Mr. ENSIGN. Senator HATCH has an amendment at the desk. I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. ENSIGN], for Mr. Hatch, proposes an amendment num-
bered 67.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. CONCERNING THE PARTICIPATION OF TAIWAN IN THE WORLD HEALTH ORGANIZATION (WHO).

(a) FINDINGS.—The Congress makes the follow-
ing findings:

(1) Good health is important to every citi-
zen of the world and access to the highest standards of health information and services is necessary to improve public health.

(2) Direct and unobstructed participation in international health cooperation forums and programs is beneficial for all parts of the world, especially with the great poten-
tial for the cross-border spread of various in-
fected diseases such as the human im-
munodeficiency virus (HIV), tuberculosis, malaria.

(3) Taiwan’s population of 23,500,000 people is larger than that of ¾ of the member states already in the World Health Organization (WHO).

(4) Taiwan’s achievements in the field of health are substantial, including one of the highest life expectancy levels in Asia, mater-
inal and infant mortality rates comparable to those of western countries, the eradication of such infectious diseases as cholera, small-
pox, and the plague, and the first to erad-
cate polio and provide children with hepa-
titis B vaccinations.

(5) The United States Centers for Disease Control and Prevention and its Taiwan coun-
terpart agencies have enjoyed close collabo-
ration on a wide range of public health issues.

(6) In recent years Taiwan has expressed a willingness to assist financially and techni-
cally in international aid and health ac-
tivities supported by the United States, consisting of 90 individuals specializing in firefighting, medicine, and civil engineering.

(7) On January 14, 2001, an earthquake, reg-
istering between 7.6 and 7.9 on the Richter scale, struck El Salvador. In response, the Taiwanese government sent 2 rescue teams, consisting of 90 individuals specializing in firefighting, medicine, and civil engineering. The Taiwanese Ministry of Foreign Affairs also donated $200,000 in relief aid to the Sal-
vadoran Government.

(8) The World Health Assembly has allowed observers to participate in the activities of the organization, including the Palestine Liberation Organization in 1974, the Order of Malta, and the Holy See in the early 1950’s.

(9) The United States, in the 1994 Taiwan Policy Review, declared its intention to sup-
port Taiwan’s participation in appropriate international organizations.

(10) Public Law 106–137 required the Sec-
tary of State to submit a report to the Congress on efforts by the executive branch to support Taiwan’s participation in in-
ternational organizations, in particular the WHO.

(11) In light of all benefits that Taiwan’s participation in the WHO can bring to the
state of health not only in Taiwan, but also regionally and globally, Taiwan and its 23,500,000 people should have appropriate and meaningful participation in the WHO.

(RECENT DECISION TO EXTRADITE MEXICAN NATIONALS

Mr. DOMENICI. Mr. President, I rise today to praise the Mexican government’s decision to extradite Everardo Arturo Paez Martinez.

I have criticized Mexico’s extradition policy for many years. Historically, Mexican drug kingpins have not paid much attention to extradition requests from the United States.

Many Mexican Administrations have been reluctant to extradite. Some have even extradited a few low level criminals to placate U.S. criticism.

This criticism has not been placated. Today, however, I am pleased and encouraged to see substantive reform taking place in Mexico. The Fox administration and the Mexican judiciary have taken an important step toward cooperation and partnership.

Furthermore, extraditing such an infamous drug trafficker as ‘‘El Kitti’’ Paez sends a resounding signal that Mexico is not doing business as usual.

Mexico’s recent action should be recognized and commended. I hope that Mexico will continue to work with United States law enforcement and become a partner in fighting crime as it is in other areas, such as trade.

As a Senator from a border state, I look forward to working with President Fox on issues that affect both our nations and support his reform efforts.

HONORING MRS. RAE UNZICKER OF SIOUX FALLS, SOUTH DAKOTA

Mr. DASCHLE. Mr. President, recently, South Dakota, and the country, lost a friend and dedicated public servant. Mrs. Rae Unzicker of Sioux Falls, South Dakota, died in her home on March 22, 2001. She was 52 years old.

Rae Unzicker was a tireless champion for the rights of the disabled, particularly those with psychiatric disabilities. Her contributions to her field were significant. She started the first mental health advocacy project in South Dakota, served on the board of directors of the National Association for Rights Protection and Advocacy, and was the chair of the Protection and Advocacy for Individuals with Mental Illness Program for South Dakota Advocacy Services. She also authored several articles on the subject of mental health and spoke in 43 states, England, and the Netherlands during her career.

In 1995, President Clinton appointed Rae Unzicker to the National Council on Disabilities, an agency dedicated to increasing the inclusion, independence, and empowerment of all Americans with disabilities. She was one of the first outspoken advocates for the civil rights of those with mental illness to receive a major Presidential appointment.

Her work helped minimize the stigma associated with people with mental illness and ensured they had the same rights and privileges as other Americans.

I join the mental health community in mourning the loss of a person so dedicated to the rights of those with mental illness.

My condolences go out to Rae Unzicker’s brother, her children, and her extended family. In this difficult time, my thoughts and prayers are with them, and with Rae’s many friends.

C-5 PARTS SHORTAGES ENDANGER NATIONAL SECURITY

Mr. BIDEN. Mr. President, I rise today to draw my colleagues attention to an on-going problem that impacts our national security—parts shortages for the C-5. I know it may surprise some that I say this is a national security problem. Well, it is. My colleagues on the Armed Services and on the Defense Appropriations Subcommittee are not surprised. They know how vital strategic airlift is to national security. They also know that C-5s are the backbone of our strategic airlift capability. Working with the C-17, the C-5 provides the airlift needed for both wars and for humanitarian missions.

For those who have not spent as much time on the issue, let me explain.

The C-5 can carry more cargo, farther and faster than any other plane in the American military. It is what brings the big, heavy stuff to the fight. For example, C-5s brought precision munitions into our major European bases for Allied Force in Kosovo. Once the big loads are brought in, the necessary the C-17 then moves the equipment and supplies around the theater. As the Commander in Chief of United States Transportation Command has said many times, seventy percent of the cargo most likely to be airlifted on a C-5 or a C-17. And, by the way, this stuff we’ll need even if we get lighter and more mobile because time will always matter and the more we can get to the fight quickly, the better our military position.

In addition to our warfighting needs, America uses the C-5 to promote goodwill and to help those made needy by natural disasters, civil strife and conflict, and in providing humanitarian assistance. For example, large desalination plants to provide drinkable water must go on the C-5. So must the Fairfax Search and Rescue Team that we heard so much about after earthquakes in Turkey and Taiwan.

To get back to my earlier point, America is a global power that needs a healthy C-5 fleet. One major factor in low mission capable rates and lower airlift capacity has been a lack of parts for the C-5. In short, without parts, C-5s are not available to the Nation.

Because I was seeing the impact of this on a regular basis at Dover Air Force Base, in my State of Delaware, I thought it was important to take a closer look at this issue. I was seeing maintenance crews being overworked on a regular basis because there were no parts available to repair planes. In order to keep C-5s flying, two or more C-5s had to be turned into ‘‘hangar queens’’ or ‘‘cann-birds’’. Sad terms that describe million dollar airplanes that must be used to provide parts for other planes. Parts are taken from that plane and then put into another plane that needs that part. This process, called aircraft cannibalization, cost the Logistics Groups at Dover over $2.77 million for Fiscal Year 1999 according to an independent review of Logistics cost done for Air Mobility Command.

Cannibalization not only wastes money, it also requires significantly more work hours to open up an airplane, remove a part, open up the other airplane and install the part, and then eventually install a replacement part in the original airplane. This process also increases the risk that something else on the cann-bird will break or that the part itself will break. The end result was that morale was low because without an adequate supply of spare and repair parts, inefficient procedures had become standard practice. In addition, the overall health of the C-5 fleet suffered.

As I became more aware of the impact this lack of parts was having on morale and the readiness of the C-5 fleet two years ago, I brought the Secretary of Defense Bill Cohen to Dover to make him aware of the problem.

While I believe that visit was helpful, it was not enough. It was clear that continued attention to this issue was necessary. That led me to write a short report on the issue. I have sent copies of the report to my colleagues in the Senate.

The report seeks to explain the important role played by the C-5, the extent of the parts problem for the C-5, and the failures logistics system management that
made the problem even worse. I hope that my colleagues will take the time to review the report and will reach the same conclusions that I did. In the end, it was clear to me that we must do three things.

First, we must continue to increase funding for parts and keep it predictable.

Second, we must completely modernize the C-5 fleet with new avionics and the Reliability Enhancement and Re-engining Program.

Third, we must continue to promote smart management reform throughout the defense logistics system.

Again, I know that none of this is news to my colleagues on the defense committees who have provided so much leadership and support for addressing these challenges, but I hope the report will be helpful to them and their staffs and to other colleagues.

I know that spare and repair parts is not glamorous, but it is vital to America’s ability to protect and promote our national security. For that reason, we must build on the good work done by the defense committees over the past four years to begin to solve the parts shortage problem and ensure that we do not repeat the worst of what must be done now and in the future to eliminate the problem.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY last month. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to detail a heinous crime that occurred October 31, 1999 off the coast of California. A 37-year-old gay man was the target of a brutal anti-gay attack on board a cruise ship. The victim was assaulted by two other passengers in a hallway of the ship, who called him a “f—-ing faggot” several times. He sustained injuries including a broken nose, three skull fractures around his eyes, chipped teeth and multiple contusions. Because the attack happened at sea, beyond the reach of state and local laws, police have been unable to pursue the case as a bias-related incident, referring it instead to the federal government.

I believe that government’s first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

THE PRESIDENT’S SPEECH AT NATIONAL DEFENSE UNIVERSITY

Mr. BINGAMAN. Mr. President, I rise to offer a few observations regarding the President’s speech at the National Defense University regarding missile defense and the future security of our nation. The President was quite correct in describing today’s world as one that is far different from the days of the Cold War 20 years ago. However, his prescription for how best to ensure our national security and achieve a more peaceful world is seriously flawed. The President has assigned the nation’s highest military priority to building a robust missile defense that will cost tens of billions of dollars during the coming decade with no assurance that the system of interceptors will work. The primary objective of such a system, in his view, is to counteract intercontinental missiles carrying weapons of mass destruction from targeting our nation. I would urge the President to take a step back: a more effective and higher priority approach would be to cut off weapons of mass destruction at their source, before they land onto the hands of potential enemies. The greatest potential source of those weapons, materials, and technological expertise resides in Russia, and therein lies the fundamental key to our national and global security.

The President’s view of Russia misunderstands this important point. While it is true that, in the President’s words, Russia is no longer a communist country and that its present military leader is an elected official, it follows that we needn’t worry about the security threat which it can pose to the United States and our allies. Indeed, there are very disturbing stories in the press about the internal dynamics of the Russian government and its fragile democratic ways. Its economy remains in dire straits, unemployment is high, and the future, particularly for those who live outside of Moscow, continues to look grim. I’m certain that many of the country’s mutual rejections, recriminations and dismissals of dozens of Americans and Russians in an exchange that hearkened back to Cold War days.

In Russia’s weakened state, I believe it poses an even greater threat to the United States than the “nations of concern” that we hear about so often. Why is that? Aside from the United States, Russia is the most advanced nation in the world to possess advanced weapons of mass destruction. It possesses the most potential threat of mass destruction if the nation reduces funding for those programs with Russia as the first line of our own defense and national security interest. Investing tens of billions of dollars in a missile defense program as an alternative approach virtually insures the acceleration of proliferation of weapons of mass destruction if the nation reduces funding for those programs with Russia as the first line of our own defense and national security interest. Investing tens of billions of dollars in a missile defense program as an alternative approach virtually insures the acceleration of proliferation of weapons of mass destruction if the nation reduces funding for those programs with Russia as the first line of our own defense and national security interest. Investing tens of billions of dollars in a missile defense program as an alternative approach virtually insures the acceleration of proliferation of weapons of mass destruction if the nation reduces funding for those programs with Russia as the first line of our own defense and national security interest.

Listening to the President’s speech, I’m concerned that his vision of missile defense has all the characteristics of the dike-bursting his dike. What’s really needed is a new and stronger dike. I believe we must redouble our efforts to support critical nonproliferation programs with Russia as the first line of our own defense and national security interest. Investing tens of billions of dollars in a missile defense program as an alternative approach virtually insures the acceleration of proliferation of weapons of mass destruction if the nation reduces funding for those programs with Russia as the first line of our own defense and national security interest.

Mr. President, not to be lulled into a false sense of security regarding plans for a robust missile defense of our nation. Having reviewed the scope of the WMD threat in Russia, the Secretary of Energy’s Advisory Board recommended that the United States spend $30 billion over the next decade to secure those weapons and materials, and to prevent Russia’s technological expertise from finding paychecks in the wrong places. Despite that recommendation, the President has submitted a budget request to the Congress that cuts funding for those programs by $100 million below what was appropriated a year ago. In fact, this year’s funding request is over $500 million below what was planned for FY 2002 just twelve months ago. I question why the President would choose to cut funding for programs that constitute the nation’s “most urgent unmet threat.” It is in the light of the imposing costs of a robust missile defense system, it appears that the Administration has concluded that such nation programs are of secondary importance.

Countries of concern that may be genuinely interested in using weapons of mass destruction against us or our allies are likely to choose methods that are affordable, effective, and unanticipated. An intercontinental ballistic missile could be one way to achieve their goal, but there are other, less expensive and more probable ways. Potential enemies seek to outflank and destroy the U.S. and our friends, for example, could achieve their aims through weapons delivered in suitcases, small boats, or delivery vans. If the United States devotes its attention, resources, and expertise to solve the potential intercontinental missile threat without addressing the possibility of low tech applications of weapons of mass destruction, we will have made a very grave error. I urge my colleagues, Mr. President, not to be lulled into a false sense of security plans for a robust missile defense of our nation.
and nine cents. The American taxpayer being asked to provide tens of billions of dollars to support that effort, not to mention the women in uniform who would operate it, deserve nothing less than a system that works.

I applaud the President’s desire for building cooperative relationships that should be “reassuring, rather than threatening” . . . premised on openness, mutual confidence and real opportunities for cooperation, including the area of missile defense.” There are many important ways to achieve those goals, and especially at risk in the worsening climate of U.S.-Russian relations, particularly if the President chooses to abrogate the ABM Treaty either in word or in deed. Cooperation and reassurance are important byproducts of our nonproliferation programs in Russia that have yielded major dividends in preventing the loss of weapons and materials of mass destruction to those who would be our enemies. Greater emphasis, not less, is needed for such efforts. In addition, the positive progress made important confidence-building progress in cooperative approaches regarding early warning of missile attacks through the establishment of a data center and research being conducted in Russia that will have major negative security consequences for the United States and our allies and friends. I urge my colleagues, regardless of how they feel about the ABM Treaty, to join me and other senators to insist that any missile defense system be successfully tested in realistic operational conditions before making any decision to deploy it.

The American taxpayer being asked to provide tens of billions of dollars to support that effort, not to mention the women in uniform who would operate it, deserve nothing less than a system that works.

The fact is, the addition of a pet to the family scores to the blind and disabled fits of pets to the blind and disabled may simply redirect the flow of the threat. That assumes, that we actually have a missile defense system that works. We are a long, long way from that capability, a fact that I hope that we in the Senate and the American people fully understand. I am pleased that the President did not announce the unilateral abrogation of the ABM Treaty in that regard. It would be foolhardy, in my opinion, to back off from our moral obligations under that Treaty without having the means to defend ourselves—a missile defense system that works. Make no mistake, my colleagues, the unilateral abrogation of the ABM Treaty will have major negative security consequences for the United States and our allies and friends. I urge my colleagues, regardless of how they feel about the ABM Treaty, to join me and other senators to insist that any missile defense system be successfully tested in realistic operational conditions before making any decision to deploy it. The American taxpayer being asked to provide tens of billions of dollars to support that effort, not to mention the women in uniform who would operate it, deserve nothing less than a system that works.

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The fact is, the addition of a pet to the family scores to the blind and disabled fits of pets to the blind and disabled may simply redirect the flow of the threat. That assumes, that we actually have a missile defense system that works. We are a long, long way from that capability, a fact that I hope that we in the Senate and the American people fully understand. I am pleased that the President did not announce the unilateral abrogation of the ABM Treaty in that regard. It would be foolhardy, in my opinion, to back off from our moral obligations under that Treaty without having the means to defend ourselves—a missile defense system that works. Make no mistake, my colleagues, the unilateral abrogation of the ABM Treaty will have major negative security consequences for the United States and our allies and friends. I urge my colleagues, regardless of how they feel about the ABM Treaty, to join me and other senators to insist that any missile defense system be successfully tested in realistic operational conditions before making any decision to deploy it. The American taxpayer being asked to provide tens of billions of dollars to support that effort, not to mention the women in uniform who would operate it, deserve nothing less than a system that works.
into a valiant soldier who defended his nation during World War II. Bob grew up in Spring Hill, Texas, and shortly after his high school graduation in 1944, he left Texas for Europe and the heart of World War II. Although he was trained for combat and spent time in the Pacific, Bob was sent to the Alsace region of France to join a regiment that had been devastated by Hitler’s counteroffensive.

Bob proudly served in B Company of the 157th Infantry Regiment of the 45th Division. His regiment was given the herculean task of breaching the Siegfried Line and entering Germany. The young men succeeded beyond anyone’s expectations by breaking the Siegfried Line in less than a week, when the high command predicted that it could take up to three months. After entering Germany, his regiment continued to move eastward to protect General Patton’s right flank by clearing the territory of enemy troops. The division was so successful that General Patton lauded them as “one of the best, if not the best, division in the history of American arms.”

The 45th Division later entered Dachau and liberated tens of thousands of prisoners in several concentration camps. Bob was proud to bring hope and freedom to thousands of captives. Bob’s regiment was then assigned the often difficult task of maintaining law and order in Munich, as the war was brought to an end.

After World War II, Bob continued to demonstrate his patriotism by enlisting as a paratrooper in the 82nd Airborne Division during the Korean War. He later had a successful career as an oil and gas consultant in my home state of New Mexico. Bob is married to his childhood sweetheart, Dulcina, and last year, they celebrated their 50th wedding anniversary.

To Be as Brave is an excellent book and it celebrates the life of an outstanding Catholic American, Mr. Joe B. Murray. I thank Joe for my copy of his book and salute his exceptional service to our Nation.

IN HONOR OF GLADYS AND ABRAHAM BARRON

Mr. KERRY. Mr. President, it is a special honor for me today to ask all of my colleagues in the United States Senate to join me in commemorating the 60th Wedding Anniversary on April 3, 2001 and the Bat- and Bar-Mitzvah on May 18, 2001 of Gladys and Abraham Barron of Centerville, Massachusetts.

Gladys, born in Roxbury, Massachusetts, of immigrant parents on May 19, 1921, spent her youth in Revere, MA, and graduated from Revere High School. When she was 20, she married Abraham Barron on April 3, 1941.

Abraham had emigrated from Kiev, Russia, and he was two years old and settled in Chelsea when his mother graduated from Chelsea High School and began to learn the weaver’s trade. Following his marriage to Gladys in 1941, his father-in law introduced him to the hat-maker’s trade. Abe became so proficient and so gifted in the art of fashioning caps and hats that his colleagues bestowed on him the sobriquet “Golden Hands.”

Eventually, he began his own business while Gladys raised their two children, Melanie and Jeffrey. Gladys’ love for painting inspired her to enroll in art courses and indeed both she and Abe could be called life-long students not only of the arts but also of their Jewish heritage. I have described Abe as a tireless worker for Hadassah while Abe was a dedicated member of the synagogue. Their respect for others led them to become dedicated to the civil rights movement and to the cause of Israel.

On May 18, 2001 they will at long last celebrate their Bat and Bar Mitzvah, Gladys for the first time and Abe to renew his commitment to his religion. The Bar Mitzvah ceremony; such an essential part of Jewish life is a distinct honor, and Abe and Gladys are to be commended for their continued dedication to the Jewish faith throughout their lives. Ordinarily, a rite of passage for young Jewish children about to enter their teens, the ceremony has been expanded so that Gladys and Abe can celebrate that which was denied them so long ago.

It is a true honor to see Abe and Gladys reach this momentous day. Congratulations to you Abe, Gladys and your children as you approach this meaningful and important milestone in your lives.

GOODBYE TO ARCHBISHOP FRANCIS T. HURLEY

Mr. MURKOWSKI. Mr. President, I rise today to honor someone who has done so much good for his adopted State, it makes any politician blush with envy at his list of accomplishments. Senator Cents, senator Catholic Archdiocesan of Anchorage, Francis T. Hurley, who is retiring on May 16, 2001 as the Archbishop of Anchorage, after a 25-year career as head of the Roman Catholic Church in Alaska. It is a great honor to speak about the Archbishop. I first met the Reverend Hurley in late winter of 1970. I and my family were living in Juneau, the capital of Alaska, serving as Alaska State Commissioner of Commerce and Economic Development and attending church at the Cathedral of the Nativity, built on the hillside overlooking downtown Juneau and the lovely Gastineau Channel. Reverend Hurley had just been named in February by Pope Paul VI as the Bishop of Juneau. He arrived in town on March 20, 1970.

From his first sermon delivered in America’s smallest Catholic Cathedral, it was clear of his admiration for Alaskans and of his love for and concern for the physical and spiritual well-being of the people of Alaska. A few years later, the 4,000 Catholics of the Diocese of Juneau in the Panhandle of my State—or 6 years later, of the tens of thousands of Catholics who live in all of the 49th State, but of all Alaskans regardless of race or creed who live and work and learn and play in the far north.

While Bishop of Juneau, he quickly founded Catholic Community Services to help the poor of the Panhandle. He founded St. Ann’s Nursing Home in Juneau to provide health care for the elderly, and centers for senior citizens in Juneau, Ketchikan and Tenakee Springs to help the elderly deal with the daily concerns of aging. He also began the “Trays on Sleighs” program to provide hot meals to senior citizens, Alaska’s version of the national Meals on Wheels program.

In 1970, after serving on President Richard Nixon’s National Advisory Commission on Minority Enterprise, the Bishop, with a group of local Juneau residents, formed the Alaska Housing Development Corp. to foster and at St. Patrick’s Simshary in Menlo Park, Calif. After being ordained to the priesthood on June 16, 1951, he served as assistant pastor in a San Francisco parish and worked as a teacher at Serra High School in San Mateo, Calif. He undertook his studies in sociology from The Catholic University of America in Washington, D.C. and later at the University of California in Berkeley.

In 1957, he was assigned to the national coordinating office for the Catholic Bishops of the United States, now known as the National Conference of Catholic Bishops. From 1957 to 1970 he served as Associate General Secretary of the conference and worked long hours to help craft the national Elementary and Secondary Education Act during the Presidency of Lyndon Johnson, to this day the landmark legislation governing federal funding for elementary and secondary education in America.

Given his knowledge of education it was only natural for him to serve on the board of trustees of Alaska Pacific University, starting in 1977, and to have worked to establish the Cardinal Newman Chair of Catholic Theology at the Anchorage campus of the Methodist Institution.
The Archbishop, selected yearly as one of Alaska’s top 25 most “powerful” citizens since 1996, also became the first religious leader in Alaskan history in 1997 to be named “Alaskan of the Year.” But his religious achievements are an equal to his secular accomplishments.

Shortly after arriving in Juneau in 1970, the Bishop moved to bring the Catholic faith to the small villages of Alaska. In August 1970 he held the first Mass at Excursion Inlet, a former fish cannery at the head of a fjord near Glacier Bay National Park. “There are many more people out in those coves and inlet. We priests must become more mobile,” said the Reverend Hurley. And he quickly implemented his belief.

A private pilot, and later a member of the Anchorage Civil Air Patrol, the Archbishop won grants from the Knights of Columbus and the Extension Society in 1970 for two diocesan airplanes so priests could visit small villages to say Mass. He expanded his church initiating the construction of churches in the Southeast villages of Hoona and Yakutat. Over the years he has been responsible for the construction of five churches in Southeast Alaska and seven more statewide, a significant legacy.

The Archbishop, the most senior archbishop in the United States, has earned his retirement. When Pope John Paul II accepted his retirement on March 3, 2001 it speeded the transition of his leadership to Archbishop Roger Schwietz, who had moved to Anchorage 13 months earlier to begin learning about the uniqueness of Alaska. While the State will be in good hands, it will be hard to follow in The Reverend’s shoes.

Archbishop Francis T. Hurley has done much for the economic well-being of the poor, the homeless, the ill and the elderly in Alaska. And he has done even more for the spiritual well-being of Alaska everywhere. All of us in public life will miss his wisdom and guidance, his intellect and good humor. And we will miss his energy and patience. But we all are better for his service to the 49th State. Best wishes and Godspeed in his future endeavors.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(REPORTS OF COMMITTEES)

The following reports of committees were submitted:

By Mr. GRAMM, from the Committee on Banking, Housing, and Urban Affairs, with an amendment in the nature of a substitute.


INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times and unanimous consent, and referred as indicated:

By Mr. DAYTON (for himself, Mr. FEINGOLD, Mr. KOHL, Mr. WELLSTONE, and Mr. LEAHY):

S. 847. A bill to impose tariff-rate quotas on certain casein and milk protein concentrates; to the Committee on Finance.

By Mrs. FEINSTEIN (for herself and Mr. GREGG):

S. 848. A bill to amend title 18, United States Code, to limit the misuse of social security numbers, to establish criminal penalties for such misuse, and for other purposes; to the Committee on the Judiciary.

By Mr. BOND:

S. 849. A bill to amend provisions of law enacted by the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121) to ensure full analysis of potential impacts on small entities of rules proposed by certain agencies, and for other purposes; to the Committee on Small Business.

By Mr. CHAFEE (for himself, Mr. GRAHAM, Mrs. LINCOLN, Mr. TORRICELLI, and Mr. KOHL):

S. 850. A bill to expand the Federal tax refund intercept program to cover children who are not minors; to the Committee on Finance.

By Mr. THOMPSON (for himself, Mr. KOHL, Mr. VOINOVICH, Mr. LEVIN, Mr. THURMOND, Ms. COLLINS, and Mr. FITZGERALD):

S. 851. A bill to establish a commission to conduct a study of government privacy practices, and for other purposes; to the Committee on Governmental Affairs.

By Mrs. FEINSTEIN (for herself, Mr. THOMAS, Mr. LEACH, Mr. LIEBERMAN, Mr. LEVIN, Mr. WELLSTONE, Mrs. BOXER, Mr. AKAKA, Mr. FEINGOLD, Mr. KENNEDY, Mrs. BOXER, Mr. MURRAY, and Mr. TORRICELLI):

S. 852. A bill to support the aspirations of the Tibetan people to safeguard their distinct identity; to the Committee on Foreign Relations.

By Mr. BAYH (for himself, Mr. KOHL, Mr. VOINOVICH, Mr. LEVIN, Mr. LANDRIOU, Mr. JOHNSON, and Mr. DURBIN):

S. 853. A bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty and providing a new low-earner credit and adjustment to the earned income credit; to the Committee on Finance.

REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 18

The PRESIDENT Laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit hereewith a 6-month periodic report on the national emergency with respect to Iran that was declared in Executive Order 12170 of November 14, 1979.

GEORGE W. BUSH,

MESSAGE FROM THE HOUSE

At 2:11 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 amendment of the Senate to the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:


H. Con. Res. 108. Concurrent resolution honoring the National Science Foundation for 50 years of service to the Nation.

The message further announced that pursuant to section 205(a) of the Vietnam Education Foundation Act of 2000 (Public Law 106–554), and upon the recommendation of the Minority Leader, the Speaker appoints the following Member of the House of Representatives to the Board of Directors of the Vietnam Education Foundation: Mr. GEORGE MILLER of California.

The message also announced that pursuant to 22 U.S.C. 276h and clause 10 of rule I, the Speaker appoints the following Members of the House of Representatives to the Mexico-United States Interparliamentary Group, in addition to Mr. KOLBE of Arizona, Chairman, appointed March 28, 2001: Mr. BALLINGER of North Carolina, Vice Chairman; Mr. JENSEN of California; Mr. TIGERMAN of Texas; Mr. BARTON of Texas; Mr. FILNER of California; Mr. LEWIS of Kentucky; Mr. MANZULLO of Illinois; Mr. GRANGER of Texas; Mr. REYES of Texas; and Mr. THOMPSON of California.

The message further announced that pursuant to section 306(k) of the Public Health Service Act (42 U.S.C. 242k), the Speaker reappoints the following Members of the House of Representatives to the National Committee on Vital and Health Statistics for a term of 4 years; Mr. Jeffrey S. Blair of Albuquerque, New Mexico.
By Mr. DURBIN (for himself, Mr. BROWNBACK, Mr. GRAHAM, and Mr. BINGAMAN):

S. 854. A bill to amend titles V, XVIII, and XIX of the Social Security Act to promote cessation of tobacco use under the medicare program, the medicaid program, and maternal and child health services block grant program, to the Committee on Finance.

By Mrs. BOXER:

S. 855. A bill to protect children and other vulnerable subpopulations from exposure to environmental pollutants, to protect children from exposure to pesticides in schools, and to provide parents with information concerning toxic chemicals that pose risks to children’s health, to the Committee on Environment and Public Works.

By Mr. KERRY (for himself, Mr. BOND, Mr. CLELAND, Ms. LANDRIEU, Mr. BENNETT, Mr. LEVIN, Mr. LIEBERMAN, Mr. HARKIN, Mr. BINGAMAN, Mr. ENZI, and Ms. CANTWELL):

S. 886. A bill to reauthorize the Small Business Technology Transfer Program, and for other purposes; to the Committee on Small Business.

By Mr. HELMS (for himself, Mr. MITTEN, Mr. LOTTY, Mr. WARNER, Mr. HATCH, Mr. SHELBY, and Mr. MURkowski):

S. 887. A bill to protect United States military personnel and other elected and appointed officials of the United States Government against criminal prosecution by an international criminal court to which the United States is not a party; to the Committee on Foreign Relations.

By Mr. HUTCHINSON:

S. 856. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to improve access and choice for entrepreneurs with small business with respect to medical care for their employees; 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. WARNER (for himself, Mr. ALLEN, Mr. COCHRAN, Mr. BROWNBACK, Mr. JEFFORDS, Mr. CRAIG, Mr. THURMOND, Mr. CRAPO, Mr. ENZI, Mr. DURBIN, Mr. MIKULSKI, Mr. HATCH, Mr. SMITH of Oregon, and Mr. STEVENS):

S. Res. 85. A resolution designating the week of May 6 through 12, 2001, as “Teacher Appreciation Week,” and designating Tuesday, May 8, 2001 as “National Teacher Day”; considered and agreed to.

By Mr. BOND (for himself, Mr. KERRY, Mr. BURNS, Mr. LEVIN, Mr. BENNETT, Mr. HARKIN, Ms. SNOWE, Mr. LIEBERMAN, Mr. ENZI, Mr. WELLSTONE, Mr. CRAPO, Mr. CLELAND, Mr. ENSIGN, Ms. LANDRIEU, Mr. EDWARDS, Ms. CANTWELL, and Mr. BASHIRE):

S. Res. 86. A resolution to express the sense of the Senate recognizing the important role played by the Small Business Administration on behalf of the United States small business community; considered and agreed to.

ADDITIONAL COSPONSORS

S. 39

At the request of Mr. STEVENS, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 39, a bill to provide a national medal for public safety officers who act with extraordinary valor above and beyond the call of duty, and for other purposes.

S. 60

At the request of Mr. BYRD, the names of the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Kentucky (Mr. BUNNING) were added as a cosponsors of S. 60, a bill to authorize the Department of Energy programs to develop and implement an accelerated research and development program for advanced clean coal technologies for use in coal-based electricity generating facilities and to amend the Internal Revenue Code of 1986 to provide financial incentives to encourage the retrofitting, repowering, or replacement of coal-based electricity generating facilities to protect the environment and improve efficiency and encourage the early commercial application of advanced clean coal technologies, so as to allow coal to help meet the growing need of the United States for the generation of reliable and affordable electricity.

S. 148

At the request of Mr. CRAIG, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 148, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

S. 170

At the request of Mr. REID, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 217

At the request of Mr. SCHUMER, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from Washington (Mrs. MURRAY) were added as a cosponsors of S. 217, a bill to amend the Internal Revenue Code of 1986 to provide a uniform dollar limitation for all types of transportation fringe benefits excludable from gross income, and for other purposes.

S. 281

At the request of Mr. HAGEL, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 281, a bill to authorize and design the construction of a temporary education center at the Vietnam Veterans Memorial.

S. 283

At the request of Mr. MCCAIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 283, a bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue code of 1986 to protect consumers in managed care plans and other health coverage.

S. 284

At the request of Mr. MCCAIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 284, a bill to amend the Internal Revenue Code of 1986 to provide incentives to expand health care coverage for individuals.

S. 318

At the request of Mr. DASCHLE, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 318, a bill to prohibit discrimination on the basis of genetic information with respect to health insurance.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 403

At the request of Mr. COCHRAN, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 403, a bill to improve the National Writing Project.

S. 454

At the request of Mr. BINGAMAN, the names of the Senator from Wyoming (Mr. BACUS), the Senator from Montana (Mr. BAUCUS), the Senator from Nevada (Mr. REID), and the Senator from Vermont (Mr. LEAHY) were added as a cosponsors of S. 454, a bill to provide permanent funding for the Bureau of Land Management Payment in Lieu of Taxes program and for other purposes.

S. 468

At the request of Mr. FRIST, the name of the Senator from Tennessee (Mr. THOMPSON) was added as a cosponsor of S. 468, a bill to amend the Appalachian Regional Commission Act of 1965 to add Hickman, Lawrence, Lewis, Perry, and Wayne Counties, Tennessee, to the Appalachian region.

S. 503

At the request of Mr. REID, the names of the Senator from Vermont (Mr. LEAHY) and the Senator from Montana (Mr. BAUCUS) were added as a cosponsors of S. 503, a bill to amend the Safe Water Act to provide grants to small public drinking water system.

S. 525

At the request of Mr. GRAHAM, the names of the Senator from Indiana (Mr. LUGAR), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Louisiana (Ms. LANDRIEU) were added as a cosponsors of S. 525, a bill to expand trade benefits to certain Andean countries, and for other purposes.

S. 548

At the request of Mr. DEWINE, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 548, a bill to amend the
Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 751

At the request of Mr. Thurmond, the names of the Senator from Utah (Mr. Bennett) and the Senator from Hawaii (Mr. Inouye) were added as a cosponsors of S. 751, a bill to provide for the location of the National Museum of the United States Army.

S. 626

At the request of Mr. Jeffords, the name of the Senator from Nevada (Mr. Reid) was added as a cosponsor of S. 626, a bill to amend the Internal Revenue Code of 1986 to permanently extend the work opportunity credit and the welfare-to-work credit, and for other purposes.

S. 682

At the request of Mr. McCain, the name of the Senator from Minnesota (Mr. Dayton) was added as a cosponsor of S. 682, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 706

At the request of Mr. Kerry, the name of the Senator from Montana (Mr. Baucus) was added as a cosponsor of S. 706, a bill to amend the Social Security Act to establish programs to alleviate the nursing profession shortage, and for other purposes.

S. 742

At the request of Mr. Grassley, the names of the Senator from Connecticut (Mr. Lieberman), the Senator from Virginia (Mr. Warner), the Senator from Maryland (Ms. Mikulski), and the Senator from Missouri (Mrs. Carnahan) were added as a cosponsors of S. 742, a bill to provide for pension reform, and for other purposes.

S. 760

At the request of Mr. Hatch, the name of the Senator from Nevada (Mr. Ensign) was added as a cosponsor of S. 760, a bill to amend the Internal Revenue Code of 1986 to encourage and accelerate the nationwide production, retail sale, and consumer use of new motor vehicles that are powered by fuel cell technology, hybrid technology, battery electric technology, alternative fuels, or other advanced motor vehicle technologies, and for other purposes.

S. 778

At the request of Mr. Hagel, the name of the Senator from Iowa (Mr. Grassley) was added as a cosponsor of S. 778, a bill to expand the class of beneficiaries who may apply for adjustment of status under section 245(i) of the Immigration and Nationality Act by extending the deadline for classification petition and labor certification filings.

S. 823

At the request of Mr. Graham, the name of the Senator from Minnesota (Mr. Dayton) was added as a cosponsor of S. 823, a bill to assure access under group health plans and health insurance coverage to covered emergency medical services.

S. 828

At the request of Mr. Lieberman, the name of the Senator from New Jersey (Mr. Corzine) was added as a cosponsor of S. 828, a bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for certain energy-efficient property.

S. 830

At the request of Mr. Chaffee, the name of the Senator from Delaware (Mr. Biden) was added as a cosponsor of S. 830, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 837

At the request of Mr. Bond, the name of the Senator from Arkansas (Mr. Hutchinson) was added as a cosponsor of S. 837, a bill to amend the Internal Revenue Code of 1986 to provide a safe harbor for determining that certain individuals are not employees.

S. 839

At the request of Mrs. Hutchinson, the names of the Senator from Maine (Ms. Collins) and the Senator from California (Mrs. Feinstein) were added as cosponsors of S. 839, a bill to amend title XVIII of the Social Security Act to increase the amount of payment for inpatient hospital services under the Medicare program and to freeze the reduction in payments to hospitals for indirect costs of medical education.

S. J. Res. 7

At the request of Mr. Hatch, the name of the Senator from Montana (Mr. Baucus) was added as a cosponsor of S. J. Res. 7, a joint resolution proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States.

S. Res. 13

At the request of Mr. Warner, the name of the Senator from Kansas (Mr. Roberts) was added as a cosponsor of S. J. Res. 13, a joint resolution commemorating the 200th anniversary of the life of General Lewis William southwest and recognizing the contributions of the State of Indiana to the bicentennial celebration of the Lewis and Clark Expedition.

S. Res. 63

At the request of Mr. Campbell, the name of the Senator from Mississippi (Mr. Lott) was added as a cosponsor of S. Res. 63, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers.

S. Res. 75

At the request of Mr. Hutchison, the names of the Senator from Utah (Mr. Hatch), the Senator from New Mexico (Mr. Bingaman), the Senator from Tennessee (Mr. Frist), and the Senator from Colorado (Mr. Campbell) were added as cosponsors of S. Res. 75, a resolution designating the week beginning May 13, 2001, as "National Biotechnology Week."

S. Res. 80

At the request of Mrs. Murray, the name of the Senator from Missouri (Ms. Carnahan) was added as a cosponsor of S. Res. 80, a resolution honoring the "Whidbey 24" for their professionalism, bravery, and courage.

S. Con. Res. 36

At the request of Mr. McCain, the name of the Senator from North Carolina (Mr. Edwards) was added as a cosponsor of S. Con. Res. 36, a concurrent resolution honoring the National Science Foundation for 50 years of service to the nation.

AMENDMENT NO. 378

At the request of Mrs. Murray, the name of the Senator from Wisconsin (Mr. Feingold) was withdrawn as a cosponsor of amendment No. 378.

AMENDMENT NO. 379

At the request of Mr. Mikulski, the name of the Senator from Iowa (Mr. Harkin) was added as a cosponsor of amendment No. 379.

AMENDMENT NO. 389

At the request of Mr. Vooff, the name of the Senator from New Jersey (Mr. Corzine) was added as a cosponsor of amendment No. 389.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. Feinstein (for herself and Mr. Gregg):

S. 848. A bill to amend title 18, United States Code, to limit the misuse of social security numbers, to establish criminal penalties for such misuse, and for other purposes; to the Committee on the Judiciary.

Mrs. Feinstein. Mr. President, I am pleased, along with Senator Gregg, to introduce the "Social Security Number Misuse Prevention Act." This legislation combats identity theft by making it harder for criminals to steal another person's Social Security number, our de facto national identifier.

The United States faces a growing identity theft crisis. The Federal Bureau of Investigation estimates 350,000 cases of identity theft occur each year. That's one case every two minutes.

The Federal Trade Commission, FTC, reports that identity theft is the fastest growing crime in the country. If recent trends continue, reports of identity theft to the FTC will double between 2000 and 2001, to over 60,000 cases.\n
...
Fully 40 percent of all consumer fraud complaints received by the FTC in the first three months of 2001 involved identity theft.

Unfortunately, the State most affected by these complaints is California. In 2000, the Attorney General of the State reported that 46,839 identity theft complaints the FTC received in the past winter came from my home state.

What is identity theft? Identity theft occurs when one person uses another person’s Social Security number, birth date, driver’s license number, or other identifying information to obtain credit cards, car loans, phone plans or other services in the victim’s name.

Identity thieves can get personal information in a myriad of ways, stealing wallets and purses containing identification cards, using personal information found on the Internet, stealing mail, including pre-approved credit offers and credit statements, fraudulently obtaining credit reports or getting personal records at work.

One form of identity theft, the most common trigger of the crime is the misappropriation of a person’s Social Security number. Reports to the Social Security Administration of the Social Security number misappropriation increased from 7,968 in 1997 to 46,839 in 2000, an astonishing increase of over 500 percent.

Let me give some examples of victims whose identities were stolen after a thief got hold of their Social Security number: An identity theft ring in Riverside County allegedly bilked eight victims of $700,000. The thieves stole personal information of employees at a large phone company and drained their on-line stock accounts. One employee reportedly had $385,000 taken from his account when someone was able to access his account by supplying the employee’s name and Social Security number. Three youths robbed a young woman on a San Francisco MUNI bus. The thief used her driver’s license and Social Security card. While the victim was traveling over the Christmas holiday, the thieves represented themselves as her and drained her bank accounts, applied for cell phones, credit cards and other accounts. They also redirected her mail to a general delivery post to the Tenderloin. Amy Boyer, a 20-year-old dental assistant from Maine was killed in 1999 by a stalker who used her Social Security number.

The bill directs the Attorney General to implement procedures to prevent identity thieves, stalkers, and others with ill intent from posing as legitimate businesses to obtain Social Security numbers.

In drafting the rule, the Attorney General must ensure that any business-to-business exception is consistent with other privacy laws, including Gramm-Leach-Bliley.

Thus, the bill would be consistent with a district court ruling issued last week that recognized limits on financial institutions’ use of Social Security numbers. In Individual Reference Services Group v. Federal Trade Commission, the court held Gramm-Leach-Bliley requires banks to give consumers the opportunity to opt-out before their Social Security number is sold. I would like to submit into the record a copy of a Los Angeles Times article describing the decision.

I would like to thank Senator Grass for working so hard with me to draft this legislation. I am pleased to report that this bill has garnered the support of the Attorney General of California, Bill Lockyer, Los Angeles County Sheriff Lee Baca, Crimes Victims United California, the Coalition of Crime Victim Advocates, and the Doris Tate Crime Victims Bureau.

Over 350,000 people a year are victims of identity theft, and the numbers continue to grow. Passing the “Social Security Number Misuse Prevention Act” will help curb this crime by restricting criminal access to Social Security numbers.

I look forward to working with my colleagues in getting this commonsense bill enacted into law.

I ask unanimous consent that the text of the bill and the article to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 848

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.

(a) SHORT TITLE.—This Act may be cited as the “Social Security Number Misuse Prevention Act of 2001.”

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Prohibition of the display, sale, or purchase of Social Security numbers.
Sec. 4. No prohibition with respect to public records.
Sec. 5. Rulemaking authority of the Attorney General.
Sec. 6. Treatment of social security numbers on government documents.
Sec. 7. Limitation on personal disclosure of a social security number for consumer transactions.
Sec. 8. Extension of civil monetary penalties for misuse of a social security number.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The inappropriate display, sale or purchase of social security numbers has contributed to a growing range of illegal activities,
including fraud, identity theft, and, in some cases, stalking and other violent crimes.

(2) While financial institutions, health-care providers, and other entities have often used social security numbers to confirm the identity of an individual, the general display to the public, sale, or purchase of these numbers has been used to commit crimes, and also (c) in the commission of serious invasions of individual privacy.

(3) The Federal Government requires virtually every individual in the United States to obtain and maintain a social security number in order to pay taxes, to qualify for social security benefits, or to seek employment. An unintended consequence of these requirements is that social security numbers have become tools that can be used to facilitate crime, fraud, and invasions of the privacy of the individuals to whom the numbers are assigned. Because the Federal Government created and maintains this system, and because the Federal Government does not permit individuals to exempt themselves from these requirements, it is appropriate for the Federal Government to take steps to stem the abuse of this system.

(4) A social security number does not contain, or reflect, any public specific or identifiable information or concern any public issue. The display, sale, or purchase of such numbers in no way facilitates uninhibited, robust, and open public debate, and restrictions on such display, sale, or purchase would not affect public debate.

(5) No one should seek to profit from the display, sale, or purchase of social security numbers in circumstances that create a substantial risk of physical, emotional, or financial harm to the individuals to whom those numbers are assigned.

(6) Consequently, this Act offers each individual that has been assigned a social security number necessary protection from the display, sale, or purchase of that number in any circumstance that might facilitate unlawful conduct.

SEC. 3. PROHIBITION OF THE DISPLAY, SALE, OR PURCHASE OF SOCIAL SECURITY NUMBERS.

(a) Prohibition.—

(1) In general.—Chapter 47 of title 18, United States Code, is amended by inserting after section 1028 the following:

"§ 1028A. Prohibition of the display, sale, or purchase of social security numbers.

"(a) Prohibition.—

"(1) Display.—The term ‘display’ means to intentionally communicate or otherwise make available (on the Internet or in any other medium) to any person or entity a general public an individual’s social security number.

"(2) Person.—The term ‘person’ means any individual, partnership, corporation, trust, estate, cooperative, association, or any other entity.

"(3) Purchase.—The term ‘purchase’ means providing directly or indirectly, anything of value in exchange for a social security number.

"(4) Sale.—The term ‘sale’ means obtaining, directly or indirectly, anything of value in exchange for a social security number.

"(5) State.—The term ‘State’ means any State of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any territory or possession of the United States.

"(b) Limitation on display.—Except as provided in subsection (d), no person may display any individual’s social security number to the general public without the affirmatively expressed consent of the individual.

"(c) Limitation on sale or purchase.—Except as otherwise provided in this section, no person may sell or purchase any individual’s social security number without the affirmatively expressed consent of the individual.

"(d) Prohibition of wrongful use as personal identification numbers.—No person may obtain any individual’s social security number for purposes of locating or identifying an individual to physically injure, harm, or use the identity of the individual for any illegal purpose.

"(e) Prerequisites for consent.—In order for consent to subsection (b) or (c), the person displaying or seeking to display, sell or attempting to sell, or purchasing or attempting to purchase an individual’s social security number shall—

"(i) inform the individual of the general purpose for which the number will be used, the types of numbers that may be available, and the scope of transactions permitted by the consent; and

"(ii) obtain the affirmatively expressed consent—electronically or in writing—of the individual.

"(f) Exceptions.—

"(1) In general.—Except as provided in subsection (d), nothing in this section shall be construed to prohibit or limit the display, sale, or purchase of a social security number—

"(A) permitted, required, or excepted, expressly or by implication, under section 206(c)(2), 1214(a)(3), or 1414(c) of the Social Security Act (42 U.S.C. 1029(a)(3), and 1230b–11(c)), section 7(a)(2) of the Privacy Act of 1974 (5 U.S.C. 552a note), section 6109(b) of the Internal Revenue Code of 1986, or section 6(f)(1) of the Professional Boxing Safety Act of 1996 (15 U.S.C. 6305(b)(1));

"(B) for a public health purpose, including the protection of the health or safety of an individual in an emergency situation;

"(C) for a national security purpose;

"(D) for a law enforcement purpose, including the investigation of fraud, as required under subchapter II of chapter 53 of title 31, United States Code, and chapter 2 of title I of Public Law 91–568 (12 U.S.C. 1951–1959), and the enforcement of a child support obligation;

"(E) if the display, sale, or purchase of the number is for a business-to-business use, including, but not limited to—

"(i) the prevention of fraud (including fraud in protecting an employee’s right to employment benefits);

"(ii) the facilitation of credit checks or the facilitation of background checks of employees, prospective employees, and volunteers;

"(iii) compliance with any requirement related to the Social Security program established under title II of the Social Security Act (42 U.S.C. 401 et seq.); or

"(iv) the retrieval of other information from, or by, other businesses, commercial enterprises, or private nonprofit organizations, except that, nothing in this subparagraph shall be construed as permitting a professional or commercial organization to display or sell a social security number to the general public;

"(F) if the transfer of such a number is part of a data matching program under the Computer Matching and Privacy Protection Act of 1988 (5 U.S.C. 552a note) or any similar computer data matching program involving a Federal, State, or local agency;

"(G) if such number is required to be submitted as part of the process for applying for any type of Federal, State, or local government benefit or program.

"(g) Civil action in United States District Court; Damages; Attorney’s Fees and Costs.—

"(1) In general.—Any individual aggrieved by any act of any person in violation of this section may bring a civil action in a United States district court to recover—

"(A) such preliminary and equitable relief as the court determines to be appropriate; and

"(B) the greater of—

"(i) actual damages;

"(ii) liquidated damages of $2,500; or

"(iii) any other amount that was willful and resulted in profit or monetary gain, liquidated damages of $10,000.

"(2) Statute of limitations.—No action to obtain compensation under this subsection more than 3 years after the date on which the violation was or should reasonably have been discovered by the aggrieved individual.

"(3) Nonexclusive remedy.—The remedy provided under this subsection shall be in addition to any other remedy available to the individual.

"(h) Civil penalties.—

"(1) In general.—Any person who the Attorney General determines has violated this section shall be subject, in addition to any other penalties that may be prescribed by law—

"(A) to a civil penalty of not more than $5,000 for each such violation; and

"(B) to a civil penalty of not more than $50,000, if the violations have occurred with sufficient frequency or constitute a general business practice.

"(2) Determination of violations.—Any willful violation committed contemporaneously with respect to two or more numbers of 2 or more individuals by means of mail, telecommunication, or otherwise, shall be treated as a separate violation with respect to each such individual.

"(3) Enforcement procedures.—The provisions of section 1128A of the Social Security Act (42 U.S.C. 1320a–7a), other than subsection (c) (as defined in the first sentence of subsection (c) of such section, and the provisions of subsection (e) of such section, shall apply to a civil penalty under this subsection in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a) of such Act (42 U.S.C. 1320a–7a(a)), except that, for purposes of this paragraph, any reference in section 1128A of such Act (42 U.S.C. 1320a–7a) to the Secretary shall be deemed to be a reference to the Attorney General.

"(4) Conforming amendment.—The chapter analysis for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1028 the following:

"1028A. Prohibition of the display, sale, or purchase of social security numbers.

"(b) Criminal sanctions.—Section 208(a) of the Social Security Act (42 U.S.C. 408(a)) is amended by—

"(1) in paragraph (8), by inserting ‘or’ after the semicolon; and

"(2) by inserting after paragraph (8) the following new paragraph:

"(9) obtains any individual’s social security number for the purpose of locating or identifying the individual with the intent to use the identity of that individual to use the identity of that individual for an illegal purpose.'"
(c) EFFECTIVE DATE.—Section 1028A of title 18, United States Code (as added by subsection (a)), and section 208 of the Social Security Act (42 U.S.C. 408) (as amended by subsection (b)), shall take effect 3 years after the date on which the final regulations promulgated under section 5(b) are published in the Federal Register.

SEC. 4. NO PROHIBITION WITH RESPECT TO PUBLIC RECORDS.

(a) PUBLIC RECORDS EXCEPTION.—(1) IN GENERAL.—Chapter 47 of title 18, United States Code (as amended by section 3(a)(1)) is amended by inserting after section 1028A the following:

``§ 1028B. No prohibition of the display, sale, or purchase of social security numbers included in public records

(n) In General.—Nothing in section 1028A shall be construed to prohibit or limit the display, sale, or purchase of any public record which includes a social security number that—

(1) is incidentally included in a public record, as defined in subsection (d);

(2) is intended to be purchased, sold, or displayed pursuant to an exception contained in section 1028A(f);

(3) is intended to be purchased, sold, or displayed pursuant to the consent provisions of subsections (b), (c), and (e) of section 1028A; or

(4) includes a redaction of the nonincidental occurrences of the social security numbers which are sold or displayed to members of the general public.

(b) AGENCY REQUIREMENTS.—Each agency in possession of documents that contain social security numbers which are nonincidental, shall, with respect to such documents—

(1) ensure that access to such numbers is restricted to only those who may obtain them in accordance with applicable law;

(2) require an individual who is not exempt under section 1028A(f) to provide the social security number of the person who is the subject of the document before making such document available; or

(3) redact the social security number from the document prior to providing a copy of the requested document to an individual who is not exempt under section 1028A(f) and who is unable to provide the social security number of the person who is the subject of the document.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be used as a basis for permitting a State or local government entity or other repository of public documents to expand or to limit access to documents containing social security numbers to entities covered by the exception in section 1028A(f).

(d) DEFINITIONS.—In this section:

(1) INCIDENTAL.—The term ‘incidental’ means the social security number which is not routinely displayed in a consistent and predictable manner on the public record by a government entity, such as on the face of a document.

(2) PUBLIC RECORD.—The term ‘public record’ means any item, collection, or grouping of information about an individual that is maintained by a Federal, State, or local government entity and that is made available to the public.

(3) CONFORMING AMENDMENT.—The chapter analysis for chapter 47 of title 18, United States Code (as amended by section 3(a)(2)), is amended by inserting after the item relating to section 1028A the following:

``1028B. No prohibition of the display, sale, or purchase of social security numbers included in public records.''

SEC. 5. RULEMAKING AUTHORITY OF THE ATTORNEY GENERAL.

(a) IN GENERAL.—Except as provided in subsection (b), the Attorney General may prescribe such rules and regulations as the Attorney General deems necessary to carry out the provisions of section 3.

(b) BUSINESS TO BUSINESS DISPLAY, SALE, OR PURCHASE RULEMAKING.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall promulgate, in accordance with the provisions of section 1028A(f); and

(2) BUSINESS TO BUSINESS BUSINESSES.''

SEC. 6. TREATMENT OF SOCIAL SECURITY NUMBERS ON GOVERNMENT DOCUMENTS.

(a) PROHIBITION OF USE OF SOCIAL SECURITY ACCOUNT NUMBERS ON CHECKS ISSUED FOR PAYMENT BY GOVERNMENT AGENCIES.

(1) IN GENERAL.—Section 205(c)(2)(C) of the Social Security Act (42 U.S.C. 405(c)(2)(C)) is amended by adding at the end the following new clause:

``(x) No Federal, State, or local agency may display the social security account number of any individual, or any derivative of such number, on any check issued for any payment by the Federal, State, or local agency.''

(b) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the date on which the final regulations promulgated under section 5(b) are published in the Federal Register.

SEC. 7. LIMITS ON PERSONAL DISCLOSURE OF SOCIAL SECURITY NUMBER FOR CONSUMER TRANSACTIONS.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding at the end the following new section:

``SEC. 1150A. LIMITS ON PERSONAL DISCLOSURE OF A SOCIAL SECURITY NUMBER FOR CONSUMER TRANSACTIONS.

(a) IN GENERAL.—A commercial entity may not require an individual to provide the individual’s social security number when purchasing a commercial good or service or denote an individual the good or service for refusing to provide that number except—

(1) for any purpose directly related to the provision of a commercial good or service;

(2) a background check of the individual conducted by a landlord, lessor, employer, voluntary service agency, or other entity as determined by the Attorney General;

(3) law enforcement; or

(4) a Federal or State law requirement; or

(b) OTHER FORMS OF IDENTIFICATION.—Nothing in this section shall be construed to require a commercial entity to—

(1) require an individual to provide 2 forms of identification that do not contain the social security number of the individual; or

(2) deny an individual a good or service for refusing to provide 2 forms of identification that do not contain such number.'
"(c) APPLICATION OF CIVIL MONEY PENALTIES.—A violation of this section shall be deemed to be a violation of section 1129(a)(3)(F).

"(d) APPLICATION OF CRIMINAL PENALTIES.—A violation of this section shall be deemed to be a violation of section 208(a)(8)."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to statements or requests to provide a social security number made on or after the date of enactment of this Act.

SEC. 8. EXTENSION OF CIVIL MONETARY PENALTIES FOR MISUSE OF A SOCIAL SECURITY NUMBER.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACT.—

(1) CIVIL PENALTIES.—The first sentence of section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking "who" and inserting "who—";

(B) by striking "makes" and all that follows through "shall be subject to" and inserting the following:

"(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of any insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading;

"(B) makes such a statement or representation for such use with knowing disregard for the truth; or

"(C) omits from a statement or representation of such use, or otherwise withholds disclosure of, a fact which the individual knows or should know is material to the determination of any initial or continuing right to or the amount of any insurance benefits under title II or benefits or payments under title VIII or XVI and the individual knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading;

"(D) knowingly displays, sells, or purchases a card that is, or purports to be, a card issued by the Commissioner of Social Security, or possesses such a card with intent to alter it;

"(E) carries a counterfeit social security card, or possesses a counterfeit social security card with intent to display, sell, or purchase it;

"(F) discloses, uses, compels the disclosure of, or knowingly displays, sells, or purchases the social security account number of any person in violation of the laws of the United States;

"(G) with intent to deceive the Commissioner of Social Security as to such person's true identity (or the true identity of any other person) or to cause or permit to be furnished false information to the Commissioner with respect to any information required by the Commissioner in connection with the establishment and maintenance of the records provided for in section 205(c)(2);

"(H) offers, for a fee, to acquire for any individual, or to assist in acquiring for any individual, an additional social security account number or a number which purports to be a social security account number; or

"(I) being an officer or employee of a Federal, State, or local agency in possession of any individual's social security account number, willfully acts or fails to act so as to cause a violation by such agency of clause (VI)(D) or (X)(A) of section 1129(b)(3), shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each violation.

"(2) Section 1129(c)(1) of the Social Security Act (42 U.S.C. 1320a–8(c)(1)) is amended—

(A) by striking "statement or representation referred to in subsection (a) was made" and inserting "violation occurred.

(b) VIOLATIONS BY GOVERNMENT AGENCIES IN POSSESSION OF SOCIAL SECURITY NUMBERS.—Section 1129(a)(1)(D) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)(D)), as added by subsection (b), shall apply with respect to violations of sections 1129 and 1129A of the Social Security Act (42 U.S.C. 1320–8 and 1320a–8a), as amended by subsection (a)(1), as amended—

(1) CIVIL PENALTIES.—The first sentence of section 1129(b)(3)(A) of the Social Security Act (42 U.S.C. 1320a–8(b)(3)(A)), as amended by subsection (a)(1), is amended—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by redesigning the last sentence of paragraph (1) as paragraph (2) and inserting such paragraph after paragraph (1); and

(2) Section 1129(b)(3)(B) of the Social Security Act (42 U.S.C. 1320a–8(b)(3)(B)), as added by subsection (a)(1), is amended—

(A) by striking paragraph (2)(A) and inserting in its stead paragraph (3)(A) as added by subsection (a)(1);

(B) by striking paragraph (2)(B) and inserting in its stead paragraph (3)(B) as added by subsection (a)(1); and

(3) Section 1129(e)(1)(A) of the Social Security Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking "statement or representation referred to in subsection (a) was made" and inserting "violation occurred.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply with respect to violations of sections 1129 and 1129A of the Social Security Act (42 U.S.C. 1320–8 and 1320a–8a), as amended by subsection (a)(1), as amended—

(A) by striking paragraph (2)(A) and inserting in its stead paragraph (3)(A) as added by subsection (a)(1);

(B) by redesigning the last sentence of paragraph (1) as paragraph (2) and inserting such paragraph after paragraph (1); and

(2) Section 1129(b)(3)(A) of the Social Security Act (42 U.S.C. 1320a–8(b)(3)(A)), as added by subsection (b), shall apply with respect to violations of that section occurring on or after the date of enactment of this Act.

(b) VIOLATIONS BY GOVERNMENT AGENCIES IN POSSESSION OF SOCIAL SECURITY NUMBERS.—Section 1129(a)(1)(D) of the Social Security Act (42 U.S.C. 1320a–8(a)(3)(D)), as added by subsection (b), shall apply with respect to violations of that section occurring on or after the effective date under section (c).

From the Los Angeles Times, May 8, 2001

Curb on Sale of Consumer Data Upheld

(By Edmund Sanders)

WASHINGTON.—In a victory for privacy advocates, a federal judge has upheld a proposed government regulation that would effectively end the long-standing practice by credit bureaus of selling consumers' numbers, addresses and Social Security numbers to marketers, information brokers and others.

Industry groups are likely to appeal the decision if upheld by the 9th U.S. Circuit Court of Appeals in San Francisco. Federal Trade Commission. If the decision is upheld, the rule—issued by the FTC last year and set to take effect in July—would work dramatic changes in the way businesses rely on the credit bureaus' databases for everything from updating junk-mail lists to locating a lost credit card.

"It's going to set a higher barrier for the privacy of this kind of information," said Robert Gellman, a privacy consultant in Washington. Credit bureaus and information brokers, who filed suit last year to block the FTC rules, warned that the court decision may have unintended consequences. By Edmund Sanders

"There are many beneficial uses for this information," said Clark Walter, a spokesman for Trans Union, the Chicago-based credit bureau. He said the databases are used to find fugitives, parents who owe child support, missing heirs and runaway children.

Laiden with the burden of these particular functions would be affected remains to be seen," Walter said.

At the heart of the dispute is the top portion of consumer credit reports, known as the "header." The header is limited to a person's name, address, birth date and Social Security number. The header does not include financial information about credit history or bank accounts, which can be released only to creditors and others with a legal right to see it. Because it has been considered less sensitive, credit bureau information has been sold for years. Customers include marketing firms, law enforcement agencies, private investigators and journalists.

Last year, the FTC proposed rules to prohibit credit bureaus from continuing to sell the information unless consumers had first been given an opportunity to block the practice. The credit bureau industry said the rules would overwhelm Congress as part of a 1999 financial modernization law, which called for new privacy

[Congressional Record — Senate]

"(d) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of the Social Security Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking "charging fraud or false state-
protections for consumers' financial information.

The Individual Reference Services Group, a trade group of information companies, argued that the law, which it said would make it easier to obtain Social Security numbers, was too vague and could be misinterpreted. The group also argued that the law could be used to obtain Social Security numbers for illegal purposes.

The FTC ruled that the law was not effective in preventing identity theft. The agency also ruled that the law would not prevent the sale of Social Security numbers for illegal purposes.

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The FTC also ruled that the law would not prevent the sale of Social Security numbers for illegal purposes. The agency also ruled that the law would not prevent the sale of Social Security numbers for illegal purposes. The agency also ruled that the law would not prevent the sale of Social Security numbers for illegal purposes. The agency also ruled that the law would not prevent the sale of Social Security numbers for illegal purposes.
do—to ensure accurate identification of individuals who use their services and to prevent fraud.

Many States require social security numbers to be used in documents such as marriage licenses, bankruptcy records, and tax lien, etc. These documents are, under most state laws, a matter of public record, which means the general public can readily gain access to them. Were we to make the assumption that social security numbers in every public record illegal, many states and third party beneficiaries whose business is based on providing access to public records to law offices and other subscribers would have no way to redact social security numbers from many hundreds of thousands of public documents. This would be a huge task, and it is unclear whether we would in any significant way, further reduce the illegal activity we are trying to prevent. In other words, it is unclear whether the administrative burden and cost would outweigh the potential benefit. This was a very real concern.

At the same time we recognized the very real harm that could be caused by unlimited public access to public documents containing social security numbers—in many cases, right on the face of the document. Social security numbers in public records can be dangerous if a chatter knows where to look, and so I made a commitment last year to continue to look at this problem and to address it in a way that was sound and fair, and consistent with the overall principles and goals of the legislation.

As with the other provisions in this legislation, Senator Feinstein and I reached a compromise.

Under our compromise proposal there is no requirement for redaction of social security numbers in the event that a social security number incidentally in public records, (i.e. not on the face of a document or in a document in a consistent manner). We are trying to limit access to social security numbers for routinely appear in a public record routinely and predictably, on the same page, in every document.

For those records, records where the social security number appears non-incidentally, the number must be redacted before the public document is sold or displayed to the general public. Individuals requesting the document who are able to provide the social security number to the person who is the subject of the document before receiving the document may receive an unrelated copy of the public document.

I believe that the Feinstein-Gregg Social Security Number Misuse Prevention Act is a well thought-out, tightly woven piece of legislation that has energized and has addressed many of the concerns surrounding the uses of Social Security numbers. Passing this legislation is one of the most important things that Congress can do this year to reduce identity theft and protect individual privacy while permitting the continued legitimate and limited uses of the social security number.

I thank Senator Feinstein and look forward to continuing to work with her throughout the legislative process.

By Mr. BOND:

S. 498. A bill to amend provisions of law enacted by the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104-121 to ensure full analysis of potential impacts on small entities of rules proposed by certain agencies, and for other purposes:

to the Committee on Small Business.

Mr. BOND. Mr. President, we are awaiting the imminent arrival of the budget from the House. We have had many important things going on in this Chamber. The debate on education is tremendously important. Yet I think it is necessary that we take a moment and recognize something that colleagues on both sides of the aisle will find very important, and I know support; and that is, the fact that this is Small Business Week.

All of us know, particularly those of us who serve on the Small Business Committee, that small businesses are the dynamic engine which keeps the economy of America growing and providing jobs and income for individuals. It provides opportunities, for the entrepreneurs and their families, for people to gain the kind of life they wish. In many areas, it also provides tremendous innovations that make our economy more advanced and enhances the livelihoods of the workers in the small business and the customers of those small businesses.

This week I have been working with my colleagues on Small Business. My ranking member, Senator Kerry, and I, members of the committee have participated in recognition ceremonies for Outstanding Small Businesspersons of the Year. There was White House recognition yesterday.

I say to all my colleagues, there is a Small Business Week of the Year from your State. I hope you have had the opportunity to congratulate them, to thank them for their work, and also to listen to them on what is important for small business.

Since I took over and have had the honor of becoming chairman of the Committee on Small Business in 1995, we have made it a point for the committee to be the eyes and ears of small business. We have listened to what small businesses have had to say, small businesses in Missouri and Massachusetts and Minnesota and Georgia and all across the Nation. If you ask them, they will tell you.

We found out a number of things that are of concern to them. They are concerned about excessive regulation. They are concerned about the complexity of taxation. They are concerned about getting access to the Government contracting business that is available, too often only to larger businesses.

Last year I hosted a national woman's small business summit in Kansas City, MO, and getting access to defense contracts and other Federal Government contracts was high on their list. Working together with members of the Small Business Committee, we pushed to get rid of bundling and make sure that the small businesses get their fair share of contracts.

I will be introducing a measure, a mentoring and protege bill, to do with other agencies of the Federal Government what the Defense Department has done, and that is to assign an experienced government contractor to work with small businesses to help them get in line for the contracts so they can participate in and fulfill those contracts.

I have, with Senator KERRY, introduced a resolution commending Small Business Week. Somebody has put a hold on it. I really hope to reason with them and see if we can't get that passed. Almost anything we have done in small business in this body has been on a bipartisan basis. We hope to over come that problem.

There are a number of tax measures that are pending before the Senate now. I introduced the Small Business Works Act as a tax measure right after this session of Congress convened. It was based upon the tax priorities that women business owners had. No. 1 was getting rid of the alternative minimum tax. You have to figure out two guides of taxes, and then meet some business measures individually. Some 21.2 million of them pay taxes on their personal income tax form. And when you have an AMT, you find out you lose many of the business deductions, and the small business person winds up paying a higher tax—certainly a higher tax, in many instances, than a regular Corporation pays.

In addition, we would move up and make effective now 100-percent deductibility for health insurance paid for by small businesses. A provision that is remaining is that a small business should have the same opportunities to get health insurance for herself and her family as a large corporation does for its employees. That is in there.

On Monday I introduced the Independent Contractor Determination Act. One of the things women business owners told us was, it is particularly troubling and has been a longstanding headache for small businesses to figure out who is an independent contractor and who is not. There is a 20-factor formula. Nobody understands the 20 factors, but the one thing you do understand is, if an IRS agent comes in 3 or 4 years later and applies the test, the IRS agent is going to win because nobody knows how to figure it out. The result is many small businesses have faced very heavy burdens. Some have been put out of business because somebody rejiggered them from independent contractor to employee, and this has gone on by this means of Congress convened. The laws ought to be simple enough to understand. There is a lot of complexity in the law.
One of the things we must do, as we reform the Tax Code, is make it simpler. There is no more complex, uninterpretable, undefined, unreasonable provision in the law than the current independent contractor provision, I believe.

The average small business spends 5 percent of its revenues figuring out the tax. That is not paying the taxes, that is just figuring out how much they owe. A nickel out of every dollar goes to calculating taxes, because we have made it too complex. We need to make it simpler.

Today I introduced a measure to build upon the Red Tape Reduction Act, also known as the Small Business Regulatory Enforcement Fairness Act. I was very pleased in 1996 to work with my then ranking member, Senator Bumpers, and we presented a bill unanimously out of the Small Business Committee to provide some relief for small businesses from excessive red tape and regulation. We thought we would have all kinds of problems getting on the floor, but we worked on a bipartisan basis. We had worked with the Government to make sure their concerns were expressed.

The only people who came to the floor were people who wished to be added as cosponsors. It passed unanimously, and it has been having an impact.

I cite my good friend and constituent Dr. Murray Weidenbaum at the Center for the Study of American Business at Washington University who told me a couple of years ago that the Red Tape Reduction Act was perhaps the only—certainly the most significant—regulatory reform measure passed by Congress in recent history, in the last 20 years or so.

We have seen the impact of this provision. The Red Tape Reduction Act, among other things, requires that OSHA and EPA convene panels to involve small businesses in formulating regulations before the regulations are proposed. It gives the agencies the unique opportunity to learn upfront what problems their regulation may cause and to correct the problems with the least difficulty.

In one case, EPA totally abandoned a regulation when they recognized that the industry couldn’t deal with it much more effectively on its own.

Experience with the panel process has proven to be an unequivocal success. The former chief counsel for advocacy of the Small Business Administration, Jere Glover, who worked hard to make sure the act worked, stated:

Unquestionably, the SBREFA panel process has had a very salutary impact on the regulatory deliberations of OSHA and EPA, resulting in major changes to draft regulations. What is important to note is that these changes were accomplished without sacrificing the agencies’ public policy objectives.

That is what we had in mind. Many times small businesses get run over if they are left out of the process. We had a hearing just a couple weeks ago in the Small Business Committee and found that in some regulations the agencies had worked tremendous hardship on small fishermen along the North Carolina coast when they decided to change the bag limit, the catch limit, in the fall and wiped out many small businesses.

They forgot to ask how best to implement the fisheries regulation.

Another business in my State was working on a process to replace a particular chemical that the EPA said it was going to phase out. They had invested a great deal of time, money, and interest in the process of getting it developed. EPA changed the rule and the regulation and the time limit in midprocess and left them completely out in the dark.

These are the kinds of things that Government ought not to be doing. Government ought not to be running roughshod over people who are trying to contribute to the economy, provide good employment opportunities, provide a solid tax base for the community, and provide good wages for the proprietor and employees and their families.

We think the Red Tape Reduction Act can be expanded and can be of even greater value. It has demonstrated the value of small business input in the regulatory process, but still too many agencies are trying to evade the requirements to conduct regulatory flexibility analyses—that is the technical term for seeing how it will impact the least possible burden on a small business while still achieving the mission of the agency.

I think there is no question we have worked with the new Commissioner of the IRS, Miss Rossotti. We have seen many steps taken by the IRS to relieve the burdens. I don’t know anybody who really likes to pay taxes. We realize that it is an important part of supporting our Government and our system. But at least we ought to do so in a way that is the least confusing and burdensome.

So I think it is important that we provide a mechanism so that parties will be able to reserve the benefits of their rights to participate at the earlies—earliest, if you will—impact. We believe the litigation that is available at the end of the process if an agency fails to take into account the burden on small business is important because prior to the Redtape Reduction Act, the law had been on the books since 1980 that agencies ought to consider the impact on small business, and it was absolutely, totally ignored by the agencies; without judicial enforcement, they didn’t do it. So we added judicial enforcement and they started paying attention.

The Agency Accountability Act, which I introduce today, cures a number of additional problems we have identified. Let me run through quickly what it does. No. 1, it requires agencies to publish the decision to certify a regulation as not having a significant economic impact on a substantial number of small entities separately in the Federal Register. That means, in certain circumstances, the agency doesn’t have to consider the impact on small business. That is how most of the bad regulations get through. EPA was infamous for doing this. They were saying it didn’t have an impact. The regulation comes down to small business, which says we are getting killed. Then they have to fight the battle. Then they go to court and prove that they are impacted and the EPA didn’t pay any attention to them.

This says if you are going to use that escape clause to say the regulation doesn’t have any impact on a small business, you have to set that out—set out in the Federal Register what you are doing and the fact that it does not have an impact. So you can perhaps correct the problems if there are small businesses that can show they are impacted before the regulation is issued.

Second, the Triple A Act requires the agency to publish a summary of its economic analysis supporting the certification decision; i.e., if you say it doesn’t have any economic impact, don’t just grab it out of your hip pocket, or hat. You have to have an analysis showing what you have to make that available to the public so that interested parties will be able to see whether, in fact, it was pulled out of your hat, or whether it is based on sound economic reasoning.

The third thing the Triple A does is it allows small entities to seek judicial review of this certification decision. They can go to the agency and say: Agency, you are trying to get out of the regulatory flexibility requirements—you are trying to get out of the requirement to support small business. If small business can be lessened. If they say they disagree with them, the small entity can go to court and get it enforced.

When I say “small entity,” this is not only available to small businesses, it is available to local governments, to not-for-profit organizations, eleemosynary institutions, available for the small entities in this country that do not have lobbyists or a presence in Washington. Small entities are entitled to use this Redtape Reduction Act.

Fourth, the measure directs the Chief Counsel for Advocacy of the Small
The Business Administration to put out a regulation defining the terms that the agency has to use in determining whether they can escape an analysis of how small business will be impacted. These terms are “significant economic impact”, a “substantial number of small entities.” We found that a number of agencies like to jack around with those terms and skew the facts so that they can sneak out the back door without having to do what the bill requires. This gives the advocacy counsel the agency what it wants and this is how you have to abide by it. If they don’t follow that, then they are ducking their responsibilities under SBREFA and the Regulatory Flexibility Act.

The other thing is, Triple A adds the IRS, U.S. Forest Service, National Marine Fisheries Service, and the Fish and Wildlife Service to the list of agencies that must conduct small business review panels before they can issue proposed or final rules.

All Federal agencies are covered by the provisions of the Regulatory Flexibility Act. If you ignore it, you can get hauled into court and have your regulation overturned if it has a significant economic impact on a substantial number of small entities. But this is to say that based on their track record and problems in the past, we are going to have you do what OSHA and EPA have been required to do, and that is set up panels involving small business interests prior to formulating the regulation. If you ask small business how is this regulation going to affect you and people like you, you may find out that there are a lot better ways of doing it. That is what EPA found out in one of the regulations it considered.

Certainly, an agency is not going to be able to say: Gee, I had no idea that it would cause such a hardship on you. It is as important as any part of Government service. And it is too bad we have to write it into law. We cannot be good Government servants, either as legislators or bureaucrats, or members of the executive branch if we don’t listen to the voices, the hopes, concerns, and problems of average citizens. We are just saying under this new measure that there is a couple of agencies that have to be told by law to listen to the people they are going to regulate. Pay attention to them. They don’t have to like the regulations but at least written to their concerns about how the regulations affect them and how you may be able to accomplish the purpose of the law you are seeking to administer, without putting burdens on small agencies.

Well, Mr. President, this bill grows out of extensive review of how the Red-tape Reduction Act has functioned in the last 5 years. We still see a lot of frustration by small businesses about how agencies continue to find ways to avoid doing small business impact rulemakings, and some of the actions that our agencies take confirm the worst image of agency bureaucrats who are thought to know what is best for small business throughout the country, and when the small businesses are actually providing jobs, developing technology and keeping the economy growing. But someone there in Washington has a lot better idea how they ought to be run than we do.

We need to have an interaction so that the people out there who are creating jobs, developing the technology, earning a living for their families and themselves can have an input into the agencies they have to regulate.

The General Accounting Office found recently that the EPA missed 1,098 small companies in the 32 SIC codes of industries that will be affected by their rule lowering the threshold for companies to report their use of lead. EPA thus concluded that their rule would not have a significant economic impact on a substantial number of small entities despite reducing the threshold of lead emissions from 25,000 pounds to 10 pounds per year.

EPA, instead, relied on an average revenue compiled from all companies in the manufacturing industries to determine what threshold would be set to trigger the small business review panel required by the Regulatory Flexibility Act. The average included companies such as General Motors, General Electric, 3M, and others that skewed the average so that it looked as though the rule would have no impact on small business.

But I can tell you that a small business with 11 pounds of lead is absolutely clobbered by this rule.

Although EPA claimed to conduct outreach to find firms that would be affected, they only contacted nine sources, although some of these sources allegedly contacted have no record of EPA contacting them. I think there is no excuse for this type of arrogance and abject avoidance of their regulatory responsibility to small business. This shoddy economic analysis exposes a loophole through which EPA can do whatever they wish. If you ignore it, you can get kicked out of court and have your regulation closed by the Agency Accountability Act.

I submitted previously, when I introduced with bipartisan support a number of measures that I think are going to be very helpful for small business. I hope during the course of Small Business Week my colleagues will look at these and particularly take the time to listen to the men and women of small business who have come to Washington and continue the work in their home States to find out what their concerns are.

I am hoping we can do the same with this agency accountability bill. Let all agencies know firsthand: If you do your job right, then this should be no problem. If you are not doing your job this way, you ought to be because it will cause less headache, less lawsuits, and legal problems in the future.

Hed EPA done what it should have done in the lead TRI rulemaking, there would not be the litigation we are seeing now, and it would have saved businesses and the environment untold sums of taxpayers’ dollars.

This body has said they want to treat small businesses fairly. The Agency Accountability Act is the next step in doing so.

As I said earlier, I have introduced with bipartisan support a number of measures that I think are going to be very helpful for small business. I hope during the course of Small Business Week my colleagues will look at these and particularly take the time to listen to the men and women of small business who have come to Washington and continue the work in their home States to find out what their concerns are.

I will be cosponsoring a measure that my colleague, Senator KERRY, will be introducing to reauthorize and extend a very important STTR bill which is a very important part of transferring technology. It is a small business technology transfer program. I will have a statement that I will add after Senator KERRY introduces the bill. I hope this will merit the attention of our colleagues.

I ask unanimous consent that the testimony of Hubert Potter, Tim Kalinowski, and Victor Zepedes of the General Accounting Office before the Committee.

May 9, 2001
CONGRESSIONAL RECORD — SENATE S4599
I am a member of the North Carolina Fishers Association, and have been a Board member of that group for several years, including a stint as Vice-Chairman. As such, I've had the opportunity to see the political and bureaucratic issues affecting us.

Just about all of my experience has been aboard a type of fishing vessel called a trawler. My family and I have owned our trawler for over 20 years, and we fish commercially for a living. We fish for shrimp, crab, and other species of fish in the waters off the coast of Virginia, over 100 fishermen from our state have attended at the request of the court. We were there as plaintiffs in a lawsuit brought by the National Marine Fisheries Association in a lawsuit to challenge the conformity of the National Marine Fisheries Service's regulations with the National Marine Fisheries Service.

Mr. Chairman, speaking on behalf of commercial fishing families, I want to thank you for scheduling this hearing. Our small businesses are so small that we don't have the time to stay on top of a lot of these kinds of issues. We are expected to abide by the laws of our land, and we expect that our own government should do that also.

It's been discouraging to see our incomes drop as regulations increase, and read reports by the government that the regulations will have no significant impact on us. Although it's hard work, we love what we do, and we would like to be able to continue providing our country with a healthy and tasty source of protein.

We really hope that our government wants us to continue doing that too.

Thank you, and I would be glad to answer any questions from the Committee.

**TESTIMONY OF TIM KALINOWSKI**

Good Morning and thank you for the opportunity to address this distinguished committee. My name is Tim Kalinowski and I am the Vice-President of Operations for Foam Supplies, Inc. (FSI) located in Earth City, Missouri.

FSI is a typical, small, mid western family owned business. It is still run by Dave and Karen Keske who founded the business in 1972. They bought the first facility with the help of a loan and built their current facility by offering shares in the building and land to their 62 employees, who receive monthly rental income for their investment.

FSI has always operated in an environmentally responsible manner and we are proud of our reputation. FSI manufacturers rigid non-CFC urethane foams and solvent less urethane dispensing equipment. These products have uses ranging from flotation foam used in boat building to insulation foam used in building construction. Our company has always been a leader in the field. In the 1980's, aware of EPA's plans to phase out CFCs due to its negative effect on the earth's ozone layer, FSI worked aggressively to find suitable substitutes. FSI was the first company to patent an HCFC-22 blown urethane foam, years before the EPA mandated phase out.

Technology development does not occur overnight and it does not come cheap. FSI spends a lot of money to develop new products. We cannot afford to do this at the expense of those who compete with us in the marketplace. We would appreciate any help that you can give us.

Mr. Chairman, while I have heard of the favorable impact that the government and EPA has had on many small businesses, I would be concerned if the government would continue to make the same mistakes that have been made throughout the years.

In the NPRM the EPA stated that: (1) "EPA believes that today's proposal will not result in a significant cost to appliance manufacturers or consumers"; (2) "This rule would not have a significant impact on a substantial number of small entities because the cost of the compliance requirements to be minor"; and (3) "EPA has determined that it is not necessary to prepare a regulatory flexibility analysis in connection with this proposal."

We take great exception to these remarks. I am here to tell you that this rule will have an affect on thousands of small manufacturers across the country. The only economic study that EPA seems to have done was based on data from a multi-billion dollar appliance manufacturing company. If EPA was truly interested in knowing what companies would be impacted by this rule, they only had to make a few phone calls or pull up a few web sites to identify the various manufacturers, refrigerator equipment manufacturers, freezer manufacturers, and many other small entities. But they never did. In fact they overlooked our industry. They should have known much this rule would cost my small business and they did not know how many small business people felt like us.

The only phone call that I am aware of to an end-user was made after the rule was proposed. An EPA staff person contacted the National Marine Manufacturers Association and informed them that boat builders never had an extension and were currently violating the law. When the NMMA called me for an explanation, they said that they heard from the voice on the other end of the phone. They believed that by commenting they had struck
a hornet’s nest. I fixed them a copy of the initial rule, which clearly stated that boat builders did have an extension and were not in violation of the law. EPA was eventually forced to admit that indeed boat builders did have an extension and were overlooked in this rulemaking process.

Instead of accusing boat builders of operating in bad faith, the EPA clearly stated that ‘‘we have learned that the Coast Guard requires boat builders to conform to the 10- year extension date or it could lose its certification license or be revoked. EPA would have learned that over 1500 small business boat builders use these products and would have known that a rule was needed that clearly delineates—or has some other way of defining how an extension is obtained. EPA never considered that question when the proposal was developed. In addition, it is obvious that the EPA staff did not do their homework, because the proposed alternatives are more expensive, unavailable at this time, less effective or present other VOC or flammability hazards. Those are products that they are confident their customers and still hope to be able to compete with the larger corporations. This rule will severely jeopardize FSI and its customers who cannot possibly pass on the increased chemical and testing costs to their customers and still hope to be able to compete with the larger corporations.

Another overlooked causality of this rule would be the environment itself. Breakthroughs in any industry are commonly a result of the efforts of the little guy who has to stay one step ahead of the big corporations just to stay in business. Our industry is constantly trying to develop new products, which benefit our customers and improve the environment. There are products being tested and developed by FSI and others like us that would have to be abandoned under this rule. These products would not only be better for the environment, but also more cost effective for the small businessman.

David and Karen Keske’s of FSI and other small business entrepreneurs want to be able to continue to dedicate their limited resources to test and develop new products. These are products that they are confident will be better for their customers and for the environment. This will only happen if the issues and concerns of companies directly impacted by the rules are made clear to the EPA before they are proposed. This was supposed to happen in this rulemaking. The SBREFA law requires it and in this case the last minute emphasis on these products has happened. EPA has put FSI and many other small businesses in serious economic jeopardy.

In closing, I would like to make one point very clear. FSI is not looking for special treatment. We only want to be treated in accordance with the law. It is our belief that when the playing field is kept level, FSI and small businesses in serious small governmental jurisdictions, and small organizations) and to solicit the ideas and comments of such entities for this purpose. Specifically, we are requesting to publish a notice of proposed rulemaking, the RFA requires agencies to prepare an initial and final regulatory flexibility analysis. However, the RFA also states that those analytical requirements do not apply if the head of the agency certifies that the rule does not have a significant economic impact on a substantial number of small entities,” or what I will—for the sake of brevity—term a “significant impact,” SBREFA was enacted on August 1996 to provide a mechanism for small entities, some of the act’s requirements are built on this “significant impact” concept. The underlying philosophy one provision of SBREFA requires that before publishing a proposed rule that may have a significant impact, EPA and the Occupational Safety and Health Administration must convene a small business advocacy review panel for the draft rule, and collect the advice and recommendations of representatives of affected entities about the potential impact of the draft rule.

We have reviewed the implementation of the RFA over the past decade, with topics ranging from substantive proposed rules would not have a significant impact. For example, the guidance indicates that a rule would be about $116 million. However, EPA certified that the rule would not have a significant impact and, therefore, did not trigger certain small entity compliance or procedural requirements of the RFA. EPA’s current guidance on how the RFA should be implemented gives the agency’s program offices discretion with respect to certification. The guidance also provides numerical guidelines to help define what constitutes a significant impact. For example, the guidance indicates that a rule should be presumed eligible for certification as not having a significant impact if it does not impose annual compliance costs amounting to 1 percent of estimated annual revenue. However, the program office should presume that the rule is ineligible for certification. These numerical guidelines establish what appears to be a high threshold for what constitutes a significant impact. For example, an EPA rule could theoretically impose $10,000 in compliance costs on 10,000 small businesses, but the guidelines indicate that this rule may not constitute a rule that does not trigger the requirements of the RFA as long as those costs do not represent at least 1 percent of the affected businesses’ annual revenues. The guidance also accounts for profit margins in the businesses involved. Therefore, if the profit margin in
the affected businesses is less than 5 percent, the costs required to implement a rule could conceivably take one-fifth of that profit and, under EPA’s guidelines, still not be considered a significant impact. Nevertheless, EPA again concluded that the rule would have concluded that as many as 1,500 small businesses would experience compliance costs amounting to at least 1 percent of annual revenues. EPA said that it did not believe the rule would have a significant impact. EPA said that it reached this conclusion because the rule would have a significant economic impact (defined as average costs between 1 and 3 percent of annual revenues) on more than 250 of the 4,100 small businesses affected by the rule to be affected by the rule. EPA also illustrated what it viewed as nonsignificant impact in terms of work hours. The agency said that it would take a first-time filer about 110 hours to fill out the form. Because the smallest firm that could be affected by the rule must have at least 20 labor hours to be a small entity, EPA attested 500 hours per year to employee times 500 hours per week). EPA said that the 110 hours required to fill out the Toxics Release Inventory form in the first year represents only 1 percent of the total amount of time the firm has available in that year.

EPA’s determination that the proposed lead rule would not have a significant impact on small entities was not unique. Its four major program offices certified about 78 percent of the substantive proposed rules that they published in the 2 years before SBREA took effect in 1996 but certified 96 percent of the proposed rules published in the 2 years after the act became effective. In fact, two-thirds of the program offices—the Office of Prevention, Pesticides and Toxic Substances and the Office of Solid Waste—certified all of their proposed rules—SBREA period as not having a significant impact. The Office of Air and Radiation certified 97 percent of its proposed rules during this period, and the Office of Water certified 83 percent. EPA officials told us that the increased rate of certification after SBREA’s implementation was caused by a change in the agency’s EPA guidance to determine a significant impact. Prior to SBREA, EPA’s policy was to prepare a regulatory flexibility analysis for any rule that the agency expected to have any impact on any small entities. The officials said that this guidance was changed because the SBREA requirement to convene an advocacy review panel for any proposed rule would make the continuation of the agency’s more inclusive RFA policy too costly and impractical.

PREVIOUS REPORTS ON THE RFA AND SBREA

We have issued several other reports in recent years on the implementation of the RFA and SBREA that, in combination, illustrate both the promise and the problems associated with the statutes. For example, in 1998, we described the inadequacy of the RFA with regard to small governments and concluded that each of the four federal agencies we reviewed had a different interpretation of key RFA provisions. We said that the act allowed agencies to interpret when they believed their proposed regulations affected small businesses. In our 1998 report, we recommended that Congress consider amending the RFA to require the Small Business Administration (SBA) to develop criteria and guidance for determining whether to conduct the regulatory flexibility analysis.

In 1994, we noted that the RFA required the SBA Chief Counsel for Advocacy to monitor, with effectiveness, compliance costs experienced by small businesses. However, we also said that one reason for agencies’ lack of compliance with the RFA’s requirements was that the act did not establish uniformity in the RFA provisions in the statute and did not require SBA to develop criteria for agencies to follow in reviewing the RFA requirements. We noted that if Congress wanted to strengthen the implementation of the RFA, it should consider amending the act to (1) provide SBA with clearer authority and responsibility to interpret the RFA’s requirements, and (2) require SBA, in consultation with OMB, to develop criteria as to whether and how federal agencies should conduct RFA analyses.

In our 1998 report on the implementation of the small business advocacy review requirement of the RFA, we found that the lack of clarity regarding whether EPA should have convened panels for two of its proposed rules was traceable to the lack of agreement among agencies as to whether a rule has a significant impact. Nonetheless, we said that the panels that had been convened were generally well received by the small business representatives. We also said that if Congress wished to clarify and strengthen the implementation of the RFA, EPA should consider (1) providing SBA or another entity with clearer authority and responsibility to interpret the RFA’s provisions and (2) requiring SBA to develop criteria for agencies to use to determine whether a rule has a significant impact on a substantial number of small entities. In 1999, we noted a similar deficiency in the implementation of the RFA. We said that agencies review their existing rules that have a significant impact within 10 years of their promulgation. We said that if Congress is concerned that this section of the RFA has been subject to varying interpretations, it may wish to clarify those provisions. We also recommended that OMB take several actions to encourage and direct the implementation of these review requirements, some of which have been implemented.

Last year we testified at GAO on the rule review provision of the RFA, focusing on why the required reviews were not being conducted. Attending that meeting were representatives from 12 agencies that appeared to issue rules with an impact on small businesses, representatives from relevant oversight organizations (e.g., OMB and SBA’s Office of Advocacy), and congressional staff from the House and Senate Committees on Small Business. The meeting revealed significant differences of opinion regarding key technical and implementation issues and also raised some agencies did not consider their rules to have a significant impact because they believed the underlying statutes, not the agency-developed regulations, caused such an impact on small entities. There was also confusion regarding whether the agencies were supposed to consider the impact of the RFA’s requirement to “rule” under RFA’s rule review requirements—the entire section of the Code of Federal Regulations that was affected by the RFA, or just the part of the RFA that was being amended. By the end of the meeting it was clear that, as one congressional
Mr. Chairman, this concludes my prepared statement. I would be happy to respond to any questions.

AGENCY ACCOUNTABILITY ACT—SUMMARY OF PROVISIONS

SECTION 1. SHORT TITLE

This act may be cited as the "Agency Accountability Act of 2001".

SECTION 2. FINDINGS AND PURPOSES

This section improves the procedure for the conduct of Business Advocacy Review Panels by requiring the agency to collaborate with the Chief Counsel for Advocacy of the Small Business Administration in selecting the small entity representatives. It requires the agency to publish the panel report in the Federal Register and to distribute the report to the small entity representatives.

SECTION 4. DEFINITIONS

This section expands the list of agencies required to conduct Small Business Advocacy Review Panels. Agencies that promulgate a temporary regulation must conduct an initial regulatory flexibility analysis to determine the impact of the regulation on small entities and the effectiveness of any small entity compliance reviews. The analysis must be published in the Federal Register.

SECTION 5. COLLECTION OF INFORMATION REQUIREMENT

This section revises the conditions under which the Internal Revenue Service must conduct an initial regulatory flexibility analysis for interpretative regulations. The IRS must promulgate a temporary regulation before it can promulgate a final regulation. The section also allows organizations that primarily represent small entities to serve as Small Entity Representatives. Finally, this section directs the Chief Counsel for Advocacy of the Small Business Administration to promulgate a rule making to further define the terms "economic impact," "small entity," and "small number of small entities" and to consider the indirect impacts regulations have on small businesses when promulgating those regulations.

SECTION 6. INITIAL REGULATORY FLEXIBILITY ANALYSIS

This section adds the requirement of conducting a cost/benefit analysis of the regulation to the requirements of the Initial Regulatory Flexibility Analysis required under the Regulatory Flexibility Act. Agencies are also directed to take into account the extent practical, the cumulative cost of their regulations on small entities and the effect of the proposed regulation on those cumulatively, agencies are directed to make an initial certification that the benefits of the proposed rule justify the costs of the proposed rule to small entities.

SECTION 7. FINAL REGULATORY FLEXIBILITY ANALYSIS

This section adds cost/benefit analyses to the requirements of the Final Regulatory Flexibility Analysis called for under the Regulatory Flexibility Act. It also requires agencies to make a final certification that the benefits of the regulation justify the costs of the rule to small entities that will be subject to it. Finally, agencies are required to describe the comments received on the Initial Regulatory Flexibility Analysis and any change made as a result of those comments.

SECTION 8. PUBLICATION OF DECISION TO CERTIFY A RULE

This section requires agencies to publish a separate final rule certifying their decision to certify a regulation as not having a significant economic impact on a substantial number of small entities instead of the certification being part of the final rule. This also requires the agency to publish a summary of the economic analysis supporting that decision and indicates what must be in that summary. The complete analysis is to be made available on the Internet to the extent practicable.

SECTION 9. JUDICIAL REVIEW OF CERTIFICATION DECISION

This section makes the agency decision to certify a regulation as not having a significant economic impact on a substantial number of small entities appealable. It also specifies that the remedy shall be vacating the certification and requiring the agency to conduct the Initial Regulatory Flexibility Analysis, the Final Regulatory Flexibility Analysis, and the small business advocacy review panel if required.

SECTION 10. EXCLUSION OF AGENCY OUTREACH TO SMALL BUSINESSES FROM CERTAIN COLLECTION OF INFORMATION REQUIREMENTS

This section excludes outreach efforts to small businesses to determine the impact of regulations from the requirements for Office of Management and Budget clearance under the Paperwork Reduction Act.

SECTION 11. EFFECTIVE DATE

This act shall take effect 90 days after the date of enactment.

By Mr. CHAFEE (for himself, Mr. GRAHAM, Mrs. LINCOLN, Mr. TORRICELLI, and Mr. KOHL): S. 850. A bill to expand the Federal tax refund offset program to cover children who are not minors; to the Committee on Finance.

Mr. CHAFEE. Mr. President, I am pleased to be joined today by Senators GRAHAM, LINCOLN, TORRICELLI, and KOHL, in introducing the Child Support Fairness and Tax Refund Interception Act of 2001.

The Child Support Fairness and Tax Refund Interception Act of 2001 closes a loophole in current federal statute by expanding the eligibility of one of the most effective means of enforcing child support orders, that of intercepting the federal tax refunds of parents who are delinquent in paying their court-ordered financial support for their children.

Under current law, eligibility for the federal tax refund offset program is limited to cases involving minors, parents on public assistance, or adult children who are disabled. Custodial parents of adult, non-disabled children are not assisted under the IRS tax refund intercept program, and in many cases, they must work multiple jobs in order to make ends meet. Some of these parents have gone into debt to put their college-age children through school.

The legislation we are introducing today will address this inequity by expanding the eligibility of the federal tax refund offset program to cover parents of all children, regardless of whether the child is disabled or a minor. This legislation will not create a cause of action for a custodial parent to seek additional child support. In will merely assist the custodial parent in removing debt that is owed for a level of child support that was determined by a court.

Improving our child support enforcement programs is an issue that should be of concern to all as it remains a serious problem in the United States. According to the most recent government statistics, there are approximately twelve million active cases in which a child support order requires a noncustodial parent to pay child support, while helping to provide for the future of our nation's children.

I urge my colleagues to join me in supporting this important legislation, and 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. 850

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Support Fairness and Tax Refund Interception Act of 2001".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Enforcing child support orders remains a serious problem in the United States. There are approximately 12,000,000 active cases in which a child support order requires a noncustodial parent to contribute to the support of his or her child. Of the $22,000,000,000 owed in 1999 pursuant to such orders, $12,000,000,000, or 54 percent, has been collected.

(2) It is an injustice for the Federal Government to issue tax refunds to a deadbeat parent who has failed to make child support payments.

S. 850
spouse while a custodial parent has to work 2 or 3 jobs to compensate for the shortfall in providing for their children.

(3) The Internal Revenue Service (IRS) program to tax refunds of parents who owe child support arrears has been successful in collecting a tenth of such arrears.

(4) The Congress has periodically expanded eligibility for federal tax refund intercept program. Initially, the program was limited to intercepting Federal tax refunds owed to parents on public assistance. In 1984, the Congress expanded the program to cover parents not on public assistance. Finally, the Omnibus Budget Reconciliation Act of 1990 made the program permanent and expanded the program to cover parents of all children, regardless of whether the child is disabled.

(5) The injustice to the custodial parent is the same regardless of whether the child is disabled, non-disabled, a minor, or an adult, so long as the child support obligation is provided for by a court or administrative order. It is common for parents to help their adult children finance a college education, a wedding, or a first home. Some parents cannot afford to do that because they are recovering from debt they incurred to cover expenses that were never covered if they had been paid the child support owed to them in a timely manner.

(6) This Act would address this injustice by expanding the coverage to all custodial parents of all adult children, regardless of whether the child is disabled.

(7) This Act does not create a cause of action for a custodial parent to seek additional child support. This Act merely helps the custodial parent recover debt they are owed for a level of child support that was set by a court after both sides had the opportunity to present their arguments about the proper amount of child support.

SEC. 3. USE OF TAX REFUND INTERCEPT PROGRAM TO COLLECT PAST-DUE CHILD SUPPORT ON BEHALF OF CHILDREN WHO ARE NOT MINORS.

Section 464 of the Social Security Act (42 U.S.C. 664) is amended—

(1) in subsection (a)(2)(A), by striking “as that term is defined for purposes of this paragraph” and inserting “as that term is defined for purposes of this Act”;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “(1) Except as provided in paragraph (2), as used in” and inserting “In and

(ii) by inserting “whether or not a minor” after “a child” each place it appears;

and

(B) by striking paragraphs (2) and (3).

By Mr. THOMPSON (for himself, Mr. KOHL, Mr. VOINOVICH, Mr. LEVIN, Mr. THURMOND, Ms. COLINS, and Mr. FITZGERALD):

S. 651. A bill to establish a commission to conduct a study of government privacy practices, and for other purposes; to the Committee on Governmental Affairs.

Mr. THOMPSON. Mr. President, I rise today to introduce the “Citizens’ Privacy Commission Act of 2001.” This legislation establishes an 11-member commission to examine how Federal, State, and local governments collect and use our personal information and to make recommendations to Congress as we consider how to map out government privacy protections for the future. The Citizens’ Privacy Commission, whose members will include experts with a diversity of experiences, will look at the spectrum of privacy concerns involving Federal, State, and local government, from protecting citizens’ genetic information, to guaranteeing the safe use of Social Security numbers, to ensuring confidentiality to citizens visiting government web sites. As we will learn today, these recommendations are increasingly concerned about the potential misuse of their personal information. A variety of measures intended to address the collection, use, and distribution of personal information by both the private sector and the public sector in Congress. Recent events, however, suggest that government privacy practices warrant closer scrutiny. For example, details surfaced last summer about the FBI’s new e-mail surveillance system—Carnivore. Civil libertarians and Internet users alike continue to question the legitimacy of this “online wiretapping.”

Also last summer, after the White House Office of National Drug Control Policy was found to be using “cookies” to track the Federal, State, and local governments that it funded, I requested that GAO investigate Federal agencies’ use of these information-collection devices on their own Web sites. GAO only had time to investigate a small sample of Federal agency sites, but they found one number of unauthorized “cookies,” including one that was operated by a third-party private company on an agency Web site under an agreement that gave the private company co-ownership of the data collected on visitors to the site.

As a follow-up to the GAO investigation, Congressman JAY INSLSEE and I worked together on an amendment to require all agency Inspectors General to report to Congress on each agency’s Internet information-collection practices. Fewer than half of the Inspectors General have completed their investigations, but the preliminary findings are cause for concern. In audits performed this past winter, sixteen Inspectors General identified sixty-four agencies with Web sites that were violating the privacy policies established by the last Administration by using information-collection devices called “cookies” without the required approval.

Last fall, Congressmen ARMEDY and TAUSEN released a GAO report that revealed that 97 percent of the Web sites of Federal agencies, including the Federal Trade Commission, weren’t in compliance with privacy standards on the Internet. Congress was advocating for private sector Web sites.

On top of all these examples, there is the issue of computer security at Federal agencies, which has been notoriously lax for years. GAO and Federal agency Inspectors General report time and time again that sensitive information on citizens’ health and financial records is vulnerable to hackers. Just this spring, GAO issued a report which explained how easily their investigators were able to hack into IRS computers and use them to file citizens’ e-filed taxes. Not surprisingly, a recent poll shows that most Americans perceive government as the greatest threat to their personal privacy, above both the media and corporations.

Last year, Senator KOHRI and I sponsored the Senate companion bill to the Hutchinson-Moran Privacy Commission Act. This bill would have created a commission to study government privacy issues in both the government and the private sector. The House bill failed a suspension vote by a narrow margin. There was a lack of consensus on whether a commission was warranted for the private sector issues being deliberated by the Congress. There was no disagreement, however, on the need for a commission to study the government’s management of citizens’ personal privacy. Many privacy advocates believe that the Privacy Act of 1974 and other laws addressing government privacy practices need to be updated, but we need a better understanding of the extent of the problem and of what exactly needs to be done.

Federal, State, and local governments collect, use, and distribute a large quantity of personal information for legitimate purposes. Yet because governments operate under different incentives and under a different legal relationship than the private sector, they may pose unique problems. Unlike businesses, governments collect personal information under the force of law. Furthermore, governments do not face the market incentives that can discourage information collection. The power and authority of government and the breadth of information it collects comes the potential for mistakes or abuse. The risk of privacy violations could also threaten to undermine the public’s confidence in e-Government, our effort to make government more accessible and responsive to citizens through the Internet. In fact, according to a recent Pew Internet and American Life report, only 31 percent of the users trust the government to do the right thing most of the time or all of the time.

The last Federal privacy commission operated over 25 years ago, from 1975 to 1977. Since then, there have been enormous leaps in technology. Today, a few keystrokes on a computer hooked up to the Internet can produce a quantity of information that was unimaginable in 1975. The question we must answer today is the same question Congress addressed in 1975: How can government achieve the correct balance between protecting personal privacy and allowing appropriate uses of information? The technological advances and other changes that have occurred since the 1970’s, however, demand a reevaluation of the government privacy protections that we currently have in place. While we have passed laws laying out a framework for the Federal government, it is time to reassess the laws designed to safeguard citizens’ privacy in light of the current state of technology.

The Citizens’ Privacy Commission will help us find the balance between protecting the privacy of individuals...
and permitting specific and appropriate uses of personal information for legitimate and necessary government purposes. The Commission will be directed to study a wide variety of issues relating to personal privacy and the government, including the collection, use, and distribution of personal information by Federal, State, and local governments, as well as current legislative and regulatory efforts to respond to privacy problems in the government. In the course of its examination of these issues, the Commission will also be required to hold at least three field hearings around the country and to set up a Web site to facilitate public participation and public comment. After 18 months of study, the Commission will submit a report to Congress on its findings, including any recommendations for legislation to reform or augment current laws. The Commission's report will be available for consideration by the next Congress.

It is my hope that we all can work together to pass the Citizens' Privacy Commission Act of 2001 to help us make informed and thoughtful decisions to protect the privacy of the American people. I would like to thank Senator Kohl, who has worked with me on a privacy commission bill for some time, as well as Senators Voinovich, Levin, Thurmond, Collins, and Fitzgerald for joining us as cosponsors. I urge my colleagues to support this important 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. 851

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 "Citizens' Privacy Commission Act of 2001".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Americans are increasingly concerned about their civil liberties and the security, collection, use, and distribution of their personal information by government, including medical records and genetic information, educational records, health records, tax records, library records, driver's license numbers, and other records.

(2) The shift from a paper based government to an information technology reliant government calls for a reassessment of the most effective way to balance personal privacy and information use, keeping in mind the potential for unintended effects on technology development and privacy needs.

(3) Concerns have been raised about the adequacy of existing government privacy laws and the adequacy of their enforcement in light of new technologies.

SEC. 3. ESTABLISHMENT.

There is established a commission to be known as the "Citizens' Privacy Commission" (in this Act referred to as the "Commission").

SEC. 4. DUTIES OF COMMISSION.

(a) Study.—The Commission shall conduct a study of issues relating to protection of individual privacy and the appropriate balance to be achieved between protecting individual privacy and allowing appropriate uses of information, including the following:

(1) The collection, use, and distribution of personal information by Federal, State, and local governments.

(2) Current efforts and proposals to address the collection, use, and distribution of personal information by Federal and State governments, including—

(A) existing statutes and regulations relating to the protection of individual privacy, including section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act, the Privacy Act of 1974) and section 522 of that title (commonly referred to as the Freedom of Information Act, the Privacy Act of 1974) and section 522 of that title

(B) privacy protection efforts undertaken by the Federal Government, State governments, foreign governments, and international governing bodies.

(3) The extent to which individuals in the United States can obtain redress for privacy violations by government.

(b) FIELD HEARINGS.—The Commission shall conduct at least 3 field hearings in different geographical regions of the United States.

(c) REPORT.—

(1) IN GENERAL.—Not later than 18 months after the appointment of all members of the Commission:

(A) a majority of the members of the Commission shall approve a report; and

(B) the Commission shall submit the approved report to the Congress and the President.

(2) CONTENTS.—The report shall include a detailed statement of findings, conclusions, and recommendations regarding government collection, use and disclosure of personal information, including the following:

(A) Findings on potential threats posed to individual privacy by new or existing laws and regulations.

(B) Analysis of purposes for which sharing of information is appropriate and beneficial to the public.

(C) Analysis of the effectiveness of existing laws, regulations, technology advances, third-party verification, and market forces in protecting individual privacy.

(D) Recommendations on whether additional legislation or regulation is necessary, and if so, specific suggestions on proposals to reform or augment current laws and regulations relating to citizens' privacy.

(E) Analysis of laws, regulations, or proposals which may impose unreasonable costs or burdens, raise concerns that cause unintended harm in other policy areas, such as security, law enforcement, medical research and treatment, employee benefits, or critical infrastructure protection.

(F) Cost analysis of legislative or regulatory changes proposed in the report.

(G) Recommendations on non-legislative solutions to privacy concerns, including new technology, education, best practices, and third party verification.

(H) Recommendations on alternatives to government collection of information, including private sector retention.

(I) Review of the effectiveness and utility of third-party verification.

(d) ADDITIONAL REQUIREMENTS.—Together with the report under subsection (c), the Commission shall submit to the Congress and the President any additional report of dissenting opinions or minority views by a member of the Commission.

(e) INTERIM REPORT.—The Commission may submit to Congress and the President an interim report approved by a majority of the members of the Commission.

SEC. 5. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 11 members appointed as follows:

(1) 2 members appointed by the President.

(2) 2 members appointed by the Majority Leader of the Senate.

(3) 2 members appointed by the Minority Leader of the Senate.

(4) 2 members appointed by the Speaker of the House of Representatives.

(5) 2 members appointed by the Minority Leader of the House of Representatives.

(6) 1 member, who shall serve as Chairperson of the Commission, appointed jointly by the President, the Majority Leader of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives.

(f) DIVERSITY OF VIEWS.—The appointing authorities under subsection (a) shall seek to ensure that the membership of the Commission has a diversity of experiences and expertise on the issues to be studied by the Commission, such as views and experiences of Federal, State, and local governments, the media, the academic community, consumer groups, public policy groups and other advocacy organizations, civil liberties experts, and business and industry (including small business, the information technology industry, the health care industry, and the financial services industry).

(g) DATE OF APPOINTMENT.—The appointment of the members of the Commission shall be made not later than 30 days after the date of the enactment of this Act.

(h) VACANCIES.—A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(i) COMPENSATION; TRAVEL EXPENSES. Members of the Commission shall serve without pay, but shall receive travel expenses, including per diem in lieu of subsistence in accordance with sections 5702 and 5703 of title 5, United States Code.

(j) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(k) MEETINGS.—

(1) IN GENERAL.—The Commission shall meet at the call of the Chairperson or a majority of its members.

(2) INITIAL MEETING.—Not later than 45 days after the date of the enactment of this Act, the Commission shall hold its initial meeting.

SEC. 6. DIRECTOR; STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—

(1) IN GENERAL.—Not later than 40 days after the date of enactment of this Act, the Chairperson of the Commission shall appoint a Director without regard to the provisions of title 5, United States Code, governing appointments to the competitive service.

(2) PAY.—The Director shall be paid at the rate payable for level III of the Executive Schedule established under section 5314 of such title.

(b) STAFF.—The Director may appoint staff as the Director determines to be necessary.

(c) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—

(1) IN GENERAL.—The staff of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments to the competitive service.

(2) PAY.—The pay of the staff of the Commission shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for grade GS–15 of the General Schedule under section 5332 of such title.

(d) EXPERTS AND CONSULTANTS.—The Director may procure temporary and intermittent
services under section 3109(b) of title 5, United States Code.

(e) STAFF OF FEDERAL AGENCIES.—

(1) IN GENERAL.—Upon request of the Director, to any federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties.

(2) NOTIFICATION.—Before making a request under this subsection, the Director shall give notice of the request to each member of the Commission.

SEC. 7. POWERS OF COMMISSION.

(a) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places and furnish facilities, and receive evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) OBTAINING OFFICIAL INFORMATION.—(1) IN GENERAL.—Except as prohibited in paragraph (2)(D), the Commission, in carrying out this Act, may obtain any information necessary for the exercise of its duties.

(2) STATUTES FORFEITURE.—Any willful violation by any member, employee, or agent of the Commission of any provision of law, or any rule or regulation prescribed by the Commission, shall be punishable by the court as a contempt.

(d) WEBSITE.—The Commission shall establish a website to facilitate public participation and the submission of public comments.

(e) MAIL.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Director, and in a manner consistent with the availability of funds appropriated under this Act, the United States shall furnish such administrative support services as the Commission may request.

(g) CONTRACTS.—The Commission may contract with and compensate persons and government agencies for supplies and services, without regard to section 3709 of the Revised Statutes (41 U.S.C. 4).

(h) SUBPOENA POWER.—

(1) IN GENERAL.—The Commission may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any matter that the Commission is empowered to investigate by section 4. The attendance of witnesses and the production of evidence may be required by such subpoena from any place within the United States and at any specified place of hearing within the United States.

(2) FAILURE TO OBEY A SUBPOENA.—If a person required to appear under paragraph (1), the Commission may apply to a United States district court for an order requiring that person to appear before the Commission, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court by fine or imprisonment, or both, for contempt.

SEC. 8. PRIVACY PROTECTIONS.

(a) DESTRUCTION OR RETURN OF INFORMATION.—The Commission shall, in carrying out this Act, destroy all nonpublic information and return all public information to the person or agency from which it was obtained.

(b) DISCLOSURE OF INFORMATION.—(1) The Commission shall, in carrying out this Act, disclose to a person or agency any information that is properly required by law to be disclosed to such person or agency.

(2) The Commission may disclose to the public any information that the Commission determines is in the public interest.

(c) PROPRIETARY BUSINESS INFORMATION AND FINANCIAL INFORMATION.—The Commission shall protect from improper use, and may not disclose to any person, proprietary business information and proprietary financial information.

(d) INDIVIDUALLY IDENTIFIABLE INFORMATION DEFINED.—In this section, the term ‘‘individually identifiable information’’ means any information, whether oral or recorded in any form or medium, that identifies an individual, or with respect to which there is a reasonable basis to believe that the information can be used to identify an individual.

SEC. 9. BUDGET ACT COMPLIANCE.

Any treaty authority authorized by this Act shall be effective only if the appropriation acts in the amounts provided in advance in appropriation acts.

SEC. 10. TERMINATION.

The Commission shall terminate 30 days after submitting a report under section 4(c).

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Commission $3,000,000 to carry out this Act.

(b) AVAILABILITY.—Any sums appropriated pursuant to the authorization in subsection (a) shall remain available until expended.

Mr. KOHL. Mr. President, I rise today to introduce to the Senate the 'Privacy Commission Act'—the first privacy law since the creation of the Agreement on Privacy and Data Protection, the European Union's landmark privacy law. The 'Privacy Commission Act' was introduced by Senator FRED THOMPSON, the Senate's leading privacy advocate, and the Privacy Study Commission. This bill provides an opportunity to establish a model of privacy protection. The intellectual capital created by the work of this Commission will help us set a responsible example for the private sector.

Privacy protection is a unique struggle, cutting across the public and private sector and involving virtually every sector of our nation's economy. Perhaps there is no possibility of a universal principle defining necessary privacy protections. But the federal government has the opportunity to try to craft a set of guidelines for privacy protection that can serve as a model. We believe the time
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has come for Congress to enact reasonable and thoughtful privacy legislation. This legislation is a sensible first step in that process.

In closing, let me be clear that this bill is neither a ploy to prevent the enactment of more specific privacy proposals, nor a symbolic tactic to stall discussion of privacy protection until the Commission publishes its final report. Rather, this legislation is a both a genuine effort to gather information on this increasingly complex topic and a plan to get something positive in this field. This is legislation that can and should be passed by the Congress. Therefore, I truly hope we can move quickly to enact this measure into law, so that the Commission can get to work as soon as possible.

By Mrs. FEINSTEIN (for herself, Mr. THOMAS, Mr. LEAHY, Mr. JEFFORDS, Mr. LIEBERMAN, Mr. LIEVINE, Mr. WELLSTONE, Mr. BOXER, Mr. AKAKA, Mr. FEINGOLD, Mr. KENNEDY, Mrs. MURAY, and Mr. TORRICELLI):

S. 852. A bill to support the aspirations of the Tibetan people to safeguard their distinct identity; to the Commission on Security and Cooperation in Europe; and to Mrs. FEINSTEIN. Mr. President, I rise today to address the tragedy that is unfolding in Tibet and, alongside Senators Thomas, Leahy, Jeffords, Lieberman, Lievine, Wellstone, Boxer, Akaka, Feingold, Kennedy, Mrs. Murray, and Mr. Torricelli introduce the Tibetan Policy Act of 2001.

This legislation is intended to safeguard the legitimate aspirations of the Tibetan people in their struggle to preserve their cultural and religious identity, and to encourage dialogue between the Dalai Lama or his representative and the Government of the People’s Republic of China about the future of Tibet. As many of my colleagues are aware, I have worked for well over a decade, since before I came to the Senate, to find the right balance for establishing a lasting, constructive dialogue between Chinese and Tibetan leaders. I have tried to do so with the best interests of both sides in mind. For years, I have tried to build trust and improve communication between Chinese and Tibetan leaders.

For me this is very personal. I first met the Dalai Lama in 1978. I have watched him, I have seen him, I have talked with him many, many times.

The Dalai Lama has pledged, over and over again, that what he wants is “one-country, two-systems” approach, whereby Tibetans could live their life, practice their religion, educate their children, and maintain their language with dignity and respect among the Han Chinese people.

I have had the opportunity to speak, at great length, with the President of China, to other senior members of the Chinese leadership about Tibet.

For years, I believed compromise, good will, and moderation were the right tools for tearing down obstacles and building cooperation between the peoples of China and Tibet.

I have even carried messages between the Dalai Lama and the President of China seeking to bring the two together.

In 1997, for example, I carried a letter from the Dalai Lama to President Jiang which, in part, stated that “I have, for my part, openly and in confidence conveyed to you that I am not demanding independence for Tibet, which I believe is fundamental to the Chinese government.” The letter also suggested that the Dalai Lama and President Jiang meet to discuss relations between the Tibetans and the Chinese government, and the “maintenance and enhancement of those cultural, civic, and religious institutions that are so important to the Tibetan people and others throughout the world.”

What I got back was essentially that the Dalai Lama was just a splittist and that his word was not good.

I, for one, believe he is sincere, in his non-violence, in his dedication to being a monk, in his concern for the Tibetan people, heritage, and religion.

Yet, the Chinese government ignored promises to preserve indigenous Tibetan political, cultural and religious systems. Indeed, Beijing has not kept its commitments made twice by China’s paramount leaders—Deng Xiaoping in 1979 and Jiang Zemin in 1997.

I believe that the time has come for the United States government to increase our attention to enhanced Tibetan cultural and religious autonomy. And I feel that I can no longer, in conscience, sit quietly and allow the situation in Tibet, the wiping away of Tibetan culture from the Tibetan plateau, in fact, to deteriorate further.

In many ways, introducing this legislation, especially a very difficult step for me, I have a strong, abiding interest in good relations between the United States and China, and I am fully aware that in the current environment there will be many in China who would rather dismiss this legislation out of hand than work together to address the underlying issues.

But, the many reasonable overtures made by me, many of my colleagues in Congress, and other international individuals and organizations throughout the world to work together with China over the past several years to address this issue have thus far failed to persuade Beijing to reconsider its approach to Tibet.

And there at a cross point where we feel that this legislation is necessary to open Beijing’s eyes to a simple truth: honoring the basic rights of minorities in China is not a threat to China’s sovereignty, and running roughshod over its own citizens is not in China’s best interest.

I say this because many senior Chinese leaders, including Mao Zedong, Zhou En Lai, Deng Xiaoping, Hu Yaobang, and Jiang Zemin have acknowledged as much in the past.

And I say this because the aspirations of the Tibetan people are not for independence, but for autonomy and for freedom to preserve their cultural and religious systems and institutions. As both the letter I conveyed to President Jiang in 1997 and the Dalai Lama’s statement on the 41st Anniversary of the Tibetan National Uprising stated, “my approach envisages that Tibet enjoy genuine autonomy within the framework of the People’s Republic of China . . . such a mutually beneficial solution would contribute to the stability and unity of China, their two most important priorities, while at the same time the Tibetans would be ensured of their basic right to preserve their own civilization and to protect the delicate environment of the Tibetan plateau.”

And I say this because I recognize that China is a rising great nation, with a rich cultural history. Careful reading of its history shows that China, like the United States, draws real strength from its diversity, from its cultural, religious, and ethnic multiplicity.

I am now convinced China’s leadership will not modify its behavior in Tibet until it becomes crystal clear that China’s behavior risks tarnishing its international image and burdening China with tangible costs.

Unfortunately, the situation in Tibet today is dreadful, and promises only to get worse. Beijing is pursuing policies that threaten the Tibetan people’s very existence and distinct identity, and Chinese security forces hold the region in a vice grip.

As Secretary Powell stated in his confirmation hearing before the Foreign Relations Committee, “It is a very difficult situation right now with the Chinese sending more and more Han Chinese in to settle Tibet.” Chinese settlers are flooding into Tibet, displacing ethnic Tibetans, guiding development in ways that clash with traditional Tibetan needs and values, and monopolizing local resources.

I don’t want to belabor the complex historical interactions that characterize the history of relations between China and Tibet. I am not interested in arguing about events in the past. What I am interested in is the quality of life and the right to exist for these concepts apply to Tibetans and Chinese today.

And, without question, a strong case can be made that Tibet has fared poorly under Chinese stewardship during the past fifty years: Beijing has consistently ignored promises to preserve indigenous Tibetan political, cultural and religious systems and institutions, despite having formally guaranteed these rights in the 1951 Seventeen
I want to be a positive force for bringing Tibetan and Chinese leaders to the table for face-to-face dialogue. It is not my intention with this legislation to merely point fingers and lay blame. My intent in introducing the Tibetan Policy Act of 2001 is not to stigmatize or chastise China.

My intent in introducing the Tibetan Policy Act of 2001 is to place the full faith of the United States government behind efforts to preserve the distinct cultural, religious and ethnic autonomy of the Tibetan people. Specifically, the Tibetan Policy Act of 2001: Outlines Tibet's unique historical, cultural and religious heritage and describes the efforts by the United States, the Dalai Lama, and others to initiate dialogue with China on the status of Tibet. Codifies the position of Special Coordinator for Tibetan Issues at the Department of State, assures that relevant U.S. government reports on Tibet are transmitted to Congress under China and that the Congressional-Executive Commission on the People's Republic of China will hold Beijing to acceptable standards of behavior in Tibet. Authorizes $2.75 million for humanitarian assistance for Tibetan refugees, scholarships for Tibetan students, and cultural and religious autonomy of the Tibetan people. Creates the Tibet Policy Act of 2001 will immediately change the situation in Tibet.

By Mrs. BOXER.

S. 855. A bill to protect children and other vulnerable subpopulations from exposure to environmental pollutants, to protect children from exposure to pesticides in schools, and to provide parents with information concerning toxic chemicals that may endanger children, and for other purposes; to the Committee on Environment and Public Works.

Mrs. BOXER. Mr. President, today I am reintroducing a bill to protect children from the dangers posed by pollution and toxic chemicals in our environment. The Children's Environmental Protection Act, (CEPA), is based on the fact that children are not small adults. Children are more active, drink more water, and breathe more air as a percentage of their body weight than adults. Children also grow rapidly, and therefore are physiologically more vulnerable to toxic substances than adults. This makes them more susceptible to the dangers posed by those substances.

How is this understanding that children suffer higher risks from the dangers posed by toxic and harmful substances taken into account in environmental and public health standards? Do we gather and consider data that specifically evaluates how those substances affect children? If that data is lacking, do we apply extra caution when we determine the amount of toxic chemicals that can be released into the air and water, the level of harmful contaminants that may be present in our drinking water, or the amount of pesticides that may be present in our food?

In most cases, the answer to all of these questions is "no." In fact, most of these standards are designed to protect adults rather than children. In most cases, the answer to all of these questions is "no." In fact, most of these standards are designed to protect adults rather than children.
most cases, we do not even have the data that would allow us to measure how those substances specifically affect children. And, in the face of that uncertainty, we generally assume that what we don’t know about the dangers toxic and harmful substances pose to children may very well hurt them. We generally don’t apply extra caution to take account of that uncertainty.

CEPA would change the answers to those questions from “no” to “yes.” It would childproof our environmental laws to protect children. It would require EPA to explicitly consider the dangers that toxic and harmful substances pose to children when setting those standards. Finally, if CEPA covers that it does not have specific data that would allow it to measure those dangers, EPA would be required to apply an additional safety factor, an additional measure of caution, to account for that uncertainty. The Safe Drinking Water Act Amendments of 1996 included my amendment to require EPA to set drinking water standards at safe levels for children. All of our environmental laws should reflect the special needs of children. CEPA would ensure that children’s health risks are properly taken into account.

This process would, I acknowledge, take some time. So, while EPA is in the process of updating the standards, CEPA would provide parents and teachers with a number of tools to immediately protect their children from toxic and harmful substances.

First, CEPA would require EPA to provide all schools and day care centers that receive federal funding a copy of EPA’s guide to help schools adopt a least toxic pest management policy. CEPA would also prohibit the use of dangerous pesticides—those containing known or probably carcinogens, reproductive toxins, acute nerve toxins and endocrine disrupters—in those areas. Under CEPA, parents would also receive advance notification before pesticides are applied on school or day care center grounds.

Second, CEPA would expand the federal Toxics Release Inventory (TRI) to require the reporting of toxic chemical releases that may pose special risks to children. In particular, CEPA provides that releases of small amounts of lead, mercury, dioxin, cadmium and chromium be reported under TRI. These chemicals are either highly toxic, persistent in the environment or can accumulate in the human body over many years—all features that render them particularly dangerous to children. Lead, for example, will affect a child’s development, but is still released into the environment through lead smelting and waste incineration.

CEPA would then require EPA to identify other toxic chemicals that may present special risks to children, and to provide that releases of those chemicals be reported under TRI.

Third, CEPA would direct EPA to create a list of safer-for-children products that minimize potential risks to children.

Finally, CEPA would require EPA to create a family right-to-know information kit that would include practical suggestions to help parents reduce their children’s exposure to toxic and harmful substances in the environment.

My CEPA bill is based on the premise that what we don’t know about the dangers that toxic and harmful substances pose to our children may very well hurt them. It would require EPA to apply caution in the face of that uncertainty. And, ultimately, it would childproof our environmental laws to ensure that those laws protect the most vulnerable among us—our children.

I encourage my colleagues to support this bill.

By Mr. KERRY (for himself, Ms. BOND, Mr. CLELAND, Ms. LANDRIEU, Mr. BENNETT, Mr. LEVIN, Mr. WHITE, Mr. HARKIN, Mr. BINGAMAN, Mr. ENZI, and Ms. CANTWELL): S. 856. A bill to reauthorize the Small Business Technology Transfer Program, and for other purposes; to the Committee on Small Business.

Mr. KERRY. Mr. President, today I rise to introduce legislation to reauthorize the Small Business Administration’s Small Business Technology Transfer, STTR, Program.

The STTR program funds cooperative R&D projects between small companies and research institutions as an incentive to advance the nation’s technological progress. For those of us who were in this chamber when this program was created in 1992, we will remember that we were looking for ways to move research from the laboratories to market. What could we do to keep promising research from stagnating in Federal labs and research universities? Our research in this country is world renowned, so it wasn’t a question of good science and engineering. We, without a doubt, have one of the finest university systems in the world, and we have outstanding researchers. What we needed was more development, development of innovative technology. We needed a system that would take this research and find ways it could be applied to everyday life and national priorities. One such company is Sterling Semiconductor. Sterling, in conjunction with the University of Colorado, has developed silicon carbide wafers for use in semiconductors that can withstand extreme temperatures and conditions. In addition to defense applications, these wafers can be used for everything from traffic lights to automobile dashboards and communications equipment.

With technology transfer, it was not just the issue of the tenured professor who risked security if he or she left to try and commercialize their research; it was also an issue of creating businesses and jobs that maximized the career potential of our young engineers once they graduated. There simply weren’t enough opportunities at universities and labs for these bright individuals to do research and development. The answer was to encourage the creation of small businesses dedicated to research, its development, and ultimately moving that research out of the lab and finding a commercial application.

We knew that the SBA’s existing Small Business Innovation Research, SBIR, program had proven to be extremely successful over the previous ten years, so we established what is now known as the Small Business Technology Transfer program. The STTR program complements the SBIR program. Whereas SBIR funds R&D projects at small companies, STTR funds cooperative R&D projects between a small company and a research institution, such as a university or Federally funded R&D lab.

The STTR program has been developing and commercialization of ideas that either originate at a research institution or require significant research institution involvement, such as expertise or facilities, for their success and development.

This has been a very successful program. One company, Cambridge Research Instruments of Woburn, Massachusetts, has been working on an STTR project with the Marine Biological Lab in Woods Hole. They have developed a liquid crystal-based polarized light microscope for structural imaging. While that is a mouthful, I’m told that it helps in manufacturing flat screen computer monitors, and even helps improve the in vitro fertilization procedure. Together this company and the lab expect to have sales in excess of $1 million dollars next year from this STTR project.

As this example illustrates, the STTR program serves an important purpose for this country’s research and development, our small businesses, our economy, and our nation. The program is set to expire at midnight on Sunday, September 30th. By the way, we absolutely have no intention of allowing reauthorization get down to the wire, which was the unfortunate fate of the reauthorization of the SBIR program last year. I have worked in partnership with Senator Bond to develop this legislation, and as part of the process we have consulted with and listened to our friends in the House, both on the Small Business Committee and the Science Committee. We do not see this legislation as contentious, and we have every intention of seeing this bill signed into law well before September 30th.

Shaping this legislation has gone beyond policy makers; we have reached out to small companies that conduct...
to research institutions in conjunction with any such outreach done with the SBIR program;
5. As last year's legislation did for the SBIR program, this bill strengthens the data collection requirements, regulatory reviews, and we can measure success and track technologies.

While I believe that these changes reflect common sense and are reasonable, I would like to discuss two of the proposed changes.

First, I would like to talk about re-authorizing the program for nine years. The STTR program was a pilot program when it was first enacted in 1992. Upon review in 1997, the results of the program were generally good and the program was reauthorized that year. A more recent review and study of the program shows that the program has become more successful as it has had more time to develop. Specifically, the commercialization rate of the research is higher for most research and development expenditures. Further, universities and research institutions have developed excellent working relationships with small businesses and the STTR program has also had good geographic diversity, involving small companies and research institutions throughout the country. The nine-year reauthorization will allow the agencies, small businesses and universities to gradually ramp up to the higher percentage in a predictable and orderly manner.

Second, I would like to talk about the gradual, incremental increases in the percentages reserved for STTR contracts and the Phase II awards. When we reached out to the small businesses and the research institutions that conduct STTR projects, and the program managers of the five agencies that participate in the STTR program, we heard two recurring themes: one, raise the amount of the Phase II awards; and two, increase the amount of the percentage reserved for STTR projects.

Speaking to the first issue, we heard that the Phase II awards of $500,000 generally are not sufficient for the research and development projects and should be increased to $750,000, the same as the SBIR Phase II awards, to make the awards worth applying for the small businesses and research institutions.

As for the second issue, we were told that the percentage of .15 reserved for STTR awards needed to be increased in order to better meet the needs of the agencies. Last year, that .15 percent of the five agencies' extramural research and development budgets amounted to a total $65 million dollars available for small businesses and research institutions to further develop research and transfer technology from the lab to market through the STTR program. Less than a quarter of one percent to help strengthen this country's technological progress is not extravagant; in fact, it is not adequate support for this important segment of the economy.

Nevertheless, we are very conscientious about the needs of the departments and agencies to meet their missions for the nation and have proposed gradual increases that take into full consideration that we are implementing the changes for the agencies and departments that participate in the program. Consequently, the legislation does not increase the percentage for STTR awards until two full years after the program has been reauthorized.

We are also conscientious about the fact that we want more research, not less, so we have timed the increase of the Phase II awards to coincide with the initial percentage increase reserved for STTR projects.

Overall, we believe this gradual increase will help encourage more innovation and greater cooperation between research institutions and small businesses. The program requires at least 30 percent of these additional funds will go to university and research institutions. Not only do the universities and research institutions that collaborate with small businesses benefit from the program, but small businesses who receive Phase II award money for each contract, they also benefit in that they often receive license fees and royalties. We are also conscientious about being fiscally responsible, the percentage increases will have no budget implication since it does not increase the amount of the money spent. Rather, it ultimately, after six years, redirects one half of one percent to this very successful program which benefits the economy overall.

This bill will ensure that this successful program is continued and increased. It will also provide Congress with important information and data on the program and encourage more outreach to small businesses and research institutions.

I want to encourage my colleagues to learn about this program, to find out the benefits to their state's hi-tech small businesses and research universities and labs, and to join me in passing this legislation in the Senate as soon as possible. To my friend from Missouri, Senator BOND, I want to thank you and your staff for working with me and my staff to build this country's technological progress. I also want to thank all of the cosponsors: Senators CLELAND, LANDRIEU, BENNETT, LEVIN, LIEBERMAN, HARKIN, BINGAMAN, ENZI, and CANTWELL.

I ask unanimous consent that the text of the bill be printed in the Record, as follows:

There being no objection, the bill was ordered to be printed in the Record, as follows:
SEC. 2. EXTENSION OF PROGRAM AND EXPENDITURE AMOUNTS.

(a) IN GENERAL.—Section 9(n)(1) of the Small Business Act (15 U.S.C. 638(n)(1)) is amended to read as follows:

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STTR Program has proven to be immensely successful at growing small firms from these types of partnerships. The Committee on Small Business has recently received data on the commercialization of small firms that received STTR awards between 1995 and 1997. The results are truly outstanding. Of the 102 projects surveyed in that time-frame, 53 percent had either resulted in sales or the companies involved in the projects had received follow-on developmental funding for the technology. To date, these projects had resulted in $132 million from sales and $53 million in additional developmental funding. Moreover, the Committee has learned that the companies who had received these STTR awards are projecting an additional $186 million in sales in 2001 and an estimated additional $900 million in sales by 2005. These numbers are even more remarkable when one considers that it typically takes 5 to 10 years to successfully commercialize new technologies.

In addition to proving to be an amazing commercial success, the STTR Program has also provided high-quality research to the Federal Government. To the most recent published report of the General Accounting Office on the STTR Program, Federal agencies rated highly the technical quality of the proposals. The DOE, as an example, rated the proposed research in the top ten percent of all research funded by the Department.

A good example of the benefits that the STTR Program provides to small firms and universities is the experience of Engineering Software Research and Development, Inc. in St. Louis, MO. Engineering Software, in partnership with Washington University in St. Louis, received a phase two award from the Air Force to develop an innovative method for analyzing the stresses placed on composite materials. While this technology is currently being used in the aeronautics industry, it has many other practical applications.

The STTR Program permitted Dr. Barna Szabo, who had originated an algorithm he developed at Washington University, to transfer the technology to Engineering Software, which had the software infrastructure to transition the technology from an academic to a commercial application. According to Dr. Szabo, Engineering Software has received to date at an estimated $25 million in sales and follow-on developmental funding resulting from the technology funded by the STTR award and that the STTR Program was of great assistance in transferring the technology from the academic environment to actual use and application.

Based on the proven success of the STTR Program to date, this legislation increases the funds allocated for the program. This increase is phased-in through the length of the reauthorization. When a program is working as well as the STTR Program, it would be a mistake if Congress did not build on its success.

This is especially true for Federal investment in small business research and development. Despite report after report of the difficulty that small businesses innovate at a greater rate than large firms, small businesses only receive less than four percent of all Federal research and development dollars. This number has remained essentially unchanged for the past 22 years. Increasing funds for the STTR Program sends a strong message that the Federal Government acknowledges the contributions that small businesses have made and will continue to make to government research and development efforts and to our nation’s economy.

I am pleased that my colleague Senator Kerry and I have worked together on this bi-partisan legislation. It is a good bill for the small business high-technology sector to be sponsored by Dr. Szabo’s firm in my state alone over the past 5 years, 52 grants have been awarded in biotechnology, medicine, fluid mechanics, chemistry, electronics and computer technologies. I am very pleased to be able to lend my support to this program and look forward to this bill moving rapidly into law.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 85—DESIGNATING THE WEEK OF MAY 6 THROUGH 12, 2001, AS “TEACHER APPRECIATION WEEK”, AND DESIGNATING TUESDAY, MAY 8, 2001, AS “NATIONAL TEACHER DAY”

Mr. WARNER (for himself, Mr. ALLEN, Mr. COCHRAN, Mr. BROWNBACK, Mr. JEFFORDS, Mr. CRAIG, Mr. THURMOND, Mr. GRAPE, Mr. DEWINE, Ms. MIKULSKI, Mr. HATCH, Mr. SMITH of Oregon, and Mr. STEVENS) submitted the following resolution; which was considered and agreed to:

(S. Res. 85)

Whereas the foundation of American freedom and democracy is a strong, effective system of education where every child has the opportunity to learn in a safe and nurturing environment;

Whereas a first rate education system depends on a partnership between parents, principals, teachers, and children;

Whereas much of the success of our Nation is the result of the hard work and dedication of teachers across the Nation;

Whereas in addition, on this child’s family, knowledgeable and skillful teachers can have a profound impact on the child’s early development and future success;

Whereas many people spend their lives building careers, teachers spend their careers building lives;

Whereas our Nation’s children beyond the call of duty as coaches, mentors, and adviser’s without regard to fame or fortune; and

Whereas across our Nation, nearly 3,000,000 men and women experience the joys of teaching young minds the virtues of reading, writing, and arithmetic: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of May 6 through 12, 2001, as “Teacher Appreciation Week”:
Mr. WARNER. Mr. President, I rise today to say thank you to the over 3,000,000 teachers in this Nation for all of the hard work and personal sacrifices they make to educate our youth. Therefore, I introduce a resolution designating the week of May 6 through 12, 2001, as “Teacher Appreciation Week” and designating Tuesday, May 8, 2001 as “National Teacher Day.”

All of us know that individuals do not pursue a career in the teaching profession for the money. People go into the teaching profession for grander reasons—to educate youth, to make a lasting influence.

While many people spend their lives building careers, our teachers spend their careers building lives. Simply put, to teach is to touch a life forever.

How true that is. I venture to say that every one of us can remember at least one teacher and the special influence he or she had on our lives.

By educating today’s youth, our teacher’s are preparing tomorrow’s leaders.

This week in the Senate, we are considering legislation to reauthorize the Elementary and Secondary Education Act. How appropriate it is that during this debate Teacher Appreciation Week and National Teacher Day are upon us.

The education legislation before us this week is based on the principle that our education system must ensure that every one of us can remember at least one teacher and the special influence he or she had on our lives.

Quality, caring teachers, along with quality, caring parents, play the predominant roles in ensuring that no child is left behind.

As we move towards education reforms to achieve this goal, we must keep in mind the other component in our education system—the teachers. If we fail our teachers in this debate, our children will be left behind.

By voting for the resolution, we can honor the special contributions and service of our teachers. Let us show our children that our teachers are truly the unsung heroes of our society.

Mr. BOND (for himself, Mr. KERRY, Mr. BYRD, Mr. DAVIS, Mr. EDELMAN, Mr. LEDWIG, Mr. ALLAN, Mr. DASCHLE, Mr. CRAPO, Mr. CLELAND, Mr. ENNS, Ms. LANDRIEU, Mr. EDWARDS, Ms. CANTWELL, and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. Res. 86

Whereas small businesses comprise 99 percent of all firms in the United States;

Whereas small businesses offer a significant number of job opportunities, with 52 percent of all private sector workers employed by small businesses; 1. To ensure that small business contribute to the economic well-being of the Nation by providing 51 percent of the private sector output;

Whereas small businesses represent 96 percent of all exporters of goods; and

Whereas the Congress established the Small Business Administration in 1953 to assist, counsel, and(Font removed)

The Senate strongly urges the President to strengthen and expand assistance to small business concerns. The Federal Government should have an active role in supporting the Small Business Administration in order to ensure that the small business concerns in the United States to take a moment out of their busy schedules to recognize our Nation’s teachers by passing this resolution designating the week of May 6 through 12, 2001, as “Teacher Appreciation Week” and designating Tuesday, May 8, 2001 as “National Teacher Day.”

AMENDMENTS SUBMITTED AND PROPOSED

SA 396. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 397. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 398. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 399. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 400. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 401. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 402. Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 403. Mr. WELSTONE proposed an amendment to amendment SA 338 proposed by Mr. JENKFORDS to the bill (S. 1) supra.

SA 404. Mr. MURROWSKI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 405. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 406. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 407. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 408. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 409. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 410. Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 411. Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 412. Mr. GRAHAM (for himself and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 413. Mr. BROWNBACK (for himself and Mr. KANET) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 414. Mr. BROWNBACK (for himself and Mr. KANET) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 415. Mr. DOMENICI (for himself and Mr. KASICH and Mr. REED) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 416. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 417. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 418. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 419. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 420. Mr. REID proposed an amendment to amendment SA 384 proposed by Mr. MCCONNELL to the amendment SA 358 proposed by Mr. JEFFFORDS to the bill (S. 1) supra.
SA 421. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 422. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 423. Mr. LEAHY, Mr. THURMOND, Mr. KOHL, Mr. BIDEN, and Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 424. Mr. LEVIN, Mr. REID, Mr. ROCKEFELLER, Mr. MCCONNELL, Mr. LEVIN, Mr. REID, Mr. ROBERTS, Mr. DURBIN, and Mr. DAVENPORT proposed an amendment to amendment SA 358 proposed by Mr. JEFFFORDS to the bill (S. 1) supra.
SA 425. Mr. REED (for himself, Ms. SNOWE, Mr. KENNEDY, Mr. CHAFFEE, Mr. BINGAMAN, Mr. WATERS, Ms. MURRAY, Ms. CLINTON, Mr. SARBANS, Mr. JOHNSON, Mr. BAUCUS, Mr. LEVIN, Mr. LEVIN, Mr. ROBERTS, Mr. DURBIN, and Mr. DAVENPORT) proposed an amendment to amendment SA 538 proposed by Mr. JEFFFORDS to the bill (S. 1) supra.
SA 426. Mr. CONRAD (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 427. Mr. MURRAY submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 428. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 429. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 430. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 431. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 432. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 433. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 434. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 435. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 436. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 437. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 438. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 439. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 440. Mr. CROPO submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 441. Mr. LUGAR (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 442. Mr. DEWINE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 443. Mr. VOINOVICH (for himself, Mrs. FEINSTEIN, Mr. COCHRAN, Mr. BAUCUS, Ms. LANDRIEU, and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 444. Mr. DEWINE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 445. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 446. Mr. CARNAHAN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 447. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 448. Mr. MURRAY submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 449. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 450. Mr. WYDEN (for himself, Mr. SISSONS, Mr. BREAUX, and Ms. LANDRIEU) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 451. Mrs. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 452. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 453. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 454. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 455. Mr. KERRY (for himself, Mr. SMITH of Oregon, Mr. CARPER, and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 456. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 457. Mr. DODD (for himself and Mr. SHELDON) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 458. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 459. Mr. DODD (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 460. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 461. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 462. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 463. Mr. WELLSTONE (for himself and Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 464. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 465. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 466. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 467. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 468. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 469. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 470. Mr. ROBERTS (for himself, Mr. FRIST, Mr. GREGG, Mr. CRAPO, Mr. WARNER, Mr. SCHUMER, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 471. Mr. JOHNSON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 472. Mr. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 473. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 474. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 475. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 476. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 477. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 478. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 479. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 480. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 481. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 482. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 483. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 484. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 485. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 486. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 487. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 488. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 489. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 490. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 491. Mr. BIDEN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 492. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 493. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 494. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 495. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 496. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 497. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 498. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 499. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 500. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 501. Mr. KYL submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 502. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 503. Mr. BENNETT (for himself, Mr. COLLINS, and Mr. CONRAD) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 504. Mr. BENNETT submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 505. Mr. CAMPBELL submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 506. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 507. Ms. COLLINS (for herself and Mr. SNOWE) submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 508. Ms. COLLINS (for herself and Mr. CONRAD) submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 509. Ms. COLLINS (for herself and Mr. CONRAD) submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 510. Ms. COLLINS (for herself, Mr. HATCH, Mr. COCHRAN, and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 511. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 512. Mr. COCHRAN (for himself, Mr. WARNER, Mr. CHAFEE, Mr. GRASSLEY, Mr. ENSIGN, Mr. DOMENICI, Mr. HATCH, Mr. STEVENS, Mr. SPICER, Mrs. HUTCHISON, and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 513. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 514. Mr. DODD (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 515. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 516. Mrs. CLINTON (for herself, Mr. TORBERN, Mr. BERMAN, Mr. CORZINE) submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 517. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 518. Mr. CARPER (for himself, Mr. GREGG, Mr. FEIST, Mr. LIEBERMAN, Mr. BIDEN, Mr. BINGAMAN, Mr. KERRY, Mr. HUTCHISON, Mr. CRAPO, and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 519. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 520. Mr. BAYH submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 521. Mr. BAYH submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 522. Mr. BAYH submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 523. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 524. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 525. Mr. HARKIN (for himself, Mr. LEVIN, Mr. REID, Mr. BIDEN, Mr. CORZINE, and Mr. JOHNSON) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 526. Mr. HARKIN (for himself, Mr. LEVIN, and Mr. JOHNSON) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 527. Mr. KYL (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 528. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 529. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 530. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 531. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 532. Mr. DURBIN (for himself, Mr. SCHUMER, and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 533. Mr. NELSON of Nebraska submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 534. Mrs. HUTCHISON (for herself, Mr. WELLSTONE, Mr. DEWINE, Mrs. CLINTON, Mr. SCHUMER, Mr. BIDEN, Mr. CRAPO, and Mr. KENNEDY) submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 535. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 536. Mr. GREGG (for himself and Mr. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 537. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 538. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 539. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 541. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 542. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 543. Mr. KYL (for himself and Mr. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 544. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 545. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 546. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 547. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 548. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 549. Mr. HAGEL (for himself, Mr. Baucus, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 550. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 551. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 552. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 553. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 554. Mr. HUTCHISON (for himself and Mr. TAtomobile) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 555. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 556. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 557. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 558. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 559. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 560. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 561. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 562. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 563. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 564. Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 565. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 566. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 567. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 568. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 569. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 570. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 571. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 572. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.
SA 573. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 574. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 575. Mr. HARKIN (for himself, Mr. KERRY, Mr. LEVIN, Mr. BIDEN, Mr. REID, Mr. JOHNSON, Mr. CORZINE, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 576. Mr. FEINSTEIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 577. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 578. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 579. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 580. Mr. KYL submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 581. Mr. KYL submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 582. Mr. HUTCHISON submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 583. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 584. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 585. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
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SA 588. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 589. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 590. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 591. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 592. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 593. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 594. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 595. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 596. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 597. Mr. WELLSTONE (for himself, Mr. DAYTON, and Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 598. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 599. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
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SA 601. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 602. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 603. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 604. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 605. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.
SA 606. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 607. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 608. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 609. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 610. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

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SA 612. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 613. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 614. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 615. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 616. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 617. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 618. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 619. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 620. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 621. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 622. Mr. DAYTON (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 623. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 624. Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 625. Mr. WYDEN (for himself, Mr. CONRAD, and Mrs. LINCOLN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 626. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 627. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 628. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 629. Mr. WELLSTONE (for himself, Mr. DEWINE, Mrs. CLINTON, Mr. SCHUMER, Mr. RIDEN, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 630. Ms. CANTWELL (for herself and Mr. HARKIN) submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 631. Mr. LEVIN (for himself, Ms. LANDRIEU, and Mr. FEINSTEIN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 632. Mr. LEVIN (for himself and Mr. JEFFORDS) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 633. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 634. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 635. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 1, supra; which was ordered to lie on the table.

SA 636. Mr. McCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 637. Mr. McCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 638. Mr. NELSON, of Florida submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 639. Mr. McCAIN submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 640. Mr. DORGAN (for himself, Mr. REID, Mr. DURBIN, Mrs. BOXER, Mrs. FEINSTEIN, and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 641. Mr. CONRAD submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 642. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 643. Mr. ENZI (for himself, Mr. COLLINS, Mrs. MURRAY, and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 644. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 645. Mr. CONRAD submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 646. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 1, supra; which was ordered to lie on the table.

SA 647. Mr. HATCH proposed an amendment intended to be proposed by him in the bill S. 1, supra, concerning the participation of Taiwan in the World Health Organization.

SA 648. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 246, line 4, insert "health services programs," before "art."

On page 246, line 6, insert "that provide a comprehensive approach to learning and" after "programs".

On page 246, line 8, insert "and meet other needs of students and families" after "students".

On page 246, line 24, insert "health services programs," before "art.

On page 247, lines 1 and 2, insert "that provide a comprehensive approach to learning and" after "programs".

On page 247, line 3, insert "and meet other needs of students and families" after "students".

On page 253, strike lines 21 and 22 and insert the following:

"(B) an identification and assessment of Federal, State, and local programs and services that will be combined or co-

On page 256, line 21, strike "and".

On page 256, line 24, strike the period and insert "; and"

On page 256, after line 24, insert the following:

"(1) a description of how the eligible organization will use the funds made available under this part to provide comprehensive support services and how those services will be integrated with existing (as of the date of submission of the application) Federal, State, and local programs and services; and

"(2) a description of measurable outcomes achieved from the use of the funds, including outcomes related to improving student achievement and the wellbeing of students, families, and the community, and other related outcomes.

On page 257, line 7, strike "and"

On page 257, line 10, strike the period and insert "; and"

On page 257, between lines 10 and 11, and insert the following:

"(4) describing programs that offer a broad spectrum of services that address the needs of the community; and

"(5) a comprehensive approach to integrating Federal, State, and local programs and services to reach clearly defined outcomes, including outcomes related to improving student achievement and the wellbeing of students, families, and the community, and other related outcomes.

SA 397. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 77, line 10, strike "and" after the semicolon.

On page 77, between lines 17 and 18, insert the following:

"(iii) by adding at the end the following:

"(1) Coordination and integration of Federal, State, and local programs and services, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services."; and

On page 77, line 21, strike "and"

On page 78, line 4, strike "and"

On page 78, between lines 4 and 5, insert the following:
(III) in clause (vi), by striking “and” after the semicolon;
(IV) in clause (vii), by striking the period and inserting “; and”;
(V) by adding, at the end the following:
“(viii) describes how the school will coordinate and collaborate with other agencies providing services to children and families, including any local partnerships, that support student learning through access for children and families to health, social and human services, recreation, and cultural services.”;

and

On page 79, line 11, strike “and” both places it appears.

On page 79, strike line 18, and insert the following:

(C) by adding at the end the following:
“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”.

SA 398. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 62, line 16, strike “and”.

On page 62, line 22, strike the period and insert “; and”.

On page 62, between lines 22 and 23, insert the following:
“(ix) information on the extent of parental participation in schools in the State, and in formation on parental involvement activities in the State.

On page 63, strike lines 17 through 20.

On page 63, line 21, strike “(vii);” and insert “(vii)”.

On page 63, line 23, strike “(ix)” and insert “(viii)”.

On page 64, line 1, strike “(x)” and insert “(viii)”.

SA 399. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 738, between lines 15 and 16, insert the following:

“(ii) ensure compliance with the parental involvement provisions of this Act;”.

SA 400. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 249, line 7, strike “1” and insert “2.”

On page 257, between lines 18 and 19, insert the following:

“SEC. 1610. NATIONAL ACTIVITIES.

(a) Definition.—In this section, the term ‘eligible partnership’ means a partnership—
“(1) that contains—
“(A) at least 1 public elementary school or secondary school that—
“(i) is an eligible partnership under this title and for which a measure of poverty determination is made under section 1113(a)(5) with respect to a minimum of 40 percent of the children in the school; and
“(ii) demonstrates parent involvement and parent support for the partnership’s activities;
“(B) a local educational agency;
“(C) a public agency, other than a local educational agency, such as a State or local educational agency, that administers a program that provides support to help improve student learning through access for children and families to health, social and human services, recreation, and cultural services;”;

and

On page 79, line 11, strike “and” both places it appears.

On page 79, strike line 18, and insert the following:

(C) by adding at the end the following:
“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”.

On page 79, between lines 18 and 19, insert the following:

(C) by adding at the end the following:
“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”;

and

On page 79, line 11, strike “and” both places it appears.

On page 79, strike line 18, and insert the following:

(C) by adding at the end the following:
“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”;

and

On page 79, between lines 18 and 19, insert the following:

(C) by adding at the end the following:
“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”;

and

On page 79, line 11, strike “and” both places it appears.

On page 79, strike line 18, and insert the following:

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“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”;

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“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”;

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(C) by adding at the end the following:
“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”;

and

On page 79, between lines 18 and 19, insert the following:

(C) by adding at the end the following:
“(I) coordinate and integrate Federal, State, and local services and programs, including services that support improved student learning through access for children and families to health, social and human services, recreation, and cultural services.”;
Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 478, strike line 8 and insert the following: for limited English proficient students, and to assist parents to become active participants in the education of their children.

Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 794, after line 7, add the following:

SEC. 9201. GRANTS FOR THE TEACHING OF TRADITIONAL AMERICAN HISTORY AS A SEPARATE SUBJECT.

Title IX (as added by section 901) is amended by adding at the end the following:

PART B—TEACHING OF TRADITIONAL AMERICAN HISTORY

SEC. 9201. GRANTS FOR THE TEACHING OF TRADITIONAL AMERICAN HISTORY AS A SEPARATE SUBJECT.

(a) In General.—There are authorized to be appropriated $100,000,000 to enable the Secretary to establish and implement a program to be known as the ‘‘Teaching American History Grant Program’’ under which the Secretary shall award grants on a competitive basis to local educational agencies—

(1) to carry out activities to promote the teaching of traditional American history in schools as a separate subject; and

(2) for the development, implementation, and strengthening of programs to teach American history as a separate subject (not as a component of social studies) within the school curricula, including the implementation of activities to improve the quality of instruction and to provide professional development and teacher education activities with respect to American history.

(b) REQUIRED PARTNERSHIP.—A local educational agency receiving a grant under subsection (a) shall carry out activities under the grant in partnership with 1 or more of the following:

(1) An institution of higher education.

(2) A non-profit history or humanities organization.

(3) A library or museum.

Mr. WELLSTONE proposed an amendment to amendment SA 358 proposed by Mr. JEFFORDS to the bill (S. 1) to extend programs and activities under the Elementary and Secondary Education Act of 1965; as follows:

On page 46, strike line 19 and replace with the following:

‘‘(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.’’

Mr. MURKOWSKI submitted an amendment to amendment SA 401 submitted by Mr. REED, to provide for limited English proficient students, and to assist parents to become active participants in the education of their children.

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 478, strike line 8 and insert the following: for limited English proficient students, and to assist parents to become active participants in the education of their children.

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(b) REQUIRED PARTNERSHIP.—A local educational agency receiving a grant under subsection (a) shall carry out activities under the grant in partnership with 1 or more of the following:

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Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 478, strike line 8 and insert the following: for limited English proficient students, and to assist parents to become active participants in the education of their children.

Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 794, after line 7, add the following:

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Title IX (as added by section 901) is amended by adding at the end the following:

PART B—TEACHING OF TRADITIONAL AMERICAN HISTORY

SEC. 9201. GRANTS FOR THE TEACHING OF TRADITIONAL AMERICAN HISTORY AS A SEPARATE SUBJECT.

(a) In General.—There are authorized to be appropriated $100,000,000 to enable the Secretary to establish and implement a program to be known as the ‘‘Teaching American History Grant Program’’ under which the Secretary shall award grants on a competitive basis to local educational agencies—

(1) to carry out activities to promote the teaching of traditional American history in schools as a separate subject; and

(2) for the development, implementation, and strengthening of programs to teach American history as a separate subject (not as a component of social studies) within the school curricula, including the implementation of activities to improve the quality of instruction and to provide professional development and teacher education activities with respect to American history.

(b) REQUIRED PARTNERSHIP.—A local educational agency receiving a grant under subsection (a) shall carry out activities under the grant in partnership with 1 or more of the following:

(1) An institution of higher education.

(2) A non-profit history or humanities organization.

(3) A library or museum.

Mr. WELLSTONE proposed an amendment to amendment SA 358 proposed by Mr. JEFFORDS to the bill (S. 1) to extend programs and activities under the Elementary and Secondary Education Act of 1965; as follows:

On page 46, strike line 19 and replace with the following:

‘‘(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.’’

Mr. MURKOWSKI submitted an amendment to amendment SA 401 submitted by Mr. REED, to provide for limited English proficient students, and to assist parents to become active participants in the education of their children.

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 478, strike line 8 and insert the following: for limited English proficient students, and to assist parents to become active participants in the education of their children.

Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 794, after line 7, add the following:

SEC. 9201. GRANTS FOR THE TEACHING OF TRADITIONAL AMERICAN HISTORY AS A SEPARATE SUBJECT.

Title IX (as added by section 901) is amended by adding at the end the following:

PART B—TEACHING OF TRADITIONAL AMERICAN HISTORY

SEC. 9201. GRANTS FOR THE TEACHING OF TRADITIONAL AMERICAN HISTORY AS A SEPARATE SUBJECT.

(a) In General.—There are authorized to be appropriated $100,000,000 to enable the Secretary to establish and implement a program to be known as the ‘‘Teaching American History Grant Program’’ under which the Secretary shall award grants on a competitive basis to local educational agencies—

(1) to carry out activities to promote the teaching of traditional American history in schools as a separate subject; and

(2) for the development, implementation, and strengthening of programs to teach American history as a separate subject (not as a component of social studies) within the school curricula, including the implementation of activities to improve the quality of instruction and to provide professional development and teacher education activities with respect to American history.

(b) REQUIRED PARTNERSHIP.—A local educational agency receiving a grant under subsection (a) shall carry out activities under the grant in partnership with 1 or more of the following:

(1) An institution of higher education.

(2) A non-profit history or humanities organization.

(3) A library or museum.

Mr. WELLSTONE proposed an amendment to amendment SA 358 proposed by Mr. JEFFORDS to the bill (S. 1) to extend programs and activities under the Elementary and Secondary Education Act of 1965; as follows:

On page 46, strike line 19 and replace with the following:

‘‘(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.’’

Mr. MURKOWSKI submitted an amendment to amendment SA 401 submitted by Mr. REED, to provide for limited English proficient students, and to assist parents to become active participants in the education of their children.

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 478, strike line 8 and insert the following: for limited English proficient students, and to assist parents to become active participants in the education of their children.
SA 405. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 1 to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On direct request, strike line 21 and insert the following years:

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*PART C—STUDENT EDUCATION ENRICHMENT*

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SEC. 6301. SHORT TITLE.

The title of this part may be cited as the ‘Student Education Enrichment Demonstration Act’.

SEC. 6302. PURPOSE.

The purpose of this part is to establish a demonstration program that provides Federal support to States and local educational agencies to provide high quality summer academic enrichment programs, for public school students who are struggling academically, that are implemented as part of statewide education accountability programs.

SEC. 6303. DEFINITION.

In this part, the term ‘student’ means an elementary school or secondary school student.

SEC. 6304. 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.—For a State educational agency to be eligible to receive a grant under subsection (a), the State governed by the State educational agency shall—

(1) have in effect all standards and assessments required under section 1111; and

(2) 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.

(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 on such forms, at such cost, 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 to pay for the Federal share of the costs 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 carried out under this part.

(2) SUCCEEDING YEARS.—

(A) IN GENERAL.—For the second and third year that a State educational agency receives a grant under this part, the State educational agency shall use the funds made available through the grant to make grants to 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 part.

(b) APPLICABILITY.—

(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 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;

(ii) that provides intensive high quality programs that are aligned with challenging State content and student performance standards and that are focused on reinforcing and extending the academic skills and knowledge of students who are struggling academically, as determined by the State;

(iii) 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;

(iv) that is based on and incorporates best practices developed from research-based enrichment methods and practices;

(v) for which only teachers who are certified and licensed, and are otherwise fully certified 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’ 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 6304(a)(7); and

(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 with the instructional programs provided through 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 annual measurable objectives for adequate yearly progress 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 to align 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 have 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. 6306. SUPPLEMENT NOT SUPPLANT.

“Funds appropriated pursuant to the authority of this part shall be used to supplement and not supplant other Federal, State, and local funds expended to provide academic enrichment programs.

“SEC. 6307. REPORTS.

“(a) STATE REPORTS.—Each State educational agency that receives a grant under this part shall annually prepare and submit to the Secretary a report. The report shall describe—

(1) the methods the State educational agency used to make grants to eligible local educational agencies and to provide assistance to schools under this part;

(2) the specific measurable goals and objectives described in section 6303(c)(2)(A) for the State 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 6305(b)(2)(L) for each of the local educational agencies receiving a grant under this part 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 part; and

(6) the degree to which progress has been made toward meeting the goals and objectives described in section 6304(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 part;

(2) how eligible local educational agencies and schools used funds provided by the State educational agency under this part; and

(3) the degree to which progress has been made toward meeting the goals and objectives described in sections 6304(c)(2)(A) and 6305(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 part 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. 6308. ADMINISTRATION.

“The Secretary shall develop program guidelines for and oversee the demonstration program carried out under this part.

“SEC. 6309. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part $10,000,000 for each of fiscal years 2002 through 2009.

“SEC. 6310. TERMINATION.

“The authority provided by this part terminates 3 years after the date of enactment of the Better Education for Students and Teachers Act.”

SA 406. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 573, after line 25, add the following:

“SEC. 4203. 24-HOUR HOLDING PERIOD FOR STUDENTS WHO UNAWFULLY BRING A GUN TO SCHOOL.

“(a) IN GENERAL.—Notwithstanding section 222 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5632) or any other provision of law, for fiscal year 2002 and each fiscal year thereafter, to be eligible for Federal safe and drug free schools and communities grants under this title for a fiscal year, a State shall have in effect a policy or practice described in subsection (b) by not later than the first day of the fiscal year involved.

“(b) STATE POLICY OR PRACTICE DESCRIBED.—A policy or practice described in this subsection is a policy or practice of the State that requires and local law enforcement agencies to detain, in an appropriate juvenile community-based placement setting or in an appropriate juvenile justice facility, for not less than 24 hours, any juvenile who—

(1) unlawfully possesses a firearm in a school;

(2) is found by a judicial officer to be a possible danger to himself or herself or to the community.”

SA 407. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 482, lines 23 and 24, strike “which are recognized by the Governor of the State of Hawaii”.

SA 408. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. SENSE OF THE SENATE REGARDING TREATMENT OF TEACHER BONUSES.

(a) FINDINGS.—The Senate finds the following:

(1) The combination of growing enrollment and teacher shortages is putting a strain on communities in the United States to provide quality education for our children and their teachers.

(2) In addition, the current emphasis on accountability and standards and improving low-performing schools makes paramount the need for high quality teachers.

(3) Yet, the teachers who we rely on to educate our children are not paid nearly what they are worth and entry level teacher salaries are not competitive with salaries paid in other entry level professions.

(4) Some States are developing teacher bonuses in order to attract and retain teachers and provide additional support.

(5) This year, Maryland is paying $2,000 to each of the teachers in schools performing poorly on test scores.

(6) In South Carolina, teachers working in low-scoring rural schools will receive an extra $19,000 each this year.

States throughout the Nation are developing teacher bonus programs to encourage high quality teachers to commit to the education of our children.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Federal Government should support the increase in teacher salaries and the incentives to commit to teaching by allowing teachers to keep all of their bonuses, and

(2) State teacher bonuses granted to teachers in low-performing and high poverty schools should be excluded from gross income for purposes of Federal taxation.

SA 409. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 794, after line 7, add the following:

“SEC. NOTIFICATION.

Section 485(l) of the Higher Education Act of 1965 (20 U.S.C. 1092(l)) is amended—

(1) by redesigning paragraph (15) as paragraph (16); and

(2) by inserting after paragraph (14) the following:

“(15) NOTIFICATION.—(A) Each institution participating in any program under this title, after the campus police or security authority for the institution receives a report that a student is missing, shall—

(i) make a preliminary investigation to determine the whereabouts of the student; and

(ii) subject to subparagraph (B) and if the authority is unable to verify that the student is safe within 24 hours of receiving the report—

(I) notify the student’s parents and the local police agency that the student is missing; and

(II) cooperate with the local police agency regarding the investigation of the missing student including entering into a written agreement with the local police agency that establishes the authority’s and agency’s responsibilities with respect to the investigation.

(B) The 24 hour period described in subparagraph (A)(ii) excludes holiday periods at the institution.”

SA 410. Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE X—MISCELLANEOUS JUVENILE FIREARMS PROVISIONS

SEC. 1001. SHORT TITLE.

This title may be cited as the "Misellaneous Juvenile Firearms Provisions of 2001".

SEC. 1002. PENALTIES FOR UNLAWFUL ACTS BY JUVENILES.

(a) JUVENILE WEAPONS PENALTIES.—Section 924(a) of title 18, United States Code, is amended—
(1) in paragraph (4) by striking "Whoever" and inserting "Except as provided in paragraph (6) of this subsection, whoever;" and (2) in paragraph (6), to read as follows:

"(B) a juvenile who violates section 922(x) shall be fined under this title, imprisoned not more than 1 year, or both, except that—

"(1) a juvenile shall be sentenced to probation on appropriate conditions and shall not be incarcerated unless the juvenile fails to comply with a condition of probation, if—

"(I) the offense of which the juvenile is charged is possession of a handgun, ammunition, a large capacity ammunition feeding device, or a semiautomatic assault weapon in violation of section 922(x)(2); and

"(II) during the same course of conduct in violating section 922(x)(2), the juvenile violated section 922(a)(7) with the intent to carry or otherwise possess or discharge or otherwise use the handgun, ammunition, large capacity ammunition feeding device, or semiautomatic assault weapon in the commission of a violent felony.

(B) A person other than a juvenile who knowingly violates section 922(x)—

"(i) under this title, imprisoned not more than 1 year, or both; and

"(ii) if the person sold, delivered, or otherwise transferred a handgun, ammunition, large capacity ammunition feeding device, or a semiautomatic assault weapon to a juvenile knowing or having reasonable cause to know that the juvenile intended to carry or otherwise possess or discharge or otherwise use the handgun, ammunition, large capacity ammunition feeding device, or semiautomatic assault weapon, shall have in the juvenile's possession at all times when a handgun, ammunition, a large capacity ammunition feeding device, or a semiautomatic assault weapon by the juvenile under this subparagraph are in accordance with State and local law, and—

"(C) For purposes of this paragraph the term "violent felony" has the same meaning as in section 924(e)(2)(B).

"(D) Except as otherwise provided in this chapter, in any case in which a juvenile is prosecuted in a district court of the United States, and the juvenile is subject to the penalties under clause (ii) of paragraph (A), the juvenile shall be subject to the same laws, rules, and proceedings regarding sentencing (including the availability of probation, restitution, fines, forfeiture, imprisonment, and supervised release) that would be applicable to an adult. No juvenile sentenced to a term of imprisonment shall be released from custody simply because the juvenile has reached the age of 18 years.

(b) UNLAWFUL WEAPONS TRANSFERS TO JUVENILES.—Section 922(x) of title 18, United States Code, is amended to read as follows:

"(x)(1) It shall be unlawful for a person to sell, deliver, or otherwise transfer to a person who the transferor knows or has reasonable cause to believe is a juvenile—

"(A) a handgun;

"(B) a large capacity ammunition feeding device, or a semiautomatic assault weapon to a juvenile or a residence in which the juvenile is an invited guest.

(B) A handgun, ammunition, a large capacity ammunition feeding device, or a semiautomatic assault weapon, the possession of which is transferred to a juvenile in circumstances in which the transferor is not in violation of this subsection, shall not be subject to permanent confiscation by the Government if its possession by the juvenile subsequently becomes unlawful because of the conduct of the juvenile, but shall be returned to the lawful owner when that handgun, ammunition, large capacity ammunition feeding device, or semiautomatic assault weapon is no longer required by the Government for the purposes of investigation or prosecution.

(3) For purposes of this subsection, the term 'juvenile' means a person who is less than 18 years of age.

(4) A prosecution of a violation of this subsection, the court shall require the presence of a parent or legal guardian of a juvenile defendant at all proceedings.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 180 days after the date of enactment of this title.

SEC. 965. PROHIBITION ON FIREARMS POSSESSION, USE, TRANSFERS, AND TRANSPORTATION; PROHIBITION ON FIREARMS POSSESSION, USE, TRANSFERS, AND TRANSPORTATION BY VIOLENT JUVENILE OFFENDERS.

(a) DEFINITION.—Section 921(a)(20) of title 18, United States Code, is amended—

"(1) by inserting "(A)" after "(20)";

"(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

"(3) by inserting after subparagraph (A) the following:

"(B) For purposes of subsections (d) and (g) of section 922, the term 'act of violent juvenile delinquency' means an adjudication of delinquency in a Federal or State court, based on a finding of an act by a person before that person has reached the age of 18 years that, if committed by an adult, would be a serious or violent felony as defined in section 3559(c)(3)(A) shall not apply to this subparagraph; and

"(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 180 days after the date of enactment of this title.
(b) Prohibition.—Section 922 of title 18, United States Code, is amended—

(1) in subsection (d)—

(A) in paragraph (8), by striking “or” at the end of such paragraph;

(B) in paragraph (9), by striking the period at the end and inserting “; or”;

(C) by inserting after paragraph (9) the following—

“(10) who has committed an act of violent juvenile delinquency.”; and

(2) in subsection (g), by inserting at the end—

(A) in paragraph (8), by striking “or” at the end;

(B) in paragraph (9), by striking the comma at the end and inserting “; or”;

(C) by inserting after paragraph (9) the following—

“(10) who has committed an act of violent juvenile delinquency.”;

(c) Effective Date of Adjudication Provisions.—The amendments made by this section shall only apply to an adjudication of an act of violent juvenile delinquency that occurs after the date that is 30 days after the date on which the Attorney General certifies to Congress and separately notifies Federal firearm licensees through publication in the Federal Register by the Secretary of the Treasury, that the records of such adjudications are routinely available in the national instant criminal background check system established under section 103(b) of the Brady Handgun Violence Prevention Act.


(a) Purposes.—The purposes of this section are to:

(1) promote the safe storage and use of handguns by consumers;

(2) prevent unauthorized persons from gaining access to or use of a handgun, including children who may not be in possession of a handgun unless it is under one of the circumstances provided for in the Youth Handgun Safety Act; and

(3) avoid hindering industry from supplying law abiding citizens firearms for all lawful purposes, including hunting, self-defense, collecting, and competitive or recreational shooting.

(b) Unlawful Acts.—

(1) Mandatory Transfer of Secure Gun Storage or Safety Device.—Section 922 of title 18, United States Code, is amended by inserting after paragraph (10) the following:

“(11) who has committed an act of violent juvenile delinquency.”

(2) Secure Gun Storage or Safety Device.—

“(1) In general.—Except as provided in paragraph (2), it shall be unlawful for any licensed manufacturer, licensed importer, or licensed dealer to sell, deliver, or transfer any handgun to any person other than any person licensed under the provisions of this chapter, unless the transferee is provided with a secure gun storage or safety device, as described in subsection (a)(4), for the handgun, for which a secure gun storage or safety device has been delivered to the transferee, a secure gun storage or safety device for the handgun shall be returned to the person who made the transfer and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 46, line 13, insert “the school’s contribution to the” after “about”.

On page 47, line 4, insert “and of the school’s contribution to student performance,” after “performance.”.

SA 411. Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 53, between lines 7 and 8, insert the following:

“(8) Factors Impacting Student Achievement.—Each State plan shall include a description of the process that will be used with respect to any school within the State that is identified for school improvement or corrective action under section 1116 to identify the academic and nonacademic factors that may have impacted student achievement at the school.”.

On page 71, line 24, strike “and”.

On page 72, line 3, strike the period and end quotation mark, and insert “and” after the semicolon.

On page 72, between lines 3 and 4, insert the following:

“(11) a description of the process that will be used with respect to any school identified for school improvement or corrective action that is served by the local educational agency to determine the academic and nonacademic factors that may have impacted student achievement at the school.”.

On page 104, line 7, strike “and”.

On page 104, line 13, strike the period and insert a semicolon.

On page 104, between lines 13 and 14, insert the following:

“(C) for each school in the State that is identified for school improvement or corrective action, notify the Secretary of any factors outside of the school that were determined by the State educational agency under section 1116(b)(11) to affect student achievement at the school.”.

On page 119, between lines 19 and 20, insert the following:

“(g) Other Agencies.—If a school is identified for school improvement, the Secretary shall notify any agency having jurisdiction over issues related to factors outside of the identified school that were determined by
the State educational agency under section 1111(b)(8) as impacting student achievement that such factors were so identified.”

SA 413. Mr. BROWNBACK (for himself and Mr. KOHL) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 902. STUDY AND INFORMATION.

(a) STUDY.—

(1) IN GENERAL.—The Director of the National Institutes of Health and the Secretary of Education jointly shall—

(A) conduct a study regarding how exposure to violent entertainment (such as movies, music, television, Internet content, video games, and arcade games) affects children's cognitive development and educational achievement; and

(B) submit a final report to Congress regarding the study.

(2) PLAN.—The Director and the Secretary jointly shall submit to Congress, not later than 6 months after the date of enactment of this Act, a plan for the conduct of the study.

(3) INTERIM REPORTS.—The Director and the Secretary jointly shall submit to Congress annual interim reports regarding the study until the final report is submitted under paragraph (1)(B).

(b) INFORMATION.—Section 411(b)(3) of the National Education Statistics Act of 1994 (20 U.S.C. 9016(b)(3) et seq.) is amended by adding at the end the following: "Notwithstanding the preceding sentence, in carrying out the National Assessment the Commissioner shall gather data regarding how much time children spend on various forms of entertainment, such as movies, music, television, Internet content, video games, and arcade games."

SA 414. Mr. DOMENICI (for himself and Mr. DODD) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

"PART D—PARTNERSHIPS IN CHARACTER EDUCATION"

"SEC. 9201. SHORT TITLE."

"This part may be cited as the 'Strong Character for Strong Schools Act'."

"SEC. 9202. PARTNERSHIPS IN CHARACTER EDUCATION PROGRAM."

"(a) PROGRAM AUTHORIZED.—"

"(1) IN GENERAL.—The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, State or local educational agencies, institutions of higher education, tribal organizations, or other public or private agencies or organizations to carry out research, development, dissemination, technical assistance, and evaluation activities that support or inform State and local character education programs. The Secretary may reserve more than 5 percent of the funds made available under this section to carry out this paragraph.

"(2) USES.—Funds made available under subparagraph (A) may be used—

"(i) to conduct research and development activities that focus on matters such as—

"(I) the effectiveness of instructional models for all students, including students with physical and mental disabilities;

"(II) materials and curricula that can be used by programs in character education;

"(III) models of professional development in character education; and

"(IV) the development of measures of effectiveness for character education programs which may include the factors described in paragraph (3);

"(ii) to provide technical assistance to State and local programs, particularly on matters of program evaluation;

"(iii) to conduct a national evaluation of State and local programs receiving funding under this section; and

"(iv) to compile and disseminate, through various approaches (such as a national clearinghouse) —

"(I) information on model character education programs;

"(II) character education materials and curricula;

"(III) research findings in the area of character education and character development; and

"(IV) any other information that will be useful to character education program participants, educators, parents, administrators, and others nationwide."

"(b) Authorization of Appropriations.—In carrying out national activities under this paragraph related to development, dissemination, and technical assistance, the Secretary shall seek to enter into partnerships with State or local educational agencies, including educational entities, and other public or private agencies or organizations to carry out research, development, dissemination, technical assistance, and evaluation activities that support or inform State and local character education programs that have had an effect on schools and students (including students with disabilities), and teachers.

"(2) FACTORS.—Factors which may be considered in evaluating the success of programs funded under this section may include—

"(A) discipline issues;

"(B) student performance;

"(C) participation in extracurricular activities;

"(D) parental and community involvement;"
On page 565, between lines 18 and 19, insert the following:

"SEC. 4126. GRANTS FOR THE INTEGRATION OF SCHOOLS AND MENTAL HEALTH SYSTEMS.

"(a) IN GENERAL.—The Secretary shall award grants, contracts, or cooperative agreements to eligible educational agencies, local educational agencies, or Indian tribes, for the purpose of increasing student access to quality mental health care by developing innovative school mental health systems with the local mental health system.

"(b) DURATION.—With respect to a grant, contract, or cooperative agreement awarded under this section in a manner that ensures, to the extent practicable, that programs assisted under this section shall—

(i) serve different areas of the Nation, including urban, suburban, and rural areas; and

(ii) serve schools that serve minorities, Native Americans, students of limited-English proficiency, disadvantaged students, and students with disabilities.

"(c) PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.—Grantees under this section shall provide, to the extent feasible and appropriate, the participation of students and teachers in private elementary and secondary schools in programs and activities under this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for each of the 6 succeeding fiscal years.

SA 415. Mr. DOMENICI (for himself and Mr. BACHUS and others) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965;
Sec. 902. INDIVIDUALS WITH DISABILITIES EDUCATION ACT

(a) Short Title.—This section may be cited as the “Growing Resources in Educational Achievement for Today and Tomorrow Act” or the “GREATT IDEA Act”.

(b) Purpose.—It is the purpose of this section to authorize programs and services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)

(c) Amendments to the Individuals with Disabilities Education Act.—

(i) Assistance for Education of All Children with Disabilities.—Section 611(j) of the Individuals with Disabilities Education Act (20 U.S.C. 1411(j)) is amended to read as follows:

(ii) Authorization of Appropriations.—For the purpose of carrying out this part, the amount authorized for programs and services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) is applicable to all activities under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) and the Elementary and Secondary Education Act of 1965; as

(iii) Health Services;—

(iv) Information Concerning, and Assistance in Obtaining, Available Student Financial Aid;—

(v) Exposure to Cultural Events; and

(vi) Job Placement Services.

Sec. 608. MAINTENANCE OF EFFORT.

A State utilizing the proceeds of a grant received under this Act shall maintain expenditures for activities carried out under this Act for each of fiscal years 2002 through 2005 equal to not less than the level of such expenditures maintained by such State for fiscal year 2001.

Sec. 418. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Sec. 1419. EVALUATION; TECHNICAL ASSISTANCE; MODELS PROGRAM.

The Secretary shall reserve not more than 5 percent of the amount made available to carry out this chapter for a fiscal year to develop a uniform model to evaluate the effectiveness of programs assisted under this chapter;

(c) Amendments to the Individuals with Disabilities Education Act (20 U.S.C. 1411(j)) is amended to read as follows:

(d) Transition services for reentry in and completion of regular or other educational programs operated by a local educational agency;

(e) Transition services to job training programs and employment, utilizing existing support programs such as One Stop Career Centers;

(f) Transition services for participation in postsecondary education programs;

(g) The successful reentry into the community; and

(h) The impact on recidivism reduction for juvenile and adult programs.

Sec. 420. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

(a) Transition Services.—Each State agency shall reserve not less than 5 percent and not more than 30 percent of the amount such agency receives under this chapter for any fiscal year to support—

(i) Projects that facilitate the transition of children and youth from State-operated institutions to local educational agencies; or

(ii) The successful reentry of youth offenders, and

(b) The successful reentry of adults

(c) Program Evaluation and Monitoring.

(d) Project Evaluation.

(f) The successful reentry of adults

(g) Participation in postsecondary education and job training programs.

Sec. 903. MICROBIOLOGICAL PERFORMANCE STANDARDS FOR MEAT AND POULTRY FOR SCHOOL NUTRITION PROGRAMS.

(a) In General.—The Secretary shall ensure that all meat and poultry purchased by the Secretary for a program carried out under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1756 et seq.) meets performance standards for microbiological hazards, as determined by the Secretary.

(b) Microbiological Performance Standards.

(1) In General.—The standards shall be based on and comparable to the stringent requirements used by national processors of meat.
and poultry (including purchasers for fast food restaurants), as determined by the Secretary.

"(C) REVIEW.—The Secretary shall periodically review the standards to determine the impact of the standards on reducing human illness.''

**SA 423. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:**

On page 383, after line 21, insert the following:

**SEC. 1226. TEACHERS AND PRINCIPALS.**

Part A—Teacher and Principal Quality.

(2) in section 2101(1)—

(A) by striking "teacher quality" and inserting "teachers and principal quality"; and

(B) by inserting before the semicolon "and highly qualified principals in schools";

(3) in section 2102—

(A) in paragraph (4)—

(i) by striking "and" and inserting "and principal" before "mentoring";

(ii) in paragraph (3), striking the period at the end and inserting ";";

(B) in paragraph (6), by inserting "and"

(i) in subparagraph (B)(ii), by striking "degree" and inserting "or"

(ii) by striking "a" and inserting "the";

(iii) by adding at the end the following: 

"(D) with respect to an elementary school or secondary school principal, a principal—

"(i) who has at least a master's degree in educational administration and at least 3 years of classroom teaching experience; or

"(ii) who has completed an rigorous alternative certification program that includes instructional leadership courses, an internship under the guidance of an accomplished principal, and classroom teaching experience;"

(ii) who is certified or licensed as a principal by the State involved; and

(iii) who can demonstrate a high level of competence as an instructional leader with knowledge of theories of learning, curricula design, supervision and evaluation of teaching and assessment design and application, child and adolescent development, and public reporting and accountability.";

and

(B) in paragraph (9)(B), by striking "teachers" each place it appears and inserting "teachers and principals;"

(4) in section 2112(b)(4), by striking "teaching force" and inserting "teaching force and principals;"

(5) in section 2113(b)—

(A) in paragraph (1)—

(i) the matter preceding subparagraph (A), by striking "teacher" and inserting "teacher and principal;"

(ii) in subparagraph (A)—

(1) by striking "(i)" after "(A)";

(B) by adding "and" after the semicolon; and

(iii) by adding at the end the following: 

"(II) principals have the instructional leadership skills to help teachers teach and students learn;"

(B) by striking "and principals" and inserting "and principals have the instructional leadership skills," before "necessary;" and

(C) in paragraph (3)—

(i) by striking "of teachers" and inserting "of teachers and principals;"

(ii) by striking "degree" and inserting "or master's degree;" and

(iii) by striking "teachers," and inserting "teachers or principals,; and"

(D) in paragraph (7), by striking "teacher" and inserting "teacher and principal;"

(E) in subsection (c)—

(i) by striking "and, where appropriate, administrators," and

(ii) by inserting "and give principals the instructional leadership skills to help teachers, after "skills;"

(7) in section 2123(b)—

(A) in paragraph (2), by inserting "and principal before "mentoring;"

(B) in paragraph (3), striking the period and inserting ";"

and

(C) in paragraph (4)—

(i) by striking "teachers" and inserting "teachers and principals; and"

(ii) by striking "teaching" and inserting "employment as teachers or principals, respectively;"

(B) in section 2133(a)(1)—

(A) by striking ", paraprofessionals, and, if appropriate, principals" and inserting "and principals;" and

(B) by striking the semicolon and inserting the following: "that principals have the instructional leadership skills that will help the principals work most effectively with teachers to help students master core academic subjects;"

(9) in section 2134—

(A) in paragraph (1), by striking "teachers" and inserting "teachers and principals; and"

(B) in paragraph (2)—

(i) by striking "teachers" and inserting "teachers and principals; and"

(ii) by inserting "a principal organization," after "teacher organization," and

(3) in section 2142(a)(2), by striking subparagraph (A) and inserting the following:

"(A) shall establish for the local educational agency an annual measurable performance objective for increasing retention of teachers and principals in the first 3 years of their careers as teachers and principals, respectively; and"

"(B) shall allocate the allotted funds that are effective and based on scientifically based research, to carry out section 1226 (relating to school libraries).

"On page 203, between lines 20 and 21, insert the following:

**SEC. 1228. IMPROVING LITERACY THROUGH SCHOOL LIBRARIES.**

"(a) In General.—From funds reserved under section 1225(3) for a fiscal year that are not reserved under subsection (b), the Secretary shall allot to each State educational agency having an application approved under subsection (c)(1) an amount that bears the same relation to the funds as the amount the State educational agency received under part A for the preceding fiscal year bears to the amount all such State educational agencies received under part A for the preceding fiscal year, to increase literacy and reading skills by improving school libraries.

"(b) Within-States Allocations.—Each State educational agency receiving an allotment under subsection (a) for a fiscal year may reserve no more than 3 percent to provide technical assistance, disseminate information about school library media programs that are effective and based on scientifically based research, and pay administrative costs, related to activities under this section; and

"(c)(1) shall allocate the allotted funds that remain after making the allotment under paragraph (1) to each local educational agency in the State having an application approved under subsection (c)(2) for activities described in subsection (c)(2) in an amount that bears the same relation to such remainder as the amount the local educational agency received under part A for the fiscal year bears to the amount received by all such local educational agencies in the State for the fiscal year.

"(c)(2) APPLICATIONS.—

(1) may reserve not more than 3 percent to provide technical assistance, disseminate information about school library media programs that are effective and based on scientifically based research, and pay administrative costs, related to activities under this section; and

(2) shall allocate the allotted funds that remain after making the allotment under paragraph (1) to each local educational agency in the State having an application approved under subsection (c)(2) for activities described in subsection (c)(2) in an amount that bears the same relation to such remainder as the amount the local educational agency received under part A for the fiscal year bears to the amount received by all such local educational agencies in the State for the fiscal year.
"(A) how the State educational agency will assist local educational agencies in meeting the requirements of this section and in using scientifically based research to implement effective school library media programs and

"(B) the standards and techniques the State educational agency will use to evaluate the quality and impact of activities carried out under this section by local educational agencies to determine the need for technical assistance and whether to continue funding the agencies under this section."

"(2) WITHIN-LEA DISTRIBUTION.—Each local educational agency desiring assistance under this section shall submit to the State educational agency, at such time, in such manner, and containing such information as the State educational agency shall require. The application shall contain a description of—

"(A) a needs assessment relating to the need for school library media improvement, based on the age and condition of school library media resources, including book collections, access of school library media centers to advanced technology, and the availability of well-trained, professionally certified school library media specialists in schools served by the local educational agency;

"(B) how the local educational agency will extensively involve school library media specialists, teachers, administrators, and parents in the activities assisted under this section, and the manner in which the local educational agency will carry out the activities described in subsection (e) using programs and materials that are grounded in scientifically based research;

"(C) the manner in which the local educational agency will effectively coordinate the funds and activities provided under this section with the funds and activities under this part and other literacy, library, technology, and professional development funds and activities; and

"(D) a description of the manner in which the local educational agency will collect and analyze data on the quality and impact of activities carried out under this section by schools served by the local educational agency."

"(d) WITHIN-LEA DISTRIBUTION.—Each local educational agency receiving funds under this section shall distribute—

"(1) 50 percent of the funds to schools served by the local educational agency that are in the top quartile in terms of percentage of students enrolled from families with incomes below the poverty line; and

"(2) 50 percent of the funds to schools that have the greatest need for school library media improvement based on the needs assessment described in subsection (c)(2)(A).

"(e) LOCAL ACTIVITIES.—Funds under this section may be used to—

"(1) acquire up-to-date school library media resources, including books;

"(2) acquire and utilize advanced technology and information as the State educational agency determines is the need for technical assistance and whether to continue funding the agencies under this section; and

"(3) facilitate Internet links and other resource-sharing networks among schools and school library media centers, and public and academic libraries, where possible;

"(4) provide professional development described in 122(c)(7)(D) for school library media specialists, and activities that foster increased collaboration between school library media specialists, teachers, and administrators; and

"(5) provide students with access to school library media resources during nonschool hours, including the hours before and after school, during weekends, and during summer vacation periods.

"(1) ACCOUNTABILITY AND CONTINUATION OF FUNDS.—Each local educational agency that receives funding under this section for a fiscal year shall be eligible to continue to receive funding for a third or subsequent fiscal year only if the local educational agency demonstrates to the State educational agency that the local educational agency continues to make progress in the following:

"(1) the availability of, and the access to, up-to-date school library media resources in the elementary schools and secondary schools served by the local educational agency; and

"(2) the number of well-trained, professionally certified school library media specialists in those schools served by the local educational agency.

"(g) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant other Federal, State, and local funds expended to carry out activities relating to library, technology, or professional development activities.

"(h) NATIONAL ACTIVITIES.—From the total amount made available under section 1225(c)(3) for each fiscal year, the Secretary shall reserve not more than 1 percent for annual national evaluations of the activities assisted under this section. The evaluations shall be conducted not later than 3 years after the date of enactment of the Better Education for Students and Teachers Act, and each year thereafter.

On page 303, line 21, strike "1223" and insert "1229."

SA 426. Mr. CONRAD (for himself and Mr. BINGMAN) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . ADDITION TO LIST OF 1994 INSTITUTIONS.

(a) in GENERAL.—Section 117 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2327) is amended—

"(1) in subsection (a), by inserting "that are receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.)", after "institutions";

"(2) in subsection (b), by inserting "institutions" after "for";

"(3) in subsection (d), by inserting "that is not receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.)", after "institutions"; and

"(4) in subsection (e), by inserting "and the manner in which the local educational agency will collect and analyze data on the quality and impact of activities carried out under this section by schools served by the local educational agency.";

SA 427. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 752, strike line 16.

SA 429. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 319, between lines 19 and 20, insert the following:

"(12) Supporting the activities of education coordinators and professional development schools, involving partnerships described in paragraphs (1) and (3) of subsection (c), respectively, for the purpose of—

"(A) preparing out-of-field teachers to be qualified to teach all of the classes that the teachers are assigned to teach;

"(B) preparing paraprofessionals to become future qualified teachers if served by high need local educational agencies;

"(C) supporting teams of master teachers, including teachers certified by the National Board for Professional Teaching Standards, and student teacher interns as a part of an extended teacher education program; and

"(D) supporting teams of master teachers, including teachers certified by the National Board for Professional Teaching Standards, to serve in low-performing schools."

On page 329, line 7, strike "", and"", and insert a semicolon.

On page 329, line 13, strike the period and insert a semicolon.

On page 329, between lines 13 and 14, insert the following:

"(C) may include activities carried out jointly with education councils and professional development schools, involving partners described in paragraphs (1) and (3) of subsection (c), respectively, for the purpose of improving teaching and learning at low-performing schools."

On page 329, between lines 18 and 19, insert the following:

""(D) institutional support of vocational and technical education."; and

"(E) EFFECTIVE DATE.—

"(1) in GENERAL.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act.

"(2) APPLICATION.—The amendments made by subsection (a) shall apply to grants made for fiscal year 2001 only if this Act is enacted before September 30, 2001.

SA 428. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 752, strike line 16.
“(2) LOW-PERFORMING SCHOOL.—The term ‘low-performing school’ means an elementary school or secondary school that is determined to be low-performing by a State, on the basis of factors such as low student achievement, low student performance, unclear academic standards, high rates of student absenteeism, and high rates of staff turnover or absenteeism.

“(3) PROFESSIONAL DEVELOPMENT SCHOOL.—The term ‘professional development school’ means a partnership that—

“(A) is established between—

“(i) a local educational agency on behalf of an elementary or secondary school within the local educational agency’s jurisdiction; and

“(ii) an institution of higher education, including a community college, that meets the requirements applicable to the institution under title II of the Higher Education Act of 1965;

“(B) provides support, including preparation time, for such interaction.

SA 430. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 480, line 12, strike the period at the end and insert a semicolon and the following:

“(b) other instructional services that are designed to assist immigrant students to achieve in elementary and secondary schools in the United States, such as literacy programs, programs of introduction to the educational system, and civics education; and—

SA 431. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 125, line 6, insert ‘‘(a) IN GENERAL.’’ before ‘‘Section.’’

On page 127, between lines 20 and 21, insert the following:

“(b) GRANTS.—Section 1116(a)(3) (20 U.S.C. 6319(a)(3)) is amended by adding at the end the following:

“(C)(i) (The Secretary is authorized to award grants to local educational agencies to enable the local educational agencies to supplement the implementation of the provisions of this section and to allow for the expansion of other recognized and proven initiatives and policies to improve student achievement through the involvement of parents.

“(ii) Each local educational agency desiring a grant under this subparagraph shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(iii) Each application submitted under clause (i)(II) shall describe the activities to be undertaken using funds received under this subparagraph and shall set forth the process by which the local educational agency will annually evaluate the effectiveness of the agency’s activities in improving student achievement and increasing parental involvement.

“(iv) Each grant under this subparagraph shall be awarded for a 6-year period.

“(v) The Secretary shall conduct a review of the activities carried out by each local educational agency that received a grant under this subparagraph to determine whether the local educational agency demonstrates improvement in student achievement and an increase in parental involvement.

“(vi) The Secretary shall terminate grants to a local educational agency under this subparagraph after the fourth year if the Secretary determines that the evaluations conducted by such agency and the reviews conducted by the Secretary show no improvement in the local educational agency’s student achievement and no increase in such agency’s parental involvement.

“(vii) There are authorized to be appropriated to carry out this subparagraph $500,000,000 for fiscal year 2002, and such sums as may be necessary for each subsequent fiscal year.’’."

SA 432. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 324, between lines 10 and 11, insert the following:

“(I) A description of how the local educational agency will provide training to enable teachers to—

“(A) address the needs of students with disabilities, students with limited English proficiency, and other students with special needs;

“(B) involve parents in their child’s education; and

“(C) understand and use data and assessments to improve classroom practice and student learning.

On page 326, line 2, strike ‘‘and’’.

On page 326, line 7, strike the period and insert ‘‘; and’’.

On page 327, between lines 7 and 8, insert the following:

“(D) effective instructional practices that involve collaborative groups of teachers and administrators such as—

“(i) provision of dedicated time for collaborative lesson planning and curriculum development meetings;

“(ii) consultation with exemplary teachers;

“(iii) team teaching, peer observation, and coaching;

“(iv) provision of short-term and long-term visits to classrooms and schools;

“(v) establishment and maintenance of local professional development networks that provide a forum for interaction among teachers and administrators about content knowledge and teaching and leadership skills; and

“(vi) the provision of release time as needed for the activities.

SA 433. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 307, between lines 18 and 19, insert the following:

“(v) encourage and provide instruction on how to work with and involve parents to foster student achievement.

SA 434. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 12, strike lines 23 through 24.

On page 13, strike lines 1 through 2, and insert the following: :

“(23) PARENTAL INVOLVEMENT.—The term ‘parental involvement’ means the participation of parents in regular, two-way, and meaningful communication, including ensuring—

“(A) that parenting skills are promoted and supported; and

“(B) that parents play an integral role in assisting student learning;

“(C) that parents are welcome in the schools;

“(D) that parents are included in decision-making and advisory committees; and

“(E) the carrying out of other activities described in section 1118.

SA 435. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 369, between lines 6 and 7, insert the following and redesignate the remaining paragraphs accordingly:

“(2) outlines the strategies for increasing parental involvement in schools through the effective use of technology;

On page 370, line 24, strike ‘‘and’’.

On page 370, line 26, strike the period and insert a semicolon.

On page 371, line 1, insert the following:

“(7) utilizing technology to develop or expand efforts to connect schools and teachers with parents to promote meaningful parental involvement and foster increased communication about curriculum, assignments, and assessments; and

“(8) providing support to help parents understand the technology being applied in their child’s education so that parents are able to reinforce their child’s learning.

On page 371, between lines 23 and 24, insert the following and redesignate the remaining paragraphs accordingly:

“(3) a description of how the local educational agency will ensure the effective use of technology to promote parental involvement and increase communication with parents.

“(4) a description of how parents will be informed of the use of technologies so that the parents are able to reinforce at home the instruction their child receives at school.

On page 374, line 24, strike ‘‘and’’.

On page 375, line 1, insert the following and redesignate the remaining paragraph accordingly:

“(d) increased parental involvement through the use of technology; and

On page 378, line 24, strike ‘‘and’’.

On page 379, line 1, insert the following and redesignate the remaining subparagraph accordingly:

“(F) increased parental involvement in schools through the use of technology; and

SA 436. Mr. REED submitted an amendment intended to be proposed by
him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 586, between lines 18 and 19, insert the following:

PART B—DISCIPLINARY MEASURES RELATING TO SCHOOL VIOLENCE

SEC. 411. SHORT TITLE.

This part may be cited as the “School Safety Act of 2001”.

SEC. 412. AMENDMENTS TO THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

(a) PROCEDURAL SAFEGUARDS.—Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) is amended by adding at the end the following:

“(d) DISCIPLINE BY LOCAL AUTHORITY WITH RESPECT TO WEAPONS, DRUGS, AND TRACHER ASSAULTS.—(1) AUTHORITY OF SCHOOL PERSONNEL WITH RESPECT TO WEAPONS, DRUGS, AND TRACHER ASSAULTS.—Notwithstanding any other provision of this title, school personnel may discipline—

(A) carries or possesses a weapon to or at a school, on school premises, or to or at a school function under the jurisdiction of a State or local educational agency;

(B) threatens to carry, possess, or use a weapon to or at a school, on school premises, or at or to a school function under the jurisdiction of a State or local educational agency;

(C) possesses or uses illegal drugs or sells or solicits the sale of a controlled substance while at school, on school premises, or at or to a school function under the jurisdiction of a State or local educational agency; or

(D) assaults or threatens to assault a teacher, teacher’s aide, principal, school counselor, or other school personnel, including independent contractors and volunteers.

(2) TERMINATION.—(A) In general.—Carrying out any disciplinary action described in paragraph (1), school personnel have discretion to consider all germane factors in each individual case and modify any disciplinary action on a case-by-case basis.

(B) DEFENSE.—Nothing in paragraph (1) shall be construed to prevent a child with a disability who is disciplined pursuant to the authority provided under paragraph (1) from asserting a defense that the alleged act was unintentional or innocent.

(C) PRIORITY.—In taking appropriate public education—

(1) CARRYING TO PROVIDE EDUCATION.—Notwithstanding section 612(a)(1)(A), or any other part of this title, a child who is expelled or suspended under paragraph (1) shall not be entitled to continued educational services, including a free appropriate public education, under this subsection, during the term of such expulsion or suspension, if the State in which the local educational agency responsible for providing educational services to such child does not require a child without a disability to receive educational services after being expelled or suspended.

(2) PROVIDING SERVICES.—Notwithstanding subparagraph (A), the local educational agency responsible for providing educational services to a child with a disability who is expelled or suspended under paragraph (1) may choose to continue to provide educational services to such child. If the local educational agency so chooses to continue to provide the services—

(i) nothing in this subsection shall be construed to require the local educational agency to provide such child with a free appropriate public education, or any particular level of service; and

(ii) the location where the local educational agency provides the services shall be left to the discretion of the local educational agency.

(4) RELATIONSHIP TO OTHER REQUIREMENTS.—

(A) PLAN REQUIREMENTS.—No agency shall be considered to be in violation of section 612 or 613 because the agency has provided discipline, services, or assistance in accordance with this subsection.

(B) PROCEDURE.—None of the procedural safeguards or disciplinary procedures of this Act shall apply to this subsection, and the relevant procedural safeguards and disciplinary procedures applicable to children without disabilities may be applied to the child with a disability in the same manner in which such safeguards and procedures would be applied to children without disabilities.

(C) DEFINITIONS.—

(1) THREATEN TO CARRY, POSSESS, OR USE A WEAPON.—The term ‘threaten to carry, possess, or use a weapon’ includes behavior in which a child verbally threatens to kill another person.

(2) WEAPON, ILLEGAL DRUG, CONTROLLED SUBSTANCE, AND ASSAULT.—The terms ‘weapon’, ‘illega drug’, ‘controlled substance’, ‘assault’, ‘unintentional’, and ‘inoffendent’ have the meanings given such terms under State law.

(3) CONFORMING AMENDMENTS.—Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) is amended—

(1) in subsection (f)(1), by striking ‘‘Whenever’’ and inserting ‘‘Except as provided in section 615(n), whenever’’; and

(2) in subsection (k),

(A) in paragraph (1), by striking subparagraph (A) and inserting the following:

(‘‘In any disciplinary situation except for such situations as described in subsection (n), school personnel under this section may order a change in the placement of a child with a disability to an appropriate interim alternative educational setting, another setting, or suspension, for not more than 10 school days, if, in the absence of the child, his alternative would apply to children without disabilities.’’);

(B) by striking paragraph (4) and inserting the following:

(4) Any interim alternative educational setting in which a child is placed under paragraph (1) or (2) shall—(i) be selected so as to enable the child to continue to participate in the general curriculum, although in another setting, and to continue to provide those services and modifications, including those described in the child’s current IEP, that will enable the child to meet the goals set out in that IEP; and

(C) include services and modifications designed to address the behavior described in paragraphs (1) or (2) so that it does not recur.’’;

(C) in paragraph (6)(B)—

(i) in clause (i), by striking ‘‘(1) In reviewing’’ and inserting ‘‘(1) In determining’’; and

(ii) by striking clause (ii); and

(D) in paragraph (7),

(1) in subparagraph (A), by striking ‘‘paragraph (1)(A)(ii) or’’ each place it appears; and

(2) in subparagraph (B), by striking ‘‘paragraph (1)(A)(ii) or’’; and

(E) by striking paragraph (10) and inserting the following:

(10) SUBSTANTIAL EVIDENCE.—The term ‘substantial evidence’ means beyond a preponderance of the evidence.

SEC. 413. AMENDMENT TO THE GUN-FREE SCHOOLS ACT OF 1994.

Subsection (c) of section 14601 of the Gun-Free Schools Act of 1994 (20 U.S.C. 8921) is amended to read as follows:

“(c) SPECIAL RULE.—Notwithstanding any other provision of this section, this section shall be subject to section 615(n) of the Individuals with Disabilities Education Act (20 U.S.C. 1415(n)).”

SEC. 414. APPLICATION.

The amendments made by sections 412 and 413 shall not apply to conduct occurring prior to the date of the enactment of this Act.

SA 348. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 586, between lines 18 and 19, insert the following:

PART B—SCHOOL SAFETY AND VIOLENCE PREVENTION

SEC. 411. SCHOOL SAFETY AND VIOLENCE PREVENTION.

Title XIV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801 et seq.) is amended by adding at the end the following:

“PART I—SCHOOL SAFETY AND VIOLENCE PREVENTION

SEC. 14851. SCHOOL SAFETY AND VIOLENCE PREVENTION.

Notwithstanding any other provision of title IV and VI, funds made available under such titles may be used for—

(1) training, including in-service training, for school personnel (including custodians and bus drivers), with respect to—

(A) identification of potential threats, such as illegal weapons and explosive devices;

(B) crisis preparedness and intervention procedures; and

(C) emergency response;

(2) training for parents, teachers, school personnel, and other interested members of the community regarding identification of and responses to early warning signs of troubled and violent youth;

(3) innovative research-based delinquency and violence prevention programs, including—

(A) school anti-violence programs; and

(B) mentoring programs;

(4) comprehensive assessments of school security;

(5) purchase of school security equipment and technologies, such as—

(A) metal detectors;

(B) electronic locks; and

(C) surveillance cameras; and

(6) collaborative efforts with community-based organizations, including faith-based organizations, statewide consortia, and law enforcement organizations, statewide consortia, and law enforcement organizations.
enforcement agencies, that have demonstrated expertise in providing effective, research-based violence prevention and intervention programs to school-aged children; "(7) shall give assistance to States, local educational agencies, and schools to establish school uniform policies; "(8) school resource officers, including community policing officers; and "(9) other innovative, local responses that are consistent with reducing incidents of school violence and improving the educational and social atmospheres of the classroom.

SEC. 412. STUDY OF SCHOOL SAFETY ISSUES. (a) STUDY.—The Comptroller General shall carry out a study regarding school safety issues, including an examination of— (1) incidents of school-based violence in the United States; (2) impediments to combating school-based violence, including local, state, and Federal education and law enforcement impediments; (3) promising initiatives for addressing school-based violence; (4) crisis preparedness of school personnel; (5) preparedness of local, State, and Federal law enforcement to address incidents of school-related violence; and (6) current school violence prevention programs.

(b) REPORT.—The Comptroller General shall submit to the Congress a report regarding the results of the study conducted under subsection (a).

SA 439. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table: as follows:

SEC. 33. INTEGRATED PEST MANAGEMENT SYSTEMS FOR SCHOOLS. —The Federal Insecticide, Fungicide, and Rodenticide Act is amended— (1) redesignating sections 33 and 34 (7 U.S.C. 136x, 136y) as sections 34 and 35, respectively; and (2) by inserting after section 32 (7 U.S.C. 136w–7) the following:

"SEC. 33. INTEGRATED PEST MANAGEMENT SYSTEMS FOR SCHOOLS. —(a) DEFINITIONS.—In this section: "(1) BOARD.—The term 'Board' means the National School Integrated Pest Management Advisory Board established under subsection (c). "(2) CONTACT PERSON.—The term 'contact person' means an individual who is— (A) knowledgeable about integrated pest management systems; and (B) contacted by a local educational agency as the contact person under subsection (f). "(3) CRACK AND CREVICE TREATMENT.—The term 'crack and crevice treatment' means the application of small quantities of a pesticide in a building into openings such as those commonly found at expansion joints, between levels of construction, and between equipment and floors. "(4) EMERGENCY.—The term 'emergency' means an urgent need to mitigate or eliminate a pest that threatens the health or safety of a student or staff member. "(5) FUND.—The term 'Fund' means the Integrated Pest Management Trust Fund established under subsection (m). "(6) INTEGRATED PEST MANAGEMENT SYSTEM.—The term 'integrated pest management system' means a managed pest control system that— (A) eliminates or mitigates economic, health, and aesthetic damage caused by pests; (B) uses— (i) integrated methods; (ii) site or pest inspections; (iii) pest population monitoring; (iv) an evaluation of the need for pest control; and (v) 1 or more pest control methods, including sanitation, structural repair, mechanical or biological controls, other nonchemical methods, and (if nontoxic options are unreasonable and have been exhausted) least toxic pesticides; and (C) minimizes— (i) the use of pesticides; and (ii) the risk to human health and the environment associated with pesticide application; or "(7) LEAST TOXIC PESTICIDES.—(A) IN GENERAL.—The term 'least toxic pesticides' means— (i) boric acid and disodium octaborate tetrahydrate; (ii) silica gels; (iii) diatomaceous earth; (iv) nonvolatile insect and rodent baits in tamper resistant containers or for crack and crevice treatment only; (v) microbe-based pesticides; (vi) pesticides made with essential oils (not including synthetic pyrethroids) without toxic synergists; and (vii) materials for which the inert ingredients are nontoxic and disclosed. "(B) EXCLUSIONS.—The term 'least toxic pesticides' does not include— (i) a pesticide that is determined by the Administrator to be an acutely or moderately toxic pesticide, probable, likely, or known carcinogen, mutagen, teratogen, reproductive toxin, developmental neurotoxin, endocrine disrupter, or immune system toxin; or (ii) and any application of a pesticide described in clause (i) using a broadcast spray, dust, tenting, or fogging, or baseboard spray application. "(B) LIST.—The term 'list' means the list of least toxic pesticides established under subsection (d). "(9) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801). "(10) PERSON.—The term 'person' means— (A) an individual that attends, has children enrolled in, works at, or uses a school; (B) a resident of a school district; and (C) any other individual that may be affected by pest management activities of a school. "(11) OFFICIAL.—The term 'official' means the official appointed by the Administrator under subsection (e). "(12) PESTICIDE.—(A) IN GENERAL.—The term 'pesticide' means any substance or mixture of substances, including herbicides and bait stations, intended for— (i) preventing, destroying, repelling, or mitigating any pest; (ii) use as a plant regulator, defoliant, or desiccant; or (iii) use as a spray adjuvant such as a wetting agent or adjuvant in a pesticide application; (B) EXCLUSION.—The term 'pesticide' does not include antimicrobial agents such as disinfectants or deodorizers used for cleaning products. "(13) SCHOOL.—The term 'school' means a public— (A) elementary school (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)); (B) secondary school (as defined in section 14101 of that Act); (C) kindergarten or nursery school. "(14) SCHOOL GROUNDS.—The term 'school grounds' means the area inside and outside of the school buildings controlled, managed, or owned by the school or school district. "(15) SPACE SPRAYING.—(A) IN GENERAL.—The term 'space spraying' means application of a pesticide by discharge into the air throughout an inside area. "(B) EXCLUSION.—The term 'space spraying' includes the application of a pesticide using a broadcast spray, dust, tenting, or fogging. "(C) EXCLUSION.—The term 'space spraying' does not include— (i) an employee hired by a school, local educational agency, or State to apply a pesticide; or (ii) a person assisting in the application of a pesticide. "(17) STATE EDUCATIONAL AGENCY.—The term 'State educational agency' has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801). "(18) UNIVERSAL NOTIFICATION.—The term 'universal notification' means notice provided by a local educational agency or school to— (A) all parents or guardians of children attending the school and (B) staff members of the school or local educational agency. "(b) INTEGRATED PEST MANAGEMENT SYSTEMS.— (1) IN GENERAL.—The Administrator, in consultation with the states, shall establish a National School Integrated Pest Management Advisory System to develop and update uniform standards and criteria for implementing integrated pest management systems in schools. "(2) IMPLEMENTATION.—Not later than 18 months after the date of enactment of this subsection, each local educational agency of a school district shall develop and implement in each of the schools in the school district an integrated pest management system that complies with this paragraph (1) and meets the standards and criteria established under paragraph (1) as determined by the Board, a local educational agency in the State may continue to implement the system in a school or in the school district in accordance with paragraph (2). "(3) STATE PROGRAMS.—If, on the date of enactment of this section, a State maintains an integrated pest management system that meets the standards and criteria established under paragraph (1) as determined by the Board, a local educational agency in the State may continue to implement the system in a school or in the school district in accordance with paragraph (2). "(4) APPLICATION TO SCHOOLS AND SCHOOL GROUNDS.—The requirements of this section apply to school grounds. A requirement to implement an integrated management system, apply to pesticide application in a school building and on the school grounds. "(5) APPLICATION OF PESTICIDES WHEN SCHOOLS IN USE.—A school shall prohibit—
“(A) the application of a pesticide when a school or a school ground is occupied or in use; or

(B) the use of an area or room treated by a pest management system that other than a least toxic pesticide, during the 24-hour period beginning at the end of the application.

(c) NATIONAL SCHOOL INTEGRATED PEST MANAGEMENT ADVISORY BOARD.—

“(1) IN GENERAL.—The Administrator, in consultation with the Secretary of Education, shall establish a National School Integrated Pest Management Advisory Board.

“(2) COMPOSITION.—The Board shall be composed of 12 members and include 1 representative from each of the following:

“(A) Parents.

“(B) Public health care professionals.

“(C) Medical professionals.

“(D) State integrated pest management system coordinators.

“(E) Independent integrated pest management specialists that have carried out school integrated pest management programs.

“(F) Environmental advocacy groups.

“(G) Children’s health advocacy groups.

“(H) Trade organization for pest control operators.

“(I) Teachers and staff members.

“(J) School facility managers or school maintenance staff.

“(K) School administrators.

“(L) School board members.

“(3) APPOINTMENT.—Not later than 180 days after the date of enactment of this section, the Administrator shall appoint members of the Board from nominations received from Parent Teacher Associations, school districts, States, and other interested persons and organizations.

“(4) TERMS.—

“(A) IN GENERAL.—A member of the Board shall serve for a term of 5 years, except that the Administrator may, for good cause, reduce the term of any member.

“(B) subsequent meetings on a periodic basis, but not less than 2 times each year.

“(6) COMPENSATION.—A member of the Board shall serve without compensation, but may be reimbursed by the Administrator for expenses (in accordance with section 5703 of title 5, United States Code) incurred in performing duties as a member of the Board.

“(7) CHAIRPERSON.—The Board shall select a Chairperson for the Board.

“(8) QUORUM.—A majority of the members of the Board shall constitute a quorum for the purpose of conducting business.

“(9) DECISIVE VOTES.—Two-thirds of the votes cast by the members of the Board at which a quorum is present shall be decisive for any motion.

“(10) ADMINISTRATION.—The Administrator—

“(A) shall—

“(i) authorize the Board to hire a staff director; and

“(ii) detail staff of the Environmental Protection Agency, or allow for the hiring of staff for the Board; and

“(B) subject to availability of appropriations, may pay necessary expenses incurred by the Board in carrying out this subchapter, as determined appropriate by the Administrator.

“(11) RESPONSIBILITIES OF THE BOARD.—

“(A) IN GENERAL.—The Board shall provide recommendations to the Administrator regarding the implementation of this section.

“(B) LIST OF LEAST TOXIC PESTICIDES.—Not later than 1 year after the initial meeting of the Board, the Board shall—

“(i) review implementation of this section (including use of least toxic pesticides); and

“(ii) review and make recommendations to the Administrator with respect to new proposed active and inert ingredients or proposed amendments to the list in accordance with subsection (d).

“(C) TECHNICAL ADVISORY PANELS.—

“(1) IN GENERAL.—The Board shall convene technical advisory panels to provide scientific evaluations of the materials considered for inclusion on the list.

“(2) PROCEDURE FOR EVALUATING PESTICIDE USE.—

“(A) LIST OF LEAST TOXIC PESTICIDES.—

“(1) IN GENERAL.—The Administrator shall establish a list of least toxic pesticides that may be used in school buildings and on school grounds, including any restrictions on the use of the pesticides, that is based on the list prepared by the Board.

“(C) FINDINGS.—Not later than 2 years after publication of the final list and restrictions, the Administrator shall make a determination and issue findings on whether use of registered pesticides in school buildings and on school grounds may endanger the health of children and school personnel.

“(D) NOTICE AND COMMENT.—

“(1) IN GENERAL.—Prior to establishing or making amendments to the proposed list and restrictions, the Administrator shall—

“(A) publish the proposed list and restrictions in the Federal Register and seek public comment on the proposed proposals; and

“(B) REGULATORY REVIEW.—The Administrator shall initiate regulatory review of all other pesticides recommended for restriction by the Board.

“(E) CONFIDENTIALITY.—Any business sensitive material obtained by the Board in carrying out its functions under this section as confidential business information by the Board and shall not be released to the public.

“(1) Establishment.—The Administrator shall appoint an official for school pest management within the Office of Pesticide Programs, in the Environmental Protection Agency, to coordinate the development and implementation of integrated pest management systems in schools.

“(2) Duties.—The official shall—

“(A) coordinate the development of school integrated pest management systems and policies;

“(B) consult with schools concerning—

“(i) issues related to the integrated pest management systems of schools;
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"(ii) the use of least toxic pesticides; and

"(iii) the registration of pesticides, and

amendments to the registrations, as the

registrations and amendments relate to the use

of the pest management system in schools;

and

"(C) support and provide technical

assistance to the Board.

"(f) Contact Person.—

"(1) In general.—Each local educational

agency of a school district shall designate a

contact person for carrying out an inte-

grated pest management system in schools

in the school district.

"(2) Duties.—The contact person of a

school district shall—

"(A) maintain information about pesticide

applications inside and outside schools with-

in the school district, in school buildings,

and on school grounds;

"(B) act as a contact for inquiries about the

integrated pest management system;

"(C) maintain material safety data sheets

and labels for all pesticides that may be used

in the school district;

"(D) be informed of Federal and State

chemical health and safety information and

contact information;

"(E) maintain a schedule of all pesticide

usage for schools in the school district;

"(F) maintain contact with Federal and

State integrated pest management system

experts;

and

"(G) obtain periodic updates and training

from State integrated pest management sys-

tem experts.

"(2) PESTICIDE USE DATA.—A local edu-

cational agency of a school district shall—

"(A) maintain all pesticide use data for

each school in the school district; and

"(B) on request, make the data available to

the public for review.

"(g) NOTICE OF INTEGRATED PEST MAN-

AGEMENT SYSTEM.—

"(1) IN GENERAL.—At the beginning of each

school year, each local educational agency

or school of a school district shall include a

notice of the integrated pest management sys-

tem of the school or on school grounds as part of the integrated pest

management system.

"(2) CONTENTS.—The notice shall include a

description of—

"(A) the integrated pest management sys-

tem of the school district;

"(B) any pesticide (including any least

toxic pesticide) that may be used in a school building or on school

grounds as part of the integrated pest man-

agement system;

"(C) the name, address, and telephone

number of the contact person of the school

district;

"(D) a statement that—

"(i) the contact person maintains the prod-

cut label and material safety data sheet of

each pesticide (including each least toxic

pesticide) and bait station that may be used by

a school in buildings or on school grounds;

"(ii) the label and data sheet is available

for review by a parent, guardian, staff

member, or student attending the school; and

"(iii) the contact person is available to

parents, guardians, and staff members for in-

formation and comment; and

"(E) the time and place of any meetings

that will be held under subsection (g)(1).

"(3) USE OF PESTICIDES.—A local edu-
cational agency or school may use a pes-
ticide (other than less toxic pesticides) in a school building or on school

grounds only if the use of the pesticide has been disclosed in the notice

required under paragraph (1) at the begin-

ning of the school year.

"(4) SCHOOL AGENCY AND STUDENTS.—After

the beginning of each school year, a local

educational agency or school of a school dis-

trict shall provide the notice required under this subsection to—

"(A) each new staff member who is em-

ployed during the school year; and

"(B) the parent or guardian of each new

student enrolled during the school year.

"(h) USE OF PESTICIDES.—

"(1) IN GENERAL.—If a local educational

agency or school determines that a pest in

the school or on school grounds cannot be

controlled after having used the integrated

pest management system of the school or

school district and least toxic pesticides, the

school may use a pesticide (other than space

spraying of the pesticides) to control the pest

in accordance with this subsection.

"(2) PRIOR NOTIFICATION OF PARENTS,

GUARDIANS, AND STAFF MEMBERS.—

"(A) IN GENERAL.—Subject to paragraphs

(4) and (5), at least 72 hours before a pesti-

cide (other than a least toxic pesticide) is

used by a school, the school shall provide to

a parent or guardian of each student en-

rolled at the school, and each staff member

of the school, notice that includes—

"(i) the common name, trade name, and

Environmental Protection Agency registra-

tion number of the pesticide;

"(ii) a description of the location of the ap-

plication of the pesticide;

"(iii) a description of the date and time of

application, except that, in the case of out-

door pesticide applications, the notice shall in-

clude 3 dates, in chronological order, that

the outdoor pesticides may take place if the

preceding date is canceled;

"(iv) a statement that ‘The Office of Pe-

sticide Programs of the United States Envi-

ronmental Protection Agency has stated

Where possible, persons who potentially are

sensitive, such as pregnant women and in-

fants (less than 2 years old), should avoid

the outdoor pesticide applications may take

place before the application.

"(B) TIME OF YEAR.—Paragraphs (2) and (3)

shall apply to any person that applies a pes-
ticide in a school or on school grounds, in-

cluding a custodian, staff member, or com-

mercial applicator.

"(C) MODIFICATION OF INTEGRATED PEST

MANAGEMENT PLANS.—If a school in a school

district applies a pesticide under this para-

graph, the local educational agency of the

school district shall modify the integrated

pest management plan of the school district

to minimize the future applications of pes-
ticides under this paragraph.

"(D) DRIFT OF PESTICIDES ONTO SCHOOL

GROUNDS.—Each local educational agency,

State pesticide lead agency, and the Admin-

istrator are encouraged to—

"(i) identify sources of pesticides that drift

from treated land to school grounds of the

educational agency; and

"(ii) take steps necessary to create an in-
door and outdoor barrier that provides an opportunity for the contact person designated under sub-

section (d) to receive and address public

"(ii) during the school year; and

"(iii) during both school holidays, during the summer months, if the school is in use, with notice

provided to all staff members and the parents or guardians of the students that are using the school in an authorized manner.

"(5) EMERGENCIES.—

"(A) IN GENERAL.—A school may apply a pesti-
cide (other than a least toxic pesticide) on school or on school grounds without complying with paragraphs (2) and (3) in an emergency, subject to subparagraph (B).

"(B) SUBSEQUENT NOTIFICATION OF PARENTS,

GUARDIANS, AND STAFF MEMBERS.—

"(i) during the school year; and

"(ii) beyond the period required for notice under

paragraph (1).

"(C) METHOD OF NOTIFICATION.—The school

may provide the notice required by subpara-

graph (B) by—

"(i) written notice sent home with the stu-

dent and provided to the staff member;

"(ii) a telephone call; or

"(iii) direct contact.

"(D) NOTICE OF INTEGRATED PEST MAN-

AGEMENT SYSTEM.—Each local educational agency, State pesticide lead agency, and the Admin-
istrator are encouraged to—

"(i) identify sources of pesticides that drift from treated land to school grounds of the educational agency; and

"(ii) take steps necessary to create an in-
door and outdoor barrier that provides an opportunity for the contact person designated under sub-

section (d) to receive and address public
(2) EMERGENCY MEETINGS.—An emergency meeting of a school board to address a pesticidal matter shall be called under locally appropriate procedures for convening emergency meetings.

(2) INVESTIGATIONS AND ORDERS.—

(A) IN GENERAL.—Not later than 60 days after receiving a complaint of a violation of this section, the Administrator shall—

(i) conduct an investigation of the complaint;

(ii) determine whether it is reasonable to believe the complaint has merit; and

(iii) if the Administrator finds it to be reasonable to believe a violation occurred, the Administrator shall issue a preliminary order (that includes findings) to impose the penalty described in subsection (1).

(B) FUND OF PENALTIES.—(A) IN GENERAL.—If the Administrator determines it is reasonable to believe a violation occurred, the Administrator shall order the local educational agency, school, or person to—

(i) file objections to the preliminary order (including findings); and

(ii) request a hearing on the record.

(B) FINAL ORDER.—If a hearing is not requested after the preliminary order is issued, the preliminary order shall be final and not subject to judicial review.

(C) IN GENERAL.—If after not later than 30 days after the preliminary order is issued under paragraph (A), the complainant and the person alleged to have committed the violation may—

(i) file objections to the preliminary order (including findings); and

(ii) request a hearing on the record.

(D) IN GENERAL.—Not later than 120 days after the order is issued, the proceeding may be terminated by a settlement agreement, which shall remain open, entered into by the fund, the Administrator, the complainant, and the person alleged to have committed the violation may—

(i) file objections to the preliminary order (including findings); and

(ii) request a hearing on the record.

(E) IN GENERAL.—If the Administrator issues a final order against a school or school district for any district in which a local educational agency, school, or person that violates this section (including any regulation); no pesticide, other than a pesticide that is defined as a least toxic pesticide under this section, shall be used in schools in the school district. For the purpose of this section, any pesticide that is defined as a least toxic pesticide under this section shall not preempt requirements imposed on local educational agencies and schools related to the use of integrated pest management systems in schools in the school district.

(3) OBJECTIONS TO PRELIMINARY ORDER.—

(A) IN GENERAL.—Not later than 30 days after the preliminary order is issued under paragraph (A), the complainant and the person alleged to have committed the violation may—

(i) file objections to the preliminary order (including findings); and

(ii) request a hearing on the record.

(B) IN GENERAL.—A person adversely affected by an order issued after a hearing under this subsection may file a petition for review not later than 60 days after the date that the order is issued, in a district court of the United States or other United States court for any district in which a local educational agency or school is found, resides, or transacts business.

(C) COLLATERAL REVIEW.—An order of the Administrator subject to review under this paragraph shall not be subject to judicial review in a criminal or other civil proceeding.

(1) IN GENERAL.—Any local educational agency, school, or person that violates this section may be assessed a civil penalty by the Administrator under subsections (b) and (1), respectively, of not more than $10,000 for each offense.

(2) TRANSFER TO TRUST FUND.—Except as provided in section 1(b) and subsections (b) and (1), respectively, of this section, amounts in the Fund shall be deposited in the Fund.

(3) INTEGRATED PEST MANAGEMENT TRUST FUND.—

(A) EMBARGO.—There is established in the Treasury of the United States a trust fund, to be known as the "Integrated Pest Management Trust Fund," consisting of—

(i) amounts deposited in the Fund under subsection (j)(2); and

(ii) amounts transferred to the Secretary of the Treasury for deposit into the Fund under paragraph (5); and

(iii) any interest earned on investment of amounts in the Fund under paragraph (3).

(B) EXPENDITURES FROM FUND.—

(A) IN GENERAL.—Subject to subparagraph (B), on request by the Administrator, the Secretary of the Treasury shall transfer to the Fund from the Fund to the Administrator, without further appropriation, such amounts as the Secretary determines are necessary to provide funds to each State educational agency of a State, in proportion to the amount of civil penalties collected in the State under subsection (j)(1), to carry out education, training, propagation, and development activities under integrated pest management systems of schools in the State to remedy the harmful effects of actions taken by the persons that penalties.

(B) ADMINISTRATIVE EXPENSES.—An amount not to exceed 6 percent of the amounts in the Fund shall be available for administrative expenses necessary to carry out this sub-section.

(C) INVESTMENT OF AMOUNTS.—

(A) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current expenses of the Trust Fund, in interest-bearing obligations of the United States.

(B) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under subparagraph (A), obligations may be acquired—

(i) on original issue at the issue price; or

(ii) by purchase of outstanding obligations at the market price.

(C) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

(D) CREDITS TO FUND.—The interest on, and the proceeds from the sale of or redemption of, any obligation of the Fund shall be credited to and form a part of the Fund.

(E) TRANSFERS OF AMOUNTS.—

(A) IN GENERAL.—The amounts required to be transferred to the Fund under this section shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury.

(B) ADJUSTMENTS.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(F) ACCEPTANCE AND USE OF DONATIONS.—The Secretary may accept and use donations relating to the Fund.

(G) EMPLOYEE PROTECTION.—

(1) IN GENERAL.—Any local educational agency, school, or person that violates this section may be assessed a civil penalty by the Administrator under subsections (b) and (1), respectively, of this section, of not more than $10,000 for each offense.

(2) TRANSFER TO TRUST FUND.—Except as provided in section 1(b) and subsections (b) and (1), respectively, of this section, amounts collected under paragraph (1) shall be deposited in the Fund.
“(2) Expenditure from Fund.

Sec. 34. Severability.

Mr. GRASSLEY, Mr. AKAKA, and Mr. INOUYE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

As the appropriate place, insert the following:

SOUTH CENTRAL OPPORTUNITIES.

(a) TWENTY-FIRST CENTURY COMMUNITY LEARNING CENTERS.—Section 1609(a)(2) (as amended in section 151) is further amended—

(1) in subparagraph (G), by striking “and” after the semicolon;

(2) in paragraph (4)(C), by inserting “(in addition)” after “where”;

(3) by adding at the end the following:

“(j) Investigations and orders.

(1) In general.

(2) Prior notification of parents, guardians, and staff members.

(3) Postings of signs.

(4) Administration.

(5) Emergencies.

(6) Drift of pesticides onto school grounds.

(7) Meetings.

(8) Emergency meetings.

(9) Investigations and orders.

(10) Preliminary order.

(11) Objections to preliminary order.

(12) Hearings.

(13) Final order.

(14) Settlement agreement.

(15) Costs.

(16) Judicial review and venue.

(17) Civil penalty.

(18) Transfer to Trust Fund.

(19) Integrated Pest Management Trust Fund.

(20) Establishment.

(21) Expenditures from Fund.

(22) Investment of amounts.

Sec. 35. Authorization of appropriations.

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

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strategy for the implementation of a comprehensive school reform model that meets each of the components described in section 1706(a).

On page 96, line 15, after "curriculum" insert "or a comprehensive school reform model that meets each of the components described in section 1706(a)."

On page 96, line 20, between lines 22 and 23, insert the following: "(vi) Implementing a comprehensive school reform model that meets each of the components described in section 1706(a) and that shall, at a minimum, have been found, through rigorous field experiments in multiple sites, to significantly improve the academic performance of students participating in such activity or program as compared to similar students in similar schools, who have not participated in such activity or program.

On page 258, line 22, strike "and"

On page 258, line 25, strike the period and insert "; and".

On page 258, after line 25, add the following: "(iii) 3 percent to promote quality initiatives described in section 1708."

On page 260, strike lines 5 through 9, and insert the following: "(2) the State educational agency will ensure that funds under this part are limited to comprehensive school reform providers to expand their work in more schools, assure quality, and promote financial stability."

SA 442. Mr. CRAPO submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 265, line 22, strike "school reform effort," and insert "comprehensive school reform effort; and.

On page 265, between lines 22 and 23, insert the following: "(10) has been found, through rigorous field experiments in multiple sites, to significantly improve the academic performance of students participating in such activity or program as compared to similar students in similar schools, who have not participated in such activity or program, or which has been found to have strong evidence that such model will significantly improve the performance of participating children.

On page 265, line 23 strike the approaches identified through "Secretary" on line 1 of page 266, and insert "nationally available".

On page 266, line 2, strike "programs" and insert "program".

On page 266, after line 23, add the following:

SEC. 1706. QUALITY INITIATIVES.

The Secretary, through grants or contracts, shall promote—

(1) a public-private effort, in which funds are matched by the private sector, to assist States, local educational agencies, and schools, in making informed decisions upon approving or selecting providers of comprehensive school reform, consistent with the requirements described in section 1706(a); and

(2) activities to foster the development of comprehensive school reform models and to provide effective capacity building for comprehensive school reform providers to expand their work in more schools, assure quality, and promote financial stability.

SA 443. Mr. VOINOVICH (for himself, Mrs. FEINSTEIN, Mr. COCHRAN, Mr. BAUCUS, Ms. LANDRIEU, and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 267, between lines 14 and 15, insert the following:

(c) SPECIFICAL RULE RELATING TO THE COMPUTATION OF PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.—Section 8003(a) (20 U.S.C. 7703(a)) is amended—

(1) by striking paragraph (3); and

(2) by redesigning paragraph (4) as paragraph (3).

SA 443. Mr. VOINOVICH (for himself, Mrs. FEINSTEIN, Mr. COCHRAN, Mr. BAUCUS, Ms. LANDRIEU, and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

SEC. 5. LOAN FORGIVENESS FOR HEAD START TEACHERS.

(a) SHORT TITLE.—This section may be cited as the “Loan Forgiveness for Head Start Teachers Act of 2001.”

(b) HEAD START ACT.—Section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078–10) is amended—

(1) in subsection (b), by adding at the end the following:

(2) in subsection (c), by striking “for service” and inserting “for service described in clause (1) of subsection (b)(1)(A) only if such individual received a baccalaureate or graduate degree on or after the date of enactment of the Loan Forgiveness for Head Start Teachers Act of 2001.”

(3) by adding at the end the following:

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for fiscal year 2007 and succeeding fiscal years to carry out loan repayment under this section for service described in clause (1) of subsection (b)(1)(A)."

(d) CONFORMING AMENDMENTS.—Section 428J of such Act (20 U.S.C. 1078-10) is amended—

(1) in subsection (c)(1), by inserting “or fifth complete program year” after “fifth complete school year of teaching”;

(2) in subsection (f), by striking “subsection (b)” and inserting “subsection (b)(1)(A)”; and

(3) in subsection (g)(1)(A), by striking “subsection (b)(1)(A)” and inserting “subsection (b)(1)(A)(i)”; and

(4) in subsection (h), by inserting “except as part of the term “program year”, where appropriate.”

(e) DIRECT STUDENT LOAN FORGIVENESS.—

(1) IN GENERAL.—Section 460 of the Higher Education Act of 1965 (20 U.S.C. 1078) is amended—

(A) in subsection (b)(1), by amending subparagraph (A) to read as follows:

(2) by redesigning paragraph (A) to read as follows:

(3) if employed as a full-time teacher for 5 consecutive complete school years in a school that qualifies under section 460(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school; or

(4) if employed as a Head Start teacher for 5 consecutive complete program years under the Head Start Act;

(2) if employed as a Head Start teacher, has demonstrated knowledge and teaching skills in reading, writing, early childhood development, and other areas of a preschool curriculum, with a focus on cognitive learning; and

(3) if employed as a Head Start teacher, has demonstrated knowledge and teaching skills in reading, writing, early childhood development, and other areas of a preschool curriculum, with a focus on cognitive learning; and

(4) if employed as a Head Start teacher, has demonstrated knowledge and teaching skills in reading, writing, early childhood development, and other areas of a preschool curriculum, with a focus on cognitive learning; and
curriculum, with a focus on cognitive learning; and".

"(b) In subsection (g), by adding at the end the following:

"(3) The chronic level of violence among the Nation’s youth of all ages, including elementary and secondary school students, constitutes a serious threat to such students’ educational achievement, mental and physical well-being, and quality of life. For example, studies confirm that students have great difficulty learning in schools that are not safe and that the percentage of students in grades 12 who were threatened or injured with a weapon on school property has remained constant in recent years.

On page 514, line 10, insert ‘‘suspended and expelled students,’’ after ‘‘dropouts’’.

On page 524, line 7, insert before the semi-colon the following: ‘‘including administrative incidents, such as classroom or grade re-arrangement or other disciplinary measures as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined; and

‘‘(ii) an amount that bears the same relationship to 75 percent of the total amount as the number of individuals age 5 through 17 from families with incomes below the poverty line, in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.

Each State educational agency receiving a grant under paragraph (1) shall allocate such funds not reserved under section 2310(b) to make subgrants to local educational agencies to enable such local educational agencies to carry out the activities described in section 2306.

On page 369, line 6, insert ‘‘and’’ after the semicolon.

On page 369, line 13, strike ‘‘; and’’ and insert a period.

On page 369, strike lines 14 through 22.

On page 371, strike lines 5 through 7 and insert the following:

‘‘(a) Application.—To be eligible to receive a grant under this part from a State educational agency, a local educational agency shall submit an application, consistent with

On page 375, strike line 11 and insert the following:

‘‘(c) Sanction.—If after 3 years, and after receiving technical assistance under subsection (d), the local edu-’’

SA 448. Mrs. CARNAHAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 319, line 4, insert ‘‘, including teaching specialists in core academic sub-’’ after ‘‘principals’’.

On page 326, line 1, insert ‘‘, including strategies to implement a year-round school schedule that will allow the local educational agency to increase pay for veteran teachers after ‘performance’’.

On page 327, line 2, insert ‘‘as well as teaching specialists in core academic subjects who will provide increased remedial instruc-’’.

On page 328, line 14, strike the period and insert ‘‘and’’.

On page 328, line 16, strike ‘‘; and’’.

On page 329, between lines 14 and 15, insert the following:

‘‘(15) alternative programs for the education and discipline of chronically violent and disruptive students as it relates to drug and violent behavior prevention.

On page 528, line 11, strike ‘‘and’’.

On page 528, line 14, strike the period and insert ‘‘; and’’.

On page 529, between lines 14 and 15, insert the following:

(SA 446. Mr. DEWINE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 514, line 10, insert ‘‘suspended and expelled students,’’ after ‘‘dropouts’’.

On page 524, line 7, insert before the semi-colon the following: ‘‘including administrative incidents, such as classroom or grade re-arrangement or other disciplinary measures as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined; and

‘‘(ii) an amount that bears the same relationship to 75 percent of the total amount as the number of individuals age 5 through 17 from families with incomes below the poverty line, in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.

Each State educational agency receiving a grant under paragraph (1) shall allocate such funds not reserved under section 2310(b) to make subgrants to local educational agencies to enable such local educational agencies to carry out the activities described in section 2306.

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On page 369, line 13, strike ‘‘; and’’ and insert a period.

On page 369, strike lines 14 through 22.

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On page 328, line 14, strike the period and insert ‘‘; and’’.

On page 328, line 16, strike ‘‘; and’’.

On page 329, between lines 14 and 15, insert the following:

‘‘(15) alternative programs for the education and discipline of chronically violent and disruptive students as it relates to drug and violent behavior prevention.

On page 528, line 11, strike ‘‘and’’.

On page 528, line 14, strike the period and insert ‘‘; and’’.

On page 529, between lines 14 and 15, insert the following:

(SA 446. Mr. DEWINE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 514, line 10, insert ‘‘suspended and expelled students,’’ after ‘‘dropouts’’.

On page 524, line 7, insert before the semi-colon the following: ‘‘including administrative incidents, such as classroom or grade re-arrangement or other disciplinary measures as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined; and

‘‘(ii) an amount that bears the same relationship to 75 percent of the total amount as the number of individuals age 5 through 17 from families with incomes below the poverty line, in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.

Each State educational agency receiving a grant under paragraph (1) shall allocate such funds not reserved under section 2310(b) to make subgrants to local educational agencies to enable such local educational agencies to carry out the activities described in section 2306.

On page 369, line 6, insert ‘‘and’’ after the semicolon.

On page 369, line 13, strike ‘‘; and’’ and insert a period.

On page 369, strike lines 14 through 22.

On page 371, strike lines 5 through 7 and insert the following:

‘‘(a) Application.—To be eligible to receive a grant under this part from a State educational agency, a local educational agency shall submit an application, consistent with

On page 375, strike line 11 and insert the following:

‘‘(c) Sanction.—If after 3 years, and after receiving technical assistance under subsection (d), the local edu-’’

SA 448. Mrs. CARNAHAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 319, line 4, insert ‘‘, including teaching specialists in core academic sub-’’ after ‘‘principals’’.

On page 326, line 1, insert ‘‘, including strategies to implement a year-round school schedule that will allow the local educational agency to increase pay for veteran teachers after ‘performance’’.

On page 327, line 2, insert ‘‘as well as teaching specialists in core academic subjects who will provide increased remedial instruc-’’.

On page 328, line 14, strike the period and insert ‘‘; and’’.

On page 328, line 16, strike ‘‘; and’’.

On page 329, between lines 14 and 15, insert the following:

‘‘(15) alternative programs for the education and discipline of chronically violent and disruptive students as it relates to drug and violent behavior prevention.'
and disruptive students as it relates to drug and violence prevention; and”.

SA 449. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 329, between lines 19 and 20, insert the following:

“(12) Supporting the activities of education councils and professional development schools, involving partnerships described in paragraphs (1) and (3) of subsection (c), respectively, for the purpose of—

“(A) preparing out-of-field teachers to be qualified to teach all of the classes that the teachers are assigned to teach;

“(B) preparing paraprofessionals to become fully qualified teachers in areas served by high schools;

“(C) supporting teams of master teachers, including teachers certified by the National Board for Professional Teaching Standards, and student teacher interns as a part of an extended teacher education program; and

“(D) supporting teams of master teachers, including teachers certified by the National Board for Professional Teaching Standards, to serve in low-performing schools.

On page 329, line 7, strike “;” and insert a period.

On page 329, between lines 13 and 14, insert the following:

“(C) may include activities carried out jointly with education councils and professional development schools, involving partnerships described in paragraphs (1) and (3) of subsection (c), respectively, for the purpose of improving teaching and learning at low-performing schools.

On page 329, between lines 18 and 19, insert the following:

“(c) DEFINITIONS.—In this section—

“(1) EDUCATION COUNCIL.—The term ‘education council’ means a partnership that—

“(A) is established between—

“(i) 1 or more local educational agencies, acting on behalf of elementary schools or secondary schools served by the agencies; and

“(ii) 1 or more institutions of higher education, acting on behalf of the agencies for the purpose of meeting the requirements applicable to the institutions under title II of the Higher Education Act of 1965; and

“(B) includes—

“(i) the local educational agencies in the State that have demonstrated success in using the curriculum in the classroom students.

“(2) LOW-PERFORMING SCHOOL.—The term ‘low-performing school’ means an elementary school or secondary school that is determined to be low-performing by a State, on the basis of factors such as low student achievement, low student performance, unclear academic standards, high rates of student absenteeism, high dropout rates, and high rates of staff turnover over one academic year.

“(3) PROFESSIONAL DEVELOPMENT SCHOOL.—The term ‘professional development school’ means a partnership that—

“(A) is established between—

“(i) 1 or more local educational agencies, acting on behalf of elementary schools or secondary schools served by the agencies; and

“(ii) 1 or more institutions of higher education, including community colleges, that meet the requirements applicable to the institutions under title II of the Higher Education Act of 1965; and

“(B)(i) provides sustained and high quality preservice clinical experience, including the mentoring of prospective teachers by veteran teachers;

“(ii) substantially increases interaction between faculty members of higher education described in subparagraph (A) and new and experienced teachers, principals, and other administrators at elementary schools or secondary schools served by the agencies;

“(iii) provides support, including preparation for, such interaction.”.

SA 450. Mr. WYDEN (for himself, Mr. Sessions, Mr. Breaux, and Ms. Landrieu) submitted an amendment intended to be proposed to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 778, strike line 21 and insert the following:

“PART C—STUDENT EDUCATION ENRICHMENT

SEC. 6301. SHORT TITLE.

“This part may be cited as the ‘Student Education Enrichment Demonstration Act’.

SEC. 6302. PURPOSE.

“The purposes of this part is to establish a demonstration program that provides Federal support to States and local educational agencies to provide high quality summer academic enrichment programs, for public school students who are struggling academically, that are implemented as part of statewide education accountability programs.

SEC. 6303. DEFINITION.

“In this part, the term ‘student’ means an elementary school or secondary school student.

SEC. 6304. 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.—For a State educational agency to be eligible to receive a grant under subsection (a), the State served by the State educational agency shall—

“(1) have in effect all standards and assessments required under section 1111; and

“(2) compile and annually distribute to parents a report card that, at a minimum, includes information on student and school performance for each of the assessments required under section 1111.

“(c) APPLICATION.

“(1) IN GENERAL.—To be eligible to receive a grant under this section, a State educational agency shall—

“(A) submit an application to the Secretary that describes programs that the State determines would be both highly successful and replicable; and

“(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 part.

“(2) SUCCEEDING YEARS.

“(A) IN GENERAL.—For the second and third years that a State educational agency receives a grant under this part, 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 part.

“(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 and in such manner, and containing by such information as the Secretary or the State may require.
SEC. 6308. ADMINISTRATION.

(1) The Secretary shall develop program guidelines for and oversee the demonstration program carried out under this part.

SEC. 6309. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $25,000,000 for each of fiscal years 2002 through 2004.

SEC. 6310. TERMINATION.

The authority provided by this part terminates 3 years after the date of enactment of the Better Education for Students and Teachers Act.''

SA 451. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

(1) provide that schools, local educational agencies, and States have the resources they need to assist all limited English proficient students in attaining proficiency in the English language, and meeting the same challenging State content and student performance standards that all students are expected to meet in core academic subjects;

(2) provide for the development and implementation of bilingual education programs and language instruction educational programs that are tied to scientifically based research, and that effectively serve limited English proficient students; and

(3) provide for the development of programs that strengthen and improve the professional training of educational personnel who work with limited English proficient students.

SEC. 902. SENSE OF THE SENATE; AUTHORIZATION OF APPROPRIATIONS.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should appropriate $750,000,000 for fiscal year 2002 to carry out part A and part D of title III of the Elementary and Secondary Education Act of 1965 and thereby

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out part A and part D of title III of the Elementary and Secondary Education Act of 1965—

(1) $1,100,000,000 for fiscal year 2003;

(2) $1,400,000,000 for fiscal year 2004;

(3) $1,700,000,000 for fiscal year 2005;

(4) $2,100,000,000 for fiscal year 2006;

(5) $2,400,000,000 for fiscal year 2007; and

(6) $2,800,000,000 for fiscal year 2008.

SA 452. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 887, between lines 2 and 3, insert the following:

"(2) CONTENTS.—The State shall require that such an application shall include, to the greatest extent practicable—"

(1) information that—

(2) the degree to which progress has been made toward meeting the goals and objectives described in sections 6304(c)(2)(A) and 6305(b)(2)(L).

"(3) Governed by the Comptroller General of the United States shall conduct a study regarding the demonstration program carried out under this part, 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. 6308. ADMINISTRATION.

"The Secretary shall develop program guidelines for and oversee the demonstration program carried out under this part.

"SEC. 6309. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $25,000,000 for each of fiscal years 2002 through 2004.

"SEC. 6310. TERMINATION.

"The authority provided by this part terminates 3 years after the date of enactment of the Better Education for Students and Teachers Act.''

"SEC. 6308. ADMINISTRATION.

"(1) The Secretary shall annually prepare and submit to Congress a report on the program carried out under this part for each State that was a recipient of funds for such program.

"(2) The Secretary shall annually prepare and submit to Congress a report on the program carried out under this part for each State that was a recipient of funds for such program.

"SEC. 6309. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $25,000,000 for each of fiscal years 2002 through 2004.

"SEC. 6310. TERMINATION.

"The authority provided by this part terminates 3 years after the date of enactment of the Better Education for Students and Teachers Act.'

"SEC. 6308. ADMINISTRATION.

"(1) 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. 6306. SUPPLEMENT NOT SUPPLANT.

"Funds appropriated pursuant to the authority of this part shall be used to supplement and not supplant other Federal, State, and local public or private funds expended to provide academic enrichment programs.

"SEC. 6307. REPORTS.

"(a) STATE REPORTS.—Each State educational agency that receives a grant under this part 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 part;

"(2) the specific measurable goals and objectives described in section 6304(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 6304(c)(2)(A) for each of the local educational agencies receiving a grant under this part 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 to such an agency and reallocating 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 part; and

"(6) the degree to which progress has been made toward meeting the goals and objectives described in section 6304(c)(2)(A).

"(b) REPORT TO CONGRESS.—The Secretary shall annually prepare and submit to Congress 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 part;

"(2) how eligible local educational agencies and schools used funds provided under this part; and

"SEC. 6308. ADMINISTRATION.

"(1) The Secretary shall annually prepare and submit to Congress a report on the program carried out under this part for each State that was a recipient of funds for such program.

"(2) The Secretary shall annually prepare and submit to Congress a report on the program carried out under this part for each State that was a recipient of funds for such program.

"SEC. 6309. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $25,000,000 for each of fiscal years 2002 through 2004.

"SEC. 6310. TERMINATION.

"The authority provided by this part terminates 3 years after the date of enactment of the Better Education for Students and Teachers Act.'

"SEC. 6308. ADMINISTRATION.

"(1) The Secretary shall annually prepare and submit to Congress a report on the program carried out under this part for each State that was a recipient of funds for such program.

"(2) The Secretary shall annually prepare and submit to Congress a report on the program carried out under this part for each State that was a recipient of funds for such program.
SEC. 900. ARTS IN EDUCATION: FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) music education is essential to the development of learning abilities, creative expression, and interpersonal skills, as well as to the patrimony of American culture;

(2) appreciation of the arts is important to educational excellence in education and to effective school reform;

(3) the most significant contribution of the arts to education reform is the transformation of teaching and learning;

(4) such transformation is best realized in the context of comprehensive, systemic education reform;

(5) the participation in performing arts activities has proven to be an effective strategy for promoting the inclusion of persons with disabilities in mainstream settings;

(6) opportunities in the arts have enabled persons of all ages with disabilities to participate more fully in school and community activities;

(7) the arts can motivate at-risk students to stay in school and become active participants in the educational process; and

(8) education should be an integral part of the elementary school and secondary school curriculum.

(b) PURPOSES.—The purposes of this section are to—

(1) support systemic education reform by strengthening arts education as an integral part of the elementary school and secondary school curriculum;

(2) help ensure that all students have the opportunity to learn to challenging State content standards and challenging State student performance standards in the arts; and

(3) support the national effort to enable all students to demonstrate competence in the arts.

(c) ELIGIBLE RECIPIENTS.—In order to carry out the purposes of this section, the Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with—

(1) State educational agencies;

(2) local educational agencies;

(3) institutions of higher education;

(4) museums and other cultural institutions; and

(5) nonprofit public and private agencies, institutions, and organizations.

(d) AUTHORIZED ACTIVITIES.—Funds under this section may be used for—

(1) research on arts education;

(2) the development of, and dissemination of information about, model arts education programs;

(3) the development of model arts education assessments based on high standards;

(4) the development and implementation of curriculum frameworks for arts education;

(5) the development of model preschool and inservice professional development programs for arts educators and other instructional staff;

(6) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, VSA Arts, and the National Gallery of Art.

SA 453. Mr. ENSENIGN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 900. ARTS IN EDUCATION: FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) there is a growing body of scientific research documenting the importance of the arts to education reform is the transformation of teaching and learning;

(2) such transformation is best realized in the context of comprehensive, systemic education reform;

(3) the development of model arts education assessments based on high standards;

(4) the development and implementation of curriculum frameworks for arts education;

(5) the development of model preschool and inservice professional development programs for arts educators and other instructional staff;

(6) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, VSA Arts, and the National Gallery of Art.

(b) PURPOSES.—The purposes of this section are to—

(1) support systemic education reform by strengthening arts education as an integral part of the elementary school and secondary school curriculum;

(2) help ensure that all students have the opportunity to learn to challenging State content standards and challenging State student performance standards in the arts; and

(3) support the national effort to enable all students to demonstrate competence in the arts.

(c) ELIGIBLE RECIPIENTS.—In order to carry out the purposes of this section, the Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with—

(1) State educational agencies;

(2) local educational agencies;

(3) institutions of higher education;

(4) museums and other cultural institutions; and

(5) nonprofit public and private agencies, institutions, and organizations.

(d) AUTHORIZED ACTIVITIES.—Funds under this section may be used for—

(1) research on arts education;

(2) the development of, and dissemination of information about, model arts education programs;

(3) the development of model arts education assessments based on high standards;

(4) the development and implementation of curriculum frameworks for arts education;

(5) the development of model preschool and inservice professional development programs for arts educators and other instructional staff;

(6) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, VSA Arts, and the National Gallery of Art.

SA 454. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 53, line 22, insert before the semi-colon the following: ‘‘, except that a State in which less than .25 percent of the total number of poor, school-aged children in the United States is located shall be required to comply with the requirement of this paragraph on a biennial basis.’’

SA 455. Mr. KERRY (for himself, Mr. SMITH of Oregon, Mr. CARPER, and Mrs. CANTWELL) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 550, line 22, strike ‘‘(11)’’ and insert ‘‘(15)’’.

On page 551, line 9, strike ‘‘(13)’’ and insert ‘‘(15)’’.

On page 551, between lines 16 and 17, insert the following:

(15) developing, establishing, or improving alternative educational opportunities for chronically disruptive and violent students that are designed to promote drug and violence prevention, reduce disruptive behavior, to reduce the need for repeat suspensions and expulsions, to enable students to return to challenging State academic standards, and to enable students to return to the regular classroom as soon as possible;

(16) training teachers, pupil services personnel, and other appropriate school staff on effective strategies for dealing with chronically disruptive and violent students; and

(17) the provision of educational supports, services, and programs, including drug and violence prevention programs, using trained and qualified staff, that are designed to promote drug and violence prevention, reduce disruptive behavior, to reduce the need for repeat suspensions and expulsions, to enable students to return to challenging State academic standards, and to enable students to return to the regular classroom as soon as possible;’’.

On page 541, line 10, strike ‘‘(15)’’ and insert ‘‘(17)’’.

On page 541, line 18, strike ‘‘(16)’’ and insert ‘‘(18)’’.

On page 550, between lines 16 and 17, insert the following:

(17) the development, establishment, or improvement of alternative education models, either established within a school or separate and apart from an existing school, that are designed to promote drug and violence prevention, reduce disruptive behavior, to reduce the need for repeat suspensions and expulsions, to enable students to return to challenging State academic standards, and to enable students to return to the regular classroom as soon as possible:’’.

On page 550, line 17, strike ‘‘(10)’’ and insert ‘‘(12)’’.

On page 550, line 22, strike ‘‘(11)’’ and insert ‘‘(13)’’.

On page 551, line 3, strike ‘‘(12)’’ and insert ‘‘(14)’’.

On page 551, line 9, strike ‘‘(13)’’ and insert ‘‘(15)’’.

SA 456. Mr. DODD submitted an amendment intended to be proposed by
him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 383, after line 21, add the following:

"PART E—EARLY CHILDHOOD EDUCATOR PROFESSIONAL DEVELOPMENT"

SEC. 2501. PURPOSE. "In support of the national effort to attain the first of America’s Education Goals, the purpose of this part is to enhance the school readiness of young children, particularly disadvantaged young children, and to prevent them from encountering difficulties once they enter school, by improving the knowledge and skills of early childhood educators who work in communities that have high concentrations of children living in poverty."

SEC. 2502. PROGRAM AUTHORIZED. "(a) GRANTS TO PARTNERSHIPS.—The Secretary shall carry out the purpose of this part by awarding grants, on a competitive basis, to partnerships consisting of:

(1) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

(2) another public or private, nonprofit entity that provides such professional development;

(b) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990), Head Start agencies, or private, nonprofit organizations;

(c) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs in identifying and preventing behavior problems or working with children identified or suspected to be victims of abuse;

(b) DURATION AND NUMBER OF GRANTS.—(1) DURATION.—Each grant under this part shall be awarded for not more than 4 years.

(2) at least 50 percent of the total cost of its project for the grant period; and

(2) DURATION.—The Secretary shall carry out the purpose of this part by awarding grants, on a competitive basis, to partnerships consisting of:

(a) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

(b) another public or private, nonprofit entity that provides such professional development;

(c) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990), Head Start agencies, or private, nonprofit organizations;

(d) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs in identifying and preventing behavior problems or working with children identified or suspected to be victims of abuse;

(b) DURATION AND NUMBER OF GRANTS.—(1) DURATION.—Each grant under this part shall be awarded for not more than 4 years.

(2) at least 50 percent of the total cost of its project for the grant period; and

(2) DURATION.—The Secretary shall carry out the purpose of this part by awarding grants, on a competitive basis, to partnerships consisting of:

(a) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

(b) another public or private, nonprofit entity that provides such professional development;

(c) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990), Head Start agencies, or private, nonprofit organizations;

(d) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs in identifying and preventing behavior problems or working with children identified or suspected to be victims of abuse;

(b) DURATION AND NUMBER OF GRANTS.—(1) DURATION.—Each grant under this part shall be awarded for not more than 4 years.

(2) at least 50 percent of the total cost of its project for the grant period; and

(2) DURATION.—The Secretary shall carry out the purpose of this part by awarding grants, on a competitive basis, to partnerships consisting of:

(a) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

(b) another public or private, nonprofit entity that provides such professional development;

(c) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990), Head Start agencies, or private, nonprofit organizations;

(d) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs in identifying and preventing behavior problems or working with children identified or suspected to be victims of abuse;

(b) DURATION AND NUMBER OF GRANTS.—(1) DURATION.—Each grant under this part shall be awarded for not more than 4 years.

(2) at least 50 percent of the total cost of its project for the grant period; and

(2) DURATION.—The Secretary shall carry out the purpose of this part by awarding grants, on a competitive basis, to partnerships consisting of:

(a) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

(b) another public or private, nonprofit entity that provides such professional development;

(c) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990), Head Start agencies, or private, nonprofit organizations;

(d) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs in identifying and preventing behavior problems or working with children identified or suspected to be victims of abuse;

(b) DURATION AND NUMBER OF GRANTS.—(1) DURATION.—Each grant under this part shall be awarded for not more than 4 years.

(2) at least 50 percent of the total cost of its project for the grant period; and

(2) DURATION.—The Secretary shall carry out the purpose of this part by awarding grants, on a competitive basis, to partnerships consisting of:

(a) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

(b) another public or private, nonprofit entity that provides such professional development;

(c) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990), Head Start agencies, or private, nonprofit organizations;

(d) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs in identifying and preventing behavior problems or working with children identified or suspected to be victims of abuse;

(b) DURATION AND NUMBER OF GRANTS.—(1) DURATION.—Each grant under this part shall be awarded for not more than 4 years.

(2) at least 50 percent of the total cost of its project for the grant period; and

(2) DURATION.—The Secretary shall carry out the purpose of this part by awarding grants, on a competitive basis, to partnerships consisting of:

(a) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

(b) another public or private, nonprofit entity that provides such professional development;

(c) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990), Head Start agencies, or private, nonprofit organizations;

(d) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs in identifying and preventing behavior problems or working with children identified or suspected to be victims of abuse;
family of the size involved for the most recent fiscal year for which satisfactory data are available.

(3) EARLY CHILDHOOD EDUCATOR.—The term ‘early childhood educator’ means a person providing or employed by a provider of non-residential child care services (including center-based, family-based, and in-home child care programs) that is legally operating under State law, and that complies with applicable State and local requirements for the provision of child care services to children at any age from birth through kindergarten.

**SEC. 2509. FEDERAL COORDINATION.**

The Secretary and the Secretary of Health and Human Services shall coordinate the activities under this part and other early childhood programs administered by the two Secretaries.

**SEC. 2510. AUTHORIZATION OF APPROPRIATIONS.**

‘‘For the purpose of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.’’

SA 457. Mr. DODD (for himself and Mr. SHERLEY) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 778, after line 21, add the following:

**PART C—INCREASING PARENTAL INVOLVEMENT AND PROTECTING STUDENT PRIVACY**

**SEC. 6301. INTENT.**

‘‘It is the purpose of this part to provide parents with notice of and opportunity to make informed decisions regarding commercial activities occurring in their children’s classrooms.

**SEC. 6302. COMMERCIALIZATION POLICIES AND PROTECTING STUDENT PRIVACY.**

‘‘(a) POLICY DEVELOPMENT.—A State educational agency or local educational agency that receives funds under this Act shall develop incentive’s commercialization activities in consultation with parents and provide notice to parents regarding such policy and any changes to such policy. Include locally developed exceptions under subsection (e).

‘‘(b) FUNDING PROHIBITION.—Except as provided in subsection (c), no State educational agency or local educational agency that receives funds under this Act may—

‘‘(1) disclose data or information the agency gathered from a student to a person or entity that seeks disclosure of the data or information for the purpose of benefiting the person or entity’s commercial interests; or

‘‘(2) permit by contract a person or entity to gather from a student, or assist a person or entity in gathering from a student, data or information, if the purpose of gathering the data or information is to benefit the commercial interests of the person or entity.

‘‘(c) PARENTAL CONSENT.—

‘‘(1) DISCLOSURE.—A State educational agency or local educational agency that is a recipient of funds under this Act may disclose data or information under subsection (b)(2) if the agency, prior to the disclosure—

‘‘(A) obtains the parent’s written permission for the disclosure.

‘‘(2) GATHERING.—A State educational agency or local educational agency that is a recipient of funds under this Act may—

‘‘(A) explain to the student’s parent, in writing, what data or information will be gathered, including whether any of the information is personally identifiable, which personnel will gather the data or information, the amount of class time if any, that will be consumed by the gathering, and how the person or entity will use the data or information; and

‘‘(B) obtains the parent’s written permission for the gathering.

‘‘(d) DEFINITIONS.—In this part:

‘‘(1) STUDENT.—The term ‘student’ means a student under the age of 18.

‘‘(2) COMMERCIAL INTEREST.—The term ‘commercial interest’ does not include the interest of a person or entity in gathering data or information from a student for the purpose of developing, evaluating, or providing educational products or services for or to students or educational institutions, such as—

‘‘(A) college and other post-secondary education recruiting;

‘‘(B) book clubs and other programs providing access to low cost books or other related literary products;

‘‘(C) curriculum and instructional materials used by elementary and secondary schools to teach if—

‘‘(i) the information is not used to sell or advertise another product, or to develop another product that is not covered by the exemption from commercial interest in this paragraph; and

‘‘(ii) the curriculum and instructional materials are used in accordance with applicable Federal, State, and local policies, if any; and

‘‘(D) the development and administration of tests and assessments used by elementary and secondary schools to provide cognitive, evaluative, diagnostic, clinical, aptitude, or achievement information about students (or evaluative, diagnostic, clinical, aptitude, or achievement information about students (or students) if the information is not used to sell or advertise another product, or to develop another product that is not covered by the exemption from commercial interest in this paragraph; and

‘‘(2) GATHERING.—A State educational agency or local educational agency that receives funds under this Act may—

‘‘(A) explains to the student’s parent, in writing, what data or information will be disclosed, to which person or entity the data or information will be disclosed, the amount of class time if any that will be consumed by the disclosure, and how the person or entity will use the data or information; and

‘‘(B) obtains the parent’s written permission for the disclosure.

‘‘(3) EFFECTIVE DATE.—A State shall comply with the requirements of this section on a school-by-school basis.

**SEC. 6303. EXCEPTIONS TO CONSENT REQUIREMENTS.**

(4) EFFECTIVE DATE.—A State shall comply with the requirements of this section on a school-by-school basis.

**SEC. 6310. COMMERCE.—(B) FUNDING PROHIBITION.—Except as provided in subsection (c), no State educational agency or local educational agency that receives funds under this Act may—

‘‘(1) disclose data or information the agency gathered from a student to a person or entity that seeks disclosure of the data or information for the purpose of benefiting the person or entity’s commercial interests; or

‘‘(2) permit by contract a person or entity to gather from a student, or assist a person or entity in gathering from a student, data or information, if the purpose of gathering the data or information is to benefit the commercial interests of the person or entity.

‘‘(c) PARENTAL CONSENT.—

‘‘(1) DISCLOSURE.—A State educational agency or local educational agency that is a recipient of funds under this Act may disclose data or information under subsection (b)(2) if the agency, prior to the disclosure—

‘‘(A) obtains the parent’s written permission for the disclosure.

SA 458. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

Beginning on page 149, strike line 23 and all that follows through page 150, line 11, and insert the following:

‘‘(4) PUERTO RICO.—For each fiscal year, the amount of the grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be the amount determined with respect to Puerto Rico under paragraph (1) multiplied by the larger of—

‘‘(A) the percentage that the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States; or

‘‘(B) the minimum percentage, which shall not be less than—

‘‘(i) for fiscal year 2002, 77.5 percent;

‘‘(ii) for fiscal year 2003, 80.8 percent;

‘‘(iii) for fiscal year 2004, 82.5 percent;

‘‘(iv) for fiscal year 2005, 85 percent;

‘‘(v) for fiscal year 2006, 89 percent;

‘‘(vi) for fiscal year 2007, 94 percent; and

‘‘(vii) for fiscal year 2008, and each subsequent fiscal year, 100 percent.’’

SA 459. Mr. DODD (for himself and Mr. BIDEN) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 134, between lines 11 and 12, insert the following:

(5) by striking subsection (d) (as so redesignated) and inserting the following:

**(D) COMPARABILITY OF SERVICES.—**

‘‘(1) IN GENERAL.—A State that receives funds under this part shall provide services in schools receiving funds under this part that, taken as a whole, are at least comparable to services in schools in—

‘‘(i) class size and qualifications of teachers (by category of assignment, such as regular education, special education, and bilingual education) and professional staff;

‘‘(ii) curriculum, the range of courses of study, and instructional materials;

‘‘(iii) accessibility to technology; and

‘‘(iv) the safety of school facilities.

‘‘(B) A State may not include unpredictable changes in student enrollment or personnel changes, unpredicted changes in student enrollment or personnel changes, and other changes in student enrollment or personnel changes in schools receiving funds under this part.

‘‘(C) CONSTRUCTION.—Nothing in this subsection shall be construed to require a jurisdiction to increase its property tax or other tax rates.

**(E) EFFECTIVE DATE.—**A State shall comply with the requirements of this subsection by not later than the beginning of the 2003-2004 school year.

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“(5) SANCTIONS.—If a State fails to comply with the requirements of this subsection, the Secretary shall withhold funds for State administration until such time as the Secretary determines that the State is in compliance with this subsection.”

SA 460. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table, as follows:

“(d) AFTER SCHOOL SERVICES.—Grant funds awarded under this part may be used by organizations or entities to implement programs to provide after school services for limited English proficient students that emphasize language and life skills.”

SA 461. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table, as follows:

“(d) AFTER SCHOOL SERVICES.—Grant funds awarded under this part may be used by organizations or entities to implement programs to provide after school services for limited English proficient students that emphasize language and life skills.”

SA 462. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table, as follows:

“(d) AFTER SCHOOL SERVICES.—Grant funds awarded under this part may be used by organizations or entities to implement programs to provide after school services for limited English proficient students that emphasize language and life skills.”

SA 463. Mr. WELLSTONE (for himself and Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table, as follows:

“(d) AFTER SCHOOL SERVICES.—Grant funds awarded under this part may be used by organizations or entities to implement programs to provide after school services for limited English proficient students that emphasize language and life skills.”
1665; which was ordered to lie on the table; as follows:

On page 48, between lines 14 and 15, insert the following:

“(iii) no State shall be required to conduct any assessment described in subparagraph (C) of this paragraph in any school year if, by July 1, 2005, the amount appropriated to carry out the Head Start Program for fiscal year 2005 does not equal or exceed $92,608,000,000.”

SA 465. Mr. WELLSTONE (for himself and Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 776, strike lines 1 through 5, and insert the following:

“(b) Assessment Completion Bonuses.—

“(1) IN GENERAL.—At the end of school year 2006–2007, the Secretary shall make 1-time bonus payments to States that develop State assessments as required under section 1111(b)(3)(F) that are of particularly high quality in terms of assessing the performance of schools as a whole or classes thereof. The Secretary shall make the awards to States that develop assessments that involve up-to-date measures of student performance from multiple sources that assess the range and depth of student knowledge and proficiency in meeting State performance standards, in each academic subject in which the State is required to conduct the assessments.

“(2) Peer Review.—In making awards under paragraph (1), the Secretary shall use a peer review process.

SA 466. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 48, between lines 14 and 15, insert the following:

“(iii) no State shall be required to conduct any assessment described in subparagraph (C) of this paragraph in any school year if, by July 1, 2005, the amount appropriated to carry out this part for fiscal year 2005 does not equal or exceed $24,720,000,000.”

SA 467. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 48, after line 14, add the following:

SEC. 902. EXPANSION OF EDUCATIONAL OPPORTUNITIES FOR WELFARE RECIPIENTS.

(a) Postsecondary Education or Vocational Educational Training as Permissible Work Activities.—Section 407(d)(8) of the Social Security Act (42 U.S.C. 607(d)(8)) is amended by inserting “postsecondary education or vocational educational training (not to exceed 24 months) or, in the case of any individual”.

(b) Modifications to the Educational Cap.—

(1) REMOVAL OF TEEN PARENTS FROM 30 PERCENT LIMITATION.—Section 407(c)(2)(D) of the Social Security Act (42 U.S.C. 607(c)(2)(D)) is amended by striking “‘vocational educational training’” and inserting “education or training described in paragraph (d)(8)”.

(2) EXTENSION OF CAP TO POSTSECONDARY EDUCATIONAL OPPORTUNITIES.—Section 407(c)(2)(D) of the Social Security Act (42 U.S.C. 607(c)(2)(D)) is amended by inserting “educational training (not to exceed 24 months)”.

(c) CLARIFICATION THAT PARTICIPATION IN A FEDERAL WORK-STUDY PROGRAM IS A PERMISSIBLE WORK ACTIVITY UNDER THE TANF PROGRAM.—Section 407(b) of the Social Security Act (42 U.S.C. 607(d)) are each amended by inserting “including participation in an activity under a work activity program under Title IV of the Higher Education Act of 1965” before the semicolon.

SA 468. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 4, between lines 16 and 17, insert the following:

“(1) ASSESSMENT.—The term ‘assessment’ means any systematic method of obtaining information from tests and other sources that is used to draw inferences about the characteristics of individuals, objects, or programs.

On page 44, strike lines 12 through 14, and insert the following: “sistent with the Standards for Educational and Psychological Testing as developed by the American Educational Research Association, the American Psychological Association and the National Council on Measurement in Education;”.

On page 44, strike lines 12 through 14, and insert the following:

“(K) enable itemized score analyses to be reported to schools and local educational agencies (or consortia or States) to collaborate with institutions of higher education or other research institutions, experts on curriculum, teachers, administrators, parents, and assessment developers for the purpose of developing enhanced assessments that are aligned with standards and curriculum, are valid and reliable for the purposes for which the assessments are to be used, are grade-appropriate, and include multiple measures of student achievement from multiple sources, and otherwise meet the requirements of section 1111(b)(5). Such assessments shall be developed by the Secretary to reflect higher order thinking skills, understanding, analytical ability, and learning over time through the development of assessment tools that include techniques such as performance, curriculum-, and technology-based assessments.

(1) ANNUAL REPORTS.—Each State or local educational agency receiving a grant under this section shall report to the Secretary at the end of the fiscal year for which the State or local educational agency received the grant on the progress of the local educational agency in improving the quality and fairness of assessments with respect to the purpose described in subsection (a).”.

SA 469. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 773, strike lines 20–24, and insert the following:

“SEC. 6106A. LOCAL FAMILY INFORMATION CENTERS.

“(a) Centers Authorized.—The Secretary shall award grants to, and enter into contracts and cooperative agreements with, nonprofit or for-profit entities to enable the organizations to support local family information centers that help ensure that

“(b) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

“(c) Grants Authorized.—The Secretary is authorized to award grants to States and local educational agencies to enable the States and local educational agencies to carry out the purpose described in subsection (a).”

SEC. 1117A. GRANTS FOR ENHANCED ASSESSMENT INSTRUMENTS.

Part A of title I (20 U.S.C. 6311 et seq.) is amended by inserting after section 1117 (20 U.S.C. 6318) the following:

“SEC. 1117A. GRANTS FOR ENHANCED ASSESSMENT INSTRUMENTS.

(a) Purpose.—The purpose of this section is to—

“(1) enable States (or consortia or States) and local educational agencies (or consortia of local educational agencies) to collaborate with institutions of higher education, other research institutions, and other organizations to improve the quality and fairness of State assessments described in subsection (d) based on the basic requirements for assessment systems described in section 1111(b)(3);”.

(b) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $70,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

“(2) Reservation.—Of the amount appropriated under paragraph (1) for a fiscal year—

“(A) the Secretary shall reserve $50,000,000 to carry out part A, other than section 6106A; and

“(B) in the case of any amounts appropriated in excess of $50,000,000 for such fiscal year, the Secretary shall allocate an amount equal to—

“(i) 85 percent of such excess to carry out section 6106A; and

“(ii) 15 percent of such excess to carry out part A, other than section 6106A.”

On page 773, between lines 19 and 20, insert the following:

“SEC. 6106A. LOCAL FAMILY INFORMATION CENTERS.

“(a) Centers Authorized.—The Secretary shall award grants to, and enter into contracts and cooperative agreements with, nonprofit or for-profit entities to enable the organizations to support local family information centers that help ensure that
parents of students in schools assisted under part A have the training, information, and support the parents need to enable the parents to participate effectively in helping their children learn to meet challenging State standards.

“(b) DEFINITION OF LOCAL NONPROFIT PAR-ENT ORGANIZATION.—In this section, the term ‘locally operated parent organization’ means a private nonprofit organization (other than an institution of higher education) that—

(1) has a demonstrated record of working with high needs local educational agencies.

(2)(A) has a board of directors the majority of whom are parents of students in schools that are assisted under part A and located in areas or geographical areas to be served by the center; or

(B) has a special governing committee to direct and implement the center, a majority of the members of whom are parents of students in schools assisted under part A; and

(3) is located in a community with schools that receive funds under part A, and is accessible to the families of students in those schools.”

SA 470. Mr. ROBERTS (for himself, Mr. FEIST, Mr. GREGG, Mr. CRAPO, Mr. WARNER, Mr. SCHUMER, and Mr. DUR-BIN) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which amendment or-dered to lie on the table; as follows:

On page 344, line 9, insert “engineering,” before “mathematics”.
On page 344, line 17, strike “a” and insert “an” before “engineering”.
On page 344, line 22, insert “engineering,” before “mathematics”.
On page 345, line 7, insert “‘high-impact publicized coursework’ composed of leaders from business, kindergarten through grade 12 edu-ca-tion, institutions of higher education, and public policy organizations” before the pe-riod.
On page 347, line 10, insert “‘or a consortium of local educational agencies that include a high need local education agency’” before the period.
On page 347, line 18, strike “‘an’” and insert “the results of a comprehensive”.
On page 347, line 22, strike the semicolon and insert “and include the results of a comprehensive assessment means may in-clude, but not be limited to, data that accu-rately represents—

(A) the participation of students in advanced mathe-matics or science courses;

(B) the percentages of secondary school classes in mathematics and science taught by teachers with academic majors in mathematics or science, respectively.

(C) the number and percentage of mathe-matics and science teachers who participate in content-based professional development activities, respectively.

(D) the extent to which elementary teachers have the necessary content knowledge to teach mathematics and science;

On page 349, line 6, strike the period and insert “‘through the use of—

(A) recruiting individuals with demonstrat-ed professional experience in mathe-matics or science through the use of signing incentives and performance incentives for mathematics and science teachers as long as those incentives are linked to activities proved to stimulate teaching;

(B) stipends to mathematics teachers and science teachers for certification through alter-native routes;

(C) grants for schools to pursue advanced course work in mathematics or science; and

(D) carrying out any other program that the State believes to be effective in recruit-ing into and retaining individuals with strong mathematics or science backgrounds in the teaching profession.”

On page 350, line 4, insert “engineers and” before “scientists”.
On page 350, between lines 4 and 5, insert the following:

(9) Designing programs to identify and de-velop mathematics and science master teachers in the kindergarten through grade 8 classrooms.

(10) Performing a statewide systemic needs assessment of mathematics, science, and technology education analysts on the need for the assessment, developing a strategic plan based on the assessment and its analysis, and en-gaging in activities to implement the stra-tegic plan consistent with the authorized ac-tivities in this section.

(11) Establishing a mastery incentive sys-tem for elementary school or secondary school mathematics or science teachers under which—

(A) experienced mathematics or science teachers who are licensed or certified to teach in the State demonstrate their mathe-matics or science knowledge and teaching expertise, through objective means such as an advanced examination or professional evaluation of teaching performance and classroom skill including a professional video;

(B) incentives shall be awarded to teach-ers making such demonstration described in subparagraph (A); and

(C) priority for such incentives shall be provided to teachers who teach in high need areas or in local educational agencies; and

(12) the partnership shall devise a plan to ensure that recipients of incentives under this paragraph remain in the teaching pro-fession.”

SA 471. Mr. JOHNSON submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which ordered to lie on the table; as follows:

At the appropriate place, add the fol-lowing:

SEC. 471. MENTAL HEALTH SERVICES DELIV-ERED VIA TELEHEALTH.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary of Health and Human Services, acting through the Di-rector of the Office for the Advancement of Telehealth of the Health Resources and Servic-es Administration, shall award grants to eligible entities to establish demonstration projects for the provision of mental health services to special populations as delivered remotely by qualified mental health professionals using telehealth;

(B) to provide education regarding mental illness (including suicide and violence) in primary and secondary public schools as delivered remotely by qualified mental health professionals and qualified mental health education professionals using telehealth, including early recognition of the signs and symptoms of mental illness, and instruction on coping and dealing with stressful experiences of childhood and adolescence (such as violence, social isolation, and depression); and

(C) to collaborate with local public health entities and the eligible entity to provide the mental health services.

(b) USES.—An eligible entity receiving a grant under this section may also use funds to—

(A) acquire telehealth equipment to use in primary and secondary public schools for the purposes of this section;

(B) develop curriculum to support activi-ties described in subsections (d)(1)(B); and

(C) pay telecommunication costs; and

(D) pay qualified mental health profes-sionals and qualified mental health edu-ca-tion professionals on a reasonable cost basis determined by the Secretary for services rendered.

(c) REMOVAL OF NONQUALIFIED MENTAL HEALTH SERVICES.—In awarding grants under this section, the Secretary shall ensure, to the greatest extent possible, that such grants are equitably distributed among geographical regions of the United States.
May 9, 2001

S. 474

CONGRESSIONAL RECORD — SENATE

SEC. 12CD. ADEQUACY OF FUNDING OF TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES IN FISCAL YEARS AFTER FISCAL YEAR 2001.

(a) FINDINGS.—Congress makes the following findings:

(1) The current Basic Grant Formula for the distribution of funds under part A of title I of the Elementary and Secondary Education Act of 1965 was allocated through the Targeted Grant Formula.

(2) Any school district in which at least two percent of the students live below the poverty level qualifies for funding under the Basic Grant Formula. As a result, 9 out of every 10 school districts in the country receive some form of aid under the Formula.

(3) Fifty-eight percent of all schools receive at least some funding under title I of the Elementary and Secondary Education Act of 1965, including many suburban schools with predominantly well-off students.

(4) One out of every 5 schools with concentrations of poor students between 50 and 75 percent receive no funding under title I of the Elementary and Secondary Education Act of 1965.

(5) In passing the Improving America's Schools Act in 1994, Congress declared that grants under title I of the Elementary and Secondary Education Act of 1965 would more sharply target high poverty schools by using the Enhanced Grant Formula. An estimated $1.4 billion in Federal appropriation Acts have prevented the use of that Formula.

(6) The advantage of the Targeted Grant Formula over other funding formulas under title I of the Elementary and Secondary Education Act of 1965 is that the Targeted Grant Formula provides increased grants per poor child as the percentage of economically disadvantaged children in a school district increases.

(b) LIMITATION ON AMOUNTS ALLOCATED UNDER THE BASIC GRANT FORMULA.—There shall be no limitation on the amount allocated under title I of the Basic Grant Formula for fiscal year 2001 for programs and activities under part A of title I of the Elementary and Secondary Education Act of 1965, so that such funds will positively affect the largest number of economically disadvantaged students. The limitation on amounts allocated under the Basic Grant Formula for fiscal year 2001 shall not be applied to any other year.

(c) REPORT.—Not later than 12 months after the end of fiscal year 2001, the Secretary of Education shall submit to the Congress a report describing the extent to which the funds available under title I of the Elementary and Secondary Education Act of 1965 has been used to implement the improvements in the funding formulas necessary to provide an adequate level of funding for the schools that are most in need of educational assistance.
and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 763, lines 23, insert “(including statewide nonprofit organizations)” after “organizations”.

On page 764, line 4, strike “(including parents of preschool age children)” and insert “(including parents of children from birth through grade S)”. On page 764, line 17, insert “(including statewide nonprofit organizations)” before the comma.

On page 765, line 4, insert “and Parents as Teachers organizations” after “associations”.

On page 765, line 14, insert “(including a statewide nonprofit organization)” before “or nonprofit”.

On page 767, line 23, strike “part of” and insert “at least of”.

On page 769, line 22, insert “(such as training related to Parents as Teachers activities)” before the semicolon.

On page 770, line 8, strike “and”.

On page 770, line 12, strike the period and insert “: and”.

On page 770, between lines 12 and 13, insert the following: “(6) to coordinate and integrate early childhood programs with school age programs.”

SA 477. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 27, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 2. SENSE OF THE SENATE REGARDING TRANSMITTAL OF S. 27 TO HOUSE OF REPRESENTATIVES

(A) FINDINGS.—The Senate finds that—

(1) on April 2, 2001, the Senate of the United States passed S. 27, the Bipartisan Campaign Reform Act of 2001, by a vote of 59 to 41;

(2) it has been over 30 days since the Senate moved to third reading and final passage of S. 27;

(3) it was then in order for the bill to be engrossed and officially delivered to the House of Representatives of the United States;

(4) the precedents and traditions of the Senate dictate that bills passed by the Senate are routinely sent in a timely manner to the House of Representatives;

(5) the will of the majority of the Senate, having voted in favor of campaign finance reform is being unduly thwarted;

(6) the American people are taught that when a bill passes one body of Congress, it is routinely sent to the other body for consideration; and

(7) the delay in sending S. 27 to the House of Representatives appears to be an arbitrary action taken to deliberately thwart the will of the majority of the Senate.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Secretary of the Senate should properly engross and deliver S. 27 to the House of Representatives without any intervening delay.

SA 478. Mr. MCCAIN (for himself, Mr. EDWARDS, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

DIVISION II—BIPARTISAN PATIENT PROTECTION

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the “Bipartisan Patient Protection Act of 2001”.

(b) TABLE OF CONTENTS.—The table of contents of this division is as follows: Secs. 1-20. Table of contents.

TITLe I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

Sec. 101. Utilization review activities.

Sec. 102. Procedures for initial claims for benefits and prior authorizations determinations.

Sec. 103. Internal appeals of claims denials.

Sec. 104. Independent external appeals procedures.

Subtitle B—Access to Care

Sec. 111. Consumer choice option.

Sec. 112. Choice of health care professional.

Sec. 113. Access to emergency care.

Sec. 114. Timely access to specialists.

Sec. 115. Patient access to obstetrical and gynecological care.

Sec. 116. Access to pediatric care.

Sec. 117. Continuity of care.

Sec. 118. Access to needed prescription drugs.

Sec. 119. Coverage for individuals participating in approved clinical trials.

Sec. 120. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.

Subtitle C—Access to Information

Sec. 121. Patient access to information.

Subtitle D—Protecting the Doctor-Patient Relationship

Sec. 131. Prohibition of interference with certain medical communications.

Sec. 132. Prohibition of discrimination against providers based on licensure.

Sec. 133. Prohibition against improper influence on claims determinations.

Sec. 134. Payment of claims.

Sec. 135. Protection for patient advocacy.

Sec. 136. Prohibition of enforcement for non-competitive arrangements.

Subtitle E—Definitions

Sec. 151. Definitions.

Sec. 152. Preventing State flexibility; construction.

Sec. 153. Exclusions.

Sec. 154. Coverage of limited scope plans.

Sec. 155. Reporting requirements.

Sec. 156. Incorporation into plan or coverage documents.

TITLe II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

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TITLe V—EFFECTIVE DATES; COORDINATION IN IMPLEMENTATION

Sec. 501. Effective dates.

Sec. 502. Coordination in implementation.

Sec. 503. Severability.

TITLe I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

Sec. 101. UTILIZATION REVIEW ACTIVITIES.

(a) COMPLIANCE WITH REQUIREMENTS.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer that provides health insurance coverage, shall conduct utilization review activities in connection with the provision of benefits under such plan or coverage only in accordance with a utilization review program that meets the requirements of this section and section 102.

(2) USE OF OUTSIDE AGENTS.—Nothing in this section shall be construed as preventing a group health plan or health insurance issuer from arranging through a contract or otherwise for persons or entities to conduct utilization review activities on behalf of the plan or issuer, so long as such activities are conducted in accordance with a utilization review program that meets the requirements of this section.

(b) USE OF WRITTEN CRITERIA.—For purposes of this section, the terms “utilization review” and “utilization review activities” mean procedures used to monitor, review, evaluate the use or coverage, clinical necessity, appropriateness, efficacy, or efficiency of health care services, procedures or settings, and includes prospective review, concurrent review, second opinions, case management, discharge planning, or retrospective review.

(c) FORMS OF CRITERIA.—

(1) WRITTEN POLICIES.—A utilization review program shall be conducted consistent with written policies and procedures that govern all aspects of the program.

(2) USE OF WRITTEN CRITERIA.—

(A) IN GENERAL.—Such a program shall utilize written clinical criteria to develop input from appropriate practicing health care professionals, as determined by the plan, pursuant to the program. Such criteria shall include written clinical review criteria that are based on valid clinical evidence where available that are directed specifically at meeting the needs of at-risk populations and covered individuals with chronic conditions, severe illnesses, including gender-specific criteria and pediatric-specific criteria where available and appropriate.

(B) CONTINUING USE OF STANDARDS IN RETROSPECTIVE REVIEW.—If a health care service plan, or a plan or issuer that is supervised by a plan or issuer under such plan, or a plan or issuer under such plan, or that is directed specifically at meeting the needs of at-risk populations and covered individuals with chronic conditions, severe illnesses, including gender-specific criteria and pediatric-specific criteria where available and appropriate.

(C) REVIEW OF SAMPLE OF CLAIMS DENIALS.—Such a program shall include a periodic evaluation of the clinical appropriateness of at least a sample of denials of claims for benefits.

(D) CONDUCT OF PROGRAM ACTIVITIES.—

(1) ADMINISTRATION BY HEALTH CARE PROFESSIONALS.—A utilization review program
shall be administered by qualified health care professionals who shall oversee review decisions.

(2) USE OF QUALIFIED, INDEPENDENT PERSONNEL.—

(A) IN GENERAL.—A utilization review program shall provide for the conduct of utilization review activities only through personnel who are qualified and have received appropriate training in the conduct of such activities under the program.

(B) PROHIBITION OF CONTINGENT COMPENSATION AND REMUNERATION.—Such a program shall not, with respect to utilization review activities, permit or provide compensation or anything of value to employees, agents, or contractors in a manner that encourages denial of claims for benefits.

(C) PROHIBITION OF CONFLICTS.—Such a program shall not permit a health care professional who is providing health care services to an individual to perform utilization review activities in connection with the health care services being provided to the individual.

(3) ACCESSIBILITY OF REVIEW.—Such a program shall provide that appropriate personnel responsible for the conducting of the utilization review activities under the program, including the utilization review administrator, are reasonably accessible by toll-free telephone during normal business hours to discuss patient care and allow response to telephone requests, and that appropriate provision is made to receive and act upon promptly to calls received during other hours.

(4) LIMITS ON FREQUENCY.—Such a program shall not provide for the performance of utilization review activities with respect to a class of services furnished to an individual more frequently than is reasonably required to assess whether the services under review are medically necessary and appropriate.

SEC. 102. PROCEDURES FOR INITIAL CLAIMS FOR BENEFITS AND PRIOR AUTHORIZATION DETERMINATIONS.

(a) PROCEDURES OF INITIAL CLAIMS FOR BENEFITS.—

(1) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage, shall—

(A) make a determination on an initial claim for benefits by a participant, beneficiary, or enrollee (or authorized representative) regarding payment or coverage for items or services under the terms and conditions of the plan or coverage involved, including any amount that the participant, beneficiary, or enrollee is required to pay with respect to such claim for benefits; and

(B) notify the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional involved regarding a determination on an initial claim for benefits made under the terms and conditions of the plan or coverage, including any cost-sharing amounts that the participant, beneficiary, or enrollee may be required to make with respect to such claim for benefits, and of the right of the participant, beneficiary, or enrollee to an internal appeal under section 103.

(2) ACCESS TO INFORMATION.—

(A) TIMELY PROVISION OF NECESSARY INFORMATION.—With respect to an initial claim for benefits, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) shall provide the plan or issuer with access to information requested by the plan or issuer (or enrollee, as the case may be) necessary to make a determination relating to the claim. Such access shall be provided not later than 5 days after the date on which the request for information is made in a case described in subparagraph (B) or (C) of subsection (b)(1), by such earlier time as may be necessary to comply with the applicable timeline under such subparagraph.

(B) LIMIT EFFECT OF FAILURE ON PLAN OR ISSUER’S OBLIGATIONS.—Failure of the plan or issuer to comply with the requirements of subparagraph (A) shall not remove the obligation of the plan or issuer to make a determination in accordance with paragraphs (1) and (2) of section 104 as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall be considered in determining the appropriate provision of such request.

(3) OTHER DETERMINATION.—In the case of a claim for benefits involving an expedited or concurrent determination, a participant, beneficiary, or enrollee (or authorized representative) may make an initial claim for benefits orally, but a group health plan, or health insurance issuer offering health insurance coverage, may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. In the case of an initial claim for benefits involving an expedited or concurrent determination, the making of the request (and the timing of such request) shall be treated as the making at that time of a claims for such benefits without regard to whether when a written confirmation of such request is made.

(b) TIMELINE FOR MAKING DETERMINATIONS.—

(1) PRIOR AUTHORIZATION DETERMINATION.—

(A) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage, shall make a prior authorization determination on a claim for benefits (whether oral or written) in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days from the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the claim or, if earlier, 60 days after the date of receipt of the claim for benefits.

(B) EXPEDITED DETERMINATION.—Notwithstanding subparagraph (A), a group health plan, or health insurance issuer offering health insurance coverage, shall expedite a determination on a claim for benefits in accordance with the medical exigencies of the case and as soon as possible, with sufficient time prior to the termination or reduction to allow for an appeal under section 103(b)(3) to be completed before the termination or reduction takes effect.

(ii) CONTENTS OF NOTICE.—Such notice shall include, with respect to a claim for benefits under the program, the dollar amount of the health care items and services, the number of on-going services approved, the new total of approved services, the date of onset of services, the date and time of the next review date, as well as a statement of the individual’s rights to further appeal.

(ii) RULE OF CONSTRUCTION.—Clause (i) shall be construed as requiring plans or issuers to provide coverage of care that would exceed the coverage limitations for such care.

(2) RETROSPECTIVE DETERMINATION.—A group health plan, or health insurance issuer offering health insurance coverage, shall make a retrospective determination on a claim for benefits in accordance with the medical exigencies of the case and as soon as possible, but not later than 30 days after the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the claim, or, if earlier, 60 days after the date of receipt of the claim for benefits.

(c) NOTICE OF A DENIAL OF A CLAIM FOR BENEFITS.—Written notice of a denial made under an initial claim for benefits shall be issued to the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 2 days after the date of the determination (or, in the case described in subparagraph (B) or (C) of subsection (b)(1), within the 72-hour or applicable period referred to in section 104).

(1) NOTIFICATION.—With respect to a claim for benefits under subsection (c) (including authorization of coverage), for eligibility, or for payment in whole or in part, for an item or service under a group health plan, or health insurance coverage.

(2) DENIAL OF CLAIM FOR BENEFITS.—The term “claim for benefits” means any request for coverage (including authorization of coverage), for eligibility, or for payment in whole or in part, for an item or service under a group health plan, or health insurance coverage.

(3) TREATING HEALTH CARE PROFESSIONAL.—The term “treating health care professional” includes, with respect to a group health plan, or health insurance issuer offering health insurance coverage, any health care professional who is providing health care services to an individual with respect to an individual’s health care provider in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the request is received by the plan or issuer under this subparagraph.

(C) ONGOING CARE.—

(1) CONCURRENT REVIEW.—

(A) IN GENERAL.—Subject to clause (ii), in the case of a concurrent review of ongoing care (including hospitalization), which results in a termination or reduction of such care, the plan or issuer must provide by telephonic, in printed form, or in written form (including the notice of denial of the initial claim), the information concerning the determination; the procedures for obtaining additional information concerning the determination; and notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with section 103.

(B) DEFINITIONS.—For purposes of this part:

(1) AUTHORIZED REPRESENTATIVE.—The term “authorized representative” means, with respect to an individual who is a participant, beneficiary, or enrollee, any health care professional or other person acting on behalf of the individual with the individual’s written consent, with such consent if the individual is medically unable to provide such consent.

(2) CLAIM FOR BENEFITS.—The term “claim for benefits” means a request for coverage (including authorization of coverage), for eligibility, or for payment in whole or in part, for an item or service under a group health plan, or health insurance coverage.

(3) DENIAL OF CLAIM FOR BENEFITS.—The term “denial” means, with respect to a claim for benefits, a denial (in whole or in part) of any health care item or service for which no payment will be made under the terms and conditions of the plan or coverage.

(4) TREATING HEALTH CARE PROFESSIONAL.—The term “treating health care professional” means a health care professional who is providing health care services to an individual with respect to an individual’s health care provider in accordance with the medical exigencies of the case and as soon as possible, with sufficient time prior to the termination or reduction to allow for an appeal under section 103(b)(3) to be completed before the termination or reduction takes effect.

(ii) CONTENTS OF NOTICE.—Such notice shall include, with respect to a claim for benefits under the program, the dollar amount of the health care items and services, the number of on-going services approved, the new total of approved services, the date of onset of services, the date and time of the next review date, as well as a statement of the individual’s rights to further appeal.

(ii) RULE OF CONSTRUCTION.—Clause (i) shall be construed as requiring plans or issuers to provide coverage of care that would exceed the coverage limitations for such care.

(2) RETROSPECTIVE DETERMINATION.—A group health plan, or health insurance issuer offering health insurance coverage, shall make a retrospective determination on a claim for benefits in accordance with the medical exigencies of the case and as soon as possible, but not later than 30 days after the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the claim, or, if earlier, 60 days after the date of receipt of the claim for benefits.

(c) NOTICE OF A DENIAL OF A CLAIM FOR BENEFITS.—Written notice of a denial made under an initial claim for benefits shall be issued to the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 2 days after the date of the determination (or, in the case described in subparagraph (B) or (C) of subsection (b)(1), within the 72-hour or applicable period referred to in section 104).

(2) REQUIREMENTS OF NOTICE DETERMINATION.—The written notice of a denial of a claim for benefits determination under subsection (c) shall be provided in printed form and written in a manner calculated to be understood by the average participant, beneficiary, or enrollee, and shall include—

(1) THE SPECIFIC REASONS FOR THE DETERMINATION INCLUDING A SUMMARY OF THE CLINICAL OR SCIENTIFIC EVIDENCE USED IN MAKING THE DETERMINATION;

(2) THE PROCEDURES FOR OBTAINING ADDITIONAL INFORMATION CONCERNING THE DETERMINATION;

(3) NOTIFICATION OF THE RIGHT TO APPEAL THE DETERMINATION AND INSTRUCTIONS ON HOW TO INITIATE AN APPEAL IN ACCORDANCE WITH SECTION 103.
SEC. 103. INTERNAL APPEALS OF CLAIMS DENIED.

(a) RIGHT TO INTERNAL APPEAL.—

(1) IN GENERAL.—A participant, beneficiary, or enrollee (or authorized representative) of a group health plan, or health insurance issuer offering health insurance coverage, shall ensure that a participant, beneficiary, or enrollee (or authorized representative) involved, the participant, beneficiary, or enrollee (or authorized representative) involved, the participant, beneficiary, or enrollee to maintain or regain maximum health care professional in accordance with the medical exigencies of the case and as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall not remove the obligation of the plan or issuer to issue a determination on a claim for benefits under section 102 within the applicable timeline established for such a determination under such subsection.

(b) TIMELY PROVISION OF NECESSARY INFORMATION.—A group health plan, or health insurance issuer offering health insurance coverage, shall expedite a determination under such subsection in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days from the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination under this section in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 28 days after the date the request for the appeal is received.

(c) EXPEDITED DETERMINATION.—Notwithstanding subsection (b), a group health plan, or health insurance issuer offering health insurance coverage, shall expedite a determination under such subsection in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time for such appeal is received by the plan or issuer under this subparagraph.

(d) ONGOING DETERMINATIONS.—(1) IN GENERAL.—Subject to clause (ii), in the case of a concurrent review determination described in subparagraph (C) of subsection (b), which results in a termination or reduction of such care, the plan or issuer must provide notice of the determination on the appeal under this section by telephone and in print form to the individual or the individual’s designee and the individual’s health care provider in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 180 days after the date of completion of the request for such appeal.

(2) RULE OF CONSTRUCTION.—Clause (i) shall not be construed as requiring plans or issuers to provide coverage of care that would exceed the coverage limitations for such care or for that controversy.

(3) REQUIREMENTS OF NOTICE.—With respect to a determination made under this section, the notice described in paragraph (1) shall be provided in a manner calculated to be understood by the average participant, beneficiary, or enrollee and shall include—

(A) the specific reasons for the determination (including a summary of the clinical or scientific evidence used in making the determination); and

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review for any denial of a claim for benefits for purposes of proceeding to external review under section 104.

(4) CONDUCT OF REVIEW.—In the case of a determination made under this section, the determination described in paragraph (1) shall be made as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall not remove the obligation of the plan or issuer to issue a determination on an appeal of a denial of a claim for benefits under section 102 within the applicable timeline established for such a determination under such subsection.

(b) TIMELINES FOR MAKING DETERMINATIONS.—(1) ORAL REQUESTS.—In the case of an appeal of a denial of a claim for benefits under this section that involves an expedited or concurrent determination, a participant, beneficiary, or enrollee (or authorized representative) may request such appeal orally.

(2) TIMELINESS OF WRITTEN REQUEST.—With respect to a written request for an appeal of a denial of a claim for benefits, the participant, beneficiary, or enrollee (or authorized representative) shall make a written request for an appeal of a denial of a claim for benefits under this section by telephone and in print form to the individual or the individual’s designee and the individual’s health care provider in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 180 days after the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination under this section in accordance with the medical exigencies of the case and as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall not remove the obligation of the plan or issuer to issue a determination on a claim for benefits under section 102 within the applicable timeline established for such a determination under such subsection.

(c) TIMELINESS OF DETERMINATION.—A written request for an appeal of a denial of a claim for benefits under this section shall be filed with the plan or issuer not later than 180 days after the date on which the participant, beneficiary, or enrollee (or authorized representative) with access to an independent external review entity desires to file such an appeal.
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(2) FILING OF REQUEST.—
   (A) IN GENERAL.—Subject to the succeeding provisions of this subsection, a group health plan, and a health insurance issuer offering health insurance coverage, may, through:
   (i) except as provided in subparagraph (B)(i), require that a request for review be in writing;
   (ii) limit the filing of such a request to the participant, beneficiary, or enrollee involved (or an authorized representative);
   (iii) except if waived by the plan or issuer under conditions set forth in an internal appeals process under section 11315(b)(2), require notice of such a request to be directed to an independent external review entity selected in accordance with this section.

(2) ACCESS TO PLAN OR ISSUER AND HEALTH PROFESSIONAL INFORMATION.—With respect to an independent external review conducted under this section, the participant, beneficiary, enrollee, or authorized representative, the plan or issuer, and the treating health care professional (if any) shall provide the external review entity with information under section 11315(b)(2), including, where applicable, the initial decision (including the information described in section 103(d)(3)(A)), to a qualified external review entity selected in accordance with this section.

(3) SCREENING OF REQUESTS BY QUALIFIED EXTERNAL REVIEW ENTITIES.—
   (A) IN GENERAL.—With respect to a request referred to a qualified external review entity under paragraph (1) relating to a denial of a claim for benefits, the entity shall refer such request for the conduct of an independent medical review unless the entity determines that:
      (i) any of the conditions described in clauses (i) or (ii) of subsection (b)(2)(A) have not met;
      (ii) the denial of the claim for benefits does not involve a medically reviewable decision under subsection (b)(2)(A); or
      (iii) if a written notice under section 11315(b)(1)(A) has been received, the entity shall determine whether the denial of the claim for benefits relates to a decision regarding whether an item or service is excluded or expressly limited under the plan or coverage, the nature of the item or service for which the claim is made, or the conditions of the plan or coverage unless the decision is a denial that the item or service is not covered because it is experimental or investigational (as determined and redeemed under section 11315(b)(3)(C)).
   (B) PROCESS FOR MAKING DETERMINATIONS.—
      (1) IN GENERAL.—An independent medical reviewer under this section shall make a determination that any of the clauses (i) through (iv) applies with respect to the request, the entity shall determine whether the denial of a claim for benefits is eligible for independent medical review under subsection (d), and shall provide notice in accordance with subparagraph (C).
      (2) INDEPENDENT MEDICAL REVIEW DETERMINATION.—
         (i) NOTICE IN CASE OF DENIAL OF REFERRAL.—If the entity under this paragraph does not make a referral to an independent medical reviewer, the entity shall provide notice to the plan or issuer, the participant, beneficiary, or enrollee that the denial is not subject to independent medical review. Such notice—
            (I) shall be written (and, in addition, may be provided orally), and the notice shall be understood by an average participant or enrollee;
            (II) shall include the reasons for the determination; and
            (III) include any relevant terms and conditions of the plan or coverage; and
      (3) INDEPENDENT MEDICAL REVIEW DETERMINATION.—
         (i) NOTICE IN CASE OF DENIAL OF REFERRAL.—If the entity under this paragraph does not make a referral to an independent medical reviewer, the entity shall provide notice to the plan or issuer, the participant, beneficiary, or enrollee that the denial is not subject to independent medical review. Such notice—
            (I) shall be written (and, in addition, may be provided orally), and the notice shall be understood by an average participant or enrollee;
            (II) shall include the reasons for the determination; and
            (III) include any relevant terms and conditions of the plan or coverage; and
      (iv) include a description of any further recourse available to the individual.
   (ii) GENERAL TIMELINE FOR DETERMINATIONS.—Upon receipt of information under subparagraph (A), the qualified external review entity, and if required the independent medical reviewer, shall make a determination within the overall timeline that is applicable to the request for review. In the case of an independent external review entity, the entity may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. Such written confirmation shall be treated as a consent for purposes of subparagraph (A)(v).

(4) REFERRAL TO QUALIFIED EXTERNAL REVIEW ENTITY.—
   (A) IN GENERAL.—Subject to the preceding provisions of this section, a group health plan, or health insurance coverage, may—
      (i) except as provided in subparagraph (B)(i), require payment of a filing fee to the plan or issuer of a sum that does not exceed $25; and
      (ii) require that a request for review include the consent of the participant, beneficiary, or enrollee (or authorized representative) for the release of necessary medical information or records of the participant, beneficiary, or enrollee to the qualified external review entity selected in accordance with this section.
   (B) REQUIREMENTS AND EXEMPTION RELATING TO GENERAL RULE.—
      (1) GENERAL PERMISSIBILITY IN EXCEPTED OR CONCURRENT CASES.—In the case of an expedited or concurrent external review as provided for under subsection (b)(4)(D), the participants, beneficiaries, or enrollees (or authorized representative) may file a request and provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. Such written confirmation shall be treated as a consent for purposes of subparagraph (A)(v).
      (2) FEE NOT REQUIRED.—Payment of a filing fee shall not be required under subparagraph (A)(iv) where there is a certification (in a form and manner specified in guidelines established by the appropriate Secretary) that the participant, beneficiary, or enrollee is indigent (as defined in such guidelines).
   (C) NO COVERAGE FOR EXCLUDED BENEFITS.—Nothing in this subsection shall be construed to permit an independent medical reviewer to require that a group health plan, or health insurance coverage, provide coverage for items or services for which benefits are specifically excluded or expressly limited under the plan or coverage; or the subject of the plan document (and which are disclosed under section 121(b)(1)(C)) except to the extent that...
the application or interpretation of the exclusion or limitation involves a determination described in paragraph (2).

(D) EVIDENCE AND INFORMATION TO BE USED IN MAKING DETERMINATION.—In making a determination under this subsection, the independent medical reviewer shall also consider appropriate and available evidence and information including the following:

(i) The determination made by the plan or issuer with respect to the claim upon internal review and the evidence, guidelines, or rationale used by the plan or issuer in reaching such determination;

(ii) The recommendation of the treating health care professional and the guidelines, and rationale used by the treating health care professional in reaching such recommendation;

(iii) Any information relevant evidence or information obtained by the reviewer or submitted by the plan, issuer, participant, beneficiary, or enrollee (or an authorized representative), or treating health care professional;

(iv) The plan or issuer document;

(E) INDEPENDENT DETERMINATION.—In making a determination under this subsection, an independent medical reviewer shall:

(i) consider the claim under review without referring to any determination made by the plan or issuer or the recommendation of the treating health care professional (if any); and

(ii) consider, but not be bound by the definition used by the plan or issuer of ‘medically necessary and appropriate’, or ‘experimental or investigational’, or other substantially equivalent terms that are used by the plan or issuer to describe medical necessity and appropriateness or experimental or investigational nature of the treatment.

(F) DETERMINATION OF INDEPENDENT MEDICAL REVIEWER.—An independent medical reviewer shall, in accordance with the deadlines described in subsection (g), prepare a written determination to uphold, reverse, or modify the denial under review. Such written determination shall include—

(i) the determination of the reviewer;

(ii) the specific reasons for the reviewer for such determination, including a summary of the clinical or scientific evidence used in making the determination; and

(iii) with respect to a determination to reverse or modify the denial under review, a timeframe within which the plan or issuer must comply with such determination.

(G) NONBINDING NATURE OF ADDITIONAL RECOMMENDATIONS.—In addition to the determination under paragraph (F), the reviewer may provide the plan or issuer and the treating health care professional with additional recommendations in connection with such a determination, but any such recommendations shall not affect (or be treated as part of) the determination and shall not be binding on the plan or issuer.

(H) NOTIFICATION OF DETERMINATION.—(1) TIMELINES FOR INDEPENDENT MEDICAL REVIEW.—

(A) PRIOR AUTHORIZATION DETERMINATION.—

(i) IN GENERAL.—The independent medical reviewer (or reviewers) shall make a determination on a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days after the date of receipt of information under subsection (c)(2)(A) or (B) or the request for review involved the authorization of items or services and in no case later than 21 days after the date the request for external review is received.

(ii) IN GENERAL.—Notwithstanding clause (i) and subject to clause (iii), the independent medical reviewer (or reviewers) shall make an expedited determination on a denial of a claim for benefits described in clause (i), when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or an authorized representative) at any time during the process for making a determination, and a health care professional certifies, with the request, that such determination involves a determination described in clause (i) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee or the ability of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made as soon in accordance with the medical exigencies of the case as and as soon as possible, but in no case later than 72 hours after the time the request for external review is received by the qualified external review entity.

(B) RETROSPECTIVE DETERMINATION.—The independent medical reviewer (or reviewers) shall complete a review in the case of a retrospective determination on an appeal of a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) in no case later than 30 days after the date of receipt of information under subsection (c)(2) and in no case later than 60 days after the date the request for external review is received by the qualified external review entity.

(C) ONGOING CARE DETERMINATION.—Notwithstanding clause (i), in the case of a review described in such subclause that involves a termination or reduction of care, the notice of the determination shall be completed not later than 24 hours after the time the request for external review is received by the qualified external review entity and before the end of the approved period of care.

(D) RETROSPECTIVE DETERMINATION.—The independent medical reviewer (or reviewers) shall complete a review in the case of a retrospective determination on an appeal of a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) in no case later than 30 days after the date of receipt of information under subsection (c)(2) and in no case later than 60 days after the date the request for external review is received by the qualified external review entity.

(E) NOTIFICATION OF DETERMINATION.—The external review entity shall ensure that the plan or issuer, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) receives a copy of the written determination of the independent medical reviewer prepared under subsection (d)(3)(F). Nothing in this paragraph shall be construed as preventing an entity or reviewer from providing an initial oral notice of the reviewer's determination.

(F) FORM OF NOTICES.—Determinations and notices under this section shall be written in a manner calculated to be understandable by an average participant.

(G) COMPLIANCE.—

(i) APPLICATION OF DETERMINATIONS BINDING ON PLAN.—The determinations of an external review entity and an independent medical reviewer under this section shall be binding upon the plan or issuer involved.

(ii) COMPLIANCE WITH DETERMINATION.—If the determination of an independent medical reviewer is to reverse or modify the denial of a claim for benefits, the plan or issuer involved shall authorize coverage to comply with the medical reviewer's determination in accordance with the timeframe established by the medical reviewer.

(H) FAILURE TO COMPLY.—

(i) IN GENERAL.—If a plan or issuer fails to comply with the timeframe established under paragraph (B)(i) with respect to a participant, beneficiary, or enrollee, where such failure to comply is caused by the plan or issuer, the participant, beneficiary, or enrollee obtains items or services involved in (in a manner consistent with the determination of the independent external reviewer) from any provider regardless of whether such provider is a participating provider under the plan or coverage.

(ii) REIMBURSEMENT.—

(A) IN GENERAL.—Where a participant, beneficiary, or enrollee obtains items or services in accordance with subparagraph (A), the plan or issuer involved shall provide for reimbursement of the cost of such items or services. Such reimbursement shall be made to the treating health care professional or to the participant, beneficiary, or enrollee (in the instance of an enrollee who pays for the costs of such items or services).

(B) AMOUNT.—The plan or issuer shall fully reimburse a professional, participant, beneficiary, or enrollee under clause (i) for the total costs of the items or services provided (regardless of any policy of the plan or issuer that may apply to the coverage of such items or services) so long as the items or services were provided in a manner consistent with the determination of the independent medical reviewer.

(C) FAILURE TO REIMBURSE.—Where a plan or issuer fails to provide reimbursement to a professional, participant, beneficiary, or enrollee in accordance with this paragraph, the professional, participant, beneficiary, or enrollee may commence a civil action (or utilize other remedies available to the participant, beneficiary, or enrollee to recover only the amount of any such reimbursement that is owed by the plan or issuer and any necessary legal costs or expenses incurred in recovering such reimbursement).

(D) AVAILABLE REMEDIES.—The remedies provided under this paragraph are in addition to any other available remedies.

(3) PENALTIES AGAINST AUTHORIZED OFFICIALS FOR FAILING TO COMPLY WITH DETERMINATION OF AN EXTERNAL REVIEW ENTITY.—

(A) MONETARY PENALTIES.—

(i) IN GENERAL.—In any case in which the determination of an external review entity is determined to be in violation of a group health plan, or a health insurance policy or contract, any person who, acting in the capacity of authorizing the benefit, causes such refusal may, in the discretion in a court of competent jurisdiction, be liable to an aggrieved participant, beneficiary, or enrollee for a civil penalty in an amount of up to $1,000 a day from the date on which the determination was transmitted to the plan or issuer by the external review entity until the date the refusal to provide the benefit is corrected.

(ii) ADDITIONAL PENALTY FOR FAILING TO FOLLOW TIMELINE.—In any case in which the determination of an external review entity is determined to be in violation of a group health plan, or a health insurance policy or contract, any person who, acting in the capacity of authorizing the benefit, causes such refusal to be made in accordance with the determination of an independent external reviewer, the Secretary shall assess a civil penalty of $10,000 against the participant, beneficiary, or enrollee who pays for the costs of such items or services.

(B) CRANE AND DESIST ORDER AND ORDER OF ATTORNEY'S FEES.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee with respect to a group health plan, or a health insurance policy or contract, in which a plaintiff alleges that a person referred to in such subparagraph has taken an action resulting in a refusal of a benefit determined by an external appeal entity to be covered, or has failed to take an action for which such person is responsible under the terms and conditions of the plan or coverage which is necessary under the plan or coverage for authorizing a benefit, the court shall cause to be served on the defendant an order requiring the defendant—

(i) to cease and desist from the alleged action; and

(ii) to pay to the plaintiff a reasonable attorney's fee and other reasonable costs related to the action, and the court shall assess a civil penalty in an amount of up to $1,000 a day from the date on which the determination was transmitted to the plan or issuer by the external review entity until the date the refusal to provide the benefit is corrected.

(C) ADDITIONAL CIVIL PENALTIES.—
In General.—In addition to any penalty imposed under subparagraph (A) or (B), the appropriate Secretary may assess a civil penalty against a person acting in the capacity of a Medicare or Medicaid program, health plan, or health insurance issuer offering health insurance coverage, for—

1. Refusing to conduct a requested refusals to authorize a benefit determined by an external appeal to be covered; or

2. Any pattern or practice of repeated violations of subparagraphs (A) or (B) or (C) in which such person—

(A) has engaged in significant harm to beneficiaries, enrollees, and others under State or Federal law (including section 1877(o) of the Social Security Act of 1974), including the right to file judicial actions to enforce rights.

(b) Qualification of Independent Medical Reviewers.—

(1) In General.—In referring a denial to 1 or more individuals to conduct independent medical review under subsection (c), the qualified external review entity shall ensure that—

(a) each independent medical reviewer meets the qualifications described in paragraphs (2) and (3); and

(b) the extent to which each reviewer at least 1 such reviewer meets the requirements described in paragraphs (4) and (5); and

(c) compensation provided by the entity to the reviewer is consistent with paragraph (6).

(2) Licensure and Expertise.—(a) Each independent medical reviewer shall be a physician (allopathic or osteopathic) or health care professional who—

(A) is appropriately credentialed or licensed in 1 or more States to deliver health care services; and

(B) can be reasonably construed in 1 or more States to deliver health care services; and

(ii) provide services exclusively or primarily to or on behalf of the plan or issuer;

(iii) prohibit receipt of compensation by an independent medical reviewer from an entity to which it provides services if the compensation is provided inconsistent with paragraph (1); and

(iv) provide the type of treatment under review.

(B) Practicing Defined.—For purposes of this paragraph, the term "practicing" means, with respect to an individual who is a physician or other health care professional, the individual provides health care services to individual patients on average at least 2 days per week.

(3) Pediatric Expertise.—In the case of an external review relating to a child, a reviewer shall have expertise under paragraph (2) in pediatrics.

(4) Limitations on Reviewer Compensation.—Compensation provided by a qualified independent medical reviewer in connection with a review under this section shall—

(A) not exceed a reasonable level; and

(B) not be based on the decision rendered by the reviewer.

(5) Related Party Defined.—For purposes of this section, the term "related party" means, with respect to a party, any person who—

(A) is a person acting in the capacity of a Medicare or Medicaid program, health plan, or health insurance issuer offering health insurance coverage, for—

(i) makes the diagnosis, or provides the type of treatment under review.

(3) Independence.—

(A) In General.—Subject to subparagraph (B), each independent medical reviewer in a case shall—

(i) not be related to a party (as defined in paragraph (5)),

(ii) have a material financial, professional, or other personal relationship with such a party; and

(iii) not have a conflict of interest with such a party (as determined under regulations).

(B) Exception.—Nothing in subparagraph (A) shall prohibit an individual, solely on the basis of affiliation with the plan or issuer, from serving as an independent medical reviewer if—

(1) a non-affiliated individual is not reasonably available;

(2) the affiliated individual is not involved in the provision of items or services in the case under review;

(3) the individual meets the requirements described in paragraphs (2) and (3); and

(4) the individual has expertise under paragraph (1)(B), the external review process of a plan or issuer under this section shall be conducted under a contract between the plan or issuer and 1 or more qualified external review entities (as defined in paragraph (4)(A)).

(2) Terms and Conditions of Contract.—The terms and conditions of a contract under paragraph (2) shall—

(A) be consistent with the standards the appropriate Secretary shall establish to assure there is no real or apparent conflict of interest in the conduct of external review activities; and

(B) provide that the costs of the external review process shall be borne by the plan or issuer.

Subparagraph (B) shall not be construed as applying to the imposition of a filing fee or any other fee under subsection (c) in accordance with regulations issued by the appropriate Secretary to assure there is no real or apparent conflict of interest in the conduct of external review activities; and

(C) provide that the costs of the external review process shall be borne by the plan or issuer.

(3) Authorization.—(A) In General.—In this section, the term "qualified external review entity means, in relation to a plan or issuer, an entity that is initially certified (and periodically re-certified) under subparagraph (C) as meeting the requirements:

(i) The entity has (directly or through contracts or other arrangements) sufficient medical, legal, and other expertise and sufficient staffing to carry out duties of a qualified external review entity under this section on a timely basis, including making determinations under subsection (b)(2)(A) and providing for independent medical reviews under subsection (d).

(ii) The entity is not a plan or issuer or an affiliate or a subsidiary of a plan or issuer, nor is an affiliate of an independent medical review entity to review the case of any particular beneficiary or enrollee.

(iii) The entity has provided assurances that it will conduct external review activities consistent with the applicable requirements of this section and standards specified.
in subparagraph (C), including that it will not conduct any external review activities in a case unless the independence requirements of subparagraph (B) are met with respect to the case.

(iv) The entity has provided assurances that it will provide information in a timely manner under subparagraph (D).

(v) The entity meets such other requirements as the appropriate Secretary provides by regulation.

(B) INDEPENDENCE REQUIREMENTS.—

(i) IN GENERAL.—Subject to clause (ii), an entity meets the independence requirements of this subparagraph with respect to any case if the entity—

(I) is not a related party (as defined in subsection (g)(7));

(II) does not have a material familial, financial, or professional relationship with such a party; and

(III) does not otherwise have a conflict of interest with such a party (as determined under regulations).

(ii) EXCEPTION FOR REASONABLE COMPENSATION.—Nothing in clause (i) shall be construed to prohibit receipt by a qualified external review entity of compensation from a plan or issuer for the conduct of external review activities under this section if the compensation is provided consistent with clause (iii).

(iii) LIMITATIONS ON ENTITY COMPENSATION.—Compensation provided by a plan or issuer to a qualified external review entity in connection with reviews under this section shall—

(I) not exceed a reasonable level; and

(II) not be contingent on any decision rendered by the entity or by any independent medical reviewers.

(C) CERTIFICATION AND RECERTIFICATION PROCESS.

(i) IN GENERAL.—The initial certification and recertification of a qualified external review entity shall be made—

(I) under a process that is recognized or approved by the appropriate Secretary; or

(II) by a qualified private standard-setting organization that is approved by the appropriate Secretary under clause (iii).

In taking action under subclause (I), the appropriate Secretary shall not recognize or approve a process under clause (I)(d) unless the process applies standards (as promulgated in regulations) that ensure that a qualified external review entity—

(I) will carry out (and has carried out, in the case of recertification) the responsibilities of such an entity in accordance with this section, including meeting applicable deadlines for furnishing such services;

(II) will meet (and has met, in the case of recertification) appropriate indicators of fiscal integrity;

(III) will maintain (and has maintained, in the case of recertification) appropriate confidentiality with respect to individually identifiable health information obtained in the course of conducting external review activities; and

(IV) in the case of recertification, shall review the matters described in clause (iv).

(ii) PROCESS.—The appropriate Secretary shall not recognize or approve a process under clause (I)(d) unless the process applies standards (as promulgated in regulations) that ensure that a qualified external review entity—

(I) will carry out (and has carried out, in the case of recertification) the responsibilities of such an entity in accordance with this section, including meeting applicable deadlines for furnishing such services;

(II) will meet (and has met, in the case of recertification) appropriate indicators of fiscal integrity;

(III) will maintain (and has maintained, in the case of recertification) appropriate confidentiality with respect to individually identifiable health information obtained in the course of conducting external review activities; and

(IV) in the case of recertification, shall review the matters described in clause (iv).

(iii) CERTIFICATION OF QUALIFIED PRIVATE STANDARD-SETTING ORGANIZATIONS.—For purposes of clause (i)(II), the appropriate Secretary may approve a qualified private standard-setting organization if such Secretary finds that the organization only certifies (or recertifies) external review entities that meet at least the standards required for the certification (or recertification) of external review entities under clause (ii).

(iv) CONSIDERATIONS IN RECERTIFICATIONS.—In conducting the recertification of an external review entity under this paragraph, the appropriate Secretary or organization conducting the recertification shall review the entity's adherence to the requirements for conducting external review activities under this section, including the following:

(I) Provision of information under subparagraph (D).

(II) Adherence to applicable deadlines (both by the entity and independent medical reviewers it refers cases to).

(III) Compliance with limitations on compensation (with respect to both the entity and independent medical reviewers it refers cases to).

(IV) Compliance with applicable independence requirements.

(v) PERIOD OF CERTIFICATION OR RECERTIFICATION.—A certification or recertification provided under this paragraph shall extend for a period not to exceed 2 years.

(vi) REVOCATION OF CERTIFICATION OR RECERTIFICATION.—The appropriate Secretary, or by the organization providing such certification or recertification under this paragraph may be revoked by the appropriate Secretary or by the organization providing such certification upon a showing that the entity's certification or recertification is not in the best interest of the participants, enrollees, or beneficiaries.

(vii) SUFFICIENT NUMBER OF ENTITIES.—The appropriate Secretary shall certify and recertify a number of external review entities which is sufficient to provide the timely and efficient provision of review services.

(D) PROVISION OF INFORMATION.—

(i) IN GENERAL.—A qualified external review entity shall provide to the appropriate Secretary, in such manner and at such times as the Secretary may require, such information (including as an independent medical reviewer, shall be held by reason of the performance of any duty, function, or activity required or authorized pursuant to this section, to be civilly liable under any law of the United States or of any State (or political subdivision thereof) if there was actual malice or gross misconduct in the performance of such duty, function, or activity.

Subtitle B—Access to Care

SEC. 111. CONSUMER CHOICE OPTION.

(a) IN GENERAL.—If—

(1) a health insurance issuer providing health insurance coverage in connection with a group health plan offers to enrollees health insurance coverage which provides for coverage of services only if such services are furnished through health care professionals and providers who are members of a network of health care professionals and providers who have entered into a contract with the issuer or plan to furnish services to participants or beneficiaries, then the issuer or plan shall also offer or arrange to be offered to such enrollees, participants, or beneficiaries at the time of enrollment and during an annual open season as provided under subsection (c) the option of health insurance coverage which provides for coverage of such services which are not furnished through health care professionals and providers which are not members of such a network unless such enrollees, participants, or beneficiaries are offered such non-network coverage through another health plan or group health plan of a health insurance issuer in the group market.

(b) ADDITIONAL COSTS.—The amount of any additional premium charged by the health insurance issuer or group health plan for the additional cost of the creation and maintenance of the option described in subsection (a) and the amount of any additional cost sharing imposed under such option shall be borne by the enrollee, participant, or beneficiary unless it is paid by the health plan sponsor or group health plan through agreement with the health plan issuer.

(c) OPEN SEASON.—An enrollee, participant, or beneficiary, may change to the offering provided under this section only during a time period determined by the health insurance issuer or group health plan. Such time period shall occur at least annually.

SEC. 112. CHOICE OF HEALTH CARE PROFESSIONALS.

(a) PRIMARY CARE.—If a group health plan, or a health insurance issuer that offers health insurance coverage, requires or promotes the designation or referral to a particular primary care provider, then the plan or issuer shall permit each participant, beneficiary, enrollee, or individual enrollee to designate any participating primary care provider who is available to accept such individual.

(b) ADDITIONAL INFORMATION.—Nothing in this subparagraph shall be construed as requiring the plan or issuer to provide additional information as a condition of certification or recertification of an entity.
(b) SPECIALISTS.—(1) IN GENERAL.—Subject to paragraph (2), a group health plan and a health insurance issuer that offers health insurance coverage shall require a specialist if the plan or issuer clearly informs participants, beneficiaries, and enrollees of the limitations on choice of participating health care professionals with respect to such care.

(2) LIMITATION.—Paragraph (1) shall not apply if—

(A) the participating health care provider furnishing such services is a participating provider with respect to such services;

(B) in a manner so that, if such services are provided to a participant, beneficiary, or enrollee, a health care professional, facility, or center that has adequate expertise through appropriate training and experience (including, in the case of a specialist, the appropriate referral procedures, from any health insurance issuer, provides any benefits with respect to services in an emergency department to evaluate such enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified specialty care provider, if the enrollee receives care from a nonparticipating specialty care provider, all other reasonably necessary medical information.

(c) CONSTRUCTION.—Nothing in this section shall be construed as affecting the application of section 114 (relating to access to specialty care).

SEC. 113. ACCESS TO EMERGENCY CARE.

(a) COVERAGE OF EMERGENCY SERVICES.—

(1) IN GENERAL.—If a group health plan, or health insurance coverage offered by a health insurance issuer, provides or covers any benefits with respect to services in an emergency department of a hospital, the plan or issuer shall provide emergency services (as defined in paragraph (2)(B))—

(A) without the need for any prior authorization determination;

(B) to any participating health care provider furnishing such services in a manner so that, if such services are provided to a participant, beneficiary, or enrollee, the plan or issuer shall—

(i) by a nonparticipating health care provider with or without prior authorization, or

(ii) without regard to any other term or condition of such coverage (other than exclusion or coordination of benefits, or an affiliation or waiting period, permitted under section 22(d)(2) of the Social Security Act; section 701 of the Employee Retirement Income Security Act of 1974, or section 9801 of the Internal Revenue Code of 1986, and other than applying paragraph (1)) shall be construed—

(A) IN GENERAL.—With respect to specialty care be provided—

(B) ONGOING SPECIAL CONDITION DEFINED.—An "ongoing special condition" means a condition or disease that—

(i) is life-threatening, degenerative, potentially disabling, or could result in the permanent loss of a significant body function or part;

(ii) requires specialized medical care over a prolonged period of time.

(c) TREATMENT PLANS.—

(1) IN GENERAL.—A group health plan or health insurance issuer may require the plan's or issuer's participants, beneficiaries, or enrollees to—

(A) refer the enrollee to a specialist, facility, or center that has adequate expertise through appropriate training and experience (including, in the case of a child, appropriate pediatric expertise), or

(B) override any State licensure or certification requirements.

(d) SPECIALIST DEFINED.—For purposes of this subsection, the term "specialist" means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in a condition described in clause (i), (ii), or (iii) of section 1861(s)(7) of the Social Security Act (as defined in subsection (a)(2)(A)) to require the coverage under a group health plan or health insurance coverage offered by a health insurance issuer, subject to the terms of a treatment plan (if any) referred to in subsection (c) with respect to the condition.

SEC. 115. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE.

(a) GENERAL RIGHTS.—

(1) Authorization.—A group health plan or health insurance issuer may require the plan's or issuer's participants, beneficiaries, or enrollees to—

(A) refer the enrollee to a specialist, facility, or center that has adequate expertise through appropriate training and experience (including, in the case of a child, appropriate pediatric expertise), or

(B) override any State licensure or certification requirements.

(b) Direct Access.—A group health plan, or health insurance issuer offering health insurance coverage, described in subsection (b) may not require authorization or referral by the plan, issuer, or any person (including a primary care provider described in section 22(d)(2) in the case of a female participant, beneficiary, or enrollee who seeks coverage for obstetrical or gynecological care provided by a participating health care professional who specializes in obstetrics or gynecology.

(c) Obstetrical and Gynecological Care.—A group health plan or health insurance issuer described in subsection (b) shall include a provision of protection from discrimination against obstetrical and gynecological care, and the ordering of related obstetrical and gynecological items and
services, pursuant to the direct access described under paragraph (1), by a participating health care professional who specializes in obstetrics or gynecology as the authorization of the primary care provider.

(b) Application of Section.—A group health plan, or health insurance issuer offering health insurance coverage, described in this subsection is a group health plan or coverage that—

(1) provides coverage for obstetric or gynecological care;

(2) requires the designation by a participating provider, beneficiary, or enrollee of a participating primary care provider;

(e) construction.—Nothing in subsection (a) shall be construed to—

(1) waive any exclusions of coverage under the terms and conditions of the plan or health insurance coverage with respect to coverage of obstetrical or gynecological care; or

(2) preclude the group health plan or health insurance coverage with respect to coverage of institutional or inpatient care.

SEC. 117. CONTINUITY OF CARE.

(a) Termination of Provider.—

(1) IN GENERAL.—If—

(A) a contract between a group health plan, or health insurance issuer offering health insurance coverage, and a treating health care provider is terminated (as determined under section 1861(dd)(3)(A) of the Social Security Act) at the time of such notice, but only with respect to a provider that was treating the terminal illness before the date of such notice.

(b) Transitional Periods.—

(1) Serious and Complex Conditions.—

The transitional period under this subsection with respect to a continuing care patient described in subsection (a)(4)(A) shall extend for up to 90 days (as determined by the treating health care professional) from the date of the notice described in subsection (a)(3)(A).

(2) Institutional or Inpatient Care.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(B) shall extend until the earlier of—

(A) the expiration of the 90-day period beginning on the date on which the notice under subsection (a)(3)(A) is provided; or

(B) the date of discharge of the patient from such care or the termination of the period of institutionalization, or, if later, the date of completion of reasonable follow-up care.

(3) Scheduled Non-elective Surgery.—

The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(A) shall extend until the earlier of—

(A) the date of the surgery; or

(B) the date of discharge of the patient from such care or the completion of the surgery involved and post-surgical follow-up care relating to the surgery and occurring within 90 days after the date of the surgery.

(4) Pregnancy.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(B) shall extend until the earlier of—

(A) the date of the delivery of the child if such delivery involves a pregnant woman who, if the pregnancy was a result of contraceptive failure, would have been eligible for contraceptive services under a plan or group health insurance coverage.

(5) Terminal Illness.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(C) shall extend until the earlier of—

(A) the date of death of the patient; or

(B) the date of discharge of the patient from such care or the completion of the transitional period as payment in full (or, in the case described in subsection (a)(2), at the rates applicable under the replacement plan or coverage after the date of the termination of the contract with the group health plan or health insurance issuer) and not to impose a penalty on the patient in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

(b) Rules of Construction.—Nothing in this section shall be construed—

(1) to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider; or

(2) with respect to the termination of a contract under subsection (a) to prevent a group health plan or health insurance issuer from requiring that the health care provider notify the plan or issuer of the name of each participant, beneficiary, or enrollee who the provider believes is a continuing care patient.

(c) Definitions.—

(1) Contract.—The term "contract" includes with respect to a plan or group health plan or health insurance issuer any group health plan or group health insurance issuer in a State, is so licensed.

(2) Treatment of Terminal Illness.—The term "serious and complex condition" means—

(A) any individual who is engaged in the delivery of health care services in a State that is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

(B) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

(3) Serious and Complex Condition.—The term "serious and complex condition" means, with respect to a participant, beneficiary, or enrollee under a plan or group health plan or group health insurance issuer, any condition that is serious enough to require specialized medical treatment, or, if the condition is a terminal illness before the date of such notice.

(c) Permissible Terms and Conditions.—A group health plan or group health insurance issuer may condition coverage of continued treatment by a provider under this section upon the provider agreeing to the following terms and conditions:

(1) The treating health care provider agrees to accept reimbursement from the plan or issuer and continuing care patient involved with respect to cost-sharing at the rates applicable under the replacement plan or group health insurance coverage.

(2) The treating health care provider agrees to adhere to the quality assurance standards of the plan or issuer responsible for payment under paragraph (1) and to provide to such plan or issuer necessary medical information related to the care provided.

(3) The treating health care provider agrees otherwise to adhere to such plan’s or issuer’s policies and procedures, including prior authorization requirements.

(d) Notice.—A continuing care patient shall have the right to elect continued transitional care from the provider under this section;
SEC. 118. ACCESS TO NEEDED PRESCRIPTION DRUGS.

(a) IN GENERAL.—To the extent that a group health plan, or health insurance coverage offered in connection with such plan by a health insurance issuer, provides coverage for benefits with respect to prescription drugs, and limits such coverage to drugs included in a formulary, the plan or issuer shall—

(1) ensure the participation of physicians and pharmacists in developing and reviewing such formulary;

(2) provide for disclosure of the formulary to providers; and

(3) in accordance with the applicable quality assurance and utilization review standards of the plan or issuer, provide for exceptions from the formulary limitation when a non-formulary alternative is medically necessary and appropriate and, in the case of such an exception, apply the same cost-sharing requirements that would have applied in the case of a drug covered under the formulary.

(b) COVERAGE OF APPROVED DRUGS AND MEDICAL DEVICES.—

(1) IN GENERAL.—A group health plan (or health insurance coverage offered in connection with such plan by a health insurance issuer, provides coverage for benefits with respect to prescription drugs or medical devices shall not deny coverage of such a drug or device on the basis of the use investigational in nature, if the following conditions are met:

(A) in the case of a prescription drug—

(i) it is included in the labeling authorized by the application in effect for the drug pursuant to subsection (b) or (j) of section 515 of the Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply under such Act; and

(ii) it is included in the labeling authorized by the application in effect for the drug under section 351 of the Public Health Service Act, without regard to any postmarketing requirements that may apply pursuant to such section; or

(B) in the case of a medical device, it is included in the labeling authorized by a regulation under subsection (d) or (3) of section 513 of the Federal Food, Drug, and Cosmetic Act, an order under subsection (j) of such section (or an order under a regulation approved by section 508 of the Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply under such Act).

(2) PAYMENT RATE.—In the case of covered items and services provided by—

(A) a participating provider, the payment rate shall be at the agreed upon rate; or

(B) a nonparticipating provider, the payment rate shall be at the rate the plan or issuer would normally pay for comparable services under subparagraph (A).

(3) USE OF IN-NETWORK PROVIDERS.—If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan or issuer from requiring a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of subsection (a), the term “qualified individual” means an individual who is a participant in a group health plan, or who is an enrollee under health insurance coverage, and who meets the following conditions:

(1)(A) The individual has a life-threatening or serious illness for which no standard treatment is effective.

(B) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

(C) The individual’s participation in the trial offers meaningful potential for significant clinical benefit for the individual.

(2) Either—

(A) the referring physician is a participating provider and has concluded that the individual’s participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1);

(B) the participant, beneficiary, or enrollee provides medical and scientific information establishing that the individual’s participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).

(c) PAYMENT.—

(1) IN GENERAL.—Under this section a group health plan or health insurance issuer shall provide for payment for routine patient costs described in subsection (a)(2) but is not required to pay for services that are reasonably expected (as determined by the appropriate Secretary) to be paid for by the sponsors of an approved clinical trial.

(2) PAYMENT RATE.—In the case of covered items and services provided by—

(A) a participating provider, the payment rate shall be at the agreed upon rate; or

(B) a nonparticipating provider, the payment rate shall be at the rate the plan or issuer would normally pay for comparable services under subparagraph (A).

(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient care if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In accordance with the applicable provisions of this section, a group health plan, and a health insurance issuer providing health insurance coverage, may not modify the terms and conditions of coverage as determined by a participant, beneficiary, or enrollee to request less than the minimum coverage required under subsection (a).

(c) SECONDARY CONSULTATIONS.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides coverage with respect to medical care, including services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that certain services necessary for such a secondary consultation are not sufficiently available from specialists in the appropriate medical fields, the plan or issuer shall provide for such services.

(2) CONDITIONS FOR DEPARTMENTS.—The Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply pursuant to such section, a group health plan, and a health insurance issuer providing health insurance coverage, may provide for the reimbursement of a provider or specialist only if that provider or specialist is participating in the trial through a participating health care professional and has certified in writing that services necessary for the secondary consultation are not sufficiently available from specialists in the appropriate medical fields.

(d) PRIORITY ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage, may not prioritize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant, beneficiary, or enrollee in accordance with this subsection.

(2) PROVIDE FINANCIAL OR OTHER INCENTIVES TO A PHYSICIAN OR SPECIALIST.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

(d) SECONDARY CONSULTATIONS.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides coverage with respect to medical care, including services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that certain services necessary for such a secondary consultation are not sufficiently available from specialists in the appropriate medical fields, the plan or issuer shall provide for such services.

(c) CONDITIONS FOR DEPARTMENTS.—The Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply pursuant to such section, a group health plan, and a health insurance issuer providing health insurance coverage, may provide for the reimbursement of a provider or specialist only if that provider or specialist is participating in the trial through a participating health care professional and has certified in writing that services necessary for the secondary consultation are not sufficiently available from specialists in the appropriate medical fields.

(d) PRIORITY ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage, may not prioritize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant, beneficiary, or enrollee in accordance with this subsection.

(2) PROVIDE FINANCIAL OR OTHER INCENTIVES TO A PHYSICIAN OR SPECIALIST.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

(d) SECONDARY CONSULTATIONS.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides coverage with respect to medical care, including services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that certain services necessary for such a secondary consultation are not sufficiently available from specialists in the appropriate medical fields, the plan or issuer shall provide for such services.

(e) CONSTRUCTION.—Nothing in this section shall be construed to limit a plan’s or issuer’s coverage with respect to clinical trials.
certain limits or to limit referrals for secondary consultations; or
(3) provide financial or other incentives to a physician or specialist to refrain from referring a participant, beneficiary, or enrollee for a secondary consultation that would otherwise be covered by the plan or coverage involved under section 116.

Subtitle C—Access to Information

SEC. 121. PATIENT ACCESS TO INFORMATION.

(a) REQUIREMENT.—

(1) DISCLOSURE.—A group health plan, and a health insurance issuer that provides coverage in connection with health insurance coverage, shall provide for the disclosure to participants, beneficiaries, and enrollees—

(i) of the information described in subsection (b) at the time of the initial enrollment of the participant, beneficiary, or enrollee under the plan or coverage;

(ii) of such information on an annual basis—

(I) in conjunction with the election period of the plan or coverage if the plan or coverage has such an election period; or

(II) in the case of a plan or coverage that does not have an election period, in conjunction with the beginning of the plan or coverage year; and

(iii) of information relating to any material reduction in the benefits or information described in subsection (c), in the form of a notice provided not later than 30 days before the date on which the reduction takes effect.

(b) REQUIRED INFORMATION.—The disclosure required under subparagraph (A) shall be provided—

(i) jointly to each participant, beneficiary, and enrollee who resides at the same address or

(ii) in the case of a beneficiary or enrollee who does not reside at the same address as the participant or another enrollee, separately to the participant or other enrollee and such beneficiary or enrollee.

(c) PROVISION OF INFORMATION.—Information shall be provided to participants, beneficiaries, and enrollees under this section at the last known address maintained by the plan or issuer with respect to such participants, beneficiaries, or enrollees, to the extent that such information is provided to participants, beneficiaries, or enrollees via the United States Postal Service or other private delivery service.

(d) REQUIRED INFORMATION.—The informational materials to be distributed under this section for each option available under the group health plan or health insurance coverage the following:

(1) BENEFITS.—A description of the covered benefits, including—

(A) any in- and out-of-network benefits;

(B) any out-of-pocket expense for which the participant, beneficiary, or enrollee may be liable;

(C) any cost-sharing requirements for out-of-network or nonparticipating provider services received from nonparticipating providers; and

(D) any additional cost-sharing or charges for benefits and services that are furnished without coverage under the plan or coverage, such as prior notice of requirements, such as prior authorization or precertification.

(2) SERVICE AREA.—A description of the plan or issuer service area, including the provision of any out-of-area coverage.

(3) PARTICIPATING PROVIDERS.—A directory of participating providers, to the extent the plan or issuer provides coverage through a network of providers, that includes, at a minimum, the name, address, and telephone number of participating provider, and information about how to inquire whether a participating provider is currently accepting new patients.

(4) CHOICE OF PRIMARY CARE PROVIDER.—A description of any requirements and procedures to be used by participants, beneficiaries, and enrollees in selecting the primary care provider under section 116 for a participant, beneficiary, or enrollee who is a child if such section applies.

(5) PREAUTHORIZATION REQUIREMENTS.—A description of the requirements and procedures to be used to obtain preauthorization for health services, if such preauthorization is required.

(6) EXPERIMENTAL AND INVESTIGATIONAL TREATMENTS.—A description of the process for determining whether the use of experimental or investigational treatments is covered and circumstances under which such treatments are covered by the plan or issuer.

(7) EMERGENCY SERVICES.—A summary of the circumstances and conditions under which participation in emergency services under the prudent layperson standard under section 113, if such section applies.

(8) ELECTION PERIOD.—A description of the election period, in conjunction with the election period, of information on an annual basis—

(I) of the information described in subsection (c), and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request.

(j) ADDITIONAL INFORMATION.—The informational materials to be provided upon the request of a participant, beneficiary, or enrollee under section 116(18) of the Employee Retirement Income Security Act of 1974 and with any other notice provision that the appropriate Secretary determines may be combined, so long as such combination does not result in any reduction in the information that would otherwise be provided to the recipient.
salary, bundled payments, per diem, or a combination thereof) used for compensating prospective or treating health care professionals (including primary care providers and specialists) or providers, and with the provision of health care under the plan or coverage.

(3) Prescription Drugs.—Information about a specific prescription drug or prescription drug coverage is included in the formulary of the plan or issuer, if the plan or issuer uses a defined formulary.

(4) Prohibition of Appeals Information.—Aggregate information on the number and outcomes of external medical reviews, relative to the sample size (such as the number of covered participants, beneficiaries, or enrollees) with respect to the plan or issuer, if the plan or issuer participates in a network of participating providers or otherwise participates in a network of participating providers.

(c) Manner of Disclosure.—The information described in this section shall be disclosed in an accessible medium and format that is calculated to be understood by an average participant or enrollee.

(2) Ongoing Right and of the Proper Software Required to Access Information so Disclosed.—If disclosure is made in writing, the provider, including any health care professional acting within the scope of the provider's license or certification applicable State law, solely on the basis of such license or certification.

(c) Construction.—Subsection (a) shall not be construed as requiring the coverage under a group health plan or health insurance coverage of a particular benefit or service or to prohibit a provider from including providers only to the extent necessary to meet the needs of the plan or issuer. (b) The professional reasonably believes that such disclosure is in the interest of the patient or enrollee.

(iii) The recipient shall be capable of accessing the information so disclosed and provides the information in printed form to the recipient.

(iv) The recipient retains an ongoing right to receive paper disclosure of such information in accordance with requirements as the appropriate Secretary may impose, and the professional reasonably believes that disclosure is appropriate.

(v) The recipient is capable of accessing the information so disclosed and provides the information in printed form to the recipient.

(vi) The recipient appropriately understands that disclosure is appropriate.

Subsection (a) shall be null and void.

SEC. 132. PROHIBITION OF DISCRIMINATION AGAINST PROVIDERS BASED ON LICENSURE.

(a) In General.—A group health plan, and a health insurance issuer in connection with health insurance coverage, shall not discriminate with respect to participation or enrollment in such coverage, or to provide health care services, or conditions provided to one or more participants, beneficiaries, or enrollees of the plan or issuer or otherwise receives payments for services, or conditions affecting one or more participants, beneficiaries, or enrollees with respect to the plan or issuer.

(b) Construction.—Subsection (a) shall not be construed as requiring the coverage under a group health plan or health insurance coverage of a particular benefit or service or to prohibit a provider from including providers only to the extent necessary to meet the needs of the plan or issuer. (b) The professional reasonably believes that such disclosure is in the interest of the patient or enrollee.

(c) Manner of Disclosure.—The information described in this section shall be disclosed in an accessible medium and format that is calculated to be understood by an average participant or enrollee.

(d) Rules of Construction.—Nothing in this section shall be construed to prohibit a group health plan, or a health insurance issuer in connection with health insurance coverage, from:

(i) distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants, beneficiaries, and enrollees in the selection of a health plan or health insurance coverage;

(ii) complying with the provisions of this section by providing information in brochures, through the Internet or other electronic media, or through other similar means, so long as:

(A) the disclosure of such information in such form is in accordance with requirements as the appropriate Secretary may impose, and

(B) the professional reasonably believes that disclosure is appropriate.

(2) Ongoing Right and of the Proper Software Required to Access Information so Disclosed.—If disclosure is made in writing, the provider, including any health care professional acting within the scope of the provider's license or certification applicable State law, solely on the basis of such license or certification.

(c) Construction.—Subsection (a) shall not be construed as requiring the coverage under a group health plan or health insurance coverage of a particular benefit or service or to prohibit a provider from including providers only to the extent necessary to meet the needs of the plan or issuer. (b) The professional reasonably believes that such disclosure is in the interest of the patient or enrollee.

(iii) The recipient retains an ongoing right to receive paper disclosure of such information in accordance with requirements as the appropriate Secretary may impose, and the professional reasonably believes that disclosure is appropriate.

(iv) The recipient appropriately understands that disclosure is appropriate.

Subsection (a) shall be null and void.

 SEC. 133. PROHIBITION AGAINST IMPROPER INCLUSION OF INFORMATION IN NETWORK COVERAGE.

(a) In General.—A group health plan and a health insurance issuer offering health insurance coverage may not operate any physician or other health care professional discount arrangements, or similar arrangements or all capital incentive arrangements.

(b) Construction.—Subsection (a) shall be construed as prohibiting all capital and similar arrangements or all provider discount arrangements.

(c) Payment of Claims.

A group health plan, and a health insurance issuer offering group health insurance coverage, shall provide for prompt payment of claims submitted for health care services, or conditions affected by one or more participants, beneficiaries, or enrollees with respect to the plan or issuer.

(d) Notice of Internal Procedures.—Subparagraph (D) of paragraph (2) also shall not apply if the disclosure relates to an imminent hazard of loss of life or serious injury to a patient.

(i) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(ii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(iii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(iv) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(v) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(vi) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(vii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(viii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(ix) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(x) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(x) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or
(iii) the disclosure is in response to an inquiry made in an investigation or proceeding of an appropriate public regulatory agency and the information disclosed is limited to the scope of investigation or proceeding.

(4) ADDITIONAL CONSIDERATIONS.—It shall not be a violation of paragraph (1) to take an adverse action against a protected health care professional, provider taking the adverse action involved demonstrates that it would have taken the same adverse action even in the absence of the activities protected under such paragraph.

(5) NOTICE.—A group health plan, health insurance issuer, and institutional health care provider, to be submitted or approved by the Secretary of Labor, setting forth excerpts from, or summaries of, the pertinent provisions of this subsection and information pertaining to enforcement of such provisions.

(6) CONSTRUCTIONS.—
(A) DETERMINATIONS OF COVERAGE.—Nothing in this subsection shall be construed to prohibit a plan or issuer from making a determination not to pay for a particular medical treatment or service or the services of a type of professional.
(B) ENFORCEMENT OF PREVIE REVIEW PROTOCOLS AND INTERNAL PROCEDURES.—Nothing in this subsection shall be construed to prohibit a plan or issuer from submitting and enforcing reasonable peer review or utilization review protocols or determining whether a protected health care professional has complied with those protocols or from establishing and enforcing internal procedures for the purpose of addressing quality concerns.
(C) RELATION TO OTHER RIGHTS.—Nothing in this subsection shall be construed to abridge rights of participants, beneficiaries, enrollees, and protected health care professionals under Federal or State laws.

(7) PROTECTED HEALTH CARE PROFESSIONAL DEFINED.—For purposes of this subsection, the term “protected health care professional” means an individual who is a licensed or certified health care professional and who—
(A) with respect to a group health plan or health insurance issuer, is an employee of the plan or issuer or has a contract or agreement with the plan or issuer for provision of services for which benefits are available under the plan or issuer or
(B) with respect to an institutional health care provider, is an employee of the provider or a contract or other arrangement with the provider affecting the provision of health care services.

Subtitle E—Definitions
SEC. 151. DEFINITIONS.
(a) INCORPORATION OF GENERAL DEFINITIONS.—Except as otherwise provided, the provisions of section 2791 of the Public Health Service Act shall apply for purposes of this title in the same manner as they apply for purposes of title XXVII of such Act.

(b) SECRETARY.—Except as otherwise provided, the term “Secretary” means the Secretary of Health and Human Services in relation to carrying out this title under sections 2706 and 2761 of the Public Health Service Act and the Secretary of Labor in relation to carrying out this title under section 733 of the Employee Retirement Income Security Act of 1974.

(c) ADDITIONAL DEFINITIONS.—For purposes of this title—
(1) APPLICABLE AUTHORITY.—The term “applicable authority” means
(A) in the case of a group health plan, the Secretary of Health and Human Services and the Secretary of Labor; and
(B) in the case of a health insurance issuer with respect to a State that has been notified by the applicable State authority (as defined in section 2791(d) of the Public Health Service Act) or the Secretary of Health and Human Services, the Secretary is enforcing such provision under section 2722(a)(2) or 2761(a)(2) of the Public Health Service Act.

(2) ENROLLEE.—The term “enrollee” means a person who has enrolled in a plan or issuer means the enrollee taking the adverse action involved demonstrates that it would have taken the same adverse action even in the absence of the activities protected under such paragraph.

(3) GROUP HEALTH PLAN.—The term “group health plan” has the meaning given such term in section 733(a) of the Employee Retirement Income Security Act of 1974, except that such term includes a employee welfare benefit plan treated as a group health plan under section 733(d) of such Act or defined as such a plan under section 607(1) of such Act.

(4) HEALTH CARE PROFESSIONAL.—The term “health care professional” means an individual who is licensed, accredited, or certified under State law to provide specified health care services and who is operating within the scope of such licensure, accreditation, or certification.

(5) HEALTH PROVIDER.—The term “health care provider” includes a physician or other health care professional, as well as an institutional or other facility or agency that provides health care services and that is licensed, accredited, or certified to provide health care items and services under applicable State law.

(6) NETWORK.—The term “network” means, with respect to a group health plan or health insurance issuer offering health insurance coverage, the group of health care providers with respect to such items and services to participants, beneficiaries, enrollees.

(7) NONPARTICIPATING.—The term “nonparticipating” means, with respect to a health care provider that provides health care items and services to a participant, beneficiary, or enrollee under group health plan or health insurance coverage, a health care provider that is not a participating health care provider with respect to such items and services.

(8) PARTICIPATING.—The term “participating” means, with respect to a health care provider that provides health care items and services to a participant, beneficiary, or enrollee under group health plan or health insurance coverage, a health care provider that furnishes such items and services under a contract or other arrangement with the plan or issuer.

(9) PRIOR AUTHORIZATION.—The term “prior authorization” means the process of obtaining prior approval from a health insurance issuer or group health plan for the provision of health care services.

(10) TERMS AND CONDITIONS.—The term “terms and conditions” includes, with respect to a group health plan or health insurance coverage, requirements imposed under this title with respect to the plan or coverage.

SEC. 152. PREEMPTION, STATE FLEXIBILITY, CONSTRUCTION.
(a) CONTINUED APPLICABILITY OF STATE LAW WITH RESPECT TO HEALTH INSURANCE ISSUERS.
(1) IN GENERAL.—Subject to paragraph (2), this title shall not be construed to supersede any provision of State law which establishes, implements, or enforces any standard or requirement solely relating to health insurance issuers (in connection with group health insurance coverage or otherwise) except to the extent that such standard or requirement prevents the application of a requirement of this title.

(b) CONTINUOUS PREEMPTION WITH RESPECT TO GROUP HEALTH PLANS.—Nothing in this title shall be construed to affect or modify the provisions of section 514 of the Employee Retirement Income Security Act of 1974 with respect to group health plans.

(2) CONSTRUCTION.—In applying this section, a State law that provides for equal access to, and the availability of, licensed health care providers and services shall not be treated as preventing the application of any requirement of this title.

(b) APPLICATION OF SUBSTANTIALLY EQUIVALENT STATE LAWS.—
(1) IN GENERAL.—In the case of a State law that imposes, with respect to health insurance coverage offered by a health insurance issuer and with respect to a group health plan that is a non-Federal governmental plan, a requirement that is substantially equivalent (within the meaning of subsection (c) to a patient protection requirement (as defined in paragraph (3)) and does not prevent the application of other requirements under this division (except in the case of other substantially equivalent requirements applying pursuant of this title under section 2707 and 2753 as applicable) of the Public Health Service Act (as added by title II), subject to subsection (a)(2)
(A) the State law shall not be treated as being superseded under subsection (a); and
(B) the State law shall apply instead of the patient protection requirement otherwise applicable with respect to health insurance coverage and non-Federal governmental plans.

(2) LIMITATION.—In the case of a group health plan covered under title I of the Employee Retirement Income Security Act of 1974, paragraph (1) shall be construed to apply only with respect to the health insurance coverage (if any) offered in connection with the plan.

(c) DETERMINATIONS OF SUBSTANTIALLY EQUIVALENT STATE LAWS.
(1) CERTIFICATION BY STATES.—A State may submit to the Secretary a certification that a State law provides for patient protections that at least substantially supersedes one or more patient protection requirements. Such certification shall be accompanied by such information as may be required to permit the Secretary to make the determination described in paragraph (2)(A).

(2) REVIEW.—
(A) IN GENERAL.—The Secretary shall promptly review a certification submitted under paragraph (1) with respect to a State law to determine if the State law provides for at least substantially equivalent and effective patient protections to the patient protection requirement (or requirements) to which the law relates.

(B) APPROVAL DEADLINES.—The initial review of a certification is considered approved unless the Secretary notifies the State in writing, within 90 days after the date of receipt of the certification, that the certification is disapproved (and the Secretary specifies the reasons for disapproval) or that specified additional information is needed to make the determination described in subparagraph (A).

(ii) ADDITIONAL INFORMATION.—With respect to a State that has been notified by the
Secretary under clause (i) that specified additional information is needed to make the determination described in subparagraph (A), the Secretary shall make the determination within 30 days after the date on which such specified additional information is received by the Secretary.

(3) APPROVAL.—

(A) IN GENERAL.—The Secretary shall approve a certificate under paragraph (1) unless—

(I) the State fails to provide sufficient information to enable the Secretary to make a determination under paragraph (2); or

(II) the Secretary determines that the State plan does not provide for patient protections that are at least substantially equivalent to and as effective as the patient protection requirement (or requirements) with which the certificate is to be compared.

(B) STATE CHALLENGE.—A State that has a certificate disapproved by the Secretary under subparagraph (A) may challenge such disapproval in the appropriate United States district court.

(4) CONSTRUCTION.—Nothing in this subsection shall be construed as preventing the certification (or denial of certification) of a State law under this subsection solely because it provides for greater protections for patients than those protections otherwise required to establish substantial equivalence.

(d) DEFINITIONS.—For purposes of this section:

(1) STATE.—The term ‘‘State’’ includes all States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, any political subdivisions of such, or any agency or instrumentality of such.

SEC. 153. EXCLUSIONS.

(a) NO BENEFIT REQUIREMENTS.—Nothing in this title shall be construed to require a group health plan or a health insurance issuer offering health insurance coverage to include specified items and services under the terms, conditions, or coverage, otherwise than those provided under the terms and conditions of such plan or coverage.

(b) LIMITATION ON ACCESS TO CARE MANAGED CARE PROVISIONS FOR PER-FOR-SERVICE COVERAGE.—

(1) IN GENERAL.—The provisions of sections 111 through 117 of this title shall not apply to a group health plan or health insurance coverage if the only coverage offered under the plan or coverage is fee-for-service coverage (as defined in paragraph (2)).

(2) PER-FOR-SERVICE COVERAGE DEFINED.—

For purposes of this subsection, the term ‘‘fee-for-service coverage’’ means coverage under a group health plan or health insurance coverage that—

(A) reimburses hospitals, health professionals, and other providers on a fee-for-service basis without placing the provider at financial risk;

(B) does not vary reimbursement for such a provider based on any contract term or condition or the utilization of health care items or services relating to such provider;

(C) allows access to any provider that is licensed, certified, or approved (or provides and makes available) by the plan or by the issuer; and

(D) by the plan or the issuer does not require prior authorization before providing for any health care services.

SEC. 154. COVERAGE OF LIMITED SCOPE PLANS. Only for purposes of applying the requirements of this title under sections 2707 and 2733 of the Public Health Service Act and section 714 of the Employee Retirement Income Security Act of 1974, section 279(h)(2)(A), and section 734(c)(2)(A) of the Employee Retirement Income Security Act of 1974 shall not apply to—

SEC. 155. REGULATIONS. The Secretaries of Health and Human Services and Labor shall issue such regulations as may be necessary or appropriate to carry out this title. Such regulations shall be issued consistent with section 104 of Health Insurance Portability and Accountability Act of 1996 and any regulations promulgated by the Secretary may promulgate any interim final rules as the Secretaries determine are appropriate to carry out this title.

SEC. 156. INCORPORATION INTO PLAN OR COVERAGE DOCUMENTS. The requirements of this title with respect to a group health plan or health insurance coverage are deemed to be incorporated into, and made a part of, the plan document or the policy, certificate, or contract providing such coverage and are enforceable under law as if directly included in the documentation of such plan or contract, or in any amendment thereto.

TITLE II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

SEC. 201. APPLICATION TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE.

(a) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act is amended by adding at the end the following new section:

‘‘SEC. 2707. PATIENT PROTECTION STANDARDS.

‘‘Each group health plan shall comply with patient protection requirements under title I of the Bipartisan Patient Protection Act of 2001, and each health insurance issuer shall comply with patient protection requirements under such title with respect to group health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection.’’.

(b) CONFORMING AMENDMENT.—Section 2721(b)(2)(A) of such Act (42 U.S.C. 2721(b)(2)(A)) is amended by striking ‘‘(other than section 2707)’’ after ‘‘requirements of such subparts’’.

SEC. 202. APPLICATION TO INDIVIDUAL HEALTH INSURANCE.

Part B of title XXVII of the Public Health Service Act is amended by inserting after section 2752 the following new section:

‘‘SEC. 2753. PATIENT PROTECTION STANDARDS.

‘‘Each health insurance issuer shall comply with patient protection requirements under title I of the Bipartisan Patient Protection Act of 2001 with respect to individual health plans, and such requirements shall be deemed to be incorporated into this subsection.’’.

TITLE III—APPLICATIONS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

SEC. 201. APPLICATION OF PATIENT PROTECTION STANDARDS TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Subpart B of part 7 of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following new section:

‘‘SEC. 714. PATIENT PROTECTION STANDARDS.

(a) IN GENERAL.—Subject to subsection (b), a group health plan (and a health insurance issuer offering group health insurance coverage in connection with such a plan) shall comply with the requirements of title I of the Bipartisan Patient Protection Act of 2001 (as in effect as of the date of enactment of such Act), and such requirements shall be deemed to be incorporated into this subsection.

(b) PLAN SATISFACTION OF CERTAIN REQUIREMENTS THROUGH INSURANCE.—For purposes of subsection (a), insofar as a group health plan provides benefits in connection with health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the following requirements of title I of the Bipartisan Patient Protection Act of 2001 with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsors or its representatives did not cause such failure by the issuer:

(1) Section 111 (relating to consumer choice options).

(2) Section 112 (relating to choice of health care professional).

(3) Section 113 (relating to access to emergency care).

(4) Section 114 (relating to timely access to specialists).

(5) Section 115 (relating to patient access to obstetrical and gynecological care).

(6) Section 116 (relating to access to needed prescription drugs).

(7) Section 111 (relating to coverage for individuals participating in approved clinical trials).

(8) Section 120 (relating to required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations).

(9) Section 134 (relating to payment of claims).

(10) INFORMATION.—With respect to information required to be provided or made available under section 121 of the Bipartisan Patient Protection Act of 2001, in the case of a group health plan that provides benefits in connection with health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide or make available the information (and is not liable for the issuer’s failure to provide or make available the information), if the issuer is obligated to provide and make available (or provides and makes available) such information.

(11) INTERNAL APPEALS.—With respect to the internal appeals procedures required to be established under section 103 of such Act, in the case of a group health plan that provides benefits in connection with health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide for such process and system (and is not liable for the issuer’s failure to provide for such process and system), if the issuer is obligated to provide for (and provides for) such process and system.

(12) EXTERNAL APPEALS.—Pursuant to rules of the Secretary, insofar as a group health plan enters into a contract with a qualified external appeal entity for the conduct of external appeal activities in accordance with section 104 of such Act, the plan shall be treated as meeting the requirement of such...
section and is not liable for the entity’s failure to meet any requirements under such section.

(5) APPLICATION TO PROHIBITIONS.—Pursuant to the provisions of section 1132(b)(1) of the Bipartisan Patient Protection Act of 2001, the group health plan shall not be liable for such violation unless the plan caused such violation:

(A) Section 132 (relating to prohibition of discrimination against providers based on licensure).

(C) Section 133 (relating to prohibition against improper incentive arrangements).

(D) Section 135 (relating to protection for patient advocacy).

(6) CONSTRUCTION.—Nothing in this subsection shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

(7) TREATMENT OF SUBSTANTIALLY EQUIVALENT STATE LAWS.—For purposes of applying this subsection to a requirement in this section to a requirement under a State law that is substantially equivalent (as determined under section 152(c) of such Act) to the requirement in such section or other provisions.

(8) APPLICATION TO CERTAIN PROHIBITIONS AGAINST RETALIATION.—With respect to compliance with the requirements of sections 135(b)(1) of the Bipartisan Patient Protection Act of 2001, for purposes of this subtitle the term ‘group health plan’ shall be deemed to include an insurance to an institutional health care provider.

(c) ENFORCEMENT OF CERTAIN REQUIREMENTS.—

(1) COMPLAINTS.—Any protected health care professional who believes that the professional has been retaliated against or discriminated against in violation of section 135(b)(1) of the Bipartisan Patient Protection Act of 2001 may file with the Secretary a complaint within 180 days of the date of the alleged retaliation.

(2) INVESTIGATION.—The Secretary shall investigate such complaints and shall determine if a violation of such section has occurred. In order to achieve an order that the protected health care professional does not suffer any loss of position, pay, or benefits in relation to the plan, issuer, or provider involved, as a result of the violation found by the Secretary.

(3) CONFORMING REGULATIONS.—The Secretary shall issue regulations to coordinate the requirements for sections 1132(b)(1) of the Bipartisan Patient Protection Act of 2001 with the regulations described in this section.

(b) SATISFACTION OF ERISA CLAIMS PROCEDURAL REQUIREMENTS.—Section 505 of such Act (29 U.S.C. 1132) is amended by inserting ‘‘after ’’ SEC. 505.‘’ and by adding at the end the following new subsection:

(1) In the case of a group health plan (as defined in section 733) compliance with the requirements of subtitle I of the Bipartisan Patient Protection Act of 2001, and compliance with regulations promulgated under such Act, in the case of a claims denial shall be deemed compliance with subsection (a) with respect to such claims denial.

(c) CONFORMING AMENDMENTS.—(1) Section 732(a) of such Act (29 U.S.C. 1132(a) is amended by striking ‘‘section 711’’ and inserting ‘‘section 714’’.

(2) The table of contents in section 1 of such Act is amended by inserting after the item relating to section 713 the following new item:

‘‘Sec. 714. Patient protection standards.’’

(d) CONFORMING REGULATIONS.—The term ‘‘group health plan’’ includes a group health plan, a health insurance issuer offering health insurance coverage in connection with a group health plan and takes an action in violation of any of the following sections of the Bipartisan Patient Protection Act of 2001, the group health plan shall not be liable for such violation unless the plan caused such violation:

(A) Section 132 (relating to prohibition of interference with certain medical communications).

(C) Section 133 (relating to prohibition against improper incentive arrangements).

(D) Section 135 (relating to protection for patient advocacy).

(6) CONSTRUCTION.—Nothing in this subsection shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

(7) TREATMENT OF SUBSTANTIALLY EQUIVALENT STATE LAWS.—For purposes of applying this subsection to a requirement under a State law that is substantially equivalent (as determined under section 152(c) of such Act) to the requirement in such section or other provisions.

(8) APPLICATION TO CERTAIN PROHIBITIONS AGAINST RETALIATION.—With respect to compliance with the requirements of sections 135(b)(1) of the Bipartisan Patient Protection Act of 2001, for purposes of this subtitle the term ‘group health plan’ shall be deemed to include an insurance to an institutional health care provider.

(c) ENFORCEMENT OF CERTAIN REQUIREMENTS.—

(1) COMPLAINTS.—Any protected health care professional who believes that the professional has been retaliated against or discriminated against in violation of section 135(b)(1) of the Bipartisan Patient Protection Act of 2001 may file with the Secretary a complaint within 180 days of the date of the alleged retaliation.

(2) INVESTIGATION.—The Secretary shall investigate such complaints and shall determine if a violation of such section has occurred. In order to achieve an order that the protected health care professional does not suffer any loss of position, pay, or benefits in relation to the plan, issuer, or provider involved, as a result of the violation found by the Secretary.

(3) CONFORMING REGULATIONS.—The Secretary shall issue regulations to coordinate the requirements for sections 1132(b)(1) of the Bipartisan Patient Protection Act of 2001 with the regulations described in this section.

(b) SATISFACTION OF ERISA CLAIMS PROCEDURAL REQUIREMENTS.—Section 505 of such Act (29 U.S.C. 1132) is amended by inserting ‘‘after ’’ SEC. 505.‘’ and by adding at the end the following new subsection:

‘‘(1) In the case of a group health plan (as defined in section 733) compliance with the requirements of subtitle I of the Bipartisan Patient Protection Act of 2001, and compliance with regulations promulgated under such Act, in the case of a claims denial shall be deemed compliance with subsection (a) with respect to such claims denial.

(c) CONFORMING AMENDMENTS.—(1) Section 732(a) of such Act (29 U.S.C. 1132(a) is amended by striking ‘‘section 711’’ and inserting ‘‘section 714’’.

(2) The table of contents in section 1 of such Act is amended by inserting after the item relating to section 713 the following new item:

‘‘Sec. 714. Patient protection standards.’’

(d) CONFORMING REGULATIONS.—The term ‘‘group health plan’’ includes a group health plan, a health insurance issuer offering health insurance coverage in connection with a group health plan and takes an action in violation of any of the following sections of the Bipartisan Patient Protection Act of 2001, the group health plan shall not be liable for such violation unless the plan caused such violation:

(A) Section 132 (relating to prohibition of interference with certain medical communications).

(C) Section 133 (relating to prohibition against improper incentive arrangements).

(D) Section 135 (relating to protection for patient advocacy).

(6) CONSTRUCTION.—Nothing in this subsection shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

(7) TREATMENT OF SUBSTANTIALLY EQUIVALENT STATE LAWS.—For purposes of applying this subsection to a requirement under a State law that is substantially equivalent (as determined under section 152(c) of such Act) to the requirement in such section or other provisions.

(8) APPLICATION TO CERTAIN PROHIBITIONS AGAINST RETALIATION.—With respect to compliance with the requirements of sections 135(b)(1) of the Bipartisan Patient Protection Act of 2001, for purposes of this subtitle the term ‘group health plan’ shall be deemed to include an insurance to an institutional health care provider.

(c) ENFORCEMENT OF CERTAIN REQUIREMENTS.—

(1) COMPLAINTS.—Any protected health care professional who believes that the professional has been retaliated against or discriminated against in violation of section 135(b)(1) of the Bipartisan Patient Protection Act of 2001 may file with the Secretary a complaint within 180 days of the date of the alleged retaliation.

(2) INVESTIGATION.—The Secretary shall investigate such complaints and shall determine if a violation of such section has occurred. In order to achieve an order that the protected health care professional does not suffer any loss of position, pay, or benefits in relation to the plan, issuer, or provider involved, as a result of the violation found by the Secretary.

(3) CONFORMING REGULATIONS.—The Secretary shall issue regulations to coordinate the requirements for sections 1132(b)(1) of the Bipartisan Patient Protection Act of 2001 with the regulations described in this section.
benefits of a participant or beneficiary or that is merely collateral or precedent to the conduct constituting a failure described in clause (ii) of paragraph (1)(A) with respect to a participant or beneficiary, including (but not limited to)—

(1) any participation by the employer or other plan sponsor (or employee) in the selection of a health plan or health insurance coverage involved or the third party administrator or other agent;

(2) any engagement by the employer or other plan sponsor (or employee) in any cost-benefit analysis undertaken in connection with the selection of, or continued maintenance of, such coverage involved;

(3) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating any plan or any benefits under the plan, if such process was not substantially focused solely on the particular situation of the participant or beneficiary referred to in paragraph (1)(A); and

(4) any participation by the employer or other plan sponsor (or employee) in the design of any benefit under the plan, including the amount of benefits and limits connected with such benefit.

(4) Irrelevance of Certain Collateral Efforts Made by Employer or Plan Sponsor.—For purposes of this subparagraph, an employer or plan sponsor shall not be treated as engaged in direct participation in a decision with respect to any claim for benefits or death resulting from such action which are only punitive or exemplary in nature.

(b) Late Manifestation of Injury.—The remedies set forth in this subsection shall be the exclusive remedies for causes of action brought under this subsection.

(c) Limitation of Civil Penalties.—In addition to the remedies provided for in paragraph (1) (relating to the failure to provide contract benefits in accordance with the plan or plan document) cyvax the amount not to exceed $5,000,000, payable to the claimant may be awarded in any action under such paragraph if the claimant establishes by clear and convincing evidence that the alleged conduct carried out by the defendant demonstrated bad faith and flagrant disregard of the participant or beneficiary under the plan and was a proximate cause of the personal injury or death that is the subject of the claim.

(d) Limitation of Action.—Paragraph (1) shall not apply in connection with any action commenced after 3 years after the later of—

(A) the date on which the plaintiff first knew, or reasonably should have known, of the personal injury or death resulting from the failure described in paragraph (1), or

(B) the occurrence of the requirements of paragraph (5) are first met.

(e) Tolling Provision.—The statute of limitations described in subparagraph (A) shall not begin to run as of the date on which a participant or beneficiary under the plan or other plan sponsor (or employee) in the procedure described in subparagraph (A) has knowledge of the injury or death which is described in section 104(d)(2) of the Bipartisan Patient Protection Act of 2001 (relating to claims for benefits under a group health plan or the estate of such a participant or beneficiary) to recover damages resulting from personal injury or for wrongful death against any person if such cause of action arises by reason of a medically reviewable decision.

(f) Medically Reviewable Decision.—For purposes of subparagraph (A), the term ‘medically reviewable decision’ includes a determination of whether there has been a denial of a claim for benefits under the plan which is described in section 104(d)(2) of the Bipartisan Patient Protection Act of 2001 (relating to medically reviewable decisions).

(g) Limitation on Punitive Damages.—(I) in General.—Except as provided in clauses (ii) and (iii), with respect to a cause of action described in subparagraph (A) brought with respect to a participant or beneficiary, State law is superseded insofar as it provides any punitive, exemplary, or similar damages if, as of the date of the personal injury or death, all the requirements of the following sections of the Bipartisan Patient Protection Act of 2001 were satisfied with respect to the participant or beneficiary:

(1) Section 102 (relating to procedures for initial appeals of claims denials).

(2) Section 103 of such Act (relating to internal appeals of claims denials).

(III) Section 104 of such Act (relating to independent external appeals procedures).

(1) Exclusion of Directed Record Keepers.—For purposes of this paragraph, the term ‘directed recordkeeper’ means, in connection with a group health plan, a person engaged in directing, by any agent or other entity to which it is directed, the performance of such an action which are only punitive or exemplary in nature.
“(iii) Exception for willful or wanton disregard for the rights or safety of others.—Clause (i) shall not apply with respect to any cause of action described in subparagraph (B)(ii) if, in connection with such cause of action, the plan sponsor shall have had actual knowledge that such conduct constituted a failure to act with willful or wanton disregard for the rights or safety of others that was a proximate cause of the personal injury or wrongful death that is the subject of the action.

(2) Definitions.—For purposes of this subsection, the term ‘health insurer’ means a person engaged in the business of providing health insurance, directly or indirectly, to a group of participants or beneficiaries.

(A) GROUP HEALTH PLAN AND OTHER RELATED TERMS.—The provisions of sections 732, 733, 734, and 735, applicable for purposes of this subsection in the same manner as they apply for purposes of part 7, except that the term ‘group health plan’ includes a group health plan defined in section 102(14).

(B) PERSONAL INJURY.—The term ‘personal injury’ means a physical injury and includes an injury arising out of the treatment (or failure to treat) a mental illness or disease.

(C) CLAIM FOR BENEFIT; DENIAL.—The terms ‘claim for benefit’ and ‘denial of a claim for benefits’ shall have the meanings provided under section 102(e).

(3) EXCLUSION OF EMPLOYERS AND OTHER PLAN SPONSORS.—

(A) CAUSES OF ACTION AGAINST EMPLOYERS AND PLAN SPONSORS PRECLUDED.—Subject to subparagraph (B), paragraph (1) does not apply with respect to—

(i) any cause of action against an employer or other plan sponsor maintaining the plan (or against an employee of such an employer or other plan sponsor acting within the scope of employment), or

(ii) any cause of action for recovery, indemnity, or contribution by a person against an employer or other plan sponsor (or such an employee) for damages assessed against the person pursuant to a cause of action to which paragraph (1) applies.

(B) CERTAIN CAUSES OF ACTION PERMITTED.—Notwithstanding subparagraph (A), paragraph (1) applies with respect to any cause of action described in paragraph (1) maintained by a participant or beneficiary against an employer or other plan sponsor (or any such employee) in connection with such cause of action to which subparagraph (A) applies.

(C) OCCURRENCE OF IMMEDIATE AND IRREPARABLE HARM.—The requirements of subparagraph (A) do not include making decisions on claims for benefits that are subject to the requirements of section 102(e)(1) of the Bipartisan Patient Protection Act of 2001.

(4) REQUIREMENT OF EXHAUSTION.—[45x510]A 45x510In paragraph (1), subparagraph (A) does not apply in connection with any cause of action described in subparagraph (A) if the plan sponsor does not have the opportunity to review and, if applicable, to deny a claim for benefits in connection with such cause of action.

(B) LATE MANIFESTATION OF INJURY.—The requirements under subparagraph (A) for a late manifestation of injury do not include exhausting the administrative processes referred to in subparagraph (A) with respect to the plan or coverage involved.

(5) TOLLING PROVISION.—The statute of limitations for any cause of action arising under section 502 in connection with a denial of a claim for benefits that is subject to the requirements of this subsection shall be tolled until such time as the court determines that the applicable Federal or State law, whichever period is greater.

(6) EXCLUSION OF DIRECTED RECORDKEEPERS.—

(A) IN GENERAL.—Subject to subparagraph (C), paragraph (1) shall not apply with respect to a directed recordkeeper in connection with a group health plan.

(B) DIRECTED RECORDKEEPER.—For purposes of this paragraph, the term ‘directed recordkeeper’ means, in connection with a group health plan, a person engaged in directed recordkeeping activities pursuant to the requirements of section 102(e) of the Bipartisan Patient Protection Act of 2001 and whose duties and responsibilities include making decisions on claims for benefits.

(C) LIMITATION.—Subparagraph (A) does not apply with respect to any cause of action described in subparagraph (A) if the directed recordkeeper fails to follow the specific instructions of the plan or the employer or other plan sponsor.

(7) CONSTRUCTION.—Nothing in this section shall be construed as—

(A) saving from preemption a cause of action under State law for the failure to provide a benefit for an item or service which is specifically excluded under the group health plan involved, except to the extent that such cause of action is based on a failure to comply with any applicable requirements of section 102(e) of the Bipartisan Patient Protection Act of 2001.

(B) requiring a State plan to comply with any applicable Federal or State law, whichever period is greater.

(8) ACTION FOR DAMAGES.—Litigation under this section shall be commenced in the Federal court of the judicial district of the State in which the cause of action arises.

(9) INTERPRETATION.—In this section, the term ‘willful or wanton disregard’ means willful or wanton disregard of the actual exercise of control in making such decision or the conduct constituting the failure.

(10) ADMINISTRATIVE PROCESSES.—That portion of this section which is set forth in section 732(d) and 733 applies for purposes of this subsection.

(11) PREVIOUS PROVISIONS.—Nothing in this section shall be construed to affect any previous provisions of law relating to the provision or arrangement of excepted benefits.
SEC. 501. EFFECTIVE DATES.
(a) Group Health Coverage.—
(1) In General.—Subject to paragraph (2) and subsection (d), the amendments made by sections 201(a), 301, 303, and 401 and 402 (and title I insofar as they relate to such sections) shall apply with respect to group health plans as if included in this subchapter.
(2) Treatment of Collective Bargaining Agreements.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this division, the amendments made by sections 201(a), 301, 303, and 401 and 402 (and title I insofar as it relates to such sections) shall not apply to plan years beginning before the later of—
(A) the date on which the last collective bargaining agreement providing for such coverage is ratified; or
(B) the general effective date.
For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any provision or amendment to any such sections (as defined in section 9813) which was ordered to lie on the table; and
(3) Enforcement by Secretary Unaffected.—Nothing in this subchapter shall be construed as affecting any such subsection.
(b) Individual Health Insurance Coverage.—Subject to subsection (d), the amendments made by section 202 shall apply with respect to individual health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after the general effective date.
(c) Treatment of Religious Nonmedical Providers.—
(1) In General.—Nothing in this division (or the amendments made thereby) shall be construed to—
(A) restrict or limit the right of group health plans, and of health insurance issuers offering health insurance coverage, to include as providers religious nonmedical providers;
(B) require such plans or issuers to—
(1) utilize medically based eligibility standards or criteria in determining provider status of religious nonmedical providers;
(ii) use medical professionals or criteria to determine patient access to religious nonmedical providers;
(iii) utilize medical professionals or criteria in making decisions in internal or external review processes; or
(iv) compel a participant or beneficiary to undergo a medical examination or test as a condition of receiving health insurance coverage for treatment by a religious nonmedical provider;
(C) require such plans or issuers to exclude religious nonmedical providers because they do not provide medical or other required data, if such data is inconsistent with the religious nonmedical treatment or nursing care provided by the provider.
(d) Religious Nonmedical Provider.—For purposes of this subchapter, the term "religious nonmedical provider" means a provider who provides no medical care but who provides only religious nonmedical treatment or religious nonmedical nursing care.
(e) Effective Date.—The disclosure of information required under section 121 of this division shall first be provided pursuant to—
(1) subsection (a) with respect to a group health plan that is maintained as of the general effective date, not later than 30 days before the beginning of the first plan year to which title I applies in connection with the plan under such subsection; or
(2) subsection (b) with respect to an individual health insurance coverage that is in effect as of the general effective date, not later than 30 days before the first date as of which such coverage applies to the coverage under such subsection.
SEC. 502. COORDINATION IN IMPLEMENTATION.
The Secretary of Labor, the Secretary of Health and Human Services, and the Secretary of the Treasury shall ensure, through the execution of an interagency memorandum of understanding among such Secretaries, that—
(1) regulations, rulings, and interpretations issued by such Secretaries relating to the same matter over which such Secretaries have responsibility under the provisions of this division (and the amendments made thereby) have responsibility under the provisions of such Act), and the amendments made thereby have the same effect at all times; and
(2) coordination of policies relating to enforcing the same requirements through such Secretaries in order to have a coordinated enforcement strategy that avoids duplication of enforcement efforts and assigns priorities in enforcement.
SEC. 503. SEVERABILITY.
If any provision of this division, an amendment made by this division, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this division, the amendments made by this division, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SA 479. Mr. McCaIN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:
On page 893, after line 14, insert the following:
""
TITLE
—EDUCATIONAL CHOICES FOR DISADVANTAGED CHILDREN.

SEC. 01. PURPOSES.

The purposes of this title are—
(1) to assist States to—
(A) provide choices among all elementary and secondary schools and other academic programs as children from wealthier families already have; and
(B) improve schools and other academic programs by giving parents in low-income families increased consumer power to choose the schools and programs that the parents determine best fit the needs of their children; and
(C) more fully engage parents in their children’s schooling;
(2) to demonstrate, through a 3-year national grant program, the effects of a voucher program that gives parents in low-income families choice among public and private schools, and
(A) choice among public, private, and religious schools for their children; and
(B) access to the same academic options as parents in wealthy families have for their children.

SEC. 02. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There is authorized to be appropriated to carry out this title (other than section 01) $1,800,000,000 for each of fiscal years 2002 through 2005.
(b) Allocation.—There is authorized to be appropriated to carry out section 02 $17,000,000 for each of fiscal years 2002 through 2005.

SEC. 03. PROGRAM AUTHORITY.

(a) In General.—The Secretary shall make grants to States, from allotments made under section 01 to enable the States to carry out educational choice programs that provide scholarships, in accordance with this title.
(b) Limit on Federal Administrative Expenditures.—The Secretary may reserve not more than $1,000,000 of the amounts appropriated under section 02(a) for a fiscal year to pay for the costs of administering this title.

SEC. 04. ALLOTMENTS TO STATES.

(a) Allotments.—The Secretary shall make the allotments to States in accordance with a formula specified in regulations issued under subsection (b). The formula shall provide that the Secretary shall allot to each State an amount that bears the same relationship to the amounts appropriated under section 02(a) for a fiscal year (other than funds reserved under section 03(b)) as the number of covered children in the State bears to the number of covered children in all such States.
(b) Formula.—Not later than 90 days after the date of enactment of this title, the Secretary shall issue regulations specifying the formula referred to in subsection (a).
(c) Limit on State Administrative Expenditures.—The State may reserve not more than 1 percent of the funds made available through the State allotment to pay for the costs of administering this title.
(d) Definition.—In this section, the term “covered child” means a child who is enrolled in a public school (including a charter school) that is an elementary school or secondary school.

SEC. 05. ELIGIBLE SCHOOLS.

(a) Eligibility.

(1) In General.—Schools identified by a State under paragraph (2) shall be considered to be eligible schools under this title.

(b) Determination.—Not later than 180 days after the Secretary issues regulations under section 04(b), each State shall identify the public elementary schools and secondary schools in the State that are at or below the 25th percentile for academic performance of schools in the State.

(c) Performance.—The Secretary shall determine the academic performance of a school under this section based on such criteria as the State may consider to be appropriate.

SEC. 06. SCHOLARSHIPS.

(a) In General.

(1) Scholarship Awards.—With funds awarded under this title, each State shall award a grant under this title to provide scholarships to the parents of eligible children, in accordance with subsections (b) and (c).

(2) Annual Amount.—The amount of each scholarship shall be $2000 per year.

(3) Tax Exemption.—Scholarships awarded under this title shall not be considered income for Federal income tax purposes or for determining eligibility for any other Federal program.

(b) Eligible Child.—To be eligible to receive a scholarship under this title, a child shall be—

(1) a child who is enrolled in a public elementary school or secondary school that is an eligible school; and

(2) a member of a family with a family income that is not more than 200 percent of the poverty line.

(c) Award Rules.—

(1) Priority.—In providing scholarships under this title, the State shall provide scholarships for eligible children through a lottery system administered for all eligible schools in the State by the State educational agency.

(2) Continuing Eligibility.—Each State receiving a grant under this title shall provide a scholarship to each child who received a scholarship during the previous year of the program, unless—

(A) the child no longer resides in the area served by an eligible school;

(B) the child no longer attends school;

(C) the child's family income exceeds, by 20 percent or more, 200 percent of the poverty line; or

(D) the child is expelled; or

(E) the child is convicted of possession of a weapon on school grounds, convicted of a violent or weapons offense at school, or a member of the school's faculty, or convicted of a felony, including felonious drug possession.

SEC. 07. USES OF FUNDS.

Any scholarship awarded under this title for a year shall be used—

(1) first, for—

(A) the payment of tuition and fees at the school selected by the parents of the child for whom the scholarship was provided; and

(B) the reasonable costs of the child's transportation to and from the school;

(2) second, if the parents so choose, to obtain supplementary academic services for the child, at a cost of not more than $500, from any provider chosen by the parents, that the State determines is capable of providing such services and has an appropriate refund policy; and

(3) finally, for educational programs that help the eligible child achieve high levels of academic excellence in the school attended by the eligible child, if the eligible child chooses to attend a public school.

SEC. 08. REQUIREMENT.

A State that receives a grant under this title shall allow lawfully operating public and private elementary and secondary schools, including religious schools, if any, serving the area involved to participate in the program.

SEC. 09. EFFECT OF PROGRAMS.

(a) Title I.—Notwithstanding any other provision of law, if a local educational agency (in the State) would, in the absence of an educational choice program that is funded under this title, provide services to a participating eligible child under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6111 et seq.), the State shall provide the in-kind services to such child.

(b) Individuals With Disabilities.—Nothing in this title shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(c) Aid.—

(1) In General.—Scholarships under this title shall be considered to aid families, not institutions.

(2) Other Federal Funds.—No Federal, State, or local agency may, in any year, take in account Federal funds provided to a State or to the parents of any child under this title in determining whether to provide scholarships to such child.

(3) Local Financial Assistance.—No Federal, State, or local agency may, in any year, take in account local financial assistance provided to a child under this title in determining whether to provide scholarships to such child.

(4) Tax Exemptions.—Scholarships awarded under this title shall be excludable from income for Federal income tax purposes.

(5) Grant Payments.—No Federal, State, or local agency may, in any year, take in account Federal, State, or local financial assistance provided to a child under this title in determining whether to provide scholarships to such child.
schools other than the schools the children would attend in the absence of the program; with
(B) the educational achievement of children who attend the schools the children would attend in the absence of the program.

SEC. 11. ENFORCEMENT.
(a) REGULATIONS.—The Secretary shall promulgate regulations to enforce the provisions of this title.
(b) PRIVATE CAUSE.—No provision or requirement of this title shall be enforced through a private cause of action.

SEC. 12. LIMITING INAPPROPRIATE USES.
The Committee on Finance and the Committee on Appropriations of the Senate shall identify wasteful spending (including loopholes to revenue raising tax provisions) by the Federal Government as a means of providing funding for this title. Not later than 60 days after the date of enactment of this title, the committees referred to in the preceding sentence shall jointly prepare and submit to the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House of Representatives, a report concerning the wasteful spending (and loopholes) identified under such sentence.

SEC. 13. DEFINITIONS.
In this title:
(1) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given the term in section 5202 of the Elementary and Secondary Education Act of 1965.
(2) ELEMENTARY SCHOOL; LOCAL EDUCATION AGENCY; PARENT; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY.—The terms ‘elementary school’, ‘local educational agency’, ‘parent’, ‘secondary school’, and ‘state educational agency’ have the meanings given the terms in section 3 of the Elementary and Secondary Education Act of 1965.
(3) POVERTY LINE.—The term ‘poverty line’ means the poverty line (as defined by the Office of Management and Budget, and revision annually in accordance with section 673(d) of the Community Services Block Grant Act (42 U.S.C. 9902(d))) applicable to a family of the size involved.
(4) SECRETARY.—The term ‘Secretary’ means the Secretary of Education.
(5) STATE.—The term ‘State’ means each of the 50 States.

SA 480. Mr. McCAIN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

TITLE—EDUCATIONAL CHOICES FOR DISADVANTAGED CHILDREN.

SEC. 1. PURPOSE.
The purpose of this title are—
(1) to assist States to—
(A) give children from low-income families the same choices among all elementary and secondary schools and other academic programs as children from wealthier families already have;
(B) improve schools and other academic programs in low-income families increased consumer power to choose the schools and programs that the parents determine best fit the needs of their children;
(C) more fully engage parents in their children’s schooling; and
(2) to demonstrate, through a 3-year national grant program, the effects of a voucher program that gives parents in low-income families—
(A) choice among public, private, and religious schools for their children; and
(B) access to the same academic options as parents in wealthy families have for their children.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.
(a) IN GENERAL.—There is authorized to be appropriated to carry out this title $10,000,000 for each of fiscal years 2002 through 2005.
(b) EVALUATION.—There is authorized to be appropriated to carry out section 10 $170,000,000 for each of fiscal years 2002 through 2005.

SEC. 3. PROGRAM AUTHORITY.
(a) IN GENERAL.—The Secretary shall make grants to States, from allotments made under section 104 to enable the States to carry out educational choice programs that provide scholarships, in accordance with this title.
(b) LIMIT ON FEDERAL ADMINISTRATIVE EXPENDITURES.—The Secretary may reserve not more than $10,000 appropriated under section 104(a) for a fiscal year to pay for the costs of administering this title.

SEC. 4. ALLOTMENTS TO STATES.
(a) ALLOTMENTS.—The Secretary shall make the allotments to States in accordance with a formula specified in regulations issued in accordance with subsection (b). The formula shall provide that the Secretary shall allot to each State an amount that bears the same relationship to the amount appropriated under section 104(a) for a fiscal year (other than funds reserved under section 104(b) as the number of covered children in the State bears to the number of covered children in all such States.
(b) FORMULA.—Not later than 90 days after the date of enactment of this title, the Secretary shall issue regulations specifying the formula referred to in subsection (a).

SEC. 5. USES OF FUNDS.
Any scholarship awarded under this title for a fiscal year shall be used—
(1) first, for—
(A) the payment of tuition and fees at the school selected by the parents of the child for whom the scholarship was provided; and
(B) the reasonable costs of the child’s transportation to the school, if the school is not the school to which the child would be required to attend in the absence of a program under this title;
(2) second, if the parents so choose, to obtain supplementary academic services for the child, at a cost of not more than $500, from any provider chosen by the parents, that the State determines is capable of providing such services and has an appropriate referral policy; and
(3) finally, for educational programs that help the eligible child achieve high levels of academic excellence in the school attended by the eligible child, if the eligible child chooses to attend a public school.

SEC. 6. STATE REQUIREMENT.
A State that receives a grant under this title shall allow lawfully operating public and private elementary schools and secondary schools, including religious schools, if any, serving the area involved to participate in the program.

SEC. 7. EFFECT OF PROGRAMS.
(a) IN GENERAL.—Notwithstanding any other provision of law, if a local educational agency in the State would, in the absence of an educational choice program that is funded under this title, provide services to a participating eligible child under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.), the State shall ensure the provision of such services to such child.

SEC. 8. INDIVIDUALS WITH DISABILITIES.—Nothing in this title shall be construed to affect the requirements of part B of the Individuals
with Disabilities Education Act (20 U.S.C. 1411 et seq.)
(c) AID.—
(1) IN GENERAL.—Scholarships under this title shall be considered to aid families, not institutions. For purposes of determining Federal assistance under Federal law, a parent's expenditure of scholarship funds under this title for the welfare of a school or for supplementary academic services shall not constitute Federal financial aid or assistance to that school or to the provider of supplementary academic services.
(2) SUPPLEMENTARY ACADEMIC SERVICES.—
(A) IN GENERAL.—Notwithstanding paragraph (1), a school or provider of supplementary academic services that offers a scholarship fund under this title shall, as a condition of participation under this title, comply with the provisions of title VI of the Civil Rights Act of 1964 (22 U.S.C. 2000d et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).
(B) REGULATIONS.—The Secretary shall promulgate regulations to implement the provisions of subparagraph (A), taking into account the purposes of this title and the nature, variety, and mission of schools and providers of supplementary services that provide scholarship funds under this title shall, as a condition of participation under this title.
(d) OTHER FEDERAL FUNDS.—No Federal, State, or local agency shall be required to take into account Federal funds provided to a State or to the parents of any child under this title in determining whether to provide any Federal, State, or local resources, or in determining the amount of such assistance, to such State or to a school attended by such child.
(e) DISCRETION.—Nothing in this title shall be construed to authorize the Secretary to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school participating in a program under this title.
SEC. 10. EVALUATION.
The Comptroller General of the United States shall conduct an evaluation of the program authorized by this title. Such evaluation shall, at a minimum—
(1) assess the implementation of education choices and progress assisted under this title and their effect on participants, schools, and communities in the school districts of participating children,
(2) compare the educational achievement of participating eligible children with the educational achievement of similar nonparticipating children before, during, and after the program; and
(3) compare—
(A) the educational achievement of eligible children who use scholarships to attend schools other than the schools the children would attend in the absence of the program; with
(B) the educational achievement of children who attend the schools the children would have attended in the absence of the program.
SEC. 11. ENFORCEMENT.
(a) REGULATIONS.—The Secretary shall promulgate regulations to enforce the provisions of this title.
(b) PRIVATE CAUSE.—No provision or requirement of this title shall be enforced through a private cause of action.
SEC. 12. FUNDING.
The Committees on Finance and the Committee on Appropriations of the Senate and the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives shall identify wasteful spending by the Federal Government as a means of providing funding for this title. Not later than 60 days after the date of enactment of this title, the committees referred to in the preceding sentence shall jointly prepare and submit to the Majority and Minority Leaders of the Senate and Speaker and Minority Leader of the House of Representatives, a report concerning the spending identified under such sentence.

SEC. 481. MR. BIDEN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 902. SENSE OF THE SENATE REGARDING TAX RELIEF FOR HIGHER EDUCATION EXPENSES.

(a) FINDINGS.—The Senate finds that—
(1) a college education is increasingly becoming vital to an individual in our competitive, high-tech economy;
(2) nearly 60 percent of today's jobs require some college education;
(3) over the past 10 years, the cost of attending college has outpaced increases in median family income and has risen substantially faster than the rate of inflation;
(4) the average cost this year, including tuition, fees, room, and board, for attending a public 4-year college is $8,470, and for a private 4-year college is $22,141;
(5) the cost of attending some of the best private colleges or universities in the Nation represents approximately 40 percent of the annual income of an average family, and the cost of attending some of the best public colleges or universities represents approximately 15 percent of the annual income of an average family;
(6) in 1997, Congress adopted the Hope Scholarship, a tax credit of up to $1,500 for each of the first 2 years of college, to help families send their children to college; and
(7) in 1997, Congress adopted the Lifetime Learning Credit that permits a 20 percent tax credit on up to $5,000 worth of higher education expenses. All higher education expenses eligible for the 20 percent tax credit will rise to $10,000 in 2003.
(b) SENSE OF CONGRESS.—It is the sense of the Senate that—
(1) the Secretary of Education should work with the Secretary of Veterans Affairs, the Veterans Day National Committee, and the veterans service organizations to encourage, prepare, and disseminate educational materials and activities for elementary and secondary school students aimed at increasing awareness of the contributions of veterans to our prosperity and freedoms enjoyed by United States citizens;
(2) the week in 2001 that includes Veterans Day be designated as “National Veterans Awareness Week” for the purpose of presenting such materials and activities; and
(3) the President should issue a proclamation calling on the people of the United States to observe that week with appropriate educational activities.

SA 483. MR. RINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 380, strike line 5 and all that follows through page 383, line 21, and insert the following:

SEC. 202. TEACHER MOBILITY.
(a) SHORT TITLE.—This section may be cited as the “Teacher Mobility Act.”
(b) MOBILITY OF TEACHERS.—Title II of the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

PART D—TEACHER MOBILITY

SEC. 2401. NATIONAL PANEL ON TEACHER MOBILITY.

“(a) ESTABLISHMENT.—There is established a panel to be known as the National Panel on Teacher Mobility (referred to in this section as the ‘panel’).
(b) MEMBERSHIP.—The panel shall be composed of members appointed by the Secretary. The Secretary shall appoint the panel from among experts with experience relating to teacher mobility, such as teachers, members of...
M. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 16, line 4, insert "servers and storage devices," before "video."

On page 16, line 5, insert "and other digital data and conducting effective analysis on—"

On page 16, line 7, strike "environments for problem-solving" and insert "learning environments,"

On page 37, line 14, insert "and technology literacy after "skills."

On page 52, line 21, insert "including how it will use technology to assist local educational agencies in the use of technology to meet these requirements after "school."

On page 56, line 3, strike "and."

On page 56, line 6, strike the period and insert "and."

On page 56, between lines 6 and 7, insert the following:

"(ix) The State will integrate, as appropriate, the use of technology to meet the purposes of this part, including assistance to local educational agencies in the use of technology to improve the ability to integrate technology into curricula and instruction."

On page 72, line 3, strike the period and the end quote and insert "and after the semi colon.

On page 72, between lines 3 and 4, insert the following:

"(ii) a description of how the local educational agency will integrate, as appropriate, the use of technology to meet the purposes of this part, such as for professional development, curricula and instruction delivery, data collection and assessment, and parental involvement.

On page 88, line 22, strike "and."

On page 88, line 24, strike the period and insert "and."

On page 88, after line 24, insert the following:

"(ix) describe how the school will use and integrate technology, as appropriate, to address the elements of this paragraph."

On page 316, insert "and technology;" after "materials."

On page 317, between lines 20 and 21, insert the following:

"(ii) a description of how the State educational agency will—"

"(A) ensure that all teachers are technology literate and proficient in their ability to effectively integrate technology into their instruction and curriculum; and

"(B) use and encourage the use of technology and distance education to provide professional development and improve the quality of the State's teaching force.

On page 317, line 18, insert "including through a grant or contract with a for-profit or nonprofit entity" after "activities."

On page 319, line 18, insert "including technology literacy," after "skills."

On page 326, line 7, strike "and."

On page 326, between lines 7 and 8, insert the following:

"(D) effective integration of technology into curricula and instruction to enhance the learning environment for students to student academic achievement, performance, technology literacy, and related 21st century skills; and

"(E) ability to collect, manage, and analyze data, including through use of technology, to inform teaching, decision making, and school improvement efforts and to increase accountability."

On page 327, line 11, insert "other for profit or nonprofit entities, and through distance education after "education."

On page 340, line 6, insert "and."

On page 344, line 10, strike the period and insert "and."

On page 344, between lines 10 and 11, insert the following:

"(G) improve and expand training of math and science teachers, including in the effective integration of technology into curricula and instruction.

On page 348, line 8, strike "and."

On page 348, line 15, strike the period and insert "and."

On page 348, between lines 15 and 16, insert the following:

"(H) a description of how the activities to be carried out by the eligible partnership will both enable teachers to more effectively integrate technology into the curricula and instruction and, as appropriate, use technology to provide distance training and facilitate peer networks.

On page 349, line 10, insert "and technology-based teaching methods after "methods."

On page 349, line 19, strike "experiment oriented" and insert "and technology based for students to student academic achievement, performance, technology literacy, and related 21st century skills; and

On page 356, line 21, strike the period and insert "and, and to improve the ability of institutions of higher education to carry out such programs."

On page 358, line 17, insert "both" after "would."

On page 358, line 24, strike the semi colon and insert "and to improve the ability of at least 1 participating institution of higher education as described in section 2323(a)(1) to ensure such preparation."

Beginning on page 360, strike line 23 through line 7, page 361, and insert the following:

"(A) learn the full range of resources that can be accessed through the use of technology;

"(B) integrate a variety of technologies into the curricula and instruction in order to expand students' knowledge.

"(C) evaluate educational technologies and their potential for use in instruction;

"(D) help students develop their technical skills and ability to be self-directed learners in digital learning environments;

"(E) integrate technology to enhance the degree to which curricula and instruction are engaging, individualized and self-paced, include real-time and real-world content and exploration, promote student collaboration and communication, enable students to become self-directed and life-long learners; and
“(F) use technology to collect, manage, and analyze data to inform their teaching and decision-making;”.

On page 361, strike lines 22 through 24 and insert the following:

“(6) subject to section 2323(c)(2), acquiring technology equipment, networking capabilities, information, technology, and digital curriculum to carry out the project.”

On page 365, line 10, insert “and teacher training in technology under section 3122” before “prior”.

On page 367, line 24, strike the period and insert “and” and insert the following:

“(2) enables the school to improve the capacity of teachers to effectively integrate technology into the curriculum and instruction;”.

On page 369, strike line 3 through line 22, and insert the following:

“(1) outlines long-term strategies for improving student performance, academic achievement, and technology literacy, and related 21st century skills through the effective use of technology in classrooms throughout the State, including through improving the capacity of teachers to effectively integrate technology into the curriculum and instruction;”.

“(2) outlines long-term strategies for financing technology education in the State to ensure all students, teachers, and classroom practitioners have access to technology; describes how the State will ensure the funding provided under this part will be used to help ensure that all students, teachers, and classrooms have access to technology; and describes how the school districts and other educational agencies, including libraries, library literacy programs, and institutions of higher education, can participate in the implementation, ongoing planning, and support of the plan.”

“(3) provides assurance that financial assistance provided under this part shall supplement, not supplant, State and local funds;”.

“(4) describes how the State will encourage and support the integration of innovation in technology to enhance the degree to which curricula and instruction are engaging, individualized and self-paced, include real-time and real-world content and exploration, promote student collaboration and problem solving, enables students to become self-directed, life-long learners, and therefore improve student academic achievement, technology literacy, and related 21st century skills; and supports development of the plan;”.

“(5) meets such other criteria as the Secretary may establish in order to enable such agency to provide assistance to local educational agencies that have the highest number of students who need technology and demonstrate the greatest need for technology, in order to enable such local educational agencies, for the benefit of school sites served by such local educational agencies, to improve student academic achievement and student performance.”

On page 370, strike line 5 through line 3, page 371, and insert the following:

“(1) acquiring, adapting, implementing, and maintaining existing and new applications of technology, to support the school reform effort, improve student academic achievement, performance, and technology literacy and related 21st century skills;”.

“(2) providing ongoing professional development in the integration of quality educational technologies into school curriculum to enable educators to enhance the degree to which curricula and instruction are engaging, individualized and self-paced, including real-time and real-world content and exploration, enhance student collaboration and problem solving, enable students to become self-directed life-long learners, and therefore improve student academic achievement, technology literacy, and related 21st century skills;”.

“(3) including connectivity linkages, resources, and services, such as hardware, software, and digital curriculum, for use by teachers, students, and school library media personnel in the classroom or in school library media centers;”.

“(4) acquiring connectivity with wide area networks for purposes of accessing information, educational programming sources and professional development, particularly with institutions of higher education and public libraries;”.

“(5) providing educational services for adults and families;”.

“(6) repairing and maintaining school technology equipment;”.

“(7) using technology to promote parent and family involvement and support communications between parents, teachers, and students.”

“(b) SPECIAL RULE.—A local educational agency receiving a grant under this part shall use at least 80 percent of allocated funds to provide, either directly or through a grant or contract with a for-profit or non-profit educational provider for high-quality professional development to enable teachers and administrators to more effectively integrate technology into curricula and instruction to enhance learning environments, including training in the use of technology to—

“(1) access data and resources to develop curricula and instructional materials and integrate such data and resources into the curriculum and instruction;”.

“(2) enable teachers to use the Internet to communicate with educational and other community agencies, including the library, to enhance learning environments, including training in the use of technology to—

“(1) access data and resources to develop curricula and instructional materials and integrate such data and resources into the curriculum and instruction;”.

“(2) enable teachers to use the Internet to communicate with educational and other community agencies, including the library, to enhance learning environments, including training in the use of technology to—

“(3) provides assurance that financial assistance provided under this part shall supplement, not supplant, State and local funds;”.

“(4) describes how the State will encourage and support the integration of innovation in technology to enhance the degree to which curricula and instruction are engaging, individualized and self-paced, include real-time and real-world content and exploration, promote student collaboration and problem solving, enables students to become self-directed, life-long learners, and therefore improve student academic achievement, technology literacy, and related 21st century skills; and supports development of the plan;”.

“(5) meets such other criteria as the Secretary may establish in order to enable such agency to provide assistance to local educational agencies that have the highest number of students who need technology and demonstrate the greatest need for technology, in order to enable such local educational agencies, for the benefit of school sites served by such local educational agencies, to improve student academic achievement and student performance.”

On page 375, line 13, strike “in all of the areas”. On page 375, line 13, strike “in all of the areas”. On page 375, line 13, strike “in all of the areas”.

“SA 485. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 349, line 18, strike the quote and period.

On page 349, between lines 18 and 19, insert the following:

“SEC. 3311. NATIONAL TECHNOLOGY INITIATIVES. In GENERAL.—The Secretary shall establish a program to identify and disseminate the practices under which technology is
effectively integrated into education to enhance teaching and learning and to improve student achievement, performance and technology literacy.

(1) USE OF FUNDS.—In carrying out the program established under subsection (a), the Secretary shall—

"(1) organize activities to identify and disseminate findings regarding the conditions and practices under which educational technology is effective in increasing student academic achievement and technology literacy; and

"(2) organize activities to identify and disseminate findings regarding the conditions and practices that increase the ability of teachers to effectively integrate technology into the curricula and instruction, enhance the learning environment and opportunities, and increase student performance, technology literacy, and related 21st century skills;

"(3) conduct, through the Office of Educational Research and Improvement, in consultation with the Office of Educational Technology, an independent, longitudinal study using control groups on the effectiveness of the uses of educational technology;

"(4) award grants or contracts, pursuant to a peer review process, to fund the independent evaluations of programs that are comprehensive, of in-kind contributions fairly valued.

"(6) make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, in order to assist such States, local educational agencies, and other grantees under this section (directly or through the competitive award of grants or contracts) in order to assist such States, local educational agencies, and other grantees to achieve the purposes of this section.

"(2) IN GENERAL.—The Secretary may require any recipient of a grant or contract under this subsection to share in the cost of the activities assisted under such grant or contract, which may be in the form of cash or in-kind contributions fairly valued, in accordance with such conditions and practices as the Secretary may require, including—

"(A) a detailed plan to make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, the findings identified through the project; and

"(B) a detailed plan to make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, the findings identified through the project.

"(3) MAXIMUM.—The non-Federal share required under this subsection may not exceed 50 percent of the cost of the activities assisted under a grant or contract under this section.

"(4) NOTICE.—The Secretary shall publish in the Federal Register the non-Federal share required under this section.

"(5) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section $100,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(2) LIMITATION.—Not more than 5 percent of the funds made available to a recipient under this section for any fiscal year may be used by such recipient for administrative costs.

SEC. 4501. SMALLER LEARNING COMMUNITIES.

"(a) IN GENERAL.—Each local educational agency desiring a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

"(A) a description of the project and how it would achieve the purposes of this subsection;

"(B) a detailed plan for the independent evaluation of the project to determine the impact on the academic achievement of students served under such project, including as appropriate those conditions and practices that increase the ability of teachers to effectively integrate technology into the curricula and instruction, that enhance the learning environment and opportunities, and that increase student performance, technology literacy, and related 21st century skills;

"(C) a detailed plan to make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, the findings identified through the project; and

"(D) a detailed plan to make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, the findings identified through the project.

"(b) USE OF FUNDS.—In carrying out the program established under subsection (a), the Secretary shall—

"(1) organize activities to identify and disseminate findings regarding the conditions and practices that increase the ability of teachers to effectively integrate technology into the curricula and instruction, enhance the learning environment and opportunities, and increase student performance, technology literacy, and related 21st century skills;

"(2) organize activities to identify and disseminate findings regarding the conditions and practices that increase the ability of teachers to effectively integrate technology into the curricula and instruction, enhance the learning environment and opportunities, and increase student performance, technology literacy, and related 21st century skills;

"(3) conduct, through the Office of Educational Research and Improvement, in consultation with the Office of Educational Technology, an independent, longitudinal study using control groups on the effectiveness of the uses of educational technology;

"(4) award grants or contracts, pursuant to a peer review process, to fund the independent evaluations of programs that are comprehensive, of in-kind contributions fairly valued.

"(6) make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, in order to assist such States, local educational agencies, and other grantees under this section (directly or through the competitive award of grants or contracts) in order to assist such States, local educational agencies, and other grantees to achieve the purposes of this section.

"(2) IN GENERAL.—The Secretary may require any recipient of a grant or contract under this subsection to share in the cost of the activities assisted under such grant or contract, which may be in the form of cash or in-kind contributions fairly valued, in accordance with such conditions and practices as the Secretary may require, including—

"(A) a detailed plan to make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, the findings identified through the project; and

"(B) a detailed plan to make widely available, including through dissemination on the Internet or through the competitive award of grants or contracts, the findings identified through the project.

"(3) MAXIMUM.—The non-Federal share required under this subsection may not exceed 50 percent of the cost of the activities assisted under a grant or contract under this section.

"(4) NOTICE.—The Secretary shall publish in the Federal Register the non-Federal share required under this section.

"(5) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section $100,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(2) LIMITATION.—Not more than 5 percent of the funds made available to a recipient under this section for any fiscal year may be used by such recipient for administrative costs.

SA 486. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 586, between lines 18 and 19, insert the following:

"(PART E—SMALLER LEARNING COMMUNITIES.

SEC. 405. SMALLER LEARNING COMMUNITIES.

"Title IV (20 U.S.C. 7101 et seq.) is further amended by adding at the end the following:

"(12) to research, develop and implement strategies for creating the smaller learning community or communities, as well as effective and innovative organizational and instructional strategies that will be used in the smaller learning community or communities;

"(13) the method of placing students in the smaller learning community or communities, such that students are not placed according to ability, performance or any other measure, so that students are placed at random or by their own choice, not pursuant to teacher or other judgments of the smaller learning community or communities; and

"(14) to study the feasibility of creating the smaller learning community or communities as well as effective and innovative organizational and instructional strategies that will be used in the smaller learning community or communities; and

"(2) to research, develop and implement strategies for creating the smaller learning community or communities, as well as effective and innovative organizational and instructional strategies that will be used in the smaller learning community or communities; and

"(3) the extent of involvement of teachers and other school personnel in investigating, designing, implementing and sustaining the smaller learning community or communities; and

"(4) to develop and implement strategies to include parents, business representatives, local institutions of higher education, community-based organizations, businesses, and others to develop or implement a plan to create the smaller learning community or communities;

"(5) the training and professional development activities that will be offered to teachers and others involved in the activities assisted under this part;"
that enable teachers to participate in professional development activities, as well as to provide links between students and their community.

Authorization of Appropriations.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal year 2002 and for each of the next succeeding fiscal years.

SA 487. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 2. SENSE OF THE SENATE ON THE PERCENTAGE OF FEDERAL EDUCATION FUNDS THAT IS SPENT IN THE CLASSROOM.

(a) FINDINGS.—The Senate makes the following findings:

(1) Effective and meaningful teaching begins by helping children master basic academics, holding children to high academic standards, using sound research based methods of instruction in the classroom, engaging and involving parents, establishing and maintaining safe and orderly classrooms, and getting children to school.

(2) America’s children deserve an educational system that provides them with numerous opportunities to excel.

(3) States and localities spend a significant amount of education tax dollars on bureaucratic red tape by applying for and administering Federal education dollars.

(4) Several States have reported that although they receive less than 10 percent of their education funding from the Federal Government, more than 50 percent of their education dollars and administration efforts are associated with those Federal funds.

(5) According to the Department of Education, in 1998, 84 percent of the funds allocated by the Department for elementary and secondary education were allocated to local educational agencies and used for instruction and support.

(6) The remainder of the funds allocated by the Department for elementary and secondary education in 1998 was allocated to State and local educational programs, and other service providers.

(7) The total spent by the Department of Education for elementary and secondary education into accounts from which States spend to receive Federal funds and comply with Federal requirements for elementary and secondary education, nor does it reflect the percentage of Federal funds allocated to school districts that is spent on students in the classroom.

(8) American students are not performing up to their academic potential, despite significant Federal education initiatives and funding from a variety of Federal agencies.

(9) According to the Digest of Education Statistics, in 1998, 54 percent of $279,965,657,000 spent on elementary and secondary education during the 1995-96 school year was spent on “instruction”.

(10) According to the National Center for Education Statistics, only 52 percent of staff employed in public elementary and secondary school systems in 1998 were teachers, and, according to the General Accounting Office, Federal education dollars funded 13,397 full-time equivalent positions in State educational agencies in fiscal year 1995.

(11) As of 1998, the paperwork and data reporting requirements of the Department of Education amounted to 40,000,000 so-called “burden hours”, which is equivalent to nearly 20,000 people working 40 hours a week for one full year, time and energy which would be better spent teaching children in the classroom.

(12) Too large a percentage of Federal education funds is spent on bureaucracy, special interests, and ineffective programs, and too little is effectively and efficiently spent on our America’s youth.

(13) Requiring an allocation of 95 percent of all Federal elementary and secondary education funds to classrooms would provide substantial additional funding per classroom across the United States.

(14) More education funding should be put in the hands of classroom teachers who knows the children personally and frequently interacts with the children.

(15) Burdensome regulations, requirements, and mandates should be refined, consolidated or removed so that school districts can devote more resources to educating children in classrooms.

(b) SPEAKS OF THE SENATE.—It is the sense of the Senate to urge the Department of Education, the States, and local educational agencies to work together to ensure that not more than 5 percent of all Federal education funds are spent on carrying out elementary and secondary education programs administered by the Department be spent to improve the academic achievement of our children in their classrooms.

SA 488. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

SEC. 3. STUDY AND RECOMMENDATION WITH RESPECT TO SEXUAL ABUSE IN SCHOOLS.

(a) FINDINGS.—Congress finds that—

(1) sexual abuse in schools between a student and a member of the school staff or a student and another student is a cause for concern in the school community;

(2) relatively few studies have been conducted on sexual abuse in schools and the extent of this problem remains unknown;

(3) according to the Child Abuse and Neglect Reporting Act, a school administrator is required to report any allegation of sexual abuse to the authorities;

(4) an individual who is falsely accused of sexual misconduct with a student deserves appropriate legal and professional protections;

(5) it is estimated that many cases of sexual abuse in schools are not reported; and

(6) many of the accused staff quietly resign at their present school district and are then rehired at a new district which has no knowledge of their alleged abuse.

(b) STUDY AND RECOMMENDATIONS.—The Secretary of Education in conjunction with the Attorney General shall conduct a comprehensive study of the prevalence of sexual abuse in schools. Not later than May 1, 2002, the Secretary and the Attorney General shall prepare and submit to the appropriate committees of Congress and to State and local governments, a report concerning the issues described under this subsection, including recommendations and legislative remedies for the problem of sexual abuse in schools.

SA 489. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 4. SENSE OF THE SENATE REGARDING AFFORDABLE HOUSING.

(a) FINDINGS.—The Senate finds that—

(1) according to the National Low-Income Housing Coalition, there is no county, metro area or state in the country where a full-time minimum wage worker can afford the fair market rent for a 1-, 2- or 3-bedroom home;

(2) the national median housing wage is $12.47 an hour, more than twice the Federal minimum wage of $5.15 per hour;

(3) 4,900,000 unassisted renter households in 1999 had worst-case housing needs, paying more than half of their income for housing, or living in severely substandard housing;

(4) an additional 5,000,000 assisted renter households may also live in substandard housing;

(5) more than 1,000,000 people are homeless in the United States;

(6) of the 34,000,000 renter households in the United States, 7,700,000 have extremely low incomes (defined as 30 percent of the area median income or less);

(7) besides low-wage workers, the populations of extremely low-income rental households includes elderly and disabled people whose only income is from Supplemental Security Income or other fixed income sources; in the aggregate, there are only 4,900,000 units of rental housing that are affordable to these households, thus an absolute shortage of 2,800,000 units;

(8) only 2,300,000 of the available 4,900,000 affordable rental units are actually occupied by extremely low-income households;

(9) overall, there is a shortage of 5,300,000 units of affordable housing for the poorest renter households; and

(10) the lack of stable housing affects the ability of children to succeed in school, and children who are homeless struggle in school, as evidenced by the facts that—

(i) 45 percent of children who are homeless do not attend school on a regular basis while they are homeless; and

(ii) compared with other children, children who are homeless are 4 times as likely to have learning disabilities, and twice as likely to have learning disabilities, and twice as likely to repeat a grade, much often due to frequent absences and moves to new schools.

(b) SPEAKS OF THE SENATE.—It is the sense of the Senate that—

(1) many communities across the United States, urban and rural, large and small, are experiencing a severe affordable housing crisis;

(2) safe, stable, affordable housing is critical to the well-being of families and children;

(3) safe, stable, affordable housing is critical to the ability of children to succeed in school; and

(4) this Congress should consider legislation that would begin to address the current affordable housing crisis, including legislation to promote the production of new affordable housing units and legislation to preserve existing affordable housing units.

SA 490. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:
SEC. 49. REDUCTION OF CHILD POVERTY.

(a) Report to Congress Regarding Extent and Severity of Child Poverty.—

(1) IN GENERAL.—Not later than January 1, 2002, the Secretary, subject to appropriation, shall report to Congress on the extent and severity of child poverty in the United States, and shall include in such report—

(A) the percentage of children in the United States living in poverty in the United States;

(B) the average difference per poor child in the United States in child’s family income and the poverty line;

(C) the determination of income—

(i) for a fiscal year, based on information required under paragraphs (1) and (2) of section 673(a) of the Internal Revenue Code, and the refundable portion of any tax credits received for that year;

(ii) the average difference per poor child in the United States in child’s family income and the poverty line.

(2) Authorization of Appropriations.—There are authorized to be appropriated for fiscal year 2002 and each fiscal year thereafter, $200,000,000 to make the grants required under this paragraph.

(b) Consultation Required.—The Secretary shall consult with appropriate experts in the field of child poverty in preparing the report and, if applicable, the legislative proposal required under this subsection.

(c) Report to Congress Regarding Extension of Benefits.—Not later than 90 days after the establishment of the reduction of benefits, the Secretary shall submit to Congress a report on the extent of those reduction of benefits that led to such increase.

(d) Benefits received under the Food Stamp Act of 1977.

(1) Federal, State, or local income taxes paid by the family (the United States has increased to any extent, the Secretary, subject to paragraph (3), shall report to Congress under paragraph (1) a legislative proposal addressing the factors that led to such increase.

(e) Consultation Required.—The Secretary shall consult with appropriate experts in the field of child poverty in preparing the report and, if applicable, the legislative proposal, required under this subsection.

(f) Report to Congress Regarding Extension of Benefits.—Not later than 90 days after the establishment of the reduction of benefits, the Secretary shall submit to Congress a report on the extent of those reduction of benefits that led to such increase.

SEC. 49A. STUDY OF GAMBLING ON COLLEGE AND UNIVERSITY ATHLETIC COMPETITION.

(a) Interstate Transmission of Bets or Information Assisting in Placing Bets on Sporting Events.—Section 1084(a) of title 18, United States Code, is amended by striking "two" and inserting "five".

(b) Interstate Transportation of Wagering Paraphernalia.—Section 1955(a) of title 18, United States Code, is amended by adding at the end the following:

"(C) If the offense violated paragraph (1) or (3) of subsection (a) and the illegal activity was carried on by any Federal or State government or any political subdivision, the maximum term of imprisonment for the offense shall be 10 years."
SA 494. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . NATIONAL MINIMUM GAMBLING AGE.

Notwithstanding any other provision of law it shall be unlawful for a governmental entity to authorize by law or compact that a person under the age of 21 years may place a wager or otherwise engage in organized gambling or a similar activity in violation of this subsection may be commenced in an appropriate district court of the United States by Attorney General of the United States.

SA 495. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . INCREASED PENALTIES FOR ILLEGAL GAMBLING.

(a) INTERSTATE TRANSMISSION OF BETS OR INFORMATION ASSISTING IN PLACING BETS ON SPORTING EVENTS.—Section 1084(a) of title 18, United States Code, is amended by striking “two” and inserting “5”.

(b) INTERSTATE TRANSPORTATION OF WAGERING PARAPHERNALIA.—Section 1955(a) of title 18, United States Code, is amended by adding at the end the following: “If the matter carried or sent from one State to another was intended by the defendant to be used to assist in the placing of bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years.”

(c) ILLEGAL GAMBLING BUSINESS.—Section 1084(a) of title 18, United States Code, is amended by adding at the end the following: “If the matter carried or sent from one State to another was intended by the defendant to be used to assist in the placing of bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years.”

(d) SPORTS BRIbery.—Section 224(a) of title 18, United States Code, is amended by adding at the end the following: “If the matter carried or sent from one State to another was intended by the defendant to be used to assist in the placing of bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years.”

SA 497. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . STUDY OF GAMBLING ON COLLEGE AND UNIVERSITY CAMPUSES.

(a) ESTABLISHMENT OF PANEL.—Not later than 90 days after the date of enactment of this Act, the Attorney General shall establish a panel, which shall be composed of Federal, State, and local government law enforcement officials, to conduct a study of illegal sports gambling, and related illegal activities; and

(b) CONTENTS OF STUDY.—The study conducted by the panel established under subsection (a) shall include an analysis of—

(1) the prevalence of illegal gambling on college sports;

(2) the role of organized crime in illegal gambling on college sports;

(3) the role of State regulators and the legal sports books in Nevada in assisting law enforcement to uncover illegal sports gambling and related illegal activities;

(4) the enforcement and implementation of the Professional and Amateur Sports Protection Act of 1992, including whether it has been adequately enforced;

(5) the effectiveness of steps taken by institutions of higher education to date, whether individually or through national organizations, to reduce the problem of illegal gambling on college campuses;

(6) the factors that influence the attitudes or levels of awareness of administrators, professors, and students, including student athletes, about illegal gambling on college sports;

(7) the effectiveness of new countermeasures to reduce illegal gambling on college sports, including legal sports books and requirements for institutions of higher education and persons receiving Federal education funds;

(8) potential actions that could be taken by the National Collegiate Athletic Association to address illegal gambling on college and university campuses; and

(9) other matters relevant to the issue of illegal gambling on college sports as determined by the Attorney General.

SA 498. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . STUDY OF GAMBLING ON COLLEGE AND UNIVERSITY CAMPUSES.

(a) ESTABLISHMENT OF PANEL.—Not later than 90 days after the date of enactment of this Act, the Attorney General shall establish a panel, which shall be composed of Federal, State, and local government law enforcement officials, to conduct a study of illegal sports gambling, and related illegal activities; and

(b) CONTENTS OF STUDY.—The study conducted by the panel established under subsection (a) shall include an analysis of—

(1) the scope and prevalence of illegal college sports gambling, including unlawful sports gambling (as defined in section 3702 of title 28, United States Code);

(2) the role of organized crime in illegal gambling on college sports;

(3) the role of State regulators and the legal sports books in Nevada in assisting law enforcement to uncover illegal sports gambling and related illegal activities;

(4) the enforcement and implementation of the Professional and Amateur Sports Protection Act of 1992, including whether it has been adequately enforced;

(5) the effectiveness of steps taken by institutions of higher education to date, whether individually or through national organizations, to reduce the problem of illegal gambling on college campuses;

(6) the factors that influence the attitudes or levels of awareness of administrators, professors, and students, including student athletes, about illegal gambling on college sports;

(7) the effectiveness of new countermeasures to reduce illegal gambling on college sports, including legal sports books and requirements for institutions of higher education and persons receiving Federal education funds;

(8) potential actions that could be taken by the National Collegiate Athletic Association to address illegal gambling on college and university campuses; and

(9) other matters relevant to the issue of illegal gambling on college sports as determined by the Attorney General.
(c) REPORT TO CONGRESS.—Not later than 12 months after the establishment of the panel under this section, the Attorney General shall submit to Congress a report on the study conducted under this section, which shall include—

(1) recommendations for actions colleges, universities, and the National Collegiate Athletic Association should take to address the issue of illegal gambling on college sports;

(2) recommendations for intensive educational campaigns which the National Collegiate Athletic Association could implement to assist in the effort to prevent illegal gambling on college sports; and

(3) recommendations for any Federal and State legislative actions to address the issue of illegal gambling on college sports; and

(4) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.

SA 499. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. 5. NATIONAL MINIMUM GAMBLING AGE.

Notwithstanding any other provision of law it shall be unlawful for a governmental entity to authorize by law or compact that a person under the age of 21 years may place a wager or engage in organized gambling activity. A civil action to enjoin a violation of this subsection may be commenced in an appropriate district court of the United States by the Attorney General of the United States.

SA 500. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. 6. NATIONAL MINIMUM GAMBLING AGE.

Notwithstanding any other provision of law it shall be unlawful for a governmental entity to authorize by law or compact that a person under the age of 21 years may place a wager or otherwise engage in organized gambling activity. A civil action to enjoin a violation of this subsection may be commenced in an appropriate district court of the United States by Attorney General of the United States.

SA 501. Mr. KYL submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 883, after line 14, add the following:

SEC. 7. BLOCK GRANT OPTIONS.

(a) STATE OPTIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, each State shall notify the Secretary regarding the State’s election to receive the State’s portion of the applicable funding described in paragraph (2) according to one of the following options:

(A) STATE BLOCK GRANT OPTION.—The State may receive the funding pursuant to a State allotment described in subsection (b)(1)(A).

(B) LOCAL BLOCK GRANT OPTION.—The State may direct the Secretary to send the funding directly to local educational agencies in the State pursuant to a local allotment described in paragraph (2).

(C) FEDERAL STATUTE OPTION.—The State may receive the funding according to the provisions of law described in paragraph (2).

(2) APPLICABLE FUNDING.—In this subsection, the term “applicable funding” means all funds that are appropriated for the Department of Education for fiscal year 2002 and any succeeding fiscal years for programs or activities under the following provisions of law:

(A) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) (as amended by this Act), other than titles VII and VIII of that Act.

(B) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2901 et seq.).


(D) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(E) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(F) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(G) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(H) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(I) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(J) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(K) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(L) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(M) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(N) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(O) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(P) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(Q) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(R) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(S) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(T) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(U) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(V) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(W) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(X) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(Y) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(Z) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(1) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(2) USES.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.

(3) AMENDMENTS.—In States selecting the State block grant option or the local block grant option, the amount allotted on behalf of each student shall be adjusted in accordance with subparagraph (E).

(4) RECIPIENTS.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be available to the public school or charter school, respectively; and

(ii) in the case of a private school student, shall be made available to the parent or legal guardian of the student.
under this section that has developed or established challenging content or student performance standards shall include in the report submitted under subparagraph (A) information on student achievement with respect to the standards.

(e) Definitions.—In this section:

(1) Local educational agency.—The term ‘local educational agency’ includes each of the following:

(A) the public schools of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Palauan Republic.

(B) each county in which a school served is located that has a total population density of less than 10 persons per square mile.

(2) Public school.—The term ‘public school’ means a school funded by the Bureau of Indian Affairs, the Bureau of Indian Education, or the United States Department of Education.

(B) CONTENTS.—A declaration of purpose for education for a community shall—

(i) represent the aspirations of the community for the kinds of people the community would like the community’s children to become; and

(ii) contain an expression of the community’s desires that all students in the community shall—

(I) become accomplished in things and ways important to the students and the community; and

(II) shape worthwhile and satisfying lives for themselves.

SA 505. Mr. CAMPBELL submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

SEC. 35. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) Allowance of Credit.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the individual during such taxable year.

(b) Maximum Credit.—The credit allowed by subsection (a) for any taxable year shall not exceed the greater of—

(I) $1000 per qualifying student, or

(II) $36.

(c) Qualifying Student.—For purposes of this section, the term ‘qualifying student’ means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

(d) Qualified Elementary and Secondary Education Expenses.—For purposes of this section—

(1) in general.—The term ‘qualified elementary and secondary education expense’ means tutoring and computer technology or equipment expenses.

(2) Computer Technology or Equipment.—The term ‘computer technology or equipment’ has the meaning given such term by section 170Cook(6)(E)(i) and includes Internet access and related services.

(e) School.—For purposes of this section, the term ‘school’ means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

(f) Denial of Double Benefit.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

(g) Election To Have Credit Not Apply.—A taxpayer may elect to have this section not apply for any taxable year.

(h) Conforming Amendments.—

(1) Section 36 of title III, United States Code, is amended by striking ‘or’ before ‘enacted’ and by inserting before the period at the end ‘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 the Internal Revenue Code of 1986 is amended by striking the item relating to section 35 and inserting the following new items:

‘‘Sec. 35. Credit for elementary and secondary school expenses.

‘‘Sec. 36. Overpayment of tax.’’

(i) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SA 503. Mr. BENNETT (for himself, Ms. COLLINS, and Mr. CONRAD) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

SEC. 35. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) Allowance of Credit.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the individual during such taxable year.

(b) Maximum Credit.—The credit allowed by subsection (a) for any taxable year shall not exceed the greater of—

(I) $1000 per qualifying student, or

(II) $36.

(c) Qualifying Student.—For purposes of this section, the term ‘qualifying student’ means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

(d) Qualified Elementary and Secondary Education Expenses.—For purposes of this section—

(1) in general.—The term ‘qualified elementary and secondary education expense’ means tutoring and computer technology or equipment expenses.

(2) Computer Technology or Equipment.—The term ‘computer technology or equipment’ has the meaning given such term by section 170Cook(6)(E)(i) and includes Internet access and related services.

(e) School.—For purposes of this section, the term ‘school’ means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

(f) Denial of Double Benefit.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

(g) Election To Have Credit Not Apply.—A taxpayer may elect to have this section not apply for any taxable year.

(h) Conforming Amendments.—

(1) Section 36 of title III, United States Code, is amended by striking ‘or’ before ‘enacted’ and by inserting before the period at the end ‘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 the Internal Revenue Code of 1986 is amended by striking the item relating to section 35 and inserting the following new items:

‘‘Sec. 35. Credit for elementary and secondary school expenses.

‘‘Sec. 36. Overpayment of tax.’’

(i) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SA 502. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

SEC. 1. THE EDUCATION OPPORTUNITY TAX RE¬LIEF; SHORT TITLE.

This Act may be cited as the “Education Opportunity Tax Credit Act.”

SEC. 2. REFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(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 35K and by inserting after section 34 the following new section:

‘‘SEC. 35K. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

‘‘(1) In general.—The term ‘credit’ means—

(A) the credit allowed by subsection (a) for any taxable year; or

(B) each such category of persons and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 469, line 4, strike ‘‘(1)’’ and insert ‘‘(1)(A)’’.

On page 469, line 6, strike ‘‘and’’ and insert ‘‘or’’.

On page 468, between lines 6 and 7, insert the following:

‘‘(B) each county in which a school served by the local educational agency is located has a total population density of less than 10 persons per square mile; and’’.

On page 561, line 3, strike ‘‘(1)’’ and insert ‘‘(1)(A)’’.

On page 561, line 5, strike ‘‘and’’ and insert ‘‘or’’.

On page 561, between lines 5 and 6, insert the following:

‘‘(B) each county in which a school served by the local educational agency is located has a total population density of less than 10 persons per square mile; and’’.

SA 504. Mr. BENNETT submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 145, line 6, strike ‘‘32’’ and insert ‘‘36’’.

SA 505. Mr. CAMPBELL submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

SEC. 1. THE EDUCATION OPPORTUNITY TAX RELIEF; SHORT TITLE.

This Act may be cited as the ‘‘Native American Education Improvement Act of 2001’’.

Subtitle A—Amendments to the Education Amendments of 1978

SEC. 101. AMENDMENTS TO THE EDUCATION AMENDMENTS OF 1978

Part B of title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.) is amended to read as follows:

‘‘PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

‘‘SEC. 1120. FINDING AND POLICY.

‘‘(a) FINDING.—Congress finds and recognizes that—

(1) the Federal Government’s unique and continuing trust relationship with and responsibility to the Indian people includes the education of Indian children; and

(2) the Federal Government has the responsibility for the operation and financial support of the Bureau of Indian Affairs funded school system that the Federal Government has established on or near reservations and Indian trust lands throughout the Nation for Indian children.

(2) POLICY.—It is the policy of the United States to work in full cooperation with tribes toward the goal of assuring that the programs of the Bureau of Indian Affairs funded school system that the Federal Government has established on or near reservations and Indian trust lands throughout the Nation for Indian children, including meeting the unique educational and cultural needs of these children.

SEC. 1121. ACCREDITATION FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS

(a) PURPOSE; DECLARATIONS OF PURPOSE.—

(1) PURPOSE.—The purpose of the accreditation required under this section shall be to ensure that Indian students being served by a school funded by the Bureau of Indian Affairs are provided with educational opportunities that equal or exceed those for all other students in the United States.

(2) DECLARATIONS OF PURPOSE.—

(A) In General.—Local school boards for schools operated by the Bureau of Indian Affairs, in cooperation with the appropriate tribal governing bodies and their communities, are encouraged to adopt declarations of purpose for education for their communities, taking into account the implications of such declarations on education in their communities and for their schools. In adopting such declarations of purpose, the school boards shall consider the effect the declarations may have on the motivation of students and faculties.

(B) CONTENTS.—A declaration of purpose for a community shall—

(i) represent the aspirations of the community for the kinds of people the community would like the community’s children to become; and

(ii) contain an expression of the community’s desires that all students in the community shall—

(I) become accomplished in things and ways important to the students and the community; and

(II) shape worthwhile and satisfying lives for themselves.

(iii) exemplify the best values of the community and humankind; and
“(IV) become increasingly effective in shaping the character and quality of the world all students share.”

“(b) ACCREDITATION.—

“(1) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the desirability of establishing a Tribal Accreditation Agency that would develop and submit to the appropriate Committees of Congress a report on the desirability and feasibility of establishing a Tribal Accreditation Agency that would serve as an accrediting body for Bureau-funded schools.

“(2) DETERMINATION OF ACCREDITATION TO BE APPLIED.—The accreditation type applied for each school shall be determined by the school board of the school, in consultation with the appropriate Committees of Congress concerned and any other entity with demonstrated experience in assisting schools in obtaining accreditation.

“(3) ASSISTANCE TO SCHOOL BOARDS.—The Secretary shall grant contracts or grants, and provide technical and financial assistance to Bureau-funded schools, to the extent that necessary funds are made available, to enable them to obtain the accreditation required under this subsection, if the school boards request that such assistance, in part or in whole, be provided. The Secretary shall ensure that such assistance is provided through a Bureau or through the Department of Education, an institution of higher education, a private not-for-profit organization or for-profit organization, an educational service agency, or another entity with demonstrated experience in assisting schools in obtaining accreditation.

“(4) APPLICATION OF CURRENT STANDARDS DURING ACCREDITATION.—A Bureau-funded school that is seeking accreditation shall remain subject to the standards issued under section 105 of the Native American Education Amendments of 1978 and in effect on the date of enactment of the Native American Education Improvement Act of 2001 until such time as the school is accredited, except that if any of such standards are in conflict with the standards of the accrediting agency, the standards of such agency shall apply in such case.

“(5) ANNUAL REPORT ON UNACCREDITED SCHOOLS.—Not later than 90 days after the end of each school year, the Secretary shall prepare and submit to the Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committees on Appropriations and the Committee on Resources of the Senate a report concerning unaccredited Bureau-funded schools that—

“(A) identifies those Bureau-funded schools that fail to be accredited or to be candidates for accreditation within the period provided for in paragraph (1);

“(B) with respect to each Bureau-funded school identified under subparagraph (A), identifies the reasons that each school is not accredited or a candidate for accreditation by the appropriate accrediting agency, and a description of any possible way in which to remedy such non-accreditation; and

“(C) with respect to each Bureau-funded school for which the reported reasons for the lack of accreditation under subparagraph (B) are a result of the school’s inadequate basic resources, contains information and funding requests for the full funding needed to provide such schools with accreditation, such funds if provided shall be applied to such unaccredited school under this paragraph.

“(6) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—

“(A) IN GENERAL.—Prior to including a Bureau-funded school in an annual report required under paragraph (5), the Secretary shall—

“(i) ensure that the school has exhausted all administrative remedies provided by the accrediting agency; and

“(ii) provide the school with an opportunity to review the data on which such inclusion is based.

“(B) PROVISION OF ADDITIONAL INFORMATION.—If a school, by a Bureau-funded school in an annual report under paragraph (5) believes that such inclusion is in error, the school board may provide to the Secretary such information as the board believes is in conflict with the information and conclusions of the Secretary with respect to the determination contained in such annual report. The Secretary shall consider such information provided by the school board before making a final determination concerning the inclusion of the school in any such report.

“(7) SCHOOL PLAN.—

“(A) IN GENERAL.—Not later than 120 days after a school is included in an annual report under paragraph (5), the Secretary shall make public the final determination on the accreditation status of the school.

“(B) IMPLEMENTATION.—A school shall implement the school's plan, in consultation with interested parties including parents, staff, and other outside experts (if appropriate), that shall be submitted to the Secretary for approval. The school plan shall cover a 3-year period and shall—

“(i) incorporate strategies that address the specific issues that caused the school to fail to be accredited or fail to be a candidate for accreditation within the period provided for in paragraph (1);

“(ii) incorporate policies and practices concerning the school that have the greatest likelihood of ensuring that the school will obtain accreditation during the 3-year period beginning on the date on which the plan is implemented;

“(iii) contain an assurance that the school will receive the necessary funds, from the funds described in paragraph (3), for each fiscal year for the purpose of obtaining accreditation;

“(iv) specify how the funds described in clause (iii) will be used to obtain accreditation;

“(v) establish specific annual, objective goals and milestones for the significant progress made by the school in a manner that will ensure the accreditation of the school within the 3-year period described in clause (ii);

“(vi) identify how the school will provide written notification about the lack of accreditation and the conditions under which a student enrolled in such school, in a format and, to the extent practicable, in a language the parents can understand, and

“(vii) provide for the responsibilities of the school board and any assistance to be provided by the Secretary under paragraph (3).

“(B) IMPLEMENTATION.—A school shall implement the school plan under this paragraph expeditiously, but in no event later than the beginning of the school year following the year in which the school was included in the annual report under paragraph (5) so long as the necessary resources have been provided to the school.

“(C) CORRECTIVE ACTION.—Not later than 45 days after receiving a school plan, the Secretary shall—

“(i) establish a peer-review process to assist with the review of the plan; and

“(ii) promptly review the school plan, work with the school as necessary, and approve the school plan if the plan meets the requirements of this paragraph.

“(B) CORRECTIVE ACTION INAPPLICABLE.—The Secretary shall grant a waiver to any school that fails to be accredited for reasons that are beyond the control of the school board, as determined by the Secretary, including a significant decline in financial resources, the poor condition of facilities, vehicles or other property, or a natural disaster. Such a waiver shall exempt such school from any or all of the requirements of this paragraph and paragraph (7), but such school shall be required to comply with the standards contained in 34 CFR part 10, Code of Federal Register, as in effect on the date of enactment of the Native American Education Improvement Act of 2001.

“(C) DUTIES OF SECRETARY.—After providing assistance to a school under paragraph (3), the Secretary shall—

“(i) annually review the progress of the school under the applicable school plan, to determine whether the school is meeting, or making adequate progress towards, achieving the goals described in paragraph (7)(A)(v) with respect to reaccreditation or becoming a candidate for accreditation;

“(ii) except as provided in subparagraph (B), continue to provide assistance while implementing the school's plan, and, if determined appropriate by the Secretary, take corrective action with respect to the school if it fails to be accredited at the end of the third year of the school's plan;

“(iii) promptly notify the parents of children enrolled in the school of the option to transfer their child to another school;

“(iv) provide all students enrolled in the school with the option to transfer to another school, including a public or charter school, that is accredited or that has made significant progress toward accreditation; and

“(D) FAILURE OF SCHOOL PLAN.—With respect to a Bureau operated school that fails...
to be accredited at the end of the 3-year period during which the school’s plan is in effect under paragraph (7), the Secretary may take 1 or more of the following corrective actions:

(1) Institute and fully implement actions suggested by the accrediting agency.

(2) Consult with the tribe involved to determine the lack of personnel and training and the operation including potential staffing and administrative changes that are or may be necessary.

(3) Set aside a certain amount of funds that may only be used by the school to obtain accreditation.

(4) Provide the tribe with a 60-day period in which to determine whether the tribe desires to operate the school as a contract or grant school, before meeting the accreditation requirements of paragraph (7) of the Tribally Controlled Schools Act, at the beginning of the next school year following the determination to take corrective action. If the tribe agrees to operate the school as a contract or grant school, the tribe shall prepare a plan, pursuant to paragraph (7), for approval by the Secretary in accordance with paragraph (7).

If the tribe declines to assume control of the school, the Secretary, in consultation with the tribe, may contract with an outside entity, or appoint a receiver or trustee, to operate and administer the affairs of the school until the school is accredited. The outside entity, receiver, or trustee shall prepare a plan pursuant to paragraph (7), for approval by the Secretary in accordance with paragraph (7).

1. Upon accreditation of the school, the Secretary shall allow the tribe to continue to operate the school as a grant or contract school, or if being controlled by an outside entity, or appoint a receiver or trustee to operate and administer the affairs of the school until the school is accredited. The outside entity, receiver, or trustee shall prepare a plan pursuant to paragraph (7), for approval by the Secretary in accordance with paragraph (7).

2. If the tribe declines to assume control of the school, the Secretary shall allow the tribe to continue to operate the school as a grant or contract school, or if being controlled by an outside entity, or appoint a receiver or trustee to operate and administer the affairs of the school until the school is accredited. The outside entity, receiver, or trustee shall prepare a plan pursuant to paragraph (7), for approval by the Secretary in accordance with paragraph (7).

A. APPLICATIONS.—

1. IN GENERAL.—Except as provided in subparagraph (b), the Secretary shall implement the Bureau standards in effect on the date of enactment of the Native American Education Improvement Act of 2001.

2. PLAN.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress a report describing the process of the active consideration or review referred to in paragraph (4).

3. CONTENTS.—The report shall include the results of a study of the impact of the action under consideration or review on the student population of the school involved, identifying those students at the school with particular educational and social needs, and ensuring that alternative services are available to such students. Such report shall include a description of consultation conducted between the potential service provider and current service provider of such services, parents, tribal representatives, the tribe involved, and the Director regarding such students.

4. LIMITATION ON CERTAIN ACTIONS.—No irreversible action may be taken to further any proposed school closure, transfer to another authority, consolidate, or substantially curtail a school program of a Bureau school, the head of the division or the Secretary shall notify (in writing) the affected tribes, tribal governing body, and local school board at least 6 months prior to the end of the academic year preceding the date of the proposed action.

5. APPLICATIONS FOR CONTRACTS OR GRANTS FOR NON-BUREAU FUNDED SCHOOLS OR EXPANSION OF BUREAU FUNDED SCHOOLS.—

1. IN GENERAL.—

(A) APPLICATIONS.—The Secretary shall only consider the factors described in subparagraph (B) in reviewing—

(B) ANNUAL PLAN.—

1. IN GENERAL.—Except as provided in subparagraph (b), the Secretary shall implement the Bureau standards in effect on the date of enactment of the Native American Education Improvement Act of 2001.

2. PLAN.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress, at the beginning of the school year following the school year in which the school obtains accreditation, if the tribe declines, the Secretary may allow the outside entity, receiver, or trustee to continue the operation of the school or reassert control of the school.

A. APPLICATIONS.—

1. IN GENERAL.—Except as specifically required by law, no Bureau funded school or Indian Self Determination Act trust will be closed, terminated, or transferred to another authority without notice and hearing requirements of the regulations under this part. Any proposed school closure, transfer to another authority, consolidate, or substantially curtail the operation or facilities of—

(A) any Bureau funded school that is operated pursuant to a contract, or a school that is a contract school, or

(B) any Bureau funded school that is operated pursuant to a grant, or a school that is a grant school, before meeting the accreditation requirements of paragraph (7) of the Tribally Controlled Schools Act, at the beginning of the next school year following the determination to take corrective action. If the tribe agrees to operate the school as a contract or grant school, the tribe shall prepare a plan pursuant to paragraph (7), for approval by the Secretary in accordance with paragraph (7).

A. APPLICATIONS.—

1. IN GENERAL.—Except as provided in subparagraph (b), the Secretary shall implement the Bureau standards in effect on the date of enactment of the Native American Education Improvement Act of 2001.

2. PLAN.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress, at the beginning of the school year following the school year in which the school obtains accreditation, if the tribe declines, the Secretary may allow the outside entity, receiver, or trustee to continue the operation of the school or reassert control of the school.

A. APPLICATIONS.—

1. IN GENERAL.—Except as provided in subparagraph (b), the Secretary shall implement the Bureau standards in effect on the date of enactment of the Native American Education Improvement Act of 2001.

2. PLAN.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress, at the beginning of the school year following the school year in which the school obtains accreditation, if the tribe declines, the Secretary may allow the outside entity, receiver, or trustee to continue the operation of the school or reassert control of the school.

A. APPLICATIONS.—

1. IN GENERAL.—Except as provided in subparagraph (b), the Secretary shall implement the Bureau standards in effect on the date of enactment of the Native American Education Improvement Act of 2001.

2. PLAN.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress, at the beginning of the school year following the school year in which the school obtains accreditation, if the tribe declines, the Secretary may allow the outside entity, receiver, or trustee to continue the operation of the school or reassert control of the school.

A. APPLICATIONS.—

1. IN GENERAL.—Except as provided in subparagraph (b), the Secretary shall implement the Bureau standards in effect on the date of enactment of the Native American Education Improvement Act of 2001.

2. PLAN.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress, at the beginning of the school year following the school year in which the school obtains accreditation, if the tribe declines, the Secretary may allow the outside entity, receiver, or trustee to continue the operation of the school or reassert control of the school.
"(i) Application for a tribal school that is not a Bureau funded school; and

"(ii) applications from any tribe or school board served by any Bureau funded school for the awarding of a contract or grant for a school that would increase the amount of funds paid by the tribe or school board under section 1126.

"(ii) Limitation.—With respect to applications described in this subparagraph, the Secretary shall give consideration to all the factors described in subparagraph (B), but no such application shall be denied based primarily upon the geographic proximity of competing schools operated by other tribal governing bodies.

"(B) Factors.—With respect to applications described in subparagraph (A) the Secretary shall consider the following factors relating to the program and services that are the subject of the application:

"(i) The adequacy of existing facilities to support the proposed program and services or the applicant's ability to obtain or provide adequate facilities.

"(ii) Geographical and demographic factors in the affected area.

"(iii) The adequacy of the applicant's program or, in the case of a Bureau funded school, of a projected needs analysis conducted either by the tribe or the Bureau.

"(iv) Geographic proximity of comparable public education.

"(v) The stated needs of all affected parties, including students, families, tribal governing bodies at both the central and local levels, and school organizations.

"(vi) Adequacy and comparability of programs and services already available.

"(vii) Consistency of the proposed program and services with tribal educational codes or tribal legislation on education.

"(viii) The history and success of these services for the proposed population to be served, as determined from all factors, including standardized examination performance.

"(2) Determination on Application.—

"(A) Period.—The Secretary shall make a determination concerning whether to approve any application described in paragraph (1) not later than 180 days after the date such application is submitted to the Secretary.

"(B) Failure to Make Determination.—If the Secretary fails to determine with respect to an application by the date described in subparagraph (A), the application shall be treated as having been approved by the Secretary.

"(3) Requirements for Applications.—

"(A) Approval.—Notwithstanding paragraph (2)(B), an application described in paragraph (1)(A) may be approved by the Secretary only if—

"(i) the application has been approved by the tribal governing body of the students served (or approved by the relevant school board of the tribe) and the date that is the subject of the application; and

"(ii) the tribe or designated school board involved shall, not later than 60 days after providing a waiver under subparagraph (A) for a school, submit to the Director a proposal for alternative standards that take into account the specific needs of the students. Such alternative standards shall be established by the Director for good cause and in writing provided to the affected tribes or local school board.

"(B) Closures for Failure To Meet Standards Prohibited.—No school in operation on or before July 1, 1999 (regardless of compliance with the standards established under this section), and any school located on a reservation or federal facility, that serves American Indian students, shall be closed, consolidated, or otherwise transferred to another school under this section, unless specifically rejected by the Director for good cause and in writing provided to the affected tribes or local school board.

"(C) Effective Date of a Subject Application.—

"(A) In General.—Except as otherwise provided in this subparagraph, the application that is the subject of any application described in paragraph (1)(A) that is approved by the Secretary shall become effective—

"(i) on the date that is 18 months after the date on which the application is submitted to the Secretary; or

"(ii) on an earlier date determined by the Secretary.

"(B) Application Treated as Approved.—If an application is treated as having been approved by the Secretary under paragraph (A), the action described in the application shall become effective—

"(i) on the date that is 18 months after the date on which the application is submitted to the Secretary; or

"(ii) on an earlier date determined by the Secretary.

"(6) Statutory Construction.—Nothing in this section shall be construed to preclude the expansion of grades and related facilities at a Bureau funded school, if such expansion is paid for with non-Federal funds.

"(7) Joint Administration.—Administrative, transportation, and program cost funds received by Bureau funded schools, and any program from the Department of Education or any other Federal agency for the purpose of providing education or related services, and other funds for education and related services from non-Federally funded programs, shall be apportioned and the funds shall be retained at the school.

"(8) General Use of Funds.—Funds received by Bureau funded schools from the Bureau of Indian Affairs and under any program from the Department of Education or any other Federal agency for the purpose of providing education or related services may be used for schoolwide projects to improve the education programs of the schools for all Indian students.

"(9) Study on Adequacy of Funds and Formulas.—

"(a) Period.—The Comptroller General of the United States shall conduct a study to include an analysis of the information contained in the General Accounting Office study evaluating and comparing school systems of the Department of Defense and the Bureau of Indian Affairs, in consultation with tribes and local school boards, to determine the adequacy and fairness of the funding provided by the United States to Bureau funded schools.

"(b) Study.—The Secretary shall conduct a study to include an analysis of the information contained in the General Accounting Office study evaluating and comparing school systems of the Department of Defense and the Bureau of Indian Affairs, in consultation with tribes and local school boards, to determine the adequacy and fairness of the funding provided by the United States to Bureau funded schools.

"(c) Specific Timelines for Bringing Each School into Compliance.—The Secretary shall establish, by regulation, specific timelines for bringing each school into compliance with the standards established under this section.

"(1) In General.—The Comptroller General, in coordination with the Director, shall determine the adequacy of funding, and formulas used by the Bureau to determine funding, for programs operated by Bureau funded schools, taking into account unique circumstances applicable to Bureau funded schools.

"(2) Findings.—On completion of the study under paragraph (1), the Secretary shall take such action as may be necessary to ensure that the National Standards for American Indian Tribal School Education and the critical need for counselors, including special needs related to the provision of education (dormitory) situations), therapeutic programs, and space, and privacy. Such standards shall be implemented in Bureau schools. Any subsequent revisions shall also be in accordance with section 1126.

"(b) Implementation.—The Secretary shall implement the revised standards established under this section immediately upon their issuance.
the Bureau funded schools on the reservation may, by mutual consent, establish the boundaries of the relevant geographical attendance areas for such schools, subject to the approval of the tribal governing body concerned and the school board concerned has been afforded—

"(A) at least 6 months notice of the intention of the Secretary to establish or revise such boundaries; and

"(B) the opportunity to propose alternative boundaries.

"(2) PETITIONS.—Any tribe may submit a petition to the Secretary requesting a revision of the geographical attendance area boundaries referred to in paragraph (1).

"(3) BOUNDARIES.—The Secretary shall accept proposed alternative boundaries described in paragraph (1)(B) of such boundaries submitted under paragraph (2) unless the Secretary finds, after consultation with the affected tribe, that such alternative or revised boundaries do not include all of the Indian students to be served or do not provide adequate stability to all of the affected programs.

"(A) accepting the boundaries, the Secretary shall submit a General Accounting Office report describing the boundaries in the Federal Register.

"(4) TRIBAL RESOLUTION DETERMINATION.—Nothing in this section shall be interpreted as depriving the Secretary of the authority, on a continuing basis, to adopt a tribal resolution allowing parents of the children of the Bureau funded school their child may attend, including the geographical attendance area boundaries established under this section.

"(d) FUNDING RESTRICTIONS.—The Secretary shall not deny funding to a Bureau funded school for any eligible Indian student attending the school solely because that student's home or domicile is outside of the boundaries of the geographical attendance area established for that school under this section. No funding shall be made available for transportation students to or from the school and a location outside the approved attendance area (or distance determined by the governing body of the tribe or the Bureau) to enable the school to provide transportation for any student to or from the school and a location outside the approved attendance area (or distance determined by the governing body of the tribe or the Bureau).

"(e) RESERVATION AS BOUNDARY.—In any case in which there is only 1 Bureau funded school located on a reservation, the boundaries of the geographical attendance area for the school shall be the boundaries (as established by treaty, agreement, legislation, court decision, or executive decision and as established among education line officers, the families of the students, the schools, and the entities providing programs that referred the students to the schools).

"SEC. 1124. FACILITIES CONDITION.

(a) NATIONAL SURVEY OF FACILITIES CONDITION.—

"(1) IN GENERAL.—Not later than 12 months after the date of enactment of the Native American Education Improvement Act of 2001, the General Accounting Office shall compile, and secure the data that is needed to prepare a national survey of the physical conditions of all Bureau funded school facilities.

"(2) DATA AND METHODOLOGIES.—In preparing the national survey required under paragraph (1), the General Accounting Office shall use the following data and methodologies:

"(A) The existing Department of Defense formula for determining the condition and adequacy of Department of Defense facilities;

"(B) Data related to conditions of Bureau funded school facilities compiled, collected, or secured from whatever source derived so long as the data is relevant, timely, and necessary to the survey.

"(C) The methodologies of the American Institute of Architects, or other accredited and reputable architecture or engineering associations.

"(3) CONSULTATIONS.—

"(A) IN GENERAL.—In carrying out the survey required under paragraph (1), the General Accounting Office shall, to the maximum extent practicable, consult (and if necessary, by contract) with the affected tribes, and tribal Indian education organizations to ensure that a complete and accurate national survey is achieved.

"(B) REQUESTS FOR INFORMATION.—All Bureau funded schools shall comply with reasonable requests for information by the General Accounting Office and shall respond to such requests in a timely fashion.

"(4) SUBMISSION TO CONGRESS.—Not later than 24 months after the date of enactment of the Native American Education Improvement Act of 2001, the General Accounting Office shall submit the results of the national survey conducted under paragraph (1) to the Committee on Indian Affairs, the Committee on Appropriations of the Senate, and the Committee on Resources, Committee on Education and the Workforce, and Committee on Appropriations of the House and to the Secretary, who, in turn shall submit the results of the national survey to school boards of Bureau-funded schools and their respective Tribes.

"(5) NEGOTIATED RULEMAKING COMMITTEE.—

"(A) IN GENERAL.—Not later than 6 months after the date on which the submission is made under subparagraph (A), the Secretary shall establish a negotiated rule making committee pursuant to section 1136(c). The negotiated rulemaking committee shall prepare and submit to the Secretary for approval the following:

"(i) A catalogue of the condition of school facilities at all Bureau funded schools that are in need of renovation, repairs, and maintenance, as determined by the Secretary.

"(ii) A catalogue of the condition of school facilities at all Bureau funded schools that are in need of replacement, as determined by the Secretary.

"(iii) A renovation repairs report that describes the repairs and maintenance needs of each facility.

"(iv) A replacement report that describes the replacement needs of each facility.

"(v) Environmental factors at the school.

"(vi) Environmental factors at the school.

"(vii) School isolation.

"(viii) School isolation.

"(ix) School isolation.

"(x) School isolation.

"(xi) School isolation.

"(B) SUBMISSION OF REPORTS.—Not later than 12 months after the negotiated rulemaking committee is established under subparagraph (A), the reports described in clauses (ii) and (iii) of subparagraph (A) shall be submitted to the Tribes referred to in paragraph (4), the national and regional Indian education organizations, and to all school boards of Bureau-funded schools and their respective Tribes.

"(C) FACILITIES INFORMATION SYSTEM SUPPORT DATABASE.—The Secretary shall install a Facilities Information Systems Support Database to base to capture and update the information contained in the reports under clauses (ii) and (iii) of paragraph (5)(A) and the information contained in the survey conducted under paragraph (1). The system shall be updated every 3 years by the Bureau of Indian Affairs and monitored by General Accounting Office and shall be made available to the Bureau funded schools and their respective Tribes and Congress.

"(D) COMPLIANCE WITH HEALTH AND SAFETY STANDARDS.—The Secretary shall immediately begin to bring all schools, dormitories, and other Indian education-related facilities operated by the Bureau or under contract or grant with the Bureau into compliance with all applicable tribal, Federal, or State standards, whichever provides greater protection (except that the standards to be applied shall be no greater than any otherwise applicable Federal or State standards), with section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990. Nothing in this section shall require termination of the operations of any facility which does not comply with such provisions and which is in use on the date of the enactment of the Native American Education Improvement Act of 2001.

"(6) FACILITIES INFORMATION SYSTEM SUPPORT DATABASE.—At the time that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees a detailed plan to bring all facilities covered under subsection (b) of this section into compliance with the standards referred to in subsection (b). Such plan shall include detailed information on the status of each facility's compliance with such standards, specific cost estimates for meeting such standards at each facility, and specific timelines for bringing each school into compliance with such standards.
schools and home-living schools, including boarding schools, and dormitories. On making each budget request described in subsection (c), the Secretary shall publish in the Federal Register a list with the following:

"(a) for each Bureau-funded school construction priority list for all Bureau funded schools;

"(b) using the list prepared under subparagraph (A) as the basis for the determination of the priority list for the replacement of all Bureau-funded education-related facilities over a period of 40 years to facilitate planning and scheduling of budget requests.

"(c) publish the list prepared under subparagraph (B) in the Federal Register and allow a period of not less than 120 days for public comment on the list.

"(d) make such revisions to the list prepared under subparagraph (B) as are appropriate based on the comments received; and

"(e) publish a final list in the Federal Register.

"(3) EFFECT ON OTHER LIST.—Nothing in this section shall be construed as interfering with or changing in any way the construction and replacement priority list established by the Secretary, as the list exists on the date of enactment of the Native American Education Improvement Act of 2001.

"(e) HAZARDOUS CONDITION AT BUREAU FUNDED SCHOOL.—

"(1) CLOSURE, CONSOLIDATION, OR CURTAILMENT.—

"(A) IN GENERAL.—A Bureau funded school may be closed or consolidated and the programs at the school temporarily substantially curtailed by reason of facility conditions that constitute an immediate hazard to health and safety only if a health and safety officer of the Bureau and an individual designated by the tribe involved under subparagraph (B), determine that such conditions exist at a facility of the Bureau funded school.

"(B) DESIGNATION OF INDIVIDUAL BY TRIBE.—To be designated by a tribe for purposes of subparagraph (A), an individual shall—

"(i) be a licensed or certified facilities safety inspector;

"(ii) have demonstrated experience in the inspection of facilities for health and safety purposes with respect to occupancy; or

"(iii) have significant educational background in the health and safety of facilities with respect to occupancy.

"(C) INSPECTION.—In making a determination described in subparagraph (A), the Bureau funded school safety officer and the individual designated by the tribe shall conduct an inspection of the condition of such facility in order to determine whether conditions at such facility constitute an immediate hazard to health and safety.

"(D) FAILURE TO CONCUR.—If the Bureau funded school safety officer and the individual designated by the tribe, conducting the inspection of a facility required under subparagraph (A) do not concur that conditions at the facility constitute an immediate hazard to health and safety, such officer and individual shall immediately notify the tribal governing body and provide written information related to their determinations.

"(E) TRIBAL GOVERNING BODY.—Not later than 10 days after a tribal governing body received notice under subparagraph (D), the tribal governing body shall consider all information related to the determinations of the Bureau health and safety officer and the individual designated by the tribe. No funds may be retained or segregated by the Bureau to pay for administrative or other costs of any facilities branch or office, at any level of the Bureau.

"(2) REQUIREMENTS FOR CERTAIN USES.—

"(A) AGREEMENT.—The Secretary shall not withhold funds that would be distributed under paragraph (1) to any grant or contract school, in order to use the funds for maintenance or any other facilities or road-related purposes, unless such school has consented to the withholding of such funds, including the amount of the funds, the purpose for which the funds will be used, and the timeline for the services to be provided with the funds; and

"(ii) has provided the consent by entering into an agreement that—

"(I) a modification to the contract; and

"(II) if a school (in the case of a school that receives a grant).

"(B) CANCELLATION.—The school may, at the end of any fiscal year, cancel an agreement entered into under paragraph (1). On giving the Bureau 30 days notice of the intent of the school to cancel the agreement, the Secretary shall—

"(i) the reasons for such temporary action;

"(ii) the Secretary is taking to eliminate the conditions that constitute the hazard;

"(III) an estimated date by which the actions described in clause (ii) will be concluded; and

"(IV) a plan for providing alternate education services for students enrolled at the school that is to be closed.

"(3) NONAPPLICABILITY OF CERTAIN STANDARDS FOR TEMPORARY FACILITY USE.—

"(A) CLASSROOM ACTIVITIES.—The Secretary shall permit the local school board to temporarily utilize facilities adjacent to the school, or satellite facilities, if such facilities are suitable for conducting classroom activities. In permitting the use of facilities under the preceding sentence, the Secretary may waive applicable minor standards under section 1121 relating to such facilities (such as the required number of exit lights or configuration of restrooms) so long as such waivers do not result in the creation of an environment that constitutes an immediate and substantial threat to the health, safety, and life of students and staff.

"(B) ADMINISTRATIVE ACTIVITIES.—The provisions of paragraphs (1) and (2) shall apply with respect to administrative personnel if the facilities involved are suitable for activities performed by such personnel.

"(C) TEMPORARY.—In this paragraph, the term ‘temporary’ means—

"(i) with respect to a school that is to be closed for not more than 1 year, 3 months or less; and

"(ii) with respect to a school that is to be closed for not less than 1 year, a time period determined by the Bureau.

"(3) TREATMENT OF CLOSURE.—Any closure of a Bureau funded school under this subpart for a period that exceeds 1 month but is less than 1 year, shall be treated by the Bureau as an emergency facility improvement and repair project.

"(4) USE OF FUNDS.—With respect to a Bureau funded school that is closed under this subsection, the tribal governing body, or the designated local school board of each Bureau funded school, involved may authorize the use of any funds allocated to the plan described in subsection (c), the Secretary shall submit to the appropriate committees of Congress, unless determined by the Secretary to be inherently Federal functions as defined in section 1126, to abate the hazardous conditions with-
necessary maintenance has been, or will be, pro-
vided in the year covered by the plan.

(c) Automation.—

(1) PLAN FOR CONSTRUCTION.—The Assistant
Secretary for Indian Affairs shall submit as part of the annual budget request for edu-
cational services (as contained in the Presi-
dent’s annual budget request under section 1106 of title 31, United States Code) a plan—

(A) for the distribution of school facil-
ties in accordance with section 1124(d);

(B) for the improvement and repair of
education facilities and for establishing pri-
orities among the improvement and repair
projects involved, which together shall form
the basis for the distribution of appropriated
funds; and

(C) for capital improvements to education
facilities to be made over the 5 years suc-
ceeding the year covered by the plan.

(2) PROGRAM FOR OPERATION AND MAIN-
TE NANCE.—

(A) IN GENERAL.—

(I) PROGRAM.—The Assistant Secretary
shall submit to the Congress an annual program, including a pro-
gram for the distribution of funds appropri-
ated under this part, for the operation and
maintenance of education facilities. Such
program shall include—

(1) a method of computing the amount
necessary for the operation and maintenance
of each education facility;

(2) a requirement of similar treatment of
all Bureau funded schools;

(III) a notice of the allocation of the
appropriated funds from the Director of the Of-
cine directly to the appropriate education
line officers and school officials;

(IV) a method for determining the need
for, and priority of, facilities improvement and
repair projects, both major and minor; and

(V) a system for conducting routine pre-
ventive maintenance arrangements for the
maintenance of the education facilities
with the local supervisors of the Bureau
maintenance personnel. The local super-
visors, in coordination with the appropriate
line officers, shall be responsible for the
administration of the program, including
the determination of repair projects.

(B) MAINTENANCE.—The appropriate edu-
cation line officers shall make arrangements
for the maintenance of the education facil-
ties with the local supervisors of the Bureau
maintenance personnel. The local super-
visors, in coordination with the appropriate
line officers, shall take appropriate action to
implement the decisions made by the appropriate
education line officers. No funds made available
under this section may be authorized for ex-
pediture for maintenance of such an edu-
cation facility unless the appropriate edu-
cation line officer is assured that the nec-
essary maintenance has been, or will be, pro-
vided in a reasonable manner.

(3) IMPLEMENTATION.—The requirements
of this subsection shall be implemented as
soon as practicable after the date of enact-
ment of the Native American Education Im-

(f) ACCEPTANCE OF GIFTS AND BEQUESTS—

(1) ACCEPTANCE OF GIFTS.—Notwith-
standing any other provision of law, the Director of the
Office shall promulgate guidelines for the ac-
cceptance of gifts and bequests for any
young Indian student enrolled in a
school under section 1122; and

(2) REVISION OF FORMULA.—On the estab-
lishment of the Secretary shall adjust the
formula established under section 1122; and

(3) APPLICATION TO BUREAU FUNDING.—Not-
withstanding any other provision of law, Federal
funds appropriated for the general local op-
eration of Bureau funded schools shall be al-
located under the formulas established sub-
section (a).

(c) ANNUAL ADJUSTMENT; RESERVATION OF
ACCOUNT FOR SCHOOL, BEQUEST ACTIVITIES.—

(1) ANNUAL ADJUSTMENT.—

(1) ANNUAL ADJUSTMENT.—

(1) ANNUAL ADJUSTMENT.—

(A) IN GENERAL.—For fiscal year 2002, and
for each subsequent fiscal year, the Sec-
retary shall adjust the formula established
under subsection (a) to—

(i) use a weighted factor of 2.5 for each el-
igible Indian student enrolled in the seventh
century, or for the year of the
educational facilities and for establishing pri-
orities among the improvement and repair
projects involved, which together shall form
the basis for the distribution of appropriated
funds; and

(2) the number of eligible Indian students
served by the school;

(i) consider a school with an enrollment
of 50 eligible Indian students as having an
average daily attendance of 25 eligi-
bile Indian students for purposes of imple-
menting the adjustment factor for small
schools;

(ii) consider a school with an enrollment
of 50 eligible Indian students as having an
average daily attendance of 50 eligi-
bile Indian students for purposes of imple-
menting the adjustment factor for small
schools;

(iii) consider a school with an enrollment
of 50 eligible Indian students as having an
average daily attendance of 50 eligi-
bile Indian students for purposes of imple-
menting the adjustment factor for small
schools;

(iv) the costs of providing academic serv-
cices that are at least equivalent to the serv-
cices provided by public schools in the State
in which the school is located;

(v) the costs of home-living (dormitory)
arrangements, where determined necessary
by a tribal governing body or designated
school board;

(vi) the costs of operating an isolated or
small school;

(vii) the costs of transportation and other
costs of an isolated or small school;

(viii) the costs of providing academic serv-
cices that are at least equivalent to the serv-
cices provided by public schools in the State
in which the school is located;

(ix) whether the available funding will en-
able the school involved to comply with
the accreditation applicable to the
school under section 1122; and

(x) the costs of counseling and therapeu-
tic programs for students requiring such programs; and

(2) REVISION OF FORMULA.—

(2) REVISION OF FORMULA.—

(A) IN GENERAL.—From the funds allotted
in accordance with the formula established
under subsection (a) for each Bureau school,
the local school board of such school may
reserve an amount which does not exceed the
greater of—

(B) TRAINING.—Each local school board,
and any agency school board that serves as a
local school board for such school, may
reserve an amount which does not exceed the
greater of—

(1) $8,000; or

(2) the lesser of—

(i) $15,000; or

(II) 1 percent of such allotted funds,
for school board activities for such school,
including (notwithstanding any other provi-
dion of law) meeting expenses and the cost of
membership in, and support of, organizations
engaged in activities on behalf of Indian edu-
cation.
school, shall ensure that each individual who is a new member of the school board re- ceives, within 12 months after the individual becomes a member of the school board, 40 hours of training relevant to the school board’s service on the board. Such training may include training concerning legal issues pertaining to Bureau funded schools, legal issues concerning school boards, ethics, and other topics determined to be appropriate by the school board. The training described in this subparagraph shall not be required but is recommended for a tribal govern- ing body that serves in the capacity of a school board.

(6) ESTIMATION OF AMOUNT FOR EMERGENCIES.—

"(1) IN GENERAL.—The Secretary shall re- serve from the funds available for allotment for each fiscal year under this section an amount that, in the aggregate, equals 1 percent of the funds available for allotment for that fiscal year.

"(2) USE OF FUNDS.—Amounts reserved under paragraph (1) shall be used, at the discre- tion of the Director of the Office, to meet emergencies and unforeseen contingencies affecting Indian education programs or programs under this section. Funds reserved under this subsection may only be expended for education services or programs, including emer- gency repairs of education facilities, at a school site (as defined in section 5204(c)(2) of the Tribally Controlled Schools Act of 1988).

(3) FUNDs REMAINING AVAILABLE.—Funds reserved under this subsection shall remain available without fiscal year limitation until expended. The aggregate amount of such funds, from all fiscal years, that is available for expenditure in a fiscal year may not exceed an amount equal to 1 percent of the funds available for allotment under this sec- tion for that fiscal year.

(4) REPORTS.—If the Secretary makes funds available under this subsection, the Secretary shall submit a report describing the action to the appropriate committees of Congress as part of the President’s next an- nual budget request under section 105 of title 31, United States Code.

(e) SUPPLEMENTAL APPROPRIATIONS.—Any funds provided in a supplemental appropri- ations Act to meet increased pay costs attrib- utable to school level personnel of Bureau funded schools shall be allotted under this section.

"(f) ELIGIBLE INDIAN STUDENT DEFINED.—In this section, the term ‘eligible Indian student’ means—

"(1) a member of, or is at least 1/4 degree Indian blood descendant of a member of, a tribe that is eligible for the special programs and services provided by the United States through the Bureau to Indians because of their status as Indians;

"(2) resides on or near a reservation or meets the criteria for attendance at a Bu- reau off-reservation home-schooling program; and

"(3) is enrolled in a Bureau funded school.

(1) BUREAU ELEMENTARY AND SECONDARY SCHOOLS.—The Secretary shall permit the attendance at a Bureau school of a student who is not an eligible Indian student if—

"(A) the Secretary determines that the student’s attendance will not adversely af- fect the school’s program for eligible Indian students; and

"(B) the student is a dependent of a Bu- reau, Indian Health Service, or tribal govern- ment employee who lives on or near the school site.

(ii) tuition is paid for the student in an amount that is not more than the amount of tuition charged by the nearest public school district that is comparable in subject, and is paid in addition to the school’s allotment under this section.

(3) ATTENDANCE OF NON-INDIAN STUDENTS AT CONTRACT AND GRANT SCHOOLS.—The school board of a contract or grant school may permit students who are not eligible In- dian students to attend the contract or grant school. Any funds reserved under this section shall be in addition to the amount the school received under this section.

(4) FUNDS AVAILABLE WITHOUT FISCAL YEAR LIMITATION.—Notwithstanding any other provision of law, at the election of the local school board, a Bureau school may be operated at any time during a fiscal year, a portion equal to not more than 15 percent of the funds allotted for the school under this section for the fiscal year shall remain avail- able to the school for expenditure without fiscal year limitation. The Assistant Sec- retary for Indian Affairs shall take such steps as may be necessary to implement this subsection.

(i) STUDENTS AT RICHFIELD DORMITORY, RICHLIFED, UTAH.—Tuition for the instruc- tion of each out-of-State Indian student in a home-living situation at the Richfield dor- mitory in Richfield, Utah, who attends Sevier County high schools in Richfield, Utah, for an academic year, shall be paid from Indian school equalization program funds authorized by the act of October 12, 1978, and section 1129, at a rate not to exceed the weighted amount provided for under subsection (b) for a student for that year. No additional admin- istrative cost funds shall be provided under this part to pay for administrative costs relat- ing to the instruction of the students.

(2) BUREAU ELEMENTARY AND SECONDARY EDUCATIONAL PROGRAMS.—The term ‘tribal elementary or secondary educational programs’ means all Bureau elementary and secondary functions, together with any other Bureau programs or programs of programs (excluding funds for social services that are appropriated to agencies other than the Bu- reau and are expended through the Bureau, funds for major subcontracts, construction, and other major capital expenditures, and funds appropriated in any prior years) which share common administrative cost functions to be operated by a tribe or tribal organization under a con- tract, grant, or agreement with the Bureau.

(3) DIRECT COST BASE.—The term ‘max- imum base rate’ means 11 percent.

(4) STANDARD DIRECT COST BASE.—The term ‘standard direct cost base’ means $6,000.

(5) ADMINISTRATIVE COST GRANTS.—

(6) BUREAU AMOUNT.—No school operated as a stand-alone institution shall receive less than $200,000 per year under this paragraph.

(7) AMOUNT.—No school operated as a stand-alone institution shall receive less than $200,000 per year under this paragraph.
shall be in addition to, and shall not reduce, the amounts appropriated for the program being administered by the contract or grant school.

"(c) DETERMINATION OF GRANT AMOUNT.—

"(1) IN GENERAL.—The amount of the grant provided to each tribe or tribal organization under this subsection for each fiscal year shall be determined by applying the administrative cost percentage rate determined under subsection (d) of the tribe or tribal organization for which funds are received from or through the Bureau. The administrative cost percentage rate does not apply to programs not relating to such functions that are operated by the tribe or tribal organization.

"(2) DIRECT COST BASE FUNDS.—The Secretary shall—

(A) reduce the amount of the grant determined under paragraph (1) to the extent that payments for administrative costs are actually received by a tribe or tribal organization under any Federal education program that is included in the direct cost base of the tribe to which the grant is provided, and

(B) take such actions as may be necessary to be reimbursed by any other department or agency of the Federal Government (other than the Department of the Interior) for the portion of grants made under this section for the costs of administering any program for which funds are received from or through a Bureau agency and by appropriations made to such other department or agency.

"(3) REDUCTIONS.—If the total amount of funds necessary to provide grants to tribes and tribal organizations in the amounts determined under paragraph (1) and (2) for a fiscal year exceeds the amount of funds appropriated for implementation of this section for any fiscal year after the fiscal year for which the grant is provided.

"(d) ADMINISTRATIVE COST PERCENTAGE RATE.—

"(1) IN GENERAL.—For purposes of this section, the administrative cost percentage rate for a contract or grant school for a fiscal year is equal to the percentage determined by dividing—

(A) the sum of—

(i) the amount equal to—

(I) the direct cost base of the tribe or tribal organization for the fiscal year; multiplied by

(II) the minimum rate base; plus

(ii) the amount equal to—

(I) the standard direct cost base; multiplied by

(II) the maximum rate base; by

(B) the sum of—

(i) the direct cost base of the tribe or tribal organization for the fiscal year; and

(ii) the standard direct cost base.

"(2) ROUNDING.—The administrative cost percentage rate shall be determined to 1/100 of a percent.

"(e) COMBINING FUNDS.—

"(1) IN GENERAL.—Funds received by a tribe, tribal organization, or contract or grant school through grants made under this section for tribal elementary or secondary educational programs may be combined by the tribe, tribal organization, or contract or grant school and placed into a single administrative cost account without the necessity of maintaining separate funding source accounts.

"(2) INDIRECT COST FUNDS.—Indirect cost funds for programs at the school that share common administrative services with the tribal elementary or secondary educational programs may be included in the administrative cost account described in paragraph (1). Funds from grants received through a grant made under this section with respect to tribal elementary or secondary educational programs at a contract or grant school that remain available to the contract or grant school—

(1) without fiscal year limitation; and

(2) without reducing the amount of any grants otherwise payable to the school under this section for any fiscal year after the fiscal year for which the grant is provided.

"(f) TREATMENT OF ENTITY OPERATING OTHER PROGRAMS.—In applying this section and section 106 of the Indian Self-Determination and Education Assistance Act with respect to an Indian tribe or tribal organization that—

(1) receives funds under this section for administrative costs incurred in operating a contract or grant school operated under the Tribally Controlled Schools Act of 1988; and

(2) operates one or more other programs under a contract or grant provided under the Indian Self-Determination and Education Assistance Act,

the Secretary shall ensure that the Indian tribe or tribal organization is provided with the full amount of the administrative costs that are associated with operating the contract or grant school, and of the indirect costs, if any, of such other programs, except that funds appropriated for implementation of this section shall be used only to supply the amount of the grant required to be provided by this section.

"(g) APPLICABILITY TO SCHOOLS OPERATING UNDER TRIBALLY CONTROLLED SCHOOLS ACT.—Beginning with President's fiscal year 2002, and with respect to each succeeding fiscal year, the Secretary shall—

(1) projections, based on the information gathered pursuant to subsection (b) and any other relevant information, of amounts necessary to provide to Indian students in such schools an educational program set forth in this part;

(2) a description of the methods and formulas used to calculate the amounts projected pursuant to paragraph (1); and

(3) such other information as the Director of the Office considers to be appropriate.

"(h) TREATMENT OF ENTITY OPERATING TRIBAL COLLABORATIVE SYSTEM.—The Director of the Office, in preparing the annual report required by subsection (b), shall include a summary of the direct grants available to Indian students in Bureau funded schools in the fiscal year for which the report is prepared, and the percentage of such direct grants provided pursuant to the Tribal Collaborative System a Division of Budget Analysis (referred to in this section as the 'Division'). Such Division shall be under the direct supervision and control of the Director of the Office.

"(l) ANNUAL REPORTS.—The Director of the Office and the Assistant Secretary for Indian Affairs shall submit the annual budget request as part of the President’s annual budget request under section 1105 of title 31, United States Code for each fiscal year after the fiscal year for which the appropriations for the Native American Education Improvement Act of 2001, the Director of the Office shall submit to the appropriate committees of Congress (including the Committees on Appropriations of the Senate, all Bureau funded schools, and the tribal governing bodies relating to such schools, a report that shall contain—

(1) projections, based on the information gathered pursuant to subsection (b) and any other relevant information, of amounts necessary to provide to Indian students in Bureau funded schools the educational program set forth in this part;

(2) a description of the methods and formulas used to calculate the amounts projected pursuant to paragraph (1); and

(3) such other information as the Director of the Office considers to be appropriate.

"(m) USE OF REPORTS.—The Director of the Office and the Assistant Secretary for Indian Affairs shall use the information contained in the report required by subsection (c) in preparing their annual budget requests.

"SEC. 1129. UNIFORM DIRECT FUNDING AND SUPPORT.

"(a) ESTABLISHMENT OF SYSTEM AND FUNDING.—

(1) IN GENERAL.—The Secretary shall establish, by regulation adopted in accordance with section 1136, a system for the direct funding and support of all Bureau funded schools. Such system shall allot funds in accordance with section 1126, and all amounts appropriated for distribution in accordance with this section shall be made available in accordance with paragraph (2).

(2) REQUIREMENTS.—

(A) FUNDING FOR NEW CONVERSIONS TO CONTRACT OR GRANT SCHOOL OPERATIONS.—With respect to a budget request under paragraph (1), the amount required to provide full funding for an administrative cost grant for each tribe or tribal organization expected to begin operation of a Bureau-funded school as a contract or grant school in the academic year funded by such annual budget request, the amount so required shall not be less than 10 percent of the amount required for subparagraph (B), and

(B) FUNDING FOR CONTINUING CONTRACT GRANT SCHOOL OPERATIONS.—With respect to a budget request under paragraph (1), the amount required to provide full funding for an administrative cost grant for each tribe or tribal organization which began operation of a contract or grant school with administrative cost grant funds supplied from the amount described in section 1126.
Act for any fiscal year for such allotments shall become available for obligation by the affected schools on July 1 of the fiscal year for which such allotments are appropriated without regard to such standards for the school pursuant to section 1121.

(2) REQUIREMENT.—A local financial plan under subparagraph (A) shall comply with all applicable requirements of this section.

(3) PREPARATION AND REVISION.—The financial plan for a school under subparagraph (A) shall be prepared by the supervisor of the Bureau school and the local school board for the school.

(4) REQUIREMENT.—A Bureau school shall expend amounts received under an allotment under section 1126 in accordance with the financial plan prepared under paragraph (1) and any other information the supervisor believes necessary to carry out this paragraph and adequate training on the use of such information.

(5) Limitation.—Notwithstanding any other provision of law (including a regulation), the Bureau and each school board in active consultation with the local school board to the appropriate education line officer shall transmit the determination to the local school board for the school receiving such funds. The augmented amount and the reasons the supervisor believes such action should be taken shall be transmitted to the local school board to the appropriate education line officer at the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(a) the academic and support services for students of the affected tribe or school.

(b) Support services, including procurement and facilities maintenance.

(c) Transportation.

(2) EQUAL BENEFIT AND BURDEN.—(A) IN GENERAL.—Each agreement entered into pursuant to the provisions of this subparagraph (A) shall confer a benefit upon the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(i) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(ii) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(iii) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(iv) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(v) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(3) Technical Assistance and Program Coordination.—The Secretary for Indian Affairs, acting through the Director of the Office, shall, to the extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of such programs.

(4) Cooperative Agreements.—(A) IN GENERAL.—(1) From funds allotted to a Bureau school under section 1126, the Secretary shall, to the greatest extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of such programs.

(5) Coordination Provisions.—An agreement under paragraph (1) may, with respect to the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(a) the curriculum, unless the Bureau school is accredited by a State or regional accrediting agency and would not continue to be so accredited if the agreement encompassed the program and curriculum.

(B) Support services, including procurement and facilities maintenance.

(C) Transportation.

(6) Product or Result of Student Projects.—Notwithstanding any other provision of law, the Bureau and each school board in active consultation with the local school board to the appropriate education line officer shall transmit the determination to the local school board for the school receiving such funds. The augmented amount and the reasons the supervisor believes such action should be taken shall be transmitted to the local school board to the appropriate education line officer at the Bureau school and schools in the school district involved.

(7) Product or Result of Student Projects.—Notwithstanding any other provision of law, the Bureau and each school board in active consultation with the local school board to the appropriate education line officer shall transmit the determination to the local school board for the school receiving such funds. The augmented amount and the reasons the supervisor believes such action should be taken shall be transmitted to the local school board to the appropriate education line officer at the Bureau school and schools in the school district involved.

(8) PRESUMPTION OF BENEFIT.—(A) IN GENERAL.—For purposes of section 1125, the Bureau shall be deemed to have requested and would not continue to be so accredited if the agreement encompassed the program and curriculum.

(B) Support services, including procurement and facilities maintenance.

(9) Transportation.

(10) Limitation.—(A) IN GENERAL.—Notwithstanding any other provision of law, the Bureau and each school board in active consultation with the local school board to the appropriate education line officer shall transmit the determination to the local school board for the school receiving such funds. The augmented amount and the reasons the supervisor believes such action should be taken shall be transmitted to the local school board to the appropriate education line officer at the Bureau school and schools in the school district involved.

(11) Product or Result of Student Projects.—Notwithstanding any other provision of law, the Bureau and each school board in active consultation with the local school board to the appropriate education line officer shall transmit the determination to the local school board for the school receiving such funds. The augmented amount and the reasons the supervisor believes such action should be taken shall be transmitted to the local school board to the appropriate education line officer at the Bureau school and schools in the school district involved.

(12) COOPERATIVE AGREEMENTS.—(A) IN GENERAL.—(1) From funds allotted to a Bureau school under section 1126, the Secretary shall, to the greatest extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of such programs.

(2) Cooperative Agreements.—(A) IN GENERAL.—(1) From funds allotted to a Bureau school under section 1126, the Secretary shall, to the greatest extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of such programs.

(b) Support services, including procurement and facilities maintenance.

(c) Transportation.

(3) Equal Benefit and Burden.—(A) IN GENERAL.—Each agreement entered into pursuant to the provisions of this subparagraph (A) shall confer a benefit upon the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(i) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(ii) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(iii) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(iv) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(v) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(4) Tring Division of Education, Self-Determination Grant and Contract Funds.—(A) IN GENERAL.—Notwithstanding any other provision of law, the Bureau and each school board in active consultation with the local school board to the appropriate education line officer shall transmit the determination to the local school board for the school receiving such funds. The augmented amount and the reasons the supervisor believes such action should be taken shall be transmitted to the local school board to the appropriate education line officer at the Bureau school and schools in the school district involved.

(B) Support services, including procurement and facilities maintenance.

(C) Transportation.

(5) Equal Benefit and Burden.—(A) IN GENERAL.—Each agreement entered into pursuant to the provisions of this subparagraph (A) shall confer a benefit upon the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(i) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(ii) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(iii) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(iv) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(v) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(6) Summer Program of Academic and Support Services.—(A) IN GENERAL.—A financial plan prepared under this section shall include (i) the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

(B) Support services, including procurement and facilities maintenance.

(C) Transportation.
project or receipt of a grant, shall apply to a Bureau funded school unless the provision of law authorizing such requirement specifies that such requirement applies to such a school."

"(B) LIMITATION.—In considering an application from a Bureau funded school for participation in a program or project that has a requirement in subparagraph (A), the entity administering such program or project or awarding such grant shall not give positive or negative weight to such application based solely on the provisions of this paragraph. Such an application shall be considered as if it fully met any matching requirement.

**SEC. 1130. POLICY FOR INDIAN CONTROL OF INDIAN EDUCATION.**

"(a) FACILITATION OF INDIAN CONTROL.—It shall be the policy of the United States acting through the Secretary, in carrying out the functions of the Bureau, to facilitate Indian control of Indian affairs in all matters relating to education.

"(b) CONSULTATION WITH TRIBES.—

"(1) IN GENERAL.—All actions under this Act shall be done with active consultation with tribes. The United States acting throughout the Administration, and tribes shall work in a government-to-government relationship to ensure quality education for all tribal members.

"(2) REQUIREMENTS.—The consultation required under paragraph (1) means a process involving the open discussion and joint deliberation of all options with respect to potential issues or changes between the Bureau and all interested parties. During such discussions and joint deliberations, interested parties (including tribes and school officials) shall have the opportunity to present issues including proposals regarding changes in current practices or programs which will be considered for future action by the Secretary or by the appropriate agency level of the Bureau. Such an application shall be considered for future action by the Secretary if it is consistent with the views of the interested parties.

**SEC. 1131. INDIAN EDUCATION PERSONNEL.**

"(a) DEFINITIONS.—In this section:

"(1) EDUCATION POSITION.—The term 'education position' means a position in the Bureau relating to the duties and responsibilities of which—

"(A) are performed on a school-year basis principally in a Bureau school and involve—

"(i) classroom or other instruction, or the supervision or direction of classroom or other instruction;

"(ii) any activity (other than teaching) that requires academic credits in educational theory and practice equal to the academic credits in educational theory and practice required for a bachelor's degree in education at an accredited institution of higher education;

"(iii) any activity in or related to the field of education, whether or not academic credits in educational theory and practice required for a bachelor's degree in education at an accredited institution of higher education is a substantial reason for another course of action. The Secretary shall submit to any Member of Congress, within 18 days of the receipt of a written request by such Member, a written explanation of the decision made by the Secretary which is not consistent with the views of the interested parties.

"(2) REQUIREMENTS.—In prescribing regulations to govern the qualifications of educators, the Secretary shall ensure that—

"(A) that lists of qualified and interviewed applicants for education positions be maintained in the appropriate agency or area office of the Bureau or, in the case of individuals applying at the national level, the Office;

"(B) that a local school board have the authority to waive, on a case-by-case basis, any formal education or degree qualification established by regulation, in order for a tribal member to be hired in an education position to teach courses on tribal culture and language; and

"(C) that it shall not be a prerequisite to the employment of an individual in an education position at the national level—

"(i) that such individual's name appear on a list maintained pursuant to subparagraph (A); or

"(ii) that such individual have applied at the national level for an education position.

"(3) EXCEPTION FOR CERTAIN TEMPORARY EMPLOYMENT.—The Secretary may authorize the temporary employment in an education position of an individual who has not met the certification standards established pursuant to regulations, if the Secretary determines that failure to authorize the employment would result in that position remaining vacant.

"(4) HIRING OF EDUCATORS.—

"(i) IN GENERAL.—The term 'educator' includes any person employed at the local level for an education position at the Bureau school (other than the supervisor of the school)."
individual be employed, or not be employed, in an education position in the school (other than that of supervisor) by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the education line officer may, for good cause, overturn the determination of the local school board. The education line officer shall transmit the determination of such appeal in the form of a written opinion to such board and such supervisor identifying the reasons for overturning such determination.

"(B) By Education Line Officer.—The education line officer of the agency school board, the Bureau may appeal to the Director of the Office any determination by the local school board for the school that an individual be employed, or not be employed, as the supervisor of a school by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the Director may, for good cause, overturn the determination of the local school board. The Director shall transmit the determination of such appeal in the form of a written opinion to such board and such education line officer identifying the reasons for overturning such determination.

"(5) Other Appeals.—The education line officer of an agency office of the Bureau may appeal to the Director any determination by the agency school board that an individual be employed, or not be employed, in an education position in such agency office by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned. A copy of such statement shall be submitted to the agency school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the Director may, for good cause, overturn the determination of the agency school board. The Director shall transmit the determination of such appeal in the form of a written opinion to such board and to such education line officer identifying the reasons for overturning such determination.

"(D) DISCHARGE AND CONDITIONS OF EMPLOYMENT OF EDUCATORS.—

"(1) Regulations.—In prescribing regulations governing the discharge and conditions of employment of educators, the Secretary shall require—

(A) that procedures shall be established for the prompt and equitable resolution of grievances of educators;

(B) that no educator may be discharged without notice of the reasons for the discharge and an opportunity for a hearing under procedures that comport with the requirements of due process; and

(C) that each educator employed in a Bureau school shall be notified 30 days prior to the end of an academic year whether the employment contract of the individual will be renewed for the following year.

"(2) DETERMINATIONS.—The supervisor of a Bureau school may discharge (subject to procedures established under paragraph (1)(B)) any educator employed in such school. On giving notice to an educator of the supervisor's intention to discharge the educator, the supervisor shall immediately notify the local school board of the proposed discharge. A determination by the supervisor that an educator shall or shall not be discharged shall be followed by the supervisor.

"(B) Appeals.—The supervisor shall have the right to appeal a determination of the local school board that an educator shall or shall not be discharged to such appeal. After reviewing such written appeal and response, the education line officer, the Director, may, for good cause, overturn the determination of the local school board. The education line officer shall transmit the determination of such appeal in writing and submit the decision to the local school board.

"(3) RECOMMENDATIONS OF SCHOOL BOARDS FOR DISCHARGE.—Each local school board for a Bureau school shall have the right—

(A) to recommend to the supervisor that an educator employed in the school be discharged; and

(B) to recommend to the Education Line Officer of the agency office of the Bureau and to the Director of the Office, that the supervisor of the school be discharged.

"(E) APPLICABILITY OF INDIAN PREFERENCE LAWS.—

"(1) IN GENERAL.—Notwithstanding any provision of the Indian preference laws, such laws shall not apply in the case of any personnel action carried out under this section with respect to an applicant or employee not entitled to an Indian preference if each tribal organization shall file in writing a waiver of the application of such laws with respect to such personnel action and states that such waiver is necessary. This paragraph shall not be construed to relieve the Bureau's responsibility to issue timely and adequate announcements and advertisements concerning any such personnel action if such action is intended to fill a vacancy (no matter how such vacancy is created).

"(2) Definitions.—In this subsection:

(A) INDIAN PREFERENCE LAWS.—The term 'Indian preference laws' means section 7(b) of the Indian Self-Determination and Education Assistance Act.

(B) TRIBAL ORGANIZATION.—The term 'tribal organization' means—

(i) the recognized governing body of any Indian tribe, band, nation, pueblo, or other organized group, community, or tribe (as defined in section 3(e) of the Alaska Native Claims Settlement Act); or

(ii) in connection with any personnel action referred to in this subsection, any local or school board governing body that has delegated the authority to grant a waiver under this subsection with respect to a personnel action.

(C) COMPENSATION OR ANNUAL SALARY.—

"(1) IN GENERAL.—

(A) Compensation for Educators and Education Positions.—Except as otherwise provided in this section, the Secretary shall establish the compensation or annual salary rate for educators and education positions.

(i) at rates in effect under the General Schedule, for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 of title 5, United States Code, is applicable; or

(ii) if the Federal Wage System schedule in effect for the locality involved, and for the comparable positions, at the rates of compensation in effect for the senior executive service.

(B) COMPENSATION OR SALARY FOR TEACHERS AND COUNSELORS.—The Secretary shall provide that the rate of compensation or annual salary rate, for the positions of teachers and counselors (including dormitory counselors and home-living counselors) at the rates of compensation in effect for the date of enactment of the Native American Education Improvement Act of 2001 and thereafter, for comparable positions in the over- seas teachers and counselors (including academic counselors) who are new hires at the school and who had not worked at the school, as of the first day of such fiscal year, shall be at least equal to the rate of compensation or annual salary rate described in subparagraph (A).

(C) Rates for New Hires.—

"(i) In General.—Beginning with the first fiscal year following the date of enactment of the Native American Education Improvement Act of 2001, each local school board of a Bureau school may establish a rate of compensation or annual salary rate described in subparagraph (A) for individuals who are new hires at the school (including academic counselors) who are new hires at the school and who had not worked at the school, as of the first day of such fiscal year.

(ii) Consistent Rates.—The rates established under clause (i) shall be consistent with the rates paid for individuals in the same positions, with the same tenure and, training, as the teachers and counselors, in any other school within whose boundaries there is a Bureau school.

"(iii) Decreases.—In an instance in which the establishment of rates under clause (i) causes a reduction in compensation at a school from the rate of compensation that was in effect for the first fiscal year following the date of enactment of the Native American Education Improvement Act of 2001, the new rates of compensation may be applied to the compensation of employees of the school who worked at the school as of such date of enactment by applying those rates only to those employees at the school so that the reduction takes effect in 3 equal installments.

"(D) Establ ished Regulations, Procedures, and Arrangements.—

"(i) Promotions and Advancements.—The establishment of rates of compensation and annual salary rates under subparagraphs (B) and (C) shall not preclude the use of regulations and procedures used by the Bureau prior to April 28, 1988, in making determinations regarding promotions and advancements through levels of pay that are based on the merit, education, experience, or tenure of an educator.

(ii) Continuation Employment or Compensation.—The establishment of rates of compensation and annual salary rates under subparagraphs (B) and (C) shall not affect the employment or compensation of any educator who was employed in an education position on October 31, 1979, and who
(o) as in effect on January 1, 1990.

(2) POST DIFFERENTIAL RATES.

(A) IN GENERAL.—The Secretary may pay a post differential rate, in accordance with regulations that shall be prescribed by the Director of the Office of Personnel Management.

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(3) DUAL COMPENSATION.—In the case of any educator who requests employment in another education position, on the basis of convincing reasons (and advises the board in writing of those reasons), that the rate should be discontinued or decreased because the disparity of compensation between the appropriate educators or positions in the school and the comparable educators or positions at the nearest public school, is—

(I)(aa) at least 5 percent; or

(bb) at least 10 percent; and

(II) does not affect the recruitment or reten tion of employees at the school.

(iii) APPROVAL OF REQUESTS.—A request made under this paragraph shall be considered to be approved at the end of the 60th day after the request is received in the Central Office of the Bureau unless before that time the re quest is approved or disapproved by a modification, or disapproved by the Secretary.

(iv) DISCONTINUATION OF OR DECREASE IN RATES.—The Secretary or the supervisor of a Bureau school may, if the Secretary or the supervisor determines that a post differential rate provided for under this paragraph at the beginning of an academic year if—

(I) the local school board requests that such differential be discontinued or decreased; or

(II) the Secretary or the supervisor, respectively, determines for clear and convincing reasons (and advises the board in writing of those reasons) that there is no disparity of compensation that would affect the recruitment or reten tion of employees at the school after the differential is discontinued or decreased.

(v) EFFECTS.—On or before February 1 of each year, the Secretary shall submit to Congress a report describing the requests and approvals of authorization made under this paragraph during the previous year and listing the positions receiving post differential rates under contracts entered into under those authorizations.

(1) TRANSFER OF REMAINING LEAVE UPON TERMINATION.—Upon termination of employment with the Bureau, any annual leave remaining to the credit of an individual within the purview of this section shall be liquidated in accordance with sections 5551(a) and 6306 of title 5, United States Code, except that leave earned or accrued under regulations relating to the liquidation of leave pursuant to subsection (c)(9) shall not be so liquidated.

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SEC. 1132. COMPUTERIZED MANAGEMENT INFORMATION SYSTEM.

"(a) IN GENERAL.—Not later than 12 months after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall update the computerized management information system within the Office. The information to be updated shall include information regarding—

(1) student enrollment;
(2) curricula;
(3) that is not:
(4) facilities;
(5) community demographics;
(6) student enrollment information;
(7) information on the administrative and program costs attributable to each Bureau program, divided into discrete elements;
(8) relevant regulations;
(9) personnel records;
(10) finance and payroll; and
(11) such other items as the Secretary determines appropriate.

"(b) IMPLEMENTATION OF SYSTEM.—Not later than July 1, 2003, the Secretary shall complete the implementation of the updated computerized management information system at each Bureau field office and Bureau funded school.

SEC. 1133. RECRUITMENT OF INDIAN EDUCATORS.

"The Secretary shall institute a policy for the recruitment of qualified Indian educators and a detailed plan to promote employment within the Bureau. Such plan shall include provisions for opportunities for acquiring work experience prior to receiving an actual work assignment.

SEC. 1134. ANNUAL REPORT; AUDITS.

"(a) Annual Reports.—The Secretary shall submit to each appropriate committee of Congress, all Bureau funded schools, and the tribal governing bodies of such schools, a detailed annual report on the state of education within the Bureau and any problems encountered in Indian education during the period covered by the report. Such report shall contain suggestions for the improvement of the Bureau educational system and for increasing tribal or local Indian control of such system. Such report shall also include information on the status of tribally controlled community colleges.

"(b) BUDGET REQUEST.—The annual budget request for the Bureau’s education programs, as submitted to the President of the United States, shall include the information required by the Secretary of the Interior for each Bureau-funded school.

"(c) FINANCIAL AND COMPLIANCE AUDITS.—The Inspector General of the Department of the Interior shall establish a system to ensure compliance with the Federal law.

SEC. 1135. RIGHTS OF INDIAN STUDENTS.

"The Secretary shall prescribe such rules and regulations as may be necessary to ensure the protection of the constitutional and civil rights of Indian students attending Bureau funded schools, including such students’ rights to due process in connection with disciplinary actions, suspensions, and expulsions.

SEC. 1136. REGULATIONS.

"(a) IN GENERAL.—The Secretary may issue only such regulations as may be necessary to ensure compliance with the specific provisions of this part and only such regulations as the Secretary is authorized to issue pursuant to the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2510). In issuing the regulations, the Secretary shall publish proposed regulations in the Federal Register, and shall provide a period of not less than 120 days for public comment and consultation on the regulations. The regulations shall contain, immediately following each regulatory section, a citation to any statutory provision providing authority to issue such regulatory section.

"(b) REGIONAL MEETINGS.—Prior to publishing any proposed regulations under subsection (a) and prior to establishing the negotiated rulemaking committee under subsection (c), the Secretary shall convene regional meetings to consult with personnel of the Office of Indian Education Programs, educators at Bureau schools, and tribal officials, parents, teachers, administrators, and tribal leaders. The Secretary shall require each Bureau funded school to provide guidance to the Secretary on the content of regulations authorized to be promulgated in this part and the Tribally Controlled Schools Act of 1988.

"(c) NEGOTIATED RULEMAKING.—

"(1) IN GENERAL.—Notwithstanding sections 568(a) and 568(b) of title 5, United States Code, the Secretary shall promulgate regulations authorized under subsection (a) and under the Tribally Controlled Schools Act of 1988, in accordance with the negotiated rulemaking procedures provided for under subchapter III of chapter 5 of title 5, United States Code, and shall publish final regulations in the Federal Register.

"(2) EXPIRATION OF AUTHORITY.—The authority of the Secretary to promulgate regulations under this part and under the Tribally Controlled Schools Act of 1988 shall expire on the date that is 18 months after the date of enactment of this Act. If the Secretary determines that an extension of the deadline under this subsection is appropriate, the Secretary may submit proposed legislation to Congress for an extension of such deadline.

"(d) RULEMAKING COMMITTEE.—The Secretary shall establish a negotiated rulemaking committee to carry out this subsection. In establishing such committee, the Secretary shall—

"(1) apply the procedures provided for under subchapter III of chapter 5 of title 5, United States Code, in a manner that reflects the unique government-to-government relationship between Indian tribes and the United States;

"(2) ensure that the membership of the committee includes representatives of the Federal Government and of tribes served by Bureau-funded schools;

"(3) select the tribal representatives of the committee from among individuals nominated by the representatives of the tribal and tribally-operated schools;

"(4) ensure, to the maximum extent possible, that the membership on the committee reflects the proportionate share of students from tribes served by the Bureau funded school system; and

"(e) APPROPRIATIONS.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section. The appropriation made under subsection (a), a tribe, tribal organization, or consortium—
“(1) shall coordinate the program with other childhood development programs and may provide services that meet identified needs of parents, and children under age 6, that are not being met by the programs, including needs for—

(A) prenatal care;
(B) nutrition education; physical exercise and screening;
(C) family literacy services;
(D) educational testing; and
(E) other educational services;

(2) to provide in the early childhood development program funded through the grant, instruction in the language, art, and culture of the tribe served by the program; and

(3) shall provide for periodic assessments of the program.

(e) COORDINATION OF FAMILY LITERACY PROGRAMS.—An entity that operates a family literacy program under this section or another similar program funded by the Bureau shall coordinate the program with family literacy programs for Indian children carried out under part B of title I of the Elementary and Secondary Education Act of 1965, any similar program funded through a contract or grant, at least 1 member of the governing body of the tribe serving a school or schools operated under a contract or grant, at least 1 member of the governing body described in subparagraph (A) shall be a member of an Indian tribe or tribes, or a major Indian organization; and

(f) ADMINISTRATIVE COSTS.—The Secretary shall reserve funds appropriated under subsection (g) to include in each grant made under subsection (a) an amount for administrative costs applicable to curriculum, personnel, students, facilities, and support programs.

(e) PRIORITIES.—In making grants under this section, the Secretary shall give priority to any application that—

(1) includes—

(A) assurances that the applicant serves 3 or more Bureau schools; and
(B) assurances from the applicant that the tribal department of education to be funded under this section will provide coordination and technical assistance to all of such schools; and

(2) includes assurances that all education programs for which funds are provided by such a contract or grant will be monitored and audited, by or through the tribal department of education, to ensure that the programs meet the requirements of law; and

(3) provides a plan and schedule that—

(A) provides for—

(i) the assumption, by the tribal department of education, of all assets and functions of the Bureau agency office associated with the tribe, to the extent the assets and functions relate to education; and

(ii) the termination by the Bureau of such functions and office at the time of such assumption; and

(B) provides that the assumption shall occur no later than the first day of each month after the initial year of the grant.

(f) TIME PERIOD OF GRANT.—Subject to the availability of appropriated funds, a grant provided under subsection (a) shall be provided for a period of 3 years. If the performance of the grant recipient is satisfactory to the Secretary, the grant may be renewed for additional terms of 3 years, as may be necessary for each of fiscal years 2002, 2003, 2004, 2005, and 2006.

(g) APPLICATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2002, 2003, 2004, 2005, and 2006.

SEC. 113B. TRIBAL DEPARTMENTS OR DIVISIONS OF EDUCATION.

(a) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall make grants and provide technical assistance to tribes for the development and operation of tribal departments or divisions of education for the purpose of planning and coordinating all educational programs of the tribe.

(b) APPLICATIONS.—For a tribe to be eligible to receive a grant under this section, the governing body of the tribe shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

(c) DIVERSITY.—The Secretary shall award grants under this section in a manner that fosters geographic and population diversity.

(d) USE.—Tribes that receive grants under this section shall use the funds made available through the grants—

(1) to facilitate tribal control in all matters relating to the education of Indian children and on former Indian reservations in Oklahoma;

(2) to provide for the development of coordinated educational programs (including all preschool, elementary, secondary, and higher or vocational educational programs funded by tribal, Federal, or other sources) on reservations (and on former Indian reservations in Oklahoma) by encouragement and administration of support of all Bureau funded educational programs as well as encouraging tribal coordination and coordination with all educational programs receiving financial support from other Federal agencies, State agencies, or private entities; and

(3) to develop for the development and enforcement of tribal educational codes, including tribal educational policies and tribal standards applicable to curriculum, personnel, students, facilities, and support programs.

(4) PRIORITIES.—In making grants under this section, the Secretary shall give priority to any application that—

(1) includes—

(A) assurances that the applicant serves 3 or more Bureau funded schools; and
(B) assurances from the applicant that the tribal department of education to be funded under this section will provide coordination and technical assistance to all of such schools; and

(2) includes assurance that all education programs for which funds are provided by such a contract or grant will be monitored and audited, by or through the tribal department of education, to ensure that the programs meet the requirements of law; and

(3) provides a plan and schedule that—

(A) provides for—

(i) the assumption, by the tribal department of education, of all assets and functions of the Bureau agency office associated with the tribe, to the extent the assets and functions relate to education; and

(ii) the termination by the Bureau of such functions and office at the time of such assumption; and

(B) provides that the assumption shall occur no later than the first day of each month after the initial year of the grant.

(5) TIME PERIOD OF GRANT.—Subject to the availability of appropriated funds, a grant provided under subsection (a) shall be provided for a period of 3 years. If the performance of the grant recipient is satisfactory to the Secretary, the grant may be renewed for additional terms of 3 years, as may be necessary for each of fiscal years 2002, 2003, 2004, 2005, and 2006.

(6) ADMINISTRATIVE COSTS.—The Secretary shall reserve funds appropriated under subsection (g) to include in each grant made under subsection (a) an amount for administrative costs applicable to curriculum, personnel, students, facilities, and support programs.

(7) ADMINISTRATIVE COSTS.—The Secretary shall reserve funds appropriated under subsection (g) to include in each grant made under subsection (a) an amount for administrative costs applicable to curriculum, personnel, students, facilities, and support programs.

(8) USE.—Tribes that receive grants under this section shall use the funds made available through the grants—

(1) to facilitate tribal control in all matters relating to the education of Indian children and on former Indian reservations in Oklahoma;

(2) to provide for the development of coordinated educational programs (including all preschool, elementary, secondary, and higher or vocational educational programs funded by tribal, Federal, or other sources) on reservations (and on former Indian reservations in Oklahoma) by encouragement and administration of support of all Bureau funded educational programs as well as encouraging tribal coordination and coordination with all educational programs receiving financial support from other Federal agencies, State agencies, or private entities; and

(3) to develop for the development and enforcement of tribal educational codes, including tribal educational policies and tribal standards applicable to curriculum, personnel, students, facilities, and support programs.

(4) PRIORITIES.—In making grants under this section, the Secretary shall give priority to any application that—

(1) includes—

(A) assurances that the applicant serves 3 or more Bureau funded schools; and
(B) assurances from the applicant that the tribal department of education to be funded under this section will provide coordination and technical assistance to all of such schools; and

(2) includes assurance that all education programs for which funds are provided by such a contract or grant will be monitored and audited, by or through the tribal department of education, to ensure that the programs meet the requirements of law; and

(3) provides a plan and schedule that—

(A) provides for—

(i) the assumption, by the tribal department of education, of all assets and functions of the Bureau agency office associated with the tribe, to the extent the assets and functions relate to education; and

(ii) the termination by the Bureau of such functions and office at the time of such assumption; and

(B) provides that the assumption shall occur no later than the first day of each month after the initial year of the grant.

(f) TIME PERIOD OF GRANT.—Subject to the availability of appropriated funds, a grant provided under subsection (a) shall be provided for a period of 3 years. If the performance of the grant recipient is satisfactory to the Secretary, the grant may be renewed for additional terms of 3 years, as may be necessary for each of fiscal years 2002, 2003, 2004, 2005, and 2006.

(g) APPLICATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2002, 2003, 2004, 2005, and 2006.

SEC. 113B. TRIBAL DEPARTMENTS OR DIVISIONS OF EDUCATION.

(a) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall make grants and provide technical assistance to tribes for the development and operation of tribal departments or divisions of education for the purpose of planning and coordinating all educational programs of the tribe.

(b) APPLICATIONS.—For a tribe to be eligible to receive a grant under this section, the governing body of the tribe shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

(c) DIVERSITY.—The Secretary shall award grants under this section in a manner that fosters geographic and population diversity.

(d) USE.—Tribes that receive grants under this section shall use the funds made available through the grants—

(1) to facilitate tribal control in all matters relating to the education of Indian children and on former Indian reservations in Oklahoma;

(2) to provide for the development of coordinated educational programs (including all preschool, elementary, secondary, and higher or vocational educational programs funded by tribal, Federal, or other sources) on reservations (and on former Indian reservations in Oklahoma) by encouragement and administration of support of all Bureau funded educational programs as well as encouraging tribal coordination and coordination with all educational programs receiving financial support from other Federal agencies, State agencies, or private entities; and

(3) to develop for the development and enforcement of tribal educational codes, including tribal educational policies and tribal standards applicable to curriculum, personnel, students, facilities, and support programs.

(4) PRIORITIES.—In making grants under this section, the Secretary shall give priority to any application that—

(1) includes—

(A) assurances that the applicant serves 3 or more Bureau funded schools; and
(B) assurances from the applicant that the tribal department of education to be funded under this section will provide coordination and technical assistance to all of such schools; and

(2) includes assurance that all education programs for which funds are provided by such a contract or grant will be monitored and audited, by or through the tribal department of education, to ensure that the programs meet the requirements of law; and

(3) provides a plan and schedule that—

(A) provides for—

(i) the assumption, by the tribal department of education, of all assets and functions of the Bureau agency office associated with the tribe, to the extent the assets and functions relate to education; and

(ii) the termination by the Bureau of such functions and office at the time of such assumption; and

(B) provides that the assumption shall occur no later than the first day of each month after the initial year of the grant.

(f) TIME PERIOD OF GRANT.—Subject to the availability of appropriated funds, a grant provided under subsection (a) shall be provided for a period of 3 years. If the performance of the grant recipient is satisfactory to the Secretary, the grant may be renewed for additional terms of 3 years, as may be necessary for each of fiscal years 2002, 2003, 2004, 2005, and 2006.

(g) APPLICATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2002, 2003, 2004, 2005, and 2006.
independent or other school district located within a State, and includes any State agency that directly operates and maintains facilities for providing free public education.

(15) TRIBAL GOVERNING BODY—The term ‘tribal governing body’ means—(a) the term ‘tribal governing bodies’ as defined by the parents of the Indian children attending the school, except that, for a school serving a substantial number of students from more than one tribe, the manner of such members shall be determined by the Secretary in consultation with the affected tribes;

(14) OFFICE.—The term ‘Office’ means the Office of Indian Education Programs within the Bureau.

(16) SECRETARY.—The term ‘Secretary’ means the Secretary of Education.

(17) SUPERVISOR.—The term ‘supervisor’ means the individual in the position of ultimate authority at a Bureau school.

(18) TRIBAL GOVERNING BODY .—The term ‘tribal governing body’ means, with respect to any school, the tribal governing body, or tribal governing bodies, that represent at least 90 percent of the students served by such school.

(19) TRIBE.—The term ‘tribe’ means any Indian tribe, band, nation, or other organized group or community, including an Alaska Native Regional Corporation or Village Corporation (as defined in or established pursuant to the Alaska Native Claims Settlement Act).

Subtitle B—Tribally Controlled SchoolsAct of 1988

Section 3202. FINDINGS.

Congress, after careful review of the Federal administrative and special legal relationship with, and resulting responsibilities to, Indians, finds that—

(1) the Indian Self-Determination and Education Assistance Act, which was a product of the legitimate aspirations and a recognition of the inherent authority of Indian nations, was and is a crucial positive step toward tribal and community control;

(2) because of the Bureau of Indian Affairs’ administration and domination of the contracting process under such Act, Indians have been denied the full opportunity to develop leadership skills crucial to the realization of self-government and have been denied an effective voice in the planning and implementation of programs for the benefit of Indians that are responsive to the true needs of Indian communities;

(3) Indians will never surrender their desire to control their relationships both among themselves and with non-Indian governments, organizations, and persons;

(4) true self-determination in any society of people is dependent upon an educational process that will ensure the development of qualified people to fulfill meaningful leadership roles;

(5) Federal administration of education for Indian children have not effected the desired level of educational achievement or created the diverse opportunities and personal satisfaction that education can and should provide;

(6) true local control requires the least possible Federal interference; and

(7) the time has come to enhance the concepts manifested in the Indian Self-Determination and Education Assistance Act.

Section 3203. DECLARATION OF POLICY.

(a) RECOGNITION.—Congress recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational services so as to render the persons administering such services and the services themselves responsive to the needs and desires of Indian communities.

(b) COMMITMENT.—Congress declares its commitment to the maintenance of the Federal Government’s unique and continuing trust relationship with and responsibility to the Indian people through the establishment of a meaningful Indian self-determination policy for education that will deter further perpetuation of Federal bureaucratic domination of programs.

(c) NATIONAL GOAL.—Congress declares that a major national goal of the United States is to provide the resources, processes, and structure that will enable tribes and local communities to obtain the quantity and quality of educational experiences and opportunities that will permit Indian children—

(1) to compete and excel in the life areas of their choice;

(2) to achieve the measure of self-determination essential to their social and economic well-being;

(d) EDUCATIONAL NEEDS.—Congress affirms—

(1) the reality of the special and unique educational needs of Indian people, including the need for programs that address the linguistic and cultural aspirations of Indian tribes and communities;

(2) that the needs may best be met through a grant process.

(e) FEDERAL RELATIONS.—Congress declares a commitment to the policies described in this section and support, to the full extent of congressional responsibility, for Federal relations with the Indian nations.

(f) TERMINATION.—Congress repudiates and rejects House Concurrent Resolution 108 of the 83d Congress and any policy of unilateral termination of Federal relations with any Indian Nation.

Section 3204. PROVISIONS AUTHORIZED.

(a) IN GENERAL.—

(1) ELIGIBILITY.—The Secretary shall provide grants to Indian tribes and tribal organizations—

(A) operate contract schools under title XI of the Education Amendments of 1978 and notify the Secretary of their election to operate such schools with assistance under this part rather than continuing to operate such schools as contract schools under such title;

(B) operate other tribally controlled schools eligible for assistance under this part and submit applications (which are approved by their tribal governing bodies) to the Secretary for such grants; or

(C) elect to assume operation of Bureau funded schools with the assistance provided under this part and submit applications (which are approved by their tribal governing bodies) to the Secretary for such grants.

(2) DISPOSITION OF FUNDS.—Funds made available through a grant provided under this part shall be used for general operating fund of the tribally controlled school with respect to which the grant is made.

(3) USE OF FUNDS.—

(A) EDUCATION RELATED ACTIVITIES.—Except as otherwise provided in this paragraph, funds made available through a grant provided under this part shall be used for—

(i) school operations and maintenance expenditures for the school if any funds for the operation and maintenance of the school are allocated to the school under the provisions of any of the laws described in section 5205(a), or any similar activities, including expenditures for educational, residential, guidance and counseling, and administrative purposes; and

(ii) support services for the school, including transportation.

(B) OPERATIONS AND MAINTENANCE EXPENDITURES.—Funds made available through a grant provided under this part may, at the discretion of the school board of the tribally controlled school with respect to which such grant is provided, be used to defray operations and maintenance expenditures for the school if any funds for the operation and maintenance of the school are allocated to the school under the provisions of any of the laws described in section 5205(a).

Section 3205. SUPERVISOR.

(a) IN GENERAL.—The term ‘supervisor’ means—

(i) school operations, and academic, educational, administrative, and maintenance expenditures for the school if any funds for the operation and maintenance of the school are allocated to the school under the provisions of any of the laws described in section 5205(a).

(b) LIMITATIONS.

(1) 1 GRANT PER TRIBE OR ORGANIZATION PER FISCAL YEAR.—Not more than 1 grant may be provided under this part with respect to any Indian tribe or tribal organization for any fiscal year.

(2) NONSECTARIAN USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

Section 3206. CONSTRUCTION.

Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

Section 3207. NO WAIVER OF FEDERAL TORT CLAIMS ACT.

Notwithstanding section 314 of the Department of Interior and Related Agencies Appropriations Act, 1981 (Public Law 101-166), funds provided by this Act shall not apply to a program operated by a tribally controlled school if the program is not funded by the Federal agency. Nothing in the preceding sentence shall be construed to apply to—

(A) the employees of the school involved; and

(B) any entity that enters into a contract with a grantee under this section.

Section 3208. VACANCIES.

If a grantee fails to appoint a supervisor or tribal organization to apply for, or accept, funds made available through any grant provided under this part, the Secretary may appoint an individual, with the consent of the tribe, to act as a supervisor or tribal organization to apply for, or accept, funds made available through any grant provided under this part. In making such appointment, the Secretary shall take into account whether the tribe has been denied an effective voice in the planning and implementation of programs for the school and the tribe’s desire to control its relationships both among itself and with the Federal government.

Section 3209. TRANSFER OF FUNDS AMONG SCHOOL SITES.

(1) IN GENERAL.—In the case of a recipient of a grant under this part that operates schools at more than 1 school site, the grant recipient may expend not more than the lesser of—

(A) 10 percent of the funds allocated for administrative purposes to each school site; or

(B) $400,000 of such funds; at any other school site.

(2) DEFINITION OF SCHOOL SITE.—In this subsection, the term ‘school site’ means the physical location and the facilities of an elementary or secondary educational or residential program operated by, or under contract or grant with, the Bureau for which a discrete student count is identified under the funding formula established under section 1127 of such Act.

(3) NO REQUIREMENT TO ACCEPT GRANTS.—Nothing in this part may be construed—

(A) to require a tribe or tribal organization to apply for or accept, grants made available through this Act; and

(B) to allow any person to coerce any tribe or tribal organization to apply for, or accept,
a grant under this part to plan, conduct, and administer all of, or any portion of, any Bureau program. The submission of such applications and the timing of such applications shall not be terminated, modified, suspended, or reduced solely for the convenience of the administering agency, nor for any other purpose of law, for transportation costs for such school.

(2) to the extent requested by such Indian tribe or tribal organization, the total amount of funds provided for operations and maintenance accounts and, notwithstanding section 105 of the Indian Self-Determination and Education Assistance Act, any other provision of law, or any other provision of law, other facilities accounts for such school for such fiscal year (including accounts for facilities referred to in section 1115 of the Education Amendments of 1978 and the tribe or tribal organization operating the school submits to the Secretary a separate account for the work done and the funds expended. Funds received from those accounts may only be used for the purpose for which the grant was made and for the work encompassed by the application or submission for which the funds were received.

(b) REQUIREMENTS FOR PROJECTS.—With respect to a grant to a tribally controlled school under this part for new construction or facilities improvements and repair in excess of $500,000, such grant shall be subject to the requirements of the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in part 12 of title 43, Code of Federal Regulations.

(ii) EXCEPTION.—Notwithstanding clause (1), grants described in such clause shall not be subject to section 12.61 of title 43, Code of Federal Regulations. The Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed.

(iii) APPLICATIONS.—In considering applications for a grant described in clause (i), the Secretary shall consider whether the Indian tribe or tribal organization involved were deficient in assuring that the construction projects under the proposed grant conform to applicable building standards and code and health, safety, and quality standards as required under section 1124 of the Education Amendments of 1978 (25 U.S.C. 2005(c)) with respect to organizational and financial management capabilities.

(iv) DISPUTES.—Any disputes between the Secretary and any grantee concerning a grant described in clause (i) shall be subject to the dispute provisions contained in section 5209(e).

(2) NEW SCHOOLS.—Notwithstanding subparagraph (A), a school grant under this part for facilities improvement and repair may use such grant funds for new construction if the tribal governing body or tribal organization that submits the application for the grant provides funding for the new construction equal to at least 25 percent of the total cost of such new construction.

(B) RIGHTS.—A tribe or organization described in subparagraph (A) may enforce its rights under subsection (a)(2) and this paragraph, including rights relating to any denial or failure to act on such tribe’s or organization’s request, pursuant to the dispute authority described in section 5209(e).

SEC. 5205. ELIGIBILITY FOR GRANTS.

(a) RULES.—(i) IN GENERAL.—A tribally controlled school is eligible for assistance under this part if the school—

(ii) immediately upon the expiration of such 180-day period amend the grant accordingly.

(B) RIGHTS.—A tribe or organization described in subparagraph (A) may enforce its rights under subsection (a)(2) and this paragraph, including rights relating to any denial or failure to act on such tribe’s or organization’s request, pursuant to the dispute authority described in section 5209(e).

(2) NEW SCHOOLS.—Notwithstanding paragraph (1), for purposes of determining eligibility for assistance under this part, any school that has been submitted under the Indian Self-Determination and Education Assistance Act by an Indian tribe or tribal organization for a school that is not in operation at the date of enactment of the Native American Education Improvement Act of 2001 shall be reviewed under the guidelines.
and regulations for applications submitted under the Indian Self-Determination and Education Assistance Act that were in effect at the time the application was submitted, unless the Secretary determines that the Indian tribe or tribal organization elects to have the application reviewed under the provisions of subsection (b).

(2) Certain Electing Schools.—(A) Determination.—By not later than 120 days after the date on which an application is submitted to the Secretary under subparagraph (1)(A), the Secretary shall determine—

(i) whether the school is eligible for assistance under this part; and

(ii) whether the school is eligible for assistance under this part.

(3) Consideration; Transfers and Eligibility.—In considering applications submitted under paragraph (1)(A), the Secretary—

(i) shall transfer operation of the school to the Indian tribe or tribal organization, if the Indian tribe or tribal organization is not already operating the school; and

(ii) shall determine that the school is eligible for assistance under this part.

(4) Certain Electing Schools.—(A) Determination.—By not later than 180 days after the date on which an application is submitted to the Secretary under paragraph (A), the Secretary shall determine whether the school is eligible for assistance under this part.

(5) Factors.—In making the determination under subparagraph (A), the Secretary shall give equal consideration to each of the following factors:

(I) geographic and demographic factors in the affected areas;

(II) adequacy of the applicant’s program plans;

(III) geographic proximity of comparable public education; and

(IV) the needs to be met by the school, as expressed by all affected parties, including but not limited to students, families, tribal governments at both the central and local levels, and school organizations.

(6) Exception regarding Proximity.—The Secretary may not make a determination under this paragraph that is primarily based upon the distance or proximity of comparable public education.

(7) Information on Factors.—An application submitted under paragraph (1)(A) shall include information on the factors described in subparagraph (B)(i), and an application may also provide the Secretary with any other factors described in paragraph (1)(A) as the applicable considerations.

(8) Determination; Lack of Determination.—If the Secretary fails to make a determination under subparagraph (A) with respect to an application within 180 days after the date on which the Secretary received the application—

(I) the Secretary shall be deemed to have made a determination that the tribally controlled school is eligible for assistance under this part; and

(II) the grant shall become effective 18 months after the date on which the Secretary received the application or, on an earlier date, as determined by the Secretary.

(9) Filing of Applications and Reports.—(1) In General.—Each application or report submitted to the Secretary under this part, and any amendment to such application or report, shall be filed with the education line officer designated by the Director of the Office of Indian Education Programs of the Bureau of Indian Affairs. The date on which the filing occurs shall, for purposes of this part, be treated as the date on which the application, report, or amendment was submitted to the Secretary.

(2) Supporting Documentation.—(A) A copy of the application that is submitted under this part shall be accompanied by a document indicating the action taken by the appropriate tribal governing body concerning authorizing such application.

(3) Rule of Construction.—Nothing in this paragraph shall be construed as making a tribal governing body or tribe that takes action described in subsection (b) a party to the grant (unless the tribal governing body or the tribe is the grantee) or as making the tribal governing body or tribe primarily or predominantly responsible for the actions of the grantee.

(4) Clarity.—The provisions of paragraphs (2) and (3) shall be construed as a clarification of policy in existence on the date of enactment of the Native American Education Improvement Act of 2001 with respect to grants under this part and shall not be construed as altering such policy or as a new policy.

(5) Effective Date for Approved Applications.—Except as provided in subsection (c), a grant approved under this part shall be made, and any transfer of the operation of a Bureau school made under subsection (b) shall become effective, beginning on the first day of the academic year succeeding the fiscal year in which the application for the grant or transfer is made, or on an earlier date determined by the Secretary.

(6) Denial of Application.—(1) In General.—If the Secretary disapproves a grant under this part, disapproves the transfer of operations of a Bureau school under subsection (b), or finds that a school is not eligible for assistance under this part, the Secretary shall—

(A) state the objections in writing to the tribe or tribal organization involved within the allotted time;

(B) provide assistance to the tribe or tribal organization to cure all stated objections; and

(C) at the request of the tribe or tribal organization, provide to the tribe or tribal organization a hearing on the record regarding the refusal or determination involved, under the same rules and procedures as apply under the Indian Self-Determination and Education Assistance Act; and

(D) provide to the tribe or tribal organization an opportunity to appeal the decision resulting from the hearing.

(7) Timeline for Reconsideration of Amended Applications.—The Secretary shall consider any amended application submitted under this part within 60 days after the amended application is submitted to the Secretary and shall submit the determinations of the Secretary with respect to such reconsideration to the tribe or the tribal organization.

(8) Report.—The Bureau shall prepare and submit to Congress an annual report on all applications received, and actions taken (including the costs associated with such actions), under this section on the same date as the date on which the President is required to submit to Congress a budget of the United States Government under section 1105 of title 31, United States Code.

SEC. 2907. DURATION OF ELIGIBILITY DETERMINATION.

(A) In General.—If the Secretary determines that a tribally controlled school is eligible for assistance under this part, the eligibility determination shall remain in effect until the determination is revoked by the
Secretary, and the requirements of subsection (b) or (c) of section 5206, if applicable, shall be considered to have been met with respect to such school until the eligibility determination is made by the Secretary.

"(b) ANNUAL REPORTS.—

"(1) IN GENERAL.—Each recipient of a grant provided under this part for a school shall prepare an annual report for the school year for which such funds are provided under this part.

"(2) CONTENTS.—The annual report required under paragraph (1) shall—

"(A) include—

"(i) a description of the standards of the school for the school year,

"(ii) the amount of educational assistance provided to students enrolled in the school during the school year,

"(iii) the amount of educational assistance provided to students enrolled in the school during the school year, and

"(iv) an analysis of the educational assistance provided to students enrolled in the school during the school year;

"(B) provide the Secretary with an opportunity to review the results of the report and to request additional information from the grant recipient; and

"(C) be submitted to the Secretary not later than 30 days after the completion of the school year during which the funds were provided.

"(3) REVIEW.—The Secretary shall review the annual report required under paragraph (1) and shall provide the recipient with a written notice of any deficiencies identified in the report.

"(4) SUBMISSION OF REPORT.—

"(A) IN GENERAL.—The Secretary may not revoke eligibility of a grant recipient in a case where the Secretary determines that the school and governing body—

"(i) have not submitted an annual report, or

"(ii) have failed to submit an annual report by the due date.

"(B) IN SPECIAL CASES.—The Secretary may not revoke eligibility of a grant recipient in a case where the Secretary determines that the school and governing body—

"(i) have submitted an annual report, but the Secretary determines that the annual report is incomplete or contains inaccuracies,

"(ii) have failed to submit an annual report by the due date, but the Secretary determines that the school and governing body are making a good faith effort to submit the annual report within a reasonable time period.

"(C) REVOCATION OF ELIGIBILITY.—

"(1) IN GENERAL.—The Secretary may revoke eligibility of a grant recipient in a case where the Secretary determines that the school and governing body—

"(i) have failed to submit an annual report, or

"(ii) have submitted an annual report that contains inaccuracies or is incomplete.

"(2) EFFECT OF REVOCATION.—The Secretary may not revoke eligibility of a grant recipient in a case where the Secretary determines that the school and governing body—

"(i) have submitted an annual report, and

"(ii) have failed to submit an annual report by the due date, but the Secretary determines that the school and governing body are making a good faith effort to submit the annual report within a reasonable time period.

"(D) TECHNICAL ASSISTANCE.—The Secretary shall provide such technical assistance to the school and governing body as may be necessary to correct any deficiencies identified in the annual report.

"(E) HEARING AND APPEAL.—In addition to notice and technical assistance required under subparagraph (D), the Secretary shall provide—

"(i) a hearing to the school and governing body to discuss any deficiencies identified in the annual report,

"(ii) an opportunity for the school and governing body to appeal any decisions rendered by the Secretary.

"(F) APPLICATION OF SECTION PURSUANT TO ELECTION UNDER SECTION 5209(b).—With respect to a technical assistance program established under section 5209(b), the Secretary shall—

"(i) provide technical assistance to the school and governing body, and

"(ii) provide an opportunity for the school and governing body to appeal any decisions rendered by the Secretary.

"SEC. 5208. PAYMENT OF GRANTS; INVESTMENT OF DISCRETIONARY FUNDS; DIRECT PAYMENTS TO SCHOOLS.

"(a) PAYMENTS.—

"(1) MANNER OF PAYMENTS.—

"(A) IN GENERAL.—Except as otherwise provided in this section, the Secretary shall make payments to grant recipients under this part in 2 payments. The first payment shall be made not later than July 1 of each year in an amount equal to 80 percent of the amount that the grant recipient was entitled to receive during the preceding academic year; and

"(B) EXCESS FUNDING.—In a case in which the amount of excess funding provided under subparagraph (A) is in excess of the amount that the recipient is entitled to receive for the academic year involved, the recipient shall return to the Secretary such excess amount not later than 30 days after the determination that the school was overpaid pursuant to this section. The amount returned to the Secretary under this subparagraph shall be distributed equally to all schools in the system.

"(2) NEWLY FUNDED SCHOOLS.—For any school for which no payment under this part was made from Bureau funds in the academic year preceding the year for which the payments are being made, full payment of the amount computed for the first academic year of eligibility under this part shall be made not later than December 1 of the fiscal year.

"(b) APPLICABILITY OF SECTION PURSUANT TO ELECTION UNDER SECTION 5209(b).—The provisions of chapter 39 of title 31, United States Code, shall apply to the payments required to be made under paragraphs (1) and (2) of section 5208(b) to the extent provided in subsections (c) and (d) of section 5209(b) of title 31 of the United States Code.

"(3) AMOUNT.—The amount of payments made under this section shall not be less than the amount computed for the school for the first academic year of eligibility under this part that is imposed by a continuing resolution or other Act appropriating the funds involved.

"(4) APPROPRIATIONS.—The provisions of chapter 39 of title 31, United States Code, shall apply to the payments required to be made under paragraphs (1), (2), and (3) of section 5208(b) to the extent provided in subsections (c) and (d) of section 5209(b) of title 31 of the United States Code.

"(5) RESTRICTIONS.—Payments made under paragraphs (1), (2), and (3) shall be subject to any restriction on amounts of payments under this part that is imposed by a continuing resolution or other Act appropriating the funds involved.

"(c) FUNDING OF SCHOOL IMPROVEMENT GRANTS.—

"(1) TREATMENT OF INTEREST AND INVESTMENT INCOME.—Notwithstanding any other provision of law, any interest or investment income that accrues from any funds provided under this part for a school after such funds are paid to an Indian tribe or tribal organization and before such funds are expended for the purpose for which such funds were provided under this part shall be the property of the Indian tribe or tribal organization.

"(2) PERMISSIBLE INVESTMENTS.—Funds provided under this part may be invested by an Indian tribe or tribal organization, as approved by the Secretary, in such manner as he determines to be consistent with the purposes for which such funds were so invested.
"(B) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully supported by collateral to ensure protection of the funds, even in the event of bank failure.

"(c) RECOVERIES.—Funds received under this part shall not be taken into consideration by any Federal agency for the purposes of making a recoupment or overrecovery determination for any other funds, from whatever source derived.

"(d) PAYMENTS BY STATES.—(1) IN GENERAL.—With respect to a school that receives assistance under this part, a State shall not—

"(A) take into account the amount of such assistance in determining the amount of funds that such school is eligible to receive under applicable State law; or

"(B) reduce any State payments that such school is eligible to receive under applicable State law because of the assistance received by the school under this part.

"(2) VIOLATIONS.—(A) In general.—Upon receipt of any information from any source that a State is in violation of paragraph (1), the Secretary shall immediately, but in no case later than 90 days after the receipt of such information, conduct an investigation and make a determination of whether such violation has occurred.

"(B) Determination.—If the Secretary makes a determination under subparagraph (A) that a State has violated paragraph (1), the Secretary shall inform the Secretary of Education of such determination and the basis for the determination. The Secretary of Education shall, in an expeditious manner, pursue penalties under paragraph (3) with respect to the State.

"(3) PENALTIES.—A State determined to have violated paragraph (1) shall be subject to penalties similar to the penalties described in section 8809(e) of the Elementary and Secondary Education Act of 1965 for a violation of title VIII of such Act.

"SEC. 5209. APPLICATION WITH RESPECT TO INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT.

"(a) Certain Provisions To Apply To Grants.—The following provisions of the Indian Self-Determination and Education Assistance Act (and any subsequent revisions thereto or renumbering thereof), shall apply to grants provided under this part and the school thereunder:

"(1) Section 111 (relating to sovereign immunity and trust easements unaffected).

"(b) Election for Grant in Lieu of Contract.—(1) IN GENERAL.—A contractor that carries out an activity to which this part applies and who has entered into a contract under the Indian Self-Determination and Education Assistance Act that is in effect on the date of enactment of the Native American Education Improvement Act of 2001 may, by giving notice to the Secretary, elect to receive a grant under this part in lieu of such contract and to have the provisions of this part apply to such activity.

"(2) EFFECTIVE DATE OF ELECTION.—Any election made under paragraph (1) shall take effect on the first day of July immediately following the date of such election.

"(3) Effective Start Date.—In the case of elections in which the first day of July immediately following the date of an election under paragraph (1) is less than 60 days after such election, such election shall not take effect until the first day of July of year following the year in which the election is made.

"(c) No Duplication.—No funds may be provided under any contract entered into under the Indian Self-Determination and Education Assistance Act to pay any expenses incurred for education services if a grant has been made under this part to pay such expenses.

"(d) Transfers and Carries-Over.—(1) BUILDINGS, EQUIPMENT, SUPPLIES, MATERIALS.—A tribe or tribal organization assuming the operation of—

"(A) a Bureau school with assistance under this part shall be entitled to the transfer or use of buildings, equipment, supplies, and materials to the same extent as if the tribe or tribal organization were contracting with the Bureau under the Indian Self-Determination and Education Assistance Act; or

"(B) a contract school with assistance under this part shall be entitled to the transfer or use of personal property, which may at any time be used, sold, or otherwise disposed of.

"(2) FUNDS.—Any tribe or tribal organization that assumes operation of a Bureau school with assistance under this part and the tribe or tribal organization that elects to operate a school with assistance under this part rather than to continue to operate the school as a contract school shall be entitled to receive the funds that would remain available from the previous fiscal year if such school remained a Bureau school or was operated as a contract school, respectively.

"(3) FUNDING FOR SCHOOL IMPROVEMENT.—Any tribe or tribal organization that assumes operation of a Bureau school or a contract school by contract shall be entitled to receive the funds that would be available for use in the operation of the school to the same extent as if the tribe or tribal organization were contracting with the Bureau and all modifications to the applications, contracts, or other agreements made in this section or any amendments thereto or renumbering thereof), shall apply to grants provided under this part and the school thereunder:

"(1) Section 111 (relating to sovereign immunity and trust easements unaffected).

"(b) Election for Grant in Lieu of Contract.—(1) IN GENERAL.—A contractor that carries out an activity to which this part applies and who has entered into a contract under the Indian Self-Determination and Education Assistance Act that is in effect on the date of enactment of the Native American Education Improvement Act of 2001 may, by giving notice to the Secretary, elect to receive a grant under this part in lieu of such contract and to have the provisions of this part apply to such activity.

"(2) EFFECTIVE DATE OF ELECTION.—Any election made under paragraph (1) shall take effect on the first day of July immediately following the date of such election.

"(3) Effective Start Date.—In the case of elections in which the first day of July immediately following the date of an election under paragraph (1) is less than 60 days after such election, such election shall not take effect until the first day of July of year following the year in which the election is made.

"(c) No Duplication.—No funds may be provided under any contract entered into under the Indian Self-Determination and Education Assistance Act to pay any expenses incurred for education services if a grant has been made under this part to pay such expenses.

"(d) Transfers and Carries-Over.—(1) BUILDINGS, EQUIPMENT, SUPPLIES, MATERIALS.—A tribe or tribal organization assuming the operation of—

"(A) a Bureau school with assistance under this part shall be entitled to the transfer or use of buildings, equipment, supplies, and materials to the same extent as if the tribe or tribal organization were contracting with the Bureau under the Indian Self-Determination and Education Assistance Act; or

"(B) a contract school with assistance under this part shall be entitled to the transfer or use of personal property, which may at any time be used, sold, or otherwise disposed of.

"(E) Exceptions, Problems, and Disputes.—(1) IN GENERAL.—Any exception or problem cited in an audit conducted pursuant to section 5207(b)(1)(B), any dispute regarding a grant authorized to be made pursuant to this part or any modification of such grant, and any dispute involving an administrative cost grant under section 1127 of the Education Amendments of 1978, shall be administered under the provisions governing such exceptions, problems, or disputes in this paragraph in the case of contracts under the Indian Self-Determination and Education Assistance Act.

"(2) ADMINISTRATIVE APPEALS.—The Equal Access to Justice Act (as amended) and the amendments made by such Act, including section 504 of title 5, and section 412 of title 28, United States Code, shall apply to an administrative appeal filed after September 8, 1988, by a grant recipient regarding a grant made under this part, including an administrative cost grant.

"SEC. 5210. ROLE OF THE DIRECTOR.

"Applications for grants under this part, and any modifications therefor, shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Reports required under this part shall be submitted to education personnel under the direction and control of the Director of the Office of Indian Education Programs.

"SEC. 5211. REGULATIONS.

"The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary in this part. For all other matters relating to the details of planning, developing, implementing, and evaluating grants under this Act, the Secretary shall not issue regulations.

"SEC. 5212. THE TRIBALLY CONTROLLED GRANT SCHOOL ENDOWMENT PROGRAM.

"(a) In General.—

"(1) ESTABLISHMENT.—Each school receiving a grant under this part may establish, as a fund or funds, a trust fund for the purposes of this section.

"(2) Deposits and Use.—The school may provide for deposit into the trust fund, any earnings on deposits deposited in the fund; and

"(3) Of the sole use of the school any noncash, in-kind contributions provided under this part may be used for that purpose.

"(b) For deposit into the trust fund, any earnings on deposits deposited in the fund; and

"(c) For the sole use of the school any noncash, in-kind contributions provided under this part may be used for that purpose.

"SEC. 5213. DEFINITIONS.

"In this part:

"(1) BUREAU.—The term 'Bureau' means the Bureau of Indian Affairs of the Department of the Interior.

"(2) Eligible Indian Student.—The term 'eligible Indian student' means an individual who is determined to be a member of an Indian tribe, and the child or grandchild of such an individual.

"(3) Indian Tribe.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including an Alaska Native Village Corporation or Alaska Native Regional Corporation (or an estab-

lished pursuant to the Alaskan Native Claims Settlement Act), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(4) Local Educational Agency.—The term 'local educational agency' means a public board of education, or other public author-

ity legally constituted within a State for either administrative control or direction of, or to perform a service function for, public schools outside of an urban area within a city, county, township, school district, or other political subdivision of a State or such combination of school districts or counties that is recognized in law as an adminis-

includes any other public institution or agency having administrative control and direction of a public elementary school or secondary school.

(6) IN GENERAL.—The term ‘Secretary’ means the Secretary of the Interior.

(7) TRIBAL GOVERNING BODY.—The term ‘tribal governing body’ means, with respect to an Indian tribe, any body or committee of the Indian tribe, elected or appointed by the Indian tribe, having the authority to act on behalf of the Indian tribe in the administration of the Indian tribal organization.

(8) TRIBAL ORGANIZATION.—

(A) IN GENERAL.—The term ‘tribal organization’ means—

(i) any recognized governing body of any Indian tribe.

(ii) any legally established organization of Indians that—

(I) is controlled, sanctioned, or chartered by such governing body or is democratically elected by the adult members of the Indian community to be served by such organization; and

(II) includes the maximum participation of Indians in all phases of the organization’s activities.

(B) AUTHORIZATION.—In any case in which a grant is made under this part in order to provide services through a tribally controlled school benefiting more than 1 Indian tribe, the approval of the governing bodies of Indian tribes representing 80 percent of the students attending the tribally controlled school shall be considered a sufficient tribal authorization for such grant.

(9) TRIBALLY CONTROLLED SCHOOL.—The term ‘tribally controlled school’ means a school—

(A) operated by an Indian tribe or a tribal organization, enrolling students in kindergarten through grade 12, including a preschool;

(B) not a local educational agency; and

(C) not directly administered by the Bureau of Indian Affairs.

SEC. 202. LEASE PAYMENTS BY THE OJIBWA INDIAN SCHOOL.

(a) IN GENERAL.—Notwithstanding the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), or the regulations promulgated under such Act, the Ojibwa Indian School located in Belcourt, North Dakota, may use amounts received under such Act to enter into, and make payments under, a lease described in subsection (b).

(b) LEASE.—A lease described in this subsection is a lease that—

(1) is entered into by the Ojibwa Indian School for the use of facilities owned by St. Ann’s Catholic Church located in Belcourt, North Dakota;

(2) is entered into in the 2001-2002 school year, or any other school year in which the Ojibwa Indian School will use such facilities for school purposes;

(3) requires lease payments in an amount determined appropriate by an independent lease appraiser that is selected by the parties to the lease, except that such amount may not exceed the maximum amount per square foot that is being paid by the Bureau of Indian Affairs for other similarly situated Indian schools under the Indian Self-Determination and Education Assistance Act (Public Law 93-383); and

(4) contains a waiver of the right of St. Ann’s Catholic Church to bring an action against the Ojibwa Indian School, the Turtle Mountain Band of Chippewa, or the Federal Government for the recovery of any amounts remaining unpaid under leases entered into prior to the date of enactment of this Act.

(c) METHOD OF FUNDING.—Amounts shall be made available by the Bureau of Indian Affairs under paragraph (a) for payment in accordance with this subsection in the manner that such amounts are made available to make payments under leases entered into by Indian schools under the Indian Self-Determination and Education Assistance Act (Public Law 93-383).

(d) OPERATION AND MAINTENANCE FUNDING.—The funds provided under this section shall provide funding for the operation and maintenance of the facilities and property used by the Ojibwa Indian School under the lease entered into under subsection (a) so long as such facilities and property are being used by the School for educational purposes.

SEC. 203. ENROLLMENT AND GENERAL ASSISTANCE PAYMENTS.


(1) by striking the matter preceding paragraph (1) and inserting the following:

(a) IN GENERAL.—The Secretary of the Interior shall not disqualify from continued receipt of general assistance payments from the Bureau of Indian Affairs an otherwise eligible Indian for whom the Bureau is making or may make general assistance payments (or exclude such an individual from continued consideration in determining the amount of general assistance payments for a household because enrolled (and is making satisfactory progress toward completion of a program or training that can reasonably be expected to lead to gainful employment) for at least half-time study or training in—;

(2) by striking paragraph (4), and inserting the following:

(4) other programs or training approved by the Secretary or by tribal education, employment or training programs.

SA 506. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 778, strike lines 4 through 10 and insert the following:

SEC. 6202A. STUDY OF ASSESSMENT COSTS.

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the costs of conducting student assessments under section 1111.

(2) CONTENTS.—In conducting the study, the Comptroller General of the United States shall—

(A) draw on and use the best available data, including cost data from each State that has developed or administered statewide student assessments under section 1111 and cost data from companies that develop student assessments described in such section;

(B) determine the aggregate cost for all States to administer student assessments required under section 1111, and the portion of that cost that is expected to be incurred in each of fiscal years 2002 through 2008;

(C) determine the aggregate cost for all States to administer student assessments required under section 1111 and the portion of that cost that is expected to be incurred in each of fiscal years 2002 through 2008; and

(D) determine the costs and portions described in subparagraphs (B) and (C) for each State.

(b) REPORT.—

(1) IN GENERAL.—The Comptroller General of the United States shall, not later than January 31, 2002, submit a report containing the results of the study described in subsection (a) to—

(A) the Committee on Appropriations of the House of Representatives and the Subcommittee on Labor, Health and Human Services, and Education of that Committee;

(B) the Committee on Appropriations of the Senate and the Subcommittee on Labor, Health and Human Services, and Education of that Committee;

(C) the Committee on Education and the Workforce of the House of Representatives; and

(D) the Committee on Health, Education, Labor, and Pensions of the Senate.

(2) CONTENTS.—The report shall include—

(A) a thorough description of the methodology employed in conducting the study; and

(B) the determinations of costs and portions described in subparagraphs (B) through (D) of subsection (a).

(c) DEFINITIONS.—In this section, the term ‘State’ means 1 of the several States of the United States.

SEC. 6203. AUTHORIZATION OF APPROPRIATIONS.

(a) STATE ASSESSMENT GRANTS.—

(1) IN GENERAL.—For the purpose of developing and implementing the standards and assessments required under section 1111, there are authorized to be appropriated $400,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) SUPPLEMENTAL STATE ASSESSMENT GRANTS.—

(A) ADDITIONAL AUTHORIZATION.—In addition to the funds authorized to be appropriated under paragraph (a), there are authorized $50,000,000 for the purpose of developing and implementing the standards and assessments required under section
SA 510. Ms. COLLINS (for herself, Mr. HATCH, Mr. COCHRAN, and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 2. SENSE OF THE SENATE REGARDING TAX INCENTIVES SUPPORTING TEACHERS. It is the sense of the Senate that the Senate should pass legislation during the First Session of the 107th Congress that—

(1) provides an above-the-line deduction for the expenses of teachers and teacher aides for qualified professional development that—

(A) would directly relate to the curriculum and academic subjects in which a teacher provides instruction or be designed to help a teacher understand and use State standards;

(B) would also be tied to challenging State or local content standards and student performance, or substantially increase the knowledge and teaching skills of an eligible teacher; and

(C) generally should be of sufficient intensity and duration to have a positive and lasting impact on the performance of an eligible teacher in the classroom and should be part of a program of professional development that has been certified and approved by the appropriate local educational agency as furthering the goals specified in subparagraphs (A) and (B); and

(2) provides a credit against income tax (limited to $100 per individual) for the qualified classroom expenses paid or incurred by an elementary or secondary school teacher, instructor, aide, or principal, including for expenses for books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by a teacher in the classroom.

SA 511. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLES

SEC. 1. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) DEDUCTION ALLOWED.—Part VII of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions for individuals) is amended by redesignating section 222A as section 222 and by inserting after section 221 the following new section:

"SEC. 222. QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES.—(a) ALLOWANCE OF DEDUCTION.—In the case of an eligible teacher, there shall be allowed as a deduction an amount equal to the qualified professional development expenses paid or incurred by the taxpayer during the taxable year.

(b) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Section 62(a) of the Internal Revenue Code of 1986 is amended by inserting after paragraph (17) the following new paragraph:

"(18) QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES.—The deduction allowed by section 222."

(c) CONFORMING AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 222 and inserting the following new item:

"Sec. 222. Qualified professional development expenses."

"Sec. 223. Cross reference."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 2. CREDIT TO ELEMENTARY AND SECONDARY SCHOOL TEACHERS WHO PROVIDE CLASSROOM MATERIALS.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to other credits) is amended by adding at the end the following new section:

"SEC. 30B. CREDIT TO ELEMENTARY AND SECONDARY SCHOOL TEACHERS WHO PROVIDE CLASSROOM MATERIALS.

"(a) ALLOWANCE OF CREDIT.—In the case of an eligible teacher, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the qualified elementary and secondary education expenses which are paid or incurred by the taxpayer during such taxable year.

(b) MAXIMUM CREDIT.—The credit allowed by subsection (a) for any taxable year shall not exceed $100.

(c) DEFINITIONS.—

"(1) ELIGIBLE TEACHER.—The term 'eligible teacher' means an individual who is an instructor in a kindergarten through grade 12 classroom teacher, instructor, counselor, aide, or principal in an elementary or secondary school on a full-time basis for an academic year ending during the taxable year.

"(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—The term 'qualified elementary and secondary education expenses' means expenses for books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by an eligible teacher in the classroom.

"(3) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given such term by section 14101 of the Elementary and Secondary Education Act of 1965, as in effect on the date of the enactment of this Act.

"(b) ELIGIBLE TEACHER.—

"(A) IN GENERAL.—The term 'eligible teacher' includes a teacher who—

"(i) is a teacher in a qualified course of instruction;

"(ii) meets the requirements of section 6202A. Comptroller General of the United States

(b) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Section 62(a) of the Internal Revenue Code of 1986 is amended by inserting after paragraph (17) the following new paragraph:

"(c) CONFORMING AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 222 and inserting the following new item:

"Sec. 222. Qualified professional development expenses."

"Sec. 223. Cross reference."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 02. CREDIT TO ELEMENTARY AND SECONDARY SCHOOL TEACHERS WHO PROVIDE CLASSROOM MATERIALS.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to other credits) is amended by adding at the end the following new section:

"(B) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—The term 'qualified elementary and secondary education expenses' means expenses for books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by an eligible teacher in the classroom.

"(C) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given such term by section 14101 of the Elementary and Secondary Education Act of 1965, as in effect on the date of the enactment of this Act.

"(d) ELIGIBLE TEACHER.—

"(A) IN GENERAL.—The term 'eligible teacher' includes a teacher who—

"(i) is a teacher in a qualified course of instruction;

"(ii) meets the requirements of section 6202A. Comptroller General of the United States
under subpart A and the preceding sections of this subpart, over

(‘‘B) the tentative minimum tax for the taxable year.

(c) Election To Have Credit Not Apply.—A taxpayer may elect to have this section not apply for any taxable year.’’;

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

‘‘Sec. 30B. Credit to elementary and secondary school teachers who provide classroom materials.’’;

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SA 512. Mr. COCHRAN (for himself, Mr. WARNER, Mr. CHAFEE, Mr. GRASSLEY, Mr. ENSKY, Mr. DOMENICI, Mr. HATCH, Mr. STEVENS, Mr. SPECTOR, Mrs. HUTCHISON, and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

TITLES EDUCATION PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 301. AMENDMENT TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

The Act (20 U.S.C. 6301 et seq.) is amended by adding at the end the following:

‘‘TITLES—EDUCATION PROGRAMS OF NATIONAL SIGNIFICANCE

PART A—READING IS FUNDAMENTAL—INEXPENSIVE BOOK DISTRIBUTION PROGRAM

SEC. 101A. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

(a) AUTHORIZATION.—The Secretary is authorized to enter into a contract with Reading Is Fundamental (RIF) (hereafter in this section referred to as ‘‘the contractor’’) to support and promote programs, which include the distribution of inexpensive books to stimulate elementary students to read;

(b) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (a) shall—

(1) provide that the contractor will enter into subcontracts with local private non-profit groups or organizations, or with public agencies, under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books, by gift, to the extent feasible, to children from birth through secondary school age, including those in family literacy programs;

(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

(3) provide that in selecting subcontractors for initial funding, the contractor will give preference to programs that will serve a substantial number or percentage of children with special needs, such as—

(A) low-income children, particularly in high-poverty communities;

(B) children at risk of school failure;

(C) children with disabilities;

(D) foster children;

(E) children in Head Start; and

(F) migrant children;

(4) children without access to libraries;

(5) institutionalized or incarcerated children; and

(6) children whose parents are institutionalized or incarcerated;

(7) subcontractor will provide such technical assistance to subcontractors as may be necessary to carry out the purpose of this section;

(8) subcontractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

(9) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

(c) REPEAL.—The addition to the National Writing Project program of the term ‘‘elementary and secondary education’’ as defined by the Education Amendments of 1974 is hereby repealed.

SEC. 101B. NATIONAL WRITING PROJECT.

For the purpose of carrying out this section, the term ‘‘Federal share of the cost of teacher training programs’’ means 75 percent of such costs to the subcontractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the subcontractor.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section there are authorized to be appropriated $35,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

PART B—NATIONAL WRITING PROJECT

SEC. 101B1. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the United States faces a continuing crisis in writing in schools and in the workplace;

(2) the writing problem has been magnified by the rapidly changing student population; and

(3) the grantee will enter into contracts with other nonprofit educational providers (hereafter in this section referred to as ‘‘contractors’’) to improve the quality of student writing and learning (hereafter in this section referred to as the ‘‘grantees’’)

(4) provide that the contractor will provide technical assistance to ensure the effectiveness of such programs;

(5) the grants will be used for programs that are designed to improve the quality of student writing and learning through improving the teaching and uses of writing at all grade levels and in all disciplines;

(6) the National Writing Project is a nationally recognized and honored nonprofit organization that improves the quality of teaching and teachers through developing teacher-leaders who teach other teachers in summer and school year programs;

(7) the National Writing Project document the positive impact the project has had on improving the teaching of writing, student performance in writing, and student learning;

(8) the National Writing Project has become a model for programs to improve practices and research findings about the teaching of writing; and

(9) the National Writing Project is a long-term, effective program and leverages over $6 dollars for every 1 Federal dollar.

(b) PURPOSE.—It is the purpose of this part—

(1) to support and promote the expansion of the National Writing Project network of schools so that teachers in every region of the United States will have access to a National Writing Project program;

(2) to ensure the consistent quality of the sites through ongoing review, evaluation and technical assistance;

(3) to support and promote the establishment of programs to disseminate effective practices and research findings about the teaching of writing; and

(4) to coordinate activities assisted under this part with activities assisted under another Act.

SEC. 101B2. NATIONAL WRITING PROJECT.

(a) AUTHORIZATION.—The Secretary is authorized to award a grant to the National Writing Project, a nonprofit educational organization that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘‘grant’’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms;

(b) REQUIREMENTS OF GRANT.—The grant shall provide that—

(1) the grantee will enter into contracts with other institutions of higher education or other nonprofit educational providers (hereafter in this section referred to as ‘‘contractors’’) under which the contractors agree to establish, operate, and provide the non-Federal share of the cost of teacher training programs in effective approaches and processes for the teaching of writing;

(2) funds made available by the Secretary to the grantee pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating teacher training programs as provided in paragraph (1); and

(3) the grantee will meet such other conditions and standards as the Secretary determines to be necessary to assure compliance with the provisions of this section and will provide such technical assistance as may be necessary to carry out one the provisions of this section.

(c) TEACHER TRAINING PROGRAMS.—The Teacher training programs authorized in subsection (a) shall—

(1) be conducted during the school year and during the summer months;

(2) train teachers who teach grades kindergarten through college; and

(3) select teachers to become members of a National Writing Project teacher network.
whose members will conduct writing workshops for other teachers in the area served by each National Writing Project site; and
(4) encourage teachers from all disciplines to participate in such teacher training programs.

"(c) Federal Share.—
(1) In General.—Except as provided in paragraph (2) for purposes of subsection (a), the term ‘Federal share’ means, with respect to the costs of teacher training programs authorized in subsection (a), 50 percent of such costs to the contractor.

(2) Waiver.—The Secretary may waive the provisions of paragraph (1) on a case-by-case basis if the National Advisory Board determines that the basis of financial need, that such waiver is necessary.

(3) Maximum.—The Federal share of the costs of teacher training programs conducted pursuant to subsection (a) may not exceed $100,000 for any one contractor, or $200,000 for a statewide program administered by any one contractor in at least 5 sites throughout the State.

"(d) National Advisory Board.—
(1) Establishment.—The National Writing Project shall establish and operate a National Advisory Board.

(2) Composition.—The National Advisory Board established pursuant to paragraph (1) shall consist of—
(A) educational leaders;
(B) leaders in the field of writing; and
(C) such other individuals as the National Writing Project determines necessary.

(3) Duties.—The National Advisory Board established pursuant to paragraph (1) shall—
(A) advise the National Writing Project on matters related to student writing and the teaching of writing;
(B) review the activities and programs of the National Writing Project; and
(C) support the continued development of the National Writing Project.

"(e) Evaluation.—
(1) In General.—The Secretary shall conduct an independent evaluation by grant or contract of the teacher training programs administered pursuant to this part. Such evaluation shall specify the amount of funds expended by the National Writing Project with respect to the costs of teacher training programs conducted under this section for administrative costs.

(2) Independent research shows that parents who participate in Ready to Learn workshops are more selective of the programs in which they select that their children, limit the number of hours of television viewing of their children, and use the television programs for learning.

(3) The Ready to Learn TV Program is supporting and creating commercial-free broadcast programs for young children that are of the highest possible educational quality.

(4) Through the Nation’s 350 local public television stations, these programs and other programming elements reach tens of millions of children, their parents, and caregivers without regard to their economic circumstances, or access to cable.

(5) The Ready to Learn TV Program is working to strengthen learning skills and values.

(6) The Ready to Learn TV Program is working to strengthen learning skills and values.

(7) The Ready to Learn TV Program is working to strengthen learning skills and values.

(8) Ready to Learn Television stations also have distributed millions of age-appropriate books in their communities. Each station receives a minimum of 300 books each month for free local distribution. Some stations receive more than 1,000 books per month. Nationwide, more than 653,494 books have been distributed in low-income and disadvantaged neighborhoods free of charge.

(9) Demand for Ready To Learn Television Program outreach and training has increased from 10 Public Broadcast Service stations in 4 years to more than 1,000, which has had a positive impact on the growth of local public television stations.

(10) Federal policy played a crucial role in the evolution of analog television by funding the television program entitled ‘Sesame Street’ which, in turn, has worked with schools to help students continue to play an equal role in children’s education and early development.

S4698 CONGRESSIONAL RECORD — SENATE May 9, 2001

"SEC. 10202. READY TO TEACH.

"(a) In General.—The Secretary is authorized to award grants to eligible entities described in section 10203(b) to develop, purchase, and distribute national and instructional video programming for preschool and elementary school children and their teachers in order to facilitate the achievement of the National Education Goals.

(1) Availability.—In making such grants, the Secretary shall ensure that eligible entities make programing widely available, with support materials as appropriate, to young children, their parents, child care workers, and Read Start providers to increase the effective use of such programming.

(2) Educational Programming.—The Secretary shall award grants under section 10202 to eligible entities to—
(A) facilitate the development directly, or through contracts with producers of children and family educational television programming, of—
(i) educational programming for preschool and elementary school children; and
(ii) accompanying support materials and services that promote the effective use of such programming;
(B) to develop and distribute programming and digital content especially designed for nationwide distribution over public television stations’ digital broadcasting channels and the Internet ready to Learn-based children’s programming and resources for parents and caregivers; and
(C) enable eligible entities to contract with entities (such as public telecommunications entities) so that programs developed under this section are disseminated and distributed.

(3) The widest possible audience appropriate to be served by the programming; and
(B) by the most appropriate distribution technologies.

(4) Eligible Entities.—To be eligible to receive a grant under subsection (a), an entity shall be—
(A) a public telecommunications entity that is able to demonstrate a capacity for the distribution and national distribution of educational and instructional television programming of high quality for preschool and elementary school children; and
(B) able to demonstrate a capacity to local telecommunications and meet specific State and local needs and provide educational outreach at the local level.

(c) Cultural Experiences.—Programming developed under this section shall reflect the recognition of rural and urban cultural and ethnic diversity of the Nation’s children and the need to attract boys and girls in preparing young children for success in school.

"SEC. 10204. DUTIES OF SECRETARY.

The Secretary is authorized to—
(1) award grants to eligible entities described in section 10203(b), (c) local public television stations, or such public television stations or such public television stations that are part of one or more State educational agencies, local educational agencies, local schools, institutions of higher education, or community-based organizations, that have demonstrated effectiveness, for the purpose of—
(A) addressing the learning needs of young children in limited English proficient schools, and developing educational and television programming to foster the school readiness of such children;
(B) developing programming and support materials to increase family literacy skills among parents to assist parents in teaching their children and utilizing educational television programming to promote school readiness; and

(C) identifying, supporting, and enhancing the effective use and outreach of innovative programming to promote school readiness, including children's social and cognitive skill development, and positive adult-child interactions;

(i) interactive programs and programs adapted for self-paced learning technologies that are designed to enhance knowledge of children's social and cognitive skill development, and the method by which such materials are distributed among parents, Head Start and other appropriate community based programs, and the target population of such programs;

(ii) teacher training and professional development to ensure qualified caregivers; and

(iii) support materials to promote the effective use of materials developed under subparagraph (B) among parents, Head Start providers, in-home and center-based daycare providers, early childhood development personnel, elementary school teachers, public libraries, and after-school program personnel caring for preschool and elementary school children, and

(E) distributing books to low-income individuals to leverage high-quality television programming;

(2) establish within the Department a clearinghouse to compile and provide information, referrals, and model program materials and programming obtained or developed under section 10204(1)(D), the manner in which outreach has been conducted to inform parents and child care providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with the standards-based best practices available to classroom teachers than any other because of their high quality and relevance to the curriculum.

(9) Digital broadcasting can dramatically increase and improve the types of services public broadcasting can offer to serve local schools. Programs distributed by public broadcast stations are used by more classroom teachers than any other because of their high quality and relevance to the curriculum.

(9) Digital broadcasting can dramatically increase and improve the types of services public broadcasting can offer to serve local schools. Programs distributed by public broadcast stations are used by more classroom teachers than any other because of their high quality and relevance to the curriculum.

SEC. 10209. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) Program Requirements.—Not less than 60 percent of the amounts appropriated under subsection (a) for each fiscal year shall be used to carry out section 10203.

Subpart 2—Ready to Teach

SEC. 10251. FINDINGS.

Congress makes the following findings:

(1) Since 1995, the Telecommunications Demonstration Project for Mathematics (as established under this part pursuant to the Telecommunications Act of 1994) has allowed the Public Broadcasting Service to pioneer and refine a new model of teacher professional development for kindergarten through grade 12 teachers. Video modeling of standards-based lessons, combined with professionally facilitated online learning communities of teachers has been proven to help mathematics teachers adopt and implement standards-based practices. This integrated, self-paced approach breaks down the isolation of classroom teaching while making standards-based best practices available to all participants.

(2) More than 5,800 teachers have participated over the last 3 years in the demonstration. These teachers have taught more than 1,500,000 students cumulatively.

(3) Independent evaluations indicate that teaching improves and students benefit as a result of the program.

(4) The demonstration program should be expanded to reach more teachers in more subject areas under the title of Teacherline. The Teacherline Program will link the digitized public broadcasting infrastructure with education networks by working with the program's digital membership, and Federal and State agencies, to expand and build upon the successful model and take advantage of greatly expanded access to the Internet.
schools of local educational agencies which have a high percentage of children counted for the purpose of part A of title I; and

(4) contain such additional assurances as the Secretary may require.

"(b) Grants.—In approving applications under section 10252(a), the Secretary shall ensure that the program authorized by section 10252(b) is conducted at elementary school and secondary school sites across the Nation.

"(c) Application.—Each eligible entity desiring a grant under section 10252(b) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"SEC. 10254. REPORTS AND EVALUATION.

"An eligible entity receiving funds under section 10252(a) shall prepare and submit to the Secretary an annual report which contains such information as the Secretary may require. At a minimum, the report shall describe the program activities undertaken with funds received under section 10252(a), including—

(1) the core curriculum areas for which program activities have been undertaken and the number of teachers using the program in each core curriculum area; and

(2) the States in which teachers using the program are located.

"SEC. 10255. EDUCATIONAL PROGRAMMING.

"(a) Awards.—The Secretary shall award grants under section 10252(b) to eligible entities to develop educational programming that—

(1) include student assessment tools to give feedback on student performance;

(2) build-in teacher utilization and support components to ensure that teachers understand and can easily use the content of the programming with group instruction and individual student use;

(3) be created for, or adaptable to, State and local content standards; and

(4) be capable of distribution through digital broadcasting and school digital networks.

"(b) Eligible Entities.—To be eligible to receive a grant under section 10252(b), an entity shall be a local public telecommunication entity as defined by section 307(12) of the Communications Act of 1934 that is able to demonstrate its capacity for the development and distribution of educational and instructional television programming of high quality.

"(c) Competitive Basis.—Grants under section 10252(b) shall be awarded on a competitive basis as determined by the Secretary.

"(d) Duration.—Each grant under section 10252(b) shall be awarded for a period of 3 years in order to allow time for the creation of a substantial body of significant content.

"SEC. 10256. MATCHING REQUIREMENTS.

Each eligible entity desiring a grant under section 10252(b) shall contribute to the activities assisted under section 10252(b) non-Federal matching funds equal to not less than 10 percent of the amount of the grant. Matching funds may include funds provided for the transition to digital broadcasting, as well as in-kind contributions.

"SEC. 10257. ADMINISTRATIVE COSTS.

With respect to the implementation of section 10252(b), entities receiving a grant from the Secretary may use not more than 5 percent of the amounts received under the grant for the normal and customary expenses of administering the grant.

"SEC. 10258. UTILIZATION OF APPROPRIATIONS; FUNDING RULES.

"(a) In General.—There are authorized to be appropriated to carry out this part $45,000,000 for each of the fiscal years 2000 and subsequent fiscal years as may be necessary for each of the 6 succeeding fiscal years.

"(b) Funding Rule.—For any fiscal year in which appropriations for section 10252 exceed the amount appropriated for such section for the preceding fiscal year, the Secretary shall award the amount of such excess minus at least $500,000 to applicants under section 10252(b).

"PART D—EDUCATION FOR DEMOCRACY

"SEC. 10301. PROPOSED TITLE.

"This part may be cited as the 'Education for Democracy Act'.

"SEC. 10302. FINDINGS.

"Congress finds that—

(1) college freshmen surveyed in 1999 by the Higher Education Research Institute at the University of California at Los Angeles demonstrated higher levels of disrespect, both academically and politically, than any previous entering class of students;

(2) college freshmen in 1999 demonstrated the lowest levels of political interest in the 20-year history of surveys conducted by the Higher Education Research Institute at the University of California at Los Angeles;

(3) United States secondary school students expressed relatively low levels of interest in politics and economics in a 1999 Harris survey; and

(4) the 23rd Annual Phi Delta Kappa/Gallup Poll of 2000 indicated that preparing students to become responsible citizens was the most important purpose of public schools;

(5) American surveys by the Organization of Economic Cooperation and Development indicated that only 59 percent had confidence that schools have a major effect on the development of good citizenship;

(6) teachers too often do not have sufficient expertise in the subjects that they teach, and half of all secondary school history students being taught by teachers with neither a major nor a minor in history;

(7) secondary school students correctly answered less than half of the questions on the national test of economic knowledge in a 1999 Harris survey;

(8) the 1998 National Assessment of Educational Progress indicated that students have only superficial knowledge of, and lacked a depth of understanding regarding, civics;

(9) civic and economic education are important not only to developing citizenship competencies in the United States but also are critical to supporting political stability and economic health in other democracies, particularly in emerging democratic market economies;

(10) more than three quarters of American adults surveyed by the Center for Civic Education in 1997 admitted that they knew only some or very little about the Constitution of the United States; and

(11) the Constitution of the United States is too often viewed within the context of history and not as a living document that shapes current events.

"SEC. 10303. PURPOSE.

"It is the purpose of this part—

(1) to improve the quality of civics and government education by educating students about the history and principles of the Constitution of the United States, including the Bill of Rights;

(2) to foster civic competence and responsibility; and

(3) to improve the quality of civic education and economic education through cooperative civic education and economic education exchange programs with emerging democracies.

"SEC. 10304. GENERAL AUTHORITY.

"(a) Grants and Contracts.—(1) The Secretary is authorized to award grants or to enter into contracts with—

"(A) the Center for Civic Education to carry out civic education activities under sections 10305 and 10306; and

"(B) the National Council on Economic Education to carry out economic education activities under section 10306.

"(2) Consultation.—The Secretary shall award the grants and contracts under this subsection in consultation with the Secretary of State.

"(b) Distribution.—The Secretary shall use not more than 50 percent of the amount appropriated under section 10307(b) for each fiscal year to carry out economic education activities under section 10306.

"SEC. 10305. WE THE PEOPLE PROGRAM.

"(a) The Citizen and the Constitution.—

"(1) In General.—The Center for Civic Education shall use funds awarded under section 10304(a)(1) to carry out the Citizen and the Constitution program in accordance with this subsection.

"(2) Educational Activities.—The Citizen and the Constitution program—

(A) shall continue and expand the educational activities of the 'We the People...The Citizen and the Constitution' program administered by the Center for Civic Education;

(B) shall enhance student attainment of challenging content standards in civics and government;

(C) shall provide a course of instruction on the basic principles of our Nation’s constitutional democracy and the history of the Constitution of the United States and the Bill of Rights;

(D) shall provide, at the request of a participating school, school and community simulated congressional hearings following the course of study;

(E) shall provide an annual national competition of simulated congressional hearings for secondary school students who wish to participate in such a program; and

(F) shall provide—

(i) advanced sustained and ongoing training of teachers about the Constitution of the United States and the political system of the United States created;

(ii) materials and methods of instruction, including teacher training, that utilize the latest advancements in educational technology;

(iii) civic education materials and services to address specific problems such as the prevention of school violence and the abuse of drugs and alcohol;

(iv) availability of program.—The education program authorized under this subsection shall be made available to public and private elementary schools and secondary schools, including Bureau funded schools, in the 43 congressional districts, and in the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) Project Citizen.—

(1) In General.—The Center for Civic Education shall use funds awarded under section 10304(a)(1)(A) to carry out the Project Citizen program in accordance with this subsection.

(2) Educational Activities.—The Project Citizen program—

(A) shall continue and expand the educational activities of the 'We the People...Project Citizen' program administered by the Center for Civic Education;

(B) shall enhance student attainment of challenging content standards in civics and government;

(C) shall provide a course of instruction at the middle school level on the roles of local government, the federal system established by the Constitution of the United States;
“(D) shall provide an annual national showcase or competition; and
“(E) shall provide—
“(i) optional school and community simulated competitive hearings;
“(ii) advanced sustained and ongoing training of teachers on the roles of State and local governments in the federal system established by the Constitution of the United States;
“(iii) materials and methods of instruction, including teacher training, that utilize the latest advancements in educational technology; and
“(iv) civic education materials and services to address specific problems such as the prevention of school violence and the abuse of drugs and alcohol.

“(3) AVAILABILITY OF PROGRAM.—The education program authorized under this subchapter may be carried out at public and private middle schools, including Bureau funded schools, in the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(4) DEFINITION OF BUREAU FUNDED SCHOOL.—In this section, the term ‘Bureau funded school’ has the meaning given the term under section 1146 of the Education Amendments of 1978.

“SEC. 10306. COOPERATIVE CIVIC EDUCATION AND ECONOMIC EDUCATION EXCHANGE PROGRAMS.

“(a) COOPERATIVE EDUCATION EXCHANGE PROGRAMS.—The Center for Civic Education and the National Council on Economic Education may use funds awarded under section 10304(a)(1) to carry out Cooperative Education Exchange programs in accordance with this section.

“(b) PURPOSE.—The purpose of the Cooperative Education Exchange programs provided under this section shall be to—

“(1) make available to educators from eligible countries exemplary curriculum and teacher training programs in civics and government education, and economic education, located in eligible countries;

“(2) assist eligible countries in the adaptation, implementation, and institutionalization of such programs;

“(3) assist and promote civics and government education, and economic education, programs for students that draw upon the experiences of the participating eligible countries;

“(4) provide a means for the exchange of ideas and experiences in civics and government education, and economic education, among political, educational, governmental, and private sector leaders of participating eligible countries; and

“(d) provide support for—

“(A) independent research and evaluation to determine the effects of educational programs on students’ development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

“(B) effective participation in and the preservation and improvement of an efficient market economy; and

“(3) provide United States participants with—

“(A) seminars on the histories, economies, and systems of government of eligible countries;

“(B) visits to school systems, institutions of higher education, and nonprofit organizations conducting exemplary programs in civics and government education, and economic education, located in eligible countries;

“(C) assistance from educators and scholars in eligible countries in the development of curriculum materials on the history, government, and economy of such countries that are useful in United States classrooms;

“(D) opportunities to provide onsite demonstrations of exemplary curricula and pedagogy for educational leaders in eligible countries; and

“(E) independent research and evaluation assistance to determine—

“(i) the effects of the Cooperative Education Exchange programs on students’ development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

“(ii) effective participation in and improvement of an efficient market economy; and

“(3) assist participants from eligible countries and the United States in participating in conferences on civics and government education, and economic education, for educational leaders, teacher trainers, scholars in related disciplines, and educational policymakers.

“(e) PARTICIPANTS.—The primary participants in the Cooperative Education Exchange programs authorized under this section shall be educational leaders in the areas of civics and government education, and economic education, including teachers, curriculum developers, and teacher training specialists, scholars in relevant disciplines, and educational policymakers, and government and private sector leaders from the United States and eligible countries.

“(f) DEFINITION OF ELIGIBLE COUNTRY.—For the purposes of this section, the term ‘eligible country’ means any Eastern European country, an Eastern European country, Lithuania, Latvia, Estonia, the independent states of the former Soviet Union, as defined in section 3 of the FREEDOM Support Act (22 U.S.C. 5901), and may include the Republic of Ireland, the province of Northern Ireland in the United Kingdom, or any country developing countries, as defined in section 209(d) of the Education for the Deaf Act, that has a democratic form of government as determined by the Secretary in consultation with the Secretary of State.

“SEC. 10307. AUTHORIZATION OF APPROPRIATIONS.

“(a) SECTION 10304.—There are authorized to be appropriated to carry out section 10304, $15,000,000 for fiscal year 2002 and such sums as may be necessary for each of the fiscal years 2003 through 2008.

“(b) SECTION 10305.—There are authorized to be appropriated to carry out section 10305, $15,000,000 for fiscal year 2002, and such sums as may be necessary for each of the fiscal years 2003 through 2008.

“PART E—GIFTED AND TALENTED CHILDREN

“SEC. 10401. SHORT TITLE.

“This part may be cited as the ‘Jacob K. Javits Gifted and Talented Students Education Act of 2001’.

“SEC. 10402. FINDINGS.

“Congress finds the following:

“(1) While the families or communities of some gifted students can provide private programs with appropriately trained staff to supplement public educational offerings, most high-ability students, especially those from inner cities, rural communities, or low-income families, need services and personnel provided by public schools.

“(2) Due to the wide dispersal of students who are gifted and talented and the national interest in a well-educated populace, the Federal Government can most effectively and appropriately conduct research and development to provide an infrastructure for, and a national capacity to educate students who are gifted and talented to meet the needs of the 21st century.

“(3) State and local educational agencies often lack the specialized resources and trained personnel to consistently plan and implement effective programs for the identification of gifted and talented students and for the provision of educational services and programs appropriate for their needs.

“(4) Because gifted and talented students generally are more advanced academically, able to learn more quickly, and study in more depth and complexity than others their age, the educational opportunities and experiences that are different from those generally available in regular education programs.

“(5) Typical elementary school students who are academically gifted and talented already have mastered 35 to 50 percent of the school year’s content in several subject areas by the year begins. Without an advanced and challenging curriculum, they often lose their motivation and develop poor study habits that are difficult to break.

“(6) Elementary school and secondary school teachers have students in their classrooms with a wide variety of traits, characteritics, and needs. Most teachers receive some training to meet the needs of these students, such as students with limited English proficiency, students with disabilities, and students from diverse cultural and racial backgrounds. However, many do not receive training on meeting the needs of students who are gifted and talented.

“SEC. 10403. CONDITIONS ON EFFECTIVENESS OF SUBPART 2.

“(a) IN GENERAL.—Subpart 2 shall be in effect only for—

“(1) the first fiscal year for which the amount appropriated to carry out this part equals or exceeds $50,000,000; and

“(2) all succeeding fiscal years.
**Subpart 1—National Research Program**

SEC. 10411. PURPOSE.  
"The purpose of this subpart is to initiate a coordinated program of research, demonstration projects, innovative strategies, and other activities designed to build a nationwide capability in elementary schools and secondary schools to meet the special educational needs of gifted and talented students and to identify and serve gifted and talented students; and to assist schools in the identification of, and provisions for, gifted and talented students who may not be identified and served through traditional assessment methods (including economically disadvantaged individuals, individuals of limited English proficiency, and individuals with disabilities)."

SEC. 10412. GRANTS TO MEET EDUCATIONAL NEEDS OF GIFTED AND TALENTED STUDENTS.  
"(a) ESTABLISHMENT OF PROGRAM.—  
(1) In general.—Subject to section 10403, from the sums available to carry out this subpart in any fiscal year, the Secretary shall make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, other public agencies, and other private agencies and organizations (including Indian tribes and Indian organizations (as such terms are defined in section 450a of the Indian Self-Determination and Education Assistance Act) and Native Hawaiian organizations) to assist such agencies, institutions, and organizations in carrying out programs or projects designed to meet the special educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students and in the use, where appropriate, of gifted and talented services, materials, and methods for all students.  
(2) Application.—Each entity desiring assistance under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as may reasonably require. Each such application shall describe—  
(A) the proposed gifted and talented services, materials, and methods that will be adopted, if appropriate, for use by all students; and  
(B) the proposed programs can be evaluated.  
(3) Competitive process.—In awarding grants to States to support programs, teaching talent, or other services designed to meet the needs of the Nation's gifted and talented students who may not be served by traditional methods for identifying and educating gifted and talented students.

SEC. 10413. PROGRAM PRIORITIES.  
(a) General.—In the administration of this subpart, the Secretary shall give highest priority to programs and projects designed to develop new information that—  
(1) improves the capability of schools to plan, evaluate, and improve programs to identify and serve gifted and talented students; and  
(2) assists schools in the identification of, and provision for, gifted and talented students who may not be identified and served through traditional assessment methods (including economically disadvantaged individuals, individuals of limited English proficiency, and individuals with disabilities).  
(b) Service priority.—In approving applications under section 10412(a)(2), the Secretary shall ensure that in each fiscal year at least 1/2 of the applications approved under such section address the priority described in subsection (a)(2)."
to local educational agencies through a competitive process that results in an equitable distribution by geographic area within the State.

SEC. 10424. STATE ACTION.

(a) RESERVATION OF FUNDS.—From the amount made available to carry out this subpart for any fiscal year, the Secretary shall reserve ½ of 1 percent for grants to States to carry out competitive programs to assist teachers, other staff, and administrators in schools operated or funded by the State Department of Education in ensuring that all students receive a quality education.

(b) STATE ALLOTMENTS.—

(1) IN GENERAL.—Each State educational agency shall allot the funds received under this subpart to its local educational agencies (including consortia of local educational agencies and public and private agencies, organizations, institutions of higher education, and other public and private agencies, organizations, and institutions) to serve students in schools operated or funded by the State Department of Education.

(2) STATE.—The term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(3) LOCAL EDUCATIONAL AGENCIES.—

The term means—

(A) the State's educational agency; and

(B) local educational agencies (including consortia of local educational agencies) to serve students in schools operated or funded by the State Department of Education.

(4) FUNDING.—Each State educational agency shall use not less than 50 percent of the grant funds to carry out projects specified in this subpart for the improvement of educational services provided for the education of students with disabilities, and highly gifted students to enhance their ability to participate in decisions regarding their children's educational programs. Such education, information, and support programs, classes, and other services designed to meet the needs of gifted and talented students may be used for—

(i) developing and implementing program assessment models to ensure program accountability and to evaluate educational effectiveness;

(ii) matching funds for the activities to be assisted under this subpart in an amount equal to not less than 20 percent of the grant funds to be received; and

(iii) disseminating of general program information; and

(iv) providing technical assistance under this subpart;

(v) monitoring and evaluation of programs and activities assisted under this subpart;

(vi) providing support for parental education; and

(vii) creating a State gifted education advisory body.

(5) ADMINISTRATIVE COSTS.—A State educational agency may use not more than 50 percent of the funds made available to the State educational agency under subpart (A) for administrative costs.

(6) EDUCATION, INFORMATION, AND SUPPORT.—Local educational agencies receiving a grant under this subpart may not use more than 2 percent of the grant funds to provide information, education, and support to parents and caregivers of gifted and talented children to enhance their ability to participate in decisions regarding their children's educational programs. Such education, information, and support programs, classes, and other services designed to meet the needs of gifted and talented students may be used for—

(i) joint efforts with other agencies and institutions to serve students simultaneously with students with disabilities, and highly gifted students in public schools and public charter schools, including students from all economic, ethnic, and racial backgrounds, students of limited English proficiency, students with disabilities, and highly gifted students;

(ii) the State educational agency will provide technical assistance under this subpart and on a competitive basis, grants to local educational agencies;

(iii) funds received under this subpart shall be used only to supplement, not supplant, the amount of State and local funds expended for specialized education and related services provided for the education of gifted and talented students;

(iv) the State educational agency will provide matching funds for the activities to be assisted under this subpart in an amount equal to not less than 20 percent of the grant funds to be received; and

(v) the State educational agency shall develop and implement program assessment models to ensure program accountability and to evaluate educational effectiveness.

(c) APPROVAL.—To the extent funds are available for this subpart, the Secretary shall approve an application by a State if such application meets the requirements of this section.

SEC. 10425. DISTRIBUTION TO LOCAL EDUCATIONAL AGENCIES

(a) GRANT COMPETITION.—A State educational agency shall use not less than 88 percent of the funds made available to the State educational agency under this subpart to award grants, on a competitive basis, to local educational agencies (including consortia of local educational agencies) to support programs, classes, and other services designed to meet the needs of gifted and talented students.

(b) SIZE OF GRANT.—A State educational agency shall award a grant under subsection (a) for any fiscal year in an amount sufficient to meet the needs of the students to be served under the grant.

SEC. 10426. LOCAL APPLICATIONS

(a) APPLICATION.—To be eligible to receive a grant under this subpart, a local educational agency (including a consortium of local educational agencies) shall submit an application to the State educational agency.

(b) CONTENTS.—Each such application shall include—

(i) an assurance that the funds received under this subpart will be used to supplement, not supplant, the amount of State and local funds provided to the local educational agency for the education of gifted and talented students; and

(ii) an assurance that funds received under this subpart will be used to supplement, not supplant, the amount of State and local funds provided to the local educational agency for the education of, and related services for, gifted and talented students.

SEC. 10427. ANNUAL REPORTING

Beginning 1 year after the date of enactment of the Better Education for Students and Teachers Act and for each subsequent year thereafter, the State educational agency shall submit an annual report to the Secretary that describes the number of students served and the activities supported with funds provided under this subpart. The report shall specify the implementation of the measures taken to comply with paragraphs (1) and (4) of section 1024(c).

SEC. 10433. DEFINITIONS

For purposes of this subpart—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'gifted and talented' when used with respect to a person or program—

(i) has the meaning given the term under applicable State law; or

(ii) in the case of a State that does not have a State law defining the term, has the meaning given such term by definition of the State educational agency or local educational agency involved.

(B) SPECIAL RULE.—If the term 'State' means each of the 50 States, the District of Columbia, Commonwealth of Puerto Rico, or Outlying Areas.

SEC. 10434. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subpart $170,000,000 for each of fiscal years 2002 through 2008.

PART F—LOCAL INNOVATIONS FOR EDUCATION (LIFE) FUND

Subpart 1—Fund for the Improvement of Education

SEC. 10501. FUND FOR THE IMPROVEMENT OF EDUCATION

(a) FUNDS AUTHORIZED.—From funds appropriated under subsection (d), the Secretary is authorized to make competitively significant programs and projects to improve the quality of education, assist all students to meet challenging State standards and challenging State student performance standards, and carry out activities to raise standards and expectations for academic achievement among all students, especially disadvantaged students traditionally underserved in schools. The Secretary is authorized to carry out such programs and projects directly or through grants to, or contracts with, State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions.

(b) USES OF FUNDS.—Funds under this section may be used for—

(i) joint efforts with other agencies and community organizations, including activities related to improving the transition from preschool to school and from school to work, as well as activities related to the integration of educational, recreational, cultural, health, and social services programs within a local community;

(ii) activities to promote and evaluate counseling and mentoring for students, including the development of coordinated student support services;
“(4) activities to promote comprehensive health education;

“(5) activities to promote environmental education;

“(6) activities to promote consumer, economic, and personal finance education, such as saving, investing, and entrepreneurial education;

“(7) studies and evaluation of various education reform strategies and innovations being pursued by the Federal Government, States, and local educational agencies;

“(8) evaluation and recognition of exemplary schools and programs, such as Blue Ribbon Schools;

“(9) programs designed to promote gender equity in education by evaluating and eliminating gender bias in instruction and educational materials, identifying, and analyzing gender inequities in educational practices, and implementing and evaluating educational policies and practices designed to achieve gender equity;

“(10) programs designed to encourage parents to participate in school activities;

“(11) experiential-based learning, such as service-learning;

“(12) developing, adapting, or expanding existing and new applications of technology to support the school reform effort;

“(13) acquiring connectivity linkages, sources, and services, including the installation of hardware and software, for use by teachers, students and school library media personnel in the classroom or in school library media centers, in order to improve student learning to ensure that students in schools will have meaningful access on a regular basis to such linkages, resources, and services;

“(14) providing ongoing professional development in the integration of quality educational technologies into school curriculum and classroom instruction, including planning for implementing educational technologies;

“(15) acquiring connectivity with wide area networks for purposes of accessing information and educational programming sources, particularly with institutions of higher education and public libraries;

“(16) providing educational services for adults and families;

“(17) demonstrations relating to the planning and evaluations of the effectiveness of projects under which local educational agencies or school districts, in consultation with private management organizations to reform a school or schools; and

“(18) programs and projects that meet the purposes of this section.

“(c) AWARDS.—

“(1) IN GENERAL.—The Secretary may—

“(A) make awards under this section on the basis of competitions announced by the Secretary; and

“(B) support meritorious unsolicited proposals.

“(2) SPECIAL RULE.—The Secretary shall ensure that programs, projects, and activities supported under this section are designed to maximize the effectiveness of such programs, projects, and activities and are readily ascertainable.

“(3) PEER REVIEW.—The Secretary shall use a peer review process in making such allocations.

“SEC. 10552. FINDINGS.

“(a) Congress finds that—

“(1) the Star Schools program has helped to encourage the use of distance learning strategies to reach students primarily by means of satellite and broadcast television;

“(2) in general, distance learning programs have been designed and developed to provide students in small, rural, and isolated schools with courses and instruction, such as science and foreign language instruction, that the local educational agency is not otherwise able to provide; and

“(3) distance learning programs may also be used to—

“(A) provide students of all ages in all types of schools and educational settings with greater access to high-quality instruction in the full range of core academic subjects that will enable students to meet challenging, internationally competitive, educational standards;

“(B) expand professional development opportunities for teachers;

“(C) contribute to achievement of the National Education Goals; and

“(D) expand learning opportunities for everyone.

“SEC. 10553. PURPOSE.

“(a) Purpose.—It is the purpose of this subpart to encourage improved instruction in mathematics, science, and technology, as well as other subjects, such as literacy skills and vocational education, and to ensure underserved populations, including the disadvantaged, illiterate, limited English proficient, and individuals with disabilities, through a Star Schools program under which grants are made to eligible telecommunication partnerships to enable such partnerships to—

“(1) develop, construct, acquire, maintain, and operate telecommunications, audio and visual facilities and equipment;

“(2) develop and acquire educational and instructional programming; and

“(3) obtain technical assistance for the use of such facilities and instructional programming.

“SEC. 10554. GRANTS AUTHORIZED.

“(a) AUTHORITY.—The Secretary, through the Office of Educational Technology, is authorized to make grants, in accordance with the provisions of this subpart, to eligible entities to pay the Federal share of the cost of—

“(1) the development, construction, acquisition, maintenance, and operation of telecommunications infrastructure equipment;

“(2) the development and acquisition of live, interactive instructional programming; and

“(3) the development and acquisition of preservice and inservice teacher training programs based on established research regarding teacher-to-teacher mentoring, effective transfer, and ongoing, in-class instruction;

“(4) the establishment of teleconferencing facilities and resources for making interactivity available to teachers;

“(5) obtaining technical assistance; and

“(6) the coordination of the design and connectivity of telecommunications networks to reach the greatest number of schools.

“(b) DURATION.—

“(1) IN GENERAL.—The Secretary shall award grants pursuant to subsection (a) for a period of 5 years.

“(2) RENEWAL.—Grants awarded pursuant to subsection (a) may be renewed for 1 additional 5-year period.

“(c) AVAILABILITY OF FUNDS.—Funds made available to carry out this subpart shall remain available until expended.

“(d) LIMITATIONS.—

“(1) IN GENERAL.—A grant under this section shall not exceed—

“(A) 5 years in duration; or

“(B) $10,000,000 in any 1 fiscal year.

“(2) INSTRUCTIONAL PROGRAMMING.—Not less than 25 percent of the funds available to the Secretary in any 1 fiscal year for this subpart shall be used for the cost of instructional programming.

“(3) SPECIAL RULE.—Not less than 50 percent of the funds available in any 1 fiscal year under this subpart shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programs for local educational agencies which are eligible to receive assistance under part A of title V.

“(e) FEDERAL SHARE.—

“(1) IN GENERAL.—The Federal share of the cost of projects funded under this section shall not exceed—

“(A) 75 percent for the first and second years for which an eligible telecommunications partnership receives a grant under this subpart;

“(B) 60 percent for the third and fourth such years; and

“(C) 50 percent for the fifth such year.

“(2) REDUCTION OR WAIVER.—The Secretary may reduce or waive the Federal share of the non-Federal share under paragraph (1) upon a showing of financial hardship.

“(f) AUTHORITY TO ACCEPT FUNDS FROM OTHER AGENCIES.—The Secretary is authorized to accept funds from other Federal departments or agencies to carry out the purposes of this section, including funds for the purchase of equipment.

“(g) COORDINATION.—The Department, the National Science Foundation, the Department of Agriculture, the Department of Commerce, and any other Federal department or agency operating a telecommunications network for educational purposes, shall coordinate the activities under this subpart with the activities of such department or agency relating to a telecommunications network for educational purposes.

“(h) CLOSED CAPTIONING AND DESCRIPTIVE VIDEO.—Each entity receiving funds under this subpart is encouraged to provide—

“(1) closed captioning of the verbal content of such program, where appropriate, to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies; and

“(2) descriptive video of the visual content of such program, as appropriate.

“SEC. 10555. ELIGIBLE ENTITIES.

“(a) ELIGIBLE ENTITIES.—

“(1) IN GENERAL.—The Secretary may make a grant under section 10554...
to any eligible entity, if at least 1 local educational agency is participating in the proposed project.

(2) ELIGIBLE ENTITY.—For the purpose of this paragraph, the term ‘eligible entity’ may include—

(A) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such public entity or corporation shall represent the interests of elementary schools and secondary schools that are eligible to participate in the program under part A of title I; or

(B) a partnership that will provide telecommunications services and which includes 3 or more of the following entities, at least 1 of which shall be an agency described in clause (i) or (ii):

(i) a local educational agency that serves a significant number of elementary schools and secondary schools that are eligible for assistance under part A of title I, or elementary schools and secondary schools operated or funded for Indian children by the Department of the Interior eligible under section 1121(c)(1)(A); or

(ii) a State educational agency;

(iii) adult and family education programs;

(iv) higher education or a State higher education agency;

(v) a teacher training center or academy that—

(I) provides teacher preservice and inservice training; and

(II) receives Federal financial assistance or has been approved by a State agency;

(vi) a private or public entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunication in any satellite, cable, telephone, or computer; or

(II) a public broadcasting entity with such experience; or

(vii) a public or private elementary school or secondary school.

(b) SPECIAL RULE.—An eligible entity receiving assistance under this subpart shall be organized on a statewide or multistate basis.

SEC. 10556. APPLICATIONS. (a) APPLICATIONS REQUIRED.—Each eligible entity to which a grant is to be made under section 10554 shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(b) STAR SCHOOL AWARD APPLICATION.—Each application submitted pursuant to subsection (a) shall—

(1) describe how the proposed project will assist in achieving the National Education Goals, such project will assist all students, provide an opportunity to learn to challenging State standards, how such project will assist State and local educational reform efforts, and how such project will contribute to creating a high-quality system of lifelong learning;

(2) describe the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

(A) the design, development, construction, acquisition, maintenance, and operation of any telecommunications networks and technology resource centers;

(B) microwave, fiber optics, cable, and satellite transmission equipment or any combination thereof;

(C) reception facilities;

(D) satellite time;

(E) production facilities;

(F) other telecommunications equipment capable of serving a wide geographic area;

(G) the training of instructors who will be using the facilities and equipment for which assistance is sought, including training in using such facilities and equipment in integrating programs into the classroom curriculum; and

(H) the development of educational and related programming for use on a telecommunications network;

(3) in the case of an application for assistance for inservice training, describe the types of programming which will be developed to enhance instruction and training and provide assurances that such programming will be developed in consultation with professionals (including classroom teachers who are experts in the applicable subject matter and grade level);

(4) describe how the eligible entity has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible entity will in aggregate enhance the chances of use the areas of reading, writing, instruction in English, mathematics, science, foreign languages, arts, history, geography, or other disciplines;

(5) describe the professional development policies for teachers and other school personnel to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought;

(6) describe the manner in which historically underserved students (such as students from low-income families, limited English proficient students, students with disabilities, or students who have low literacy skills) and the participation in the benefits of the telecommunications facilties, equipment, technical assistance, and programming assisted under this subpart;

(7) describe how existing telecommunications equipment, facilities, and services, where available, will be used;

(8) provide assurances that the financial interest of the United States in the telecommunications facilities and equipment will be protected for the useful life of such facilities and equipment;

(9) provide a description that a significant portion of any facilities and equipment, technical assistance, and programming for which assistance is sought shall be made available to schools and local educational agencies that have a high number or significant number of students eligible to be counted under part A of title I;

(10) provide assurances that the applicant will use the funds provided under this subpart to supplement and not supplant funds otherwise available for the purposes of this subpart;

(11) describe how funds received under this subpart will be used to train schoolteachers, principals, and personnel in the effective use of the telecommunications technology in the classroom;

(12) describe the activities or services for which assistance is sought, such as—

(A) providing facilities, equipment, training services, and technical assistance;

(B) making programs accessible to students with disabilities through mechanisms such as closed captioning and descriptive video services;

(C) linking networks around issues of national importance (for example, (I) to provide information about employment opportunities, job training, or student and other social services programs; or

(D) sharing resources between networks and development of program guides which demonstrate cooperative, cross-net-work listing of programs for specific curricular areas;

(13) describe how the proposed project as a whole will be financed and how arrangements for future financing will be developed before the project expires;

(14) provide an assurance that a significant portion of any facilities, equipment, technical assistance, and programming for which assistance is sought for elementary schools and secondary schools will be made available to schools in local educational agencies that have a high percentage of children counted for the purpose of part A of title I;

(15) provide an assurance that the applicant will provide such information and cooperate in any evaluation that the Secretary may conduct under this subpart; and

(16) include such additional assurances as the Secretary may reasonably require.

(c) PRIORITIES.—The Secretary, in approving applications for grants authorized under section 10554, shall give priority to applications describing projects that—

(1) propose high-quality programs and processes to ensure in achieving 1 or more of the National Education Goals, shall provide instruction consistent with State content standards, or will provide significant and specific assistance to States and local educational agencies undertaking systemic education reform;

(2) will provide services to programs serving adults, especially parents, with low levels of literacy;

(3) will serve schools with significant numbers of children counted for the purposes of part A of title I;

(4) ensure that the eligible entity will—

(A) serve the broadest range of institutions providing instruction outside of the school setting, programs serving adults, especially parents, with low levels of literacy, institutions of higher education, teacher training centers, research institutes, and private industry;

(B) have substantial academic and teaching capabilities, including the capability of providing training, retraining, and inservice upgrading of teaching skills and the capability to provide professional development;

(C) provide a comprehensive range of content for educators to teach instructional strategies for students with different skill levels;

(D) provide training to participating educators in ways to integrate telecommunications courses into existing school curricula;

(E) providing teacher and student support services including classroom and training support for early childhood development and Head Start teachers and staff and vocational education teachers and staff, and adult and family educators;

(F) providing programs for adults to maximize the use of telecommunications facilities and equipment;

(G) providing professional development for teachers, including, as appropriate, training to early childhood development and Head Start teachers and staff and vocational education teachers and staff, and adult and family educators;

(H) providing programs for adults to maximize the use of telecommunications facilities and equipment;

(I) providing teacher training on proposed or established voluntary national content standards in mathematics and science and other disciplines as such standards are developed; and

(J) providing parent education programs during and after the regular school day which reinforce a student’s course of study and actively involve parents in the learning process.
Sec. 10557. Leadership and Evaluation.

(a) Reservation.—From the amount made available to carry out this subpart in each fiscal year, the Secretary may reserve not more than 5 percent of such amount for national leadership, evaluation, and peer review activities.

(b) Method of Funding.—The Secretary may fund the activities described in subsection (a) directly or through grants, contracts, and cooperative agreements.

(1) Leadership.—Funds reserved for leadership activities under subsection (a) may be used for—

(A) disseminating information, including lists and descriptions of services available from grant recipients under this subpart; and

(B) other activities designed to enhance the quality of distance learning activities nationwide.

(2) Evaluation.—Funds reserved for evaluation activities under subsection (a) may be used to conduct independent evaluations of the activities assisted under this subpart and of distance learning in general, including—

(A) analyses of distance learning efforts, including those that are assisted under this subpart and such efforts that are not assisted under this subpart; and

(B) comparisons of the effects, including student outcomes, of different technologies in distance learning efforts.

(3) Peer Review.—Funds reserved for peer review activities under subsection (a) may be used for peer review of—

(A) applications for grants under this subpart; and

(B) activities assisted under this subpart.

Sec. 10558. Definitions.

In this subpart:

(1) Educational institution.—The term 'educational institution' means an institution of higher education, a local educational agency, or a State educational agency.

(2) Instructional Programming.—The term 'instructional programming' means courses of instruction and training courses for elementary and secondary students, teachers, and others, and materials for use in such instruction and training that have been prepared in written or visual form on tape, disc, film, or live, and presented by means of telecommunications devices.

(3) Public broadcasting entity.—The term 'public broadcasting entity' has the same meaning given such term in section 397 of the Communications Act of 1994.

Sec. 10559. Administrative Provisions.

(a) Use of Funds.—

(1) In general.—In order to be eligible to receive a grant under section 10554 for a second 3-year grant period an eligible entity shall have submitted an application pursuant to section 10556 that such partnership shall—

(A) continue to provide services in the subject area, and

(B) use all grant funds received under this subpart for the previous 3-year grant period and

(2) Application.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary. Each such application shall—

(A) demonstrate that the applicant will use publicly funded or free public telecommunications networks and materials used to deliver video, voice, and data in an integrated service to support and assist in the acquisition of a secondary school diploma or its recognized equivalent;

(B) assure that the content of the materials to be delivered is consistent with the accreditation requirements of the State for which materials are used; and

(C) incorporate, to the extent feasible, materials developed in the Federal departments and agencies and under appropriate federally funded projects.

Sec. 10560. Other Assistance.

(a) Special Statewide Network.

(1) In General.—The Secretary, through the Office of Educational Technology, may provide assistance to a statewide telecommunications network under this subpart in the previous fiscal year.

(2) Federal Activities.—The Secretary may assist grant recipient under section 1054 in acquiring satellite time, where appropriate, as economically as possible.

(b) Method of Funding.—The Secretary may assist grant recipients under this subpart in the previous fiscal year.

(c) Federal Activities.—The Secretary may fund the activities described in subsection (a) directly or through grants, contracts, and cooperative agreements.

(1) Leadership.—Funds reserved for leadership activities under subsection (a) may be used for—

(A) disseminating information, including lists and descriptions of services available from grant recipients under this subpart; and

(B) other activities designed to enhance the quality of distance learning activities nationwide.

(2) Evaluation.—Funds reserved for evaluation activities under subsection (a) may be used to conduct independent evaluations of the activities assisted under this subpart and of distance learning in general, including—

(A) analyses of distance learning efforts, including those that are assisted under this subpart and such efforts that are not assisted under this subpart; and

(B) comparisons of the effects, including student outcomes, of different technologies in distance learning efforts.

(3) Peer Review.—Funds reserved for peer review activities under subsection (a) may be used for peer review of—

(A) applications for grants under this subpart; and

(B) activities assisted under this subpart.

Sec. 10557. Findings and Purpose.

(a) Findings.—Congress finds that—

(1) the arts are forms of understanding and ways of knowing that are fundamentally important to education;

(2) the arts are important to excellent education and to effective school reform;

(3) the most significant contribution of the arts to education reform is the transformation of teaching and learning;

(4) such transformation is best realized in the context of comprehensive, systemic education reform;

(5) arts education can motivate at-risk students to stay in school and become active participants in the educational process; and

(6) arts education should be an integral part of the elementary school and secondary school curriculum.

(b) Purposes.—The purposes of this section are to—

(1) support systemic education reform by strengthening arts education as an integral part of the elementary school and secondary school curriculum;

(2) help ensure that all students have the opportunity to learn challenging State content standards and challenging State student performance standards in the arts; and

(3) support the national effort to enable all students to demonstrate competence in the arts.

(c) Eligible Recipients.—In order to carry out the purposes of this section, the Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with—

(1) State educational agencies;

(2) local educational agencies; and

(3) other public and private agencies, institutions, and organizations.

(d) Authorized Activities.—Funds under this section may be used for—

(1) research on arts education;

(2) professional development of teachers of arts education; and

(3) the development of model arts education assessment frameworks for high schools.
“(5) the development of model preservice and inservice professional development programs for arts educators and other instructional staff;

“(6) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, VSA Arts, and the National Gallery of Art;

“(7) supporting model projects and programs for performing arts for children and youth through arrangements made with the John F. Kennedy Center for the Performing Arts;

“(8) supporting model projects and programs by VSA Arts that assure the participation in mainstream settings in arts and educational programs of individuals with disabilities;

“(9) supporting model projects and programs to integrate arts education into the regular elementary school and secondary school curriculum; and

“(10) other activities that further the purposes of this section.

“COORDINATION.—

“(1) IN GENERAL.—A recipient of funds under this section shall, to the extent possible, consult and participate with agencies and organizations, including museums, arts education associations, libraries, and theaters.

“(2) SPECIAL RULE.—In carrying out this section, the Secretary shall coordinate with the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, VSA Arts, and the National Gallery of Art.

“(f) REQUIREMENTS.—The Secretary shall ensure that any funds awarded under this section are spent for the specific purposes described in paragraphs (7) and (8) of subsection (d).

“Subpart 4—School Counseling

“SEC. 10601. ELEMENTARY SCHOOL AND SECONDARY SCHOOL COUNSELING DEMONSTRATION.

“(1) COUNSELING DEMONSTRATION.—

“(a) IN GENERAL.—The Secretary may award grants under this section to local educational agencies to enable the local educational agencies to establish or expand elementary or secondary school counseling programs.

“(b) PRIORITY.—In awarding grants under this section, the Secretary shall give special consideration to applications describing programs that—

“(A) demonstrate the greatest need for new or additional counseling services among the children in the schools served by the applicant;

“(B) propose the most promising and innovative programs for initiating or expanding school counseling; and

“(C) show the greatest potential for replication and dissemination.

“(2) APPROPRIATE DISTRIBUTION.—In awarding grants under this section, the Secretary shall ensure an equitable geographic distribution among the regions of the United States and among urban, suburban, and rural areas.

“(4) DURATION.—A grant under this section shall be awarded for a period not to exceed three years.

“(5) MAXIMUM GRANT.—A grant under this section shall not exceed $600,000 for any fiscal year.

“APPLICATIONS.—

“(1) IN GENERAL.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(2) A grant application for a grant under this section shall—

“(A) describe the school population to be targeted by the program, the particular services, strategies, and activities proposed to enhance the school counseling system, and the current school counseling resources available for meeting such needs;

“(B) describe collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and public or private entities to enhance the program and promote school-linked services integration;

“(C) describe the methods to be used to evaluate the outcomes and effectiveness of the program;

“(D) describe the collaborative efforts to be undertaken with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and other public or private entities to enhance the program and promote school-linked services integration;

“(E) describe collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and school social workers;

“(F) document that the applicant has the personnel qualified to develop, implement, and administer the program;

“(G) describe how any diverse cultural populations, if applicable, would be served through the program;

“(H) assure that the funds made available under this subpart for any fiscal year will be used to supplement and, to the extent practicable, increase the level of funds that would otherwise be available from non-Federal sources for the program described in the application, and in no case supplant such funds from non-Federal sources; and

“(I) assure that the applicant will appoint an advisory board composed of parents, school counselors, school psychologists, school social workers, other pupil service personnel, teachers, school administrators, and community leaders to advise the local educational agency on the design and implementation of the program.

“(c) USE OF FUNDS.—

“(1) IN GENERAL.—From amounts made available to carry out this subpart at the Secretary shall award grants to local educational agencies to establish or expand elementary or secondary school counseling programs that comply with the requirements of paragraph (a).

“(2) PROGRAM REQUIREMENTS.—Each program assisted under this subpart shall—

“(A) be comprehensive in addressing the personal, social, emotional, educational, and career development needs of all students;

“(B) use a developmental, preventive approach to counseling;

“(C) incorporate the following: range, availability, quantity, and quality of counseling services in the schools of the local educational agency;

“(D) expand counseling services only through qualified school counselors, school psychologists, and school social workers;

“(E) use innovative approaches to increase children's understanding of peer and family relationships, decision-making, or academic and career planning, or to improve social functioning;

“(F) provide counseling services that are well-documented and supported by research;

“(G) provide counseling services that are well-documented and supported by research; and

“(H) include inservice training for school counselors, school social workers, school psychologists, other pupil services personnel, teachers, and instructional staff;

“(I) involve parents of participating students in the design, implementation, and evaluation of a Counseling Demonstration.

“(J) involve collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, or other public or private entities to enhance the program and promote school-linked services integration; and

“(K) evaluate annually the effectiveness and outcomes of the counseling services and activities assisted under this section.

“DISSEMINATION.—The Secretary shall issue a report evaluating the programs assisted pursuant to this subpart at the end of each grant period.

“(d) DEFINITIONS.—For purposes of this section—

“(1) SCHOOL COUNSELOR.—The term ‘school counselor’ means an individual who has documented competence in counseling children and adolescents in a school setting and who—

“(A) possesses State licensure or certification granted by an independent professional regulatory authority;

“(B) in the absence of such State licensure or certification, possesses national certification in school counseling or a specialty of school counseling granted by an independent professional organization; or

“(C) holds a minimum of a master’s degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs or the equivalent.

“(2) SCHOOL PSYCHOLOGIST.—The term ‘school psychologist’ means an individual who—

“(A) possesses a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours would be in the school psychology internship;

“(B) possesses State licensure or certification in the State in which the individual works; or

“(C) in the absence of such State licensure or certification, possesses national certification by the National School Psychology Certification Board.

“(3) SCHOOL SOCIAL WORKER.—The term ‘school social worker’ means an individual who—

“(A)(i) holds a master's degree in social work from a program accredited by the Council on Social Work Education; and

“(ii) is licensed or certified by the State in which services are provided; or

“(B) in the absence of such licensure or certification, possesses a national certification or credential as a school social work specialist that has been awarded by an independent professional regulatory authority.

“(4) SUPERVISOR.—The term ‘supervisor’ means an individual who has the equivalent number of years of professional experience in social work or a related field as is required of teaching experience for the supervisor or administrative credential in the State of such individual.

“SEC. 10602. SPECIAL RULE.

“For any fiscal year in which the amount made available to carry out this subpart is
at least $60,000,000, then at least $60,000,000 shall be made available in such fiscal year to establish or expand elementary school counseling programs.

“Subpart 5—Partnerships in Character Education

SEC. 10651. SHORT TITLE.

This subpart may be cited as the 'Strong Character for Strong Schools Act'.

SEC. 10652. PARTNERSHIPS IN CHARACTER EDUCATION PROGRAM.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities for the design and implementation of character education programs that may incorporate the elements of character described in subsection (d).

(2) ELIGIBLE ENTITY.—The term 'eligible entity' means—

(A) a State educational agency in partnership with 1 or more local educational agencies;

(B) a State educational agency in partnership with—

(i) one or more nonprofit organizations or entities, including institutions of higher education;

(C) a local educational agency or consortium of local educational agencies; or

(D) a local educational agency in partnership with—

(i) one or more nonprofit organizations or entities, including institutions of higher education;

(3) DURATION.—Each grant under this section shall be awarded for a period not to exceed 3 years, of which the eligible entity shall not use more than 1 year for planning and program development.

(4) AMOUNT OF GRANTS FOR STATE EDUCATIONAL AGENCIES.—Subject to the availability of appropriations, the amount of grant made by the Secretary to a State educational agency in a partnership described in subparagraph (A) or (B) of paragraph (2), that submits an application under subsection (b) and that meets such requirements as the Secretary may establish under this section, shall not be less than $500,000.

(b) APPLICATIONS.—

(1) USES.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require;

(2) CONTENTS OF APPLICATION.—Each application submitted under this section shall include—

(A) a description of any partnerships or collaborative efforts among the organizations and entities of the eligible entity;

(B) a description of the goals and objectives of the program proposed by the eligible entity;

(C) a description of activities that will be pursued and how those activities will contribute to the goals and objectives described in subparagraph (B), including—

(i) how parents, students (including students with physical and mental disabilities), and members of the community, including members of private and nonprofit organizations, will be involved in the design and implementation of the program and how the eligible entity will work with the larger community to increase the reach and promise of the program;

(ii) curriculum and instructional practices to be used in the goals and objectives described in paragraph (1), including—

(1) methods of teacher training and parent education that will be used or developed; and

(2) how the program will be linked to other efforts in the schools to improve student performance;

(3) research findings in the area of character education and character development; and

(4) any other information that the Secretary may require.

(c) EVALUATION AND PROGRAM DEVELOPMENT.

(1) EVALUATION AND REPORTING.—

(A) STATE AND LOCAL REPORTING AND EVALUATION.—Each eligible entity receiving a grant under this section shall submit to the Secretary a comprehensive evaluation of the program assisted under this section, including the impact on students (including students with physical and mental disabilities), teachers, administrators, parents, and others—

(i) by the second year of the program; and

(ii) not later than 1 year after completion of the grant period.

(B) CONTRACTS FOR EVALUATION.—Each eligible entity receiving a grant under this section may contract with outside sources, including institutions of higher education, and private and nonprofit organizations, for purposes of evaluating its program and measuring the success of the program toward fostering character in students.

(2) NATIONAL RESEARCH, DISSEMINATION, AND EVALUATION.

(A) IN GENERAL.—The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, State or local educational agencies, institutions of higher education, educational organizations, or other public or private agencies or organizations to carry out research, development, dissemination, technical assistance, and evaluation activities to support innovation in State and local character education programs. The Secretary shall reserve not more than 5 percent of the funds made available under this section to carry out this paragraph.

(B) USES.—Funds made available under subparagraph (A) may be used—

(i) to conduct research and development activities that focus on matters such as—

(1) the effectiveness of instructional models for all students, including students with physical and mental disabilities;

(2) materials and curricula that can be used by programs in character education;

(3) models of professional development in character education; and

(4) the development of measures of effectiveness for character education programs which may include the factors described in paragraph (3);

(ii) to provide technical assistance to State and local programs, particularly on matters of program evaluation; and

(iii) to conduct or evaluate of State and local programs receiving funding under this section; and

(iv) to compile and disseminate, through various approaches (such as a national clearhouse)—

(1) information on model character education programs;

(2) character education materials and curricula;

(3) research findings in the area of character education and character development; and

(4) any other information that will be useful to character education program participants, educators, parents, administrators, and others nationwide.

(C) PRIORITY.—In carrying out national activities under this paragraph related to dissemination of educational assistance, the Secretary shall seek to enter into partnerships with national, nonprofit character education organizations with expertise and successful experience in implementing local character education programs that have had an effective impact on schools, students, and teachers (including students with disabilities) and

(1) prepare, conduct, and disseminate, through various approaches, useful to local and State educational agencies, technical assistance and other efforts in the schools to improve student performance;

(2) assess the effectiveness of the activities described in paragraph (3); and

(3) make available to all educational agencies and organizations that serve students, including students with disabilities, a complete listing of such activities and the results of any evaluation thereof.

(d) ELEMENTS OF CHARACTER.—Each eligible entity desiring funding under this section shall develop character education programs that may incorporate elements of character such as—

(1) caring;

(2) civic virtue and citizenship;

(3) justice and fairness;

(4) respect;

(5) responsibility;

(6) trustworthiness; and

(7) any other elements deemed appropriate by the members of the eligible entity.

(e) USE OF FUNDS BY STATE EDUCATIONAL AGENCY RECIPIENTS.—Of the total funds received in any fiscal year under this section by an eligible entity that is a State educational agency—

(1) not more than 10 percent of such funds may be used for administrative purposes; and

(2) the remainder of such funds may be used for—

(A) collaborative initiatives with and between local educational agencies and schools;

(B) the preparation or purchase of materials, and teacher training;

(C) grants to local educational agencies, schools, or institutions of higher education; and

(D) technical assistance and evaluation.

(f) SELECTION OF GRANTEES.—

(1) CRITERIA.—The Secretary shall select, through peer review, eligible entities to receive grants under this section on the basis of the quality of the applications submitted under subsection (b), taking into consideration such factors as—

(A) the quality of the activities proposed to be conducted;

(B) the extent to which the program fosters character in students and the potential for improved student performance;

(C) the extent and ongoing nature of parent, student, and community involvement; and

(D) the quality of the plan for measuring and assessing success; and
"(E) the likelihood that the goals of the program will be realistically achieved.

(2) DIVERSITY OF PROJECTS.—The Secretary shall approve applications under this section only if they ensure, to the extent practicable, that programs assisted under this section—

(A) serve different areas of the Nation, including urban, suburban, and rural areas; and

(B) serve schools that serve minorities, Native Americans, students of limited English proficiency, economically disadvantaged students, and students with disabilities.

(ig) PARTICIPATION BY PRIVATE SCHOOL CULTURAL PROFESSIONALS.—Grants made under this section shall provide, to the extent feasible and appropriate, for the participation of students and teachers in private elementary and secondary schools in programs and activities under this section.

"Subpart 6—Women's Educational Equity Act

"SEC. 10701. SHORT TITLE; FINDINGS.

(a) Short Title.—This subpart may be cited as the ‘Women's Educational Equity Act of 2001'.

(b) Findings.—Congress finds that—

(1) the enactment of title IX of the Education Amendments of 1972, women and girls have made strides in educational achievement and in their ability to avail themselves of educational opportunities; and

(2) because of funding provided under the Women's Educational Equity Act, more curricula, training, and other educational materials designed to make educational equity available for women and girls are available for national dissemination;

(3) teaching and learning practices in the United States are frequently inequitable as such practices relate to women and girls, for example—

(A) sexual harassment, particularly that experienced by girls, undermines the ability of schools to provide a safe and equitable learning or workplace environment;

(B) classroom textbooks and other educational materials do not sufficiently reflect the experiences, achievements, or concerns of women and, in most cases, are not written by women or persons of color;

(C) girls do not take as many mathematics and science courses as boys, girls lose confidence in their mathematics and science abilities, and are underrepresented in advanced classes and there are few women role models in the sciences; and

(D) pregnant and parenting teenagers are at high risk for dropping out of school and existing dropout prevention programs do not adequately address the needs of such teenagers;

(4) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all women and girls;

(5) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies, but should also assist schools and local communities implement gender equitable practices;

(6) Federal assistance for gender equity must be tied to systemic reform, involve collaborative efforts to implement effective gender practices at the local level, and encourage parental participation; and

(7) excellence in education of titles IX and X of the Education Amendments of 1972, and the full participation of women and girls in American society, cannot be achieved without equitable opportunity for women and girls.

"SEC. 10702. STATEMENT OF PURPOSES.

"It is the purpose of this subpart—

(1) to promote gender equity in education in the United States;

(2) to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Educational Amendments of 1972; and

(3) to promote equity in education for women and girls who suffer from disproportionate representation, differences in life expectancy, racial diversity, age, ethnic origin, limited English proficiency, disability, or age.

"SEC. 10703. PROGRAMS AUTHORIZED.

(a) In General.—The Secretary is authorized—

(1) to promote, coordinate, and evaluate gender equity policies, programs, activities, and initiatives in all Federal education programs and offices;

(2) to develop, maintain, and disseminate materials, resources, analyses, and research relating to education equity for women and girls;

(3) to provide information and technical assistance to assure the effective implementation of gender equity programs;

(4) to coordinate gender equity programs and activities with other Federal agencies with jurisdiction over education and related programs;

(5) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to education equity for women and girls; and

(6) to perform any other activities consistent with achieving the purposes of this subpart.

(b) Grants Authorized.—

(1) In General.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, public agencies, private nonprofit agencies, organizations, institutions, student groups, community groups, and individuals, for a period not to exceed 4 years, to—

(A) provide grants to develop model equity programs; and

(B) provide funds for the implementation of equity programs in schools throughout the Nation.

(2) Support and Technical Assistance.—To achieve the purposes of this subpart, the Secretary is authorized to provide support and technical assistance—

(A) to implement effective gender-equity policies and programs at all educational levels, including—

(i) assisting educational agencies and institutions to implement policies and practices to comply with title IX of the Education Amendments of 1972; and

(ii) training for teachers, counselors, administrators, and other school personnel, especially preschool and early childhood school personnel, in gender equitable teaching and learning practices;

(iii) leadership training for women and girls to develop professional and marketable skills to compete in the global marketplace, improve self-esteem, and benefit from exposure to positive role models;

(iv) school-to-work transition programs, guidelines, and partnerships to increase opportunities for women and girls to enter a technologically demanding workplace and, in particular, to enter high-skilled, high-paying careers in which women and girls have been underrepresented;

(v) enhancing educational and career opportunities for those women and girls who suffer multiple forms of discrimination, based on sex, and on race, ethnic origin, limited English proficiency, disability, socioeconomic status, age, or any other basis;

(vi) assisting pregnant students and students rearing children to remain in or to return to secondary school, graduate, and prepare themselves for college or school;

(vii) evaluating exemplary model programs to assess the ability of such programs to advance educational equity for women and girls;

(viii) introduction into the classroom of textbooks, curricula, and other materials designed to achieve equity for women and girls;

(ix) programs and policies to address sexual harassment and violence against women and girls and to ensure that educational institutions are free from threats to the safety of students and personnel;

(x) nondiscriminatory tests of aptitude and achievement and of alternative assessments that eliminate biased assessment instruments from federally funded programs; and

(xi) programs to increase educational opportunities, including higher education, vocational training, and other educational programs for low-income women, including students rearing children, pregnant women, and women receiving assistance under a State program funded under part A of title IV of the Social Security Act;

(xii) programs to improve representation of women in educational administration at all levels; and

(xiii) planning, development, and initial implementation of—

(I) comprehensive institutionwide or districtwide evaluation to assess the presence or absence of gender equity in educational settings;

(II) comprehensive plans for implementation of equity programs in State and local educational agencies and institutions of higher education, including community colleges;

(III) innovative approaches to school-community partnerships for educational equity;

(2) for research and development, which shall be coordinated with each of the research institutes of the Office of Educational Research and Improvement to avoid duplication of research efforts to advance gender equity nationwide and to help make policies and practices in educational agencies and institutions, and local communities, gender equitable, including—

(i) research and development of innovative strategies and model training programs for teachers and other education personnel;

(ii) the development of high-quality and classroom assessment instruments that are nondiscriminatory;

(iii) the development and evaluation of model curricula, textbooks, software, and educational materials to provide gender equity and prevent the absence of gender stereotyping and bias;

(iv) the development of instruments and procedures that employ new and innovative strategies to assess whether diverse educational settings are gender equitable;

(v) the development of instruments and strategies for evaluation, dissemination, and replication of promising or exemplary programs designed to assist local educational agencies in integrating gender equity in their educational policies and practices;

(vi) updating high-quality educational materials previously developed and seeking Through awards made under this subpart;

(vii) the development of policies and programs to address and prevent sexual harassment and violence to ensure that educational institutions are free from threats to safety of students and personnel;

(viii) the development and improvement of programs and activities to increase opportunities for women, including continuing educational activities, vocational education, and programs for low-income women, including students rearing children, pregnant women, and women receiving assistance under a State program funded under part A of title IV of the Social Security Act; and
"(ix) the development of guidance and counseling activities, including career education programs, designed to ensure gender equity;

SEC. 10704. APPLICATIONS.

"An application under this subpart shall—

(1) set forth policies and procedures that will ensure a comprehensive evaluation of the activities assisted by the funds, including an evaluation of the practices, policies, and materials used by the applicant and an evaluation or estimate of the continued significance of the work of the project following completion of the period and termination of Federal support under this subpart;

(2) demonstrate how the applicant will foster partnerships and, where applicable, shared resources with State educational agencies, local educational agencies, institutions of higher education, community-based organizations (including organizations serving women), parent, teacher, and student groups, businesses, or other recipients of Federal educational funding which may include State literacy resource centers;

(3) for applications for assistance under section 10703(b)(1), demonstrate how the applicant will foster partnerships following completion of the grant period and termination of Federal support under this subpart.

SEC. 10705. CRITERIA AND PRIORITIES.

(a) In General.—The Secretary, in coordination with local support, shall establish separate criteria and priorities for the award of each subpart, for setting aside, with local support, funds available under this subpart, for setting aside, with local support, funds available under this subpart, and for setting aside, with local support, funds available under this subpart, shall ensure that the activities assisted under this subpart—

(1) address the needs of women and girls of color and women and girls with disabilities;

(2) meet locally defined and documented educational equity needs and educational priorities, including compliance with title IX of the Education Amendments of 1972;

(3) are a significant component of a comprehensive educational equity plan and compliance with title IX of the Education Amendments of 1972 in the particular school district, institution of higher education, vocational-technical institution, or other educational agency or institution; and

(4) provide for a comprehensive approach to enhancing gender equity in educational institutions, organizations, community-based organizations, institutions of higher education, and private organizations;

(b) Priorities.—In approving applications under this subpart, the Secretary may give special consideration to applications—

(1) submitted by applicants that have not received assistance under this subpart or this subpart’s predecessor authorities;

(2) for projects that will contribute significantly to directly improving teaching and learning practices in the local community;

(3) for projects that will—

(3.1) provide for a comprehensive approach to enhancing gender equity in educational institutions, organizations, community-based organizations, institutions of higher education, and private organizations;

(3.2) provide for a comprehensive approach to enhancing gender equity in educational institutions, organizations, community-based organizations, institutions of higher education, and private organizations;

(3.3) draw on a variety of resources, including the resources of local educational agencies, local educational agencies, institutions of higher education, community-based organizations (including organizations serving women), parent, teacher, and student groups, businesses, or other recipients of Federal educational funding which may include State literacy resource centers; and

(3.4) provide for a comprehensive approach to enhancing gender equity in educational institutions, organizations, community-based organizations, institutions of higher education, and private organizations.

(‘(3) For the purposes of this section—

(3.1) physical education helps improve the self esteem, interpersonal relationships, responsible behavior, and independence of children.

(3.2) Children who participate in high quality daily physical education programs tend to be more healthy and physically fit.

(3.3) The percentage of young people who are overweight has more than doubled in the 30 years preceding 1999.

(3.4) Local communities have seen physical education programs to develop positive social and cooperative skills through physical activity participation;
by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page __, strike lines __ through __, and insert the following:

"(6) Developing and implementing effective mechanisms to assist local education agencies and schools in effectively recruiting and retaining highly qualified teachers and principals, and in cases in which a State or local education agency deems appropriate, academic counselors, mental health counselors, pupil services personnel, and other staff."

On page __, between lines __ and __, insert the following:

"(11) Providing professional development for teachers, academic counselors, mental health counselors, pupil services personnel, and other school staff, to help young women, minorities, students with limited English proficiency, disabled individuals, and economically disadvantaged students achieve challenging State content standards and State student performance standards in core academic subjects such as, by providing training to teachers or counselors to encourage young women and minorities to enroll in advanced mathematics or science courses."

On page __, through __, and insert the following:

"(8) Providing teachers, principals, and, in cases in which a State or local education agency deems appropriate, academic counselors, mental health counselors, pupil services personnel, and other staff, with opportunities for professional development through institutions of higher education."

On page __, between lines __ and __, insert the following:

"(7) Developing and implementing mechanisms to assist schools in effectively recruiting and retaining highly qualified teachers and principals, and, in cases in which a State or local education agency deems appropriate, academic counselors, mental health counselors, pupil services personnel, and other staff, with opportunities for professional development through institutions of higher education."

On page __, strike lines __ through __, and insert the following:

"(3) Providing teachers, principals, and, in cases in which a State or local education agency deems appropriate, academic counselors, mental health counselors, pupil services personnel, and other staff, with opportunities for professional development through institutions of higher education."

On page __, through __, and insert the following:

"(4) acquiring connectivity linkages, resources, and services, including the acquisi-
tion of Internet access, for use by teachers, students, academic counselors, and school library media personnel in the classroom, in academic and college counseling centers, and in the library media centers, in order to improve student academic achievement and student performance;"

SA 514. Mr. DODD (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

"PART B—PARTNERSHIPS IN CHARACTER EDUCATION"

"SEC. 9203. SHORT TITLE.

"This part may be cited as the 'Strong Character for Strong Schools Act'."

"SEC. 9202. PARTNERSHIPS IN CHARACTER EDUCATION PROGRAM.

"(a) PROGRAM.—

"(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities for the design and implementation of character education programs that incorporate the elements of character described in subsection (d).

"(2) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) a State educational agency in partnership with 1 or more local educational agencies;

"(B) a State educational agency in partnership with—

"(i) one or more local educational agencies;

"(ii) one or more nonprofit organizations or entities, including institutions of higher education;

"(C) a local educational agency or consortium of local educational agencies; or

"(D) a local educational agency in partnership with another nonprofit organization or entity, including institutions of higher education.

"(3) DURATION.—Each grant under this section shall be awarded for a period not to exceed 3 years, of which the eligible entity shall not use more than 1 year for planning and program design.

"(4) AMOUNT OF GRANTS FOR STATE EDUCATIONAL AGENCIES.—Subject to the availability of appropriations, the amount of grant made by the Secretary to a State educational agency in a partnership described in subparagraph (A) of paragraph (2), that submits an application under subsection (b) and that meets such requirements as the Secretary may establish under this section, shall not be less than $300,000.

"(5) ELIGIBLE ENTITY.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(6) CONTENTS OF APPLICATION.—Each application submitted under this section shall include—

"(A) a description of any partnerships or collaborative efforts among the organizations and entities of the eligible entity;

"(B) a description of the goals and objectives of the program proposed by the eligible entity;

"(C) a description of activities that will be pursued and how those activities will contribute to meeting the goals and objectives described in subparagraph (B), including—

"(i) how parents, students (including students with physical and mental disabilities), and other members of the community, including members of private and nonprofit organizations, will be involved in the design and implementation of the program and how the eligible entity will work with the larger community to increase the reach and promise of the program;

"(ii) curriculum and instructional practices that will be used or developed;

"(iii) methods of teacher training and parent education that will be used or developed; and

"(iv) how the program will be linked to other efforts in the schools to improve student performance;

"(D) in the case of an eligible entity that is a State educational agency—

"(i) a description of how the State educational agency will assist local educational agencies in the development and implementation of the program and the implementation of the program and how the eligible entity will work with the larger community to increase the reach and promise of the program; and

"(ii) a description of how the State educational agency will assist other interested local educational agencies that are not members of the original partnership in designing and establishing character education programs;

"(E) a description of how the eligible entity will evaluate the program; and

"(F) a description of how the eligible entity will report the results of such evaluation.

"(7) ADMINISTRATIVE COSTS.—Subject to the availability of appropriations, the amount of grant made by the Secretary to a State educational agency in a partnership described in subparagraph (A) of paragraph (2), that submits an application under subsection (b) and that meets such requirements as the Secretary may establish under this section, shall not be less than $300,000.
“(ii) in cooperation with the national evaluation conducted pursuant to subsection (c)(2)(B)(iii);”

“(F) an assurance that the eligible entity will provide to the Secretary such information as may be required to determine the effectiveness of the program; and

“(G) any other information that the Secretary may require.”

“(c) EVALUATION AND PROGRAM DEVELOPMENT.—

“(1) EVALUATION AND REPORTING.—

“(A) STATE AND LOCAL REPORTING AND EVALUATION.—Each eligible entity receiving a grant under this section shall submit to the Secretary a comprehensive evaluation of the program assisted under this section, including the impact on students (including students with physical and mental disabilities), teachers, administrators, parents, and others—

“(i) by the second year of the program; and

“(ii) not later than 1 year after completion of the grant period.

“(B) CONTRACTS FOR EVALUATION.—Each eligible entity receiving a grant under this section may contract with outside sources, including State or local educational agencies, institutions of higher education, tribal organizations, or other public or private agencies or organizations to carry out research, development, dissemination, technical assistance, and evaluation activities that support or inform State and local character education programs. The Secretary shall reserve not more than 5 percent of the funds made available under this section to carry out this paragraph.

“(B) USES.—Funds made available under subparagraph (A) may be used—

“(i) to conduct research and development activities that focus on matters such as—

“(I) the effectiveness of instructional models for programs that include students with physical and mental disabilities;

“(II) materials and curricula that can be used by programs in character education;

“(III) the development of professional development in character education; and

“(IV) the development of measures of effectiveness for character education programs which may include the factors described in paragraph (3);

“(ii) to provide technical assistance to State and local programs, particularly on matters of program evaluation; and

“(iii) to conduct a national evaluation of State and local programs receiving funding under this section; and

“(B) to compile and disseminate, through various approaches (such as a national clearinghouse)—

“(I) information on model character education programs;

“(II) character education materials and curricula;

“(III) research findings in the area of character education and character development; and

“(IV) any other information that will be useful to character education program participants, educators, parents, administrators, and others nationwide.

“(C) PRIORITY.—In carrying out national activities under this paragraph related to developing, compiling, and technical assistance, the Secretary shall seek to enter into partnerships with national, nonprofit character education organizations with expertise and successful experience in implementing local character education programs that have had an effective impact on students, students with disabilities, and teachers.

“(D) FACTORS.—Factors which may be considered in evaluating the success of programs funded under this section may include—

“(A) discipline issues;

“(B) student performance;

“(C) participation in extracurricular activities;

“(D) parental and community involvement;

“(E) faculty and administration involvement;

“(F) student and staff morale; and

“(G) overall improvements in school climate for all students, including students with physical and mental disabilities.

“(D) ELEMENTS OF CHARACTER.—Each eligible entity desiring funding under this section shall develop character education programs that may incorporate elements of character such as—

“(1) caring;

“(2) civil virtue and citizenship;

“(3) justice and fairness;

“(4) respect;

“(5) responsibility;

“(6) trustworthiness; and

“(7) any other elements deemed appropriate by the Secretary.

“(E) USE OF FUNDS BY STATE EDUCATIONAL AGENCY RECIPIENTS.—Of the total funds received in any fiscal year under this section by an eligible entity that is a State educational agency—

“(1) not more than 10 percent of such funds may be used for administrative purposes; and

“(2) the remainder of such funds may be used for—

“(A) collaborative initiatives with and between local educational agencies and schools;

“(B) the preparation or purchase of materials, and teacher training;

“(C) grants to local educational agencies, schools, or institutions of higher education; and

“(D) technical assistance and evaluation.

“(1) SELECTION OF GRANTEES.—(I) CRITERIA.—The Secretary shall select, through peer review, eligible entities to receive grants under this section on the basis of the quality of the applications submitted under subsection (b), taking into consideration such factors as—

“(A) the quality of the activities proposed to be conducted;

“(B) the extent to which the program fosters character in students and the potential for improved student performance;

“(C) the extent and ongoing nature of parent, student, and community involvement;

“(D) the quality of the plan for measuring and assessing success; and

“(E) the likelihood that the goals of the program will be realistically achieved.

“(2) DIVERSITY OF PROJECTS.—The Secretary shall ensure that applications under this section in a manner that ensures, to the extent practicable, that programs assisted under this section—

“(A) serve different areas of the Nation, including urban, suburban, and rural areas; and

“(B) serve schools that serve minorities, Native Americans, students of limited-English proficiency, disadvantaged students, and students with disabilities.

“(E) PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.—Grantees under this subsection shall provide, to the extent feasible and appropriate, for the participation of students and teachers in private elementary and secondary schools in programs and activities under this section.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.”.

SA 515. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 511. HOTLINE.

(a) FINDINGS.—The Senate finds that—

(1) many middle school and secondary school students attend schools with large or increasing student populations, where the students may feel disconnected from or have no connection with adults in their lives;

(2) students need support and services when the students are suffering emotional distress, have suicidal thoughts and behaviors, use violence, or use drugs or alcohol, that may be a danger to the students or others;

(3) numerous studies have documented that student achievement is higher when the families of the students are healthy;

(4) families need information and referral services to address such issues as domestic violence, and availability of adequate and stable housing, health care, food, after-school programs, and job training and assistance;

(5) a public need exists for an easy-to-use, easy-to-remember hotline to efficiently bring community information and referral services to persons who need the services, providing a national safety net for those persons to get ready access to assistance;

(6) switching from a 10 digit number to a 2-1-1 hotline has resulted in a 40 percent increase in call volume in Atlanta, Georgia and statewide in Connecticut; and

(7) the Federal Communications Commission has designated 2-1-1 as the national number for human services information and referral hotlines and will review its implementation in 5 years to determine if providers need funding to plan, develop, and implement 2-1-1 hotlines.

(b) FUNCTION OF THE SECRETARY.—It is the sense of the Senate that $10,000,000 should be appropriated for fiscal year 2002 for the development and implementation of 2-1-1 hotlines under title XX of the Social Security Act (42 U.S.C. 1395 et seq.), only if the $10,000,000 is above the fiscal year 2001 funding level for Title XX of the Social Security Act.

SA 516. Mrs. CLINTON (for herself, Mr. TORRICEFEATURE, and Mr. CORZINE) submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 586, between lines 18 and 19, insert the following:

SEC. 512. STUDY CONCERNING THE HEALTH AND LEARNING IMPACTS OF SICK AND DILAPIDATED SCHOOL BUILDINGS ON AMERICA'S CHILDREN.

Title IV, as amended by this title, is further amended by adding at the end the following:
SEC. 4501. STUDY CONCERNING THE HEALTH AND LEARNING IMPACTS OF SICK AND DILAPIDATED PUBLIC SCHOOL BUILDINGS ON AMERICA'S CHILDREN.

(a) Study Authorized.—The Secretary of Education, in consultation with the Administrator of the Environmental Protection Agency, shall conduct a study on the health and learning impacts of sick and dilapidated public school buildings on children that have attended or are attending such schools.

(b) Study Specifications.—The following information is included in the study conducted under subsection (a):

(1) The characteristics of public elementary and secondary school buildings that contribute to unhealthy school environments, including the prevalence of such characteristics in public elementary and secondary school buildings. Such characteristics may include school buildings that:

(A) have been built on contaminated property;

(B) have poor indoor air quality;

(C) have lead or asbestos;

(D) have ineffective ventilation, heating or cooling systems, inadequate lighting, drinking water that does not meet health-based standards, or conditions of rodents, insects, or other animals that may carry or cause disease;

(E) have dust or debris from crumbling structures or construction efforts; and

(F) have been subjected to an inappropriate use of pesticides, insecticides, chemicals, or cleaners, lead-based paint, or asbestos or other such characteristics as determined by the Director of the Centers for Disease Control and Prevention to indicate an unhealthy school environment.

(2) The health and learning impacts of sick and dilapidated public school buildings on students that are attending or that have attended a school described in subsection (a), including information on the rates of such impacts where available. Such health impacts may include higher than expected incidence of infectious disease, or chronic disease, such as asthma, allergies, elevated blood lead levels, behavioral disorders, or ultimately cancer. Such learning impacts may include delays in the skills of students and cognitive development, inability of students to concentrate, and other educational indicators.

(3) Recommendations to Congress on the development and implementation efforts for constructing new public elementary and secondary school buildings, remediating existing public school buildings, and the overall funding and monitoring of public school building health, including cost estimates for the development and implementation of such standards and a cost estimation for upgrading all public schools up to such standards.

(4) The identification of the existing gaps in information regarding the health of public elementary and secondary school buildings and the health and learning impacts on students that attend unhealthy public schools, including recommendations for obtaining such information.

(c) Study Completion.—The study under subsection (a) shall be completed by the earlier of:

(1) not later than 18 months after the date of enactment of this Act; or

(2) not later than December 31, 2002.

(d) Authorization of Appropriations.—There is authorized to be appropriated of public health and safety activities described in subparagraph (a) $2,000,000 for fiscal year 2002 for the conduct of the study under subsection (a).
public school that has failed to make adequate yearly progress, as described in section 1111, for 2 or more years.

(3) POVERTY LINE.—The term ‘poverty line’ means the official 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)) applicable to a family of the size involved, for the most recent fiscal year for which satisfactory data are available.

(4) PUBLIC SCHOOL.—The term ‘public school’ means a charter school, a public elementary school, and a public secondary school.

(5) STUDENT IN POVERTY.—The term ‘student in poverty’ means a student from a family with an income below the poverty line.

SEC. 5162. GRANTS.

The Secretary shall make grants, on a competitive basis, to State educational agencies and local educational agencies, to enable the agencies, including the agencies serving the lowest performing schools, to implement programs of universal public school choice.

SEC. 5163. USE OF FUNDS.

(1) In general.—An agency that receives a grant under this subpart shall use the funds made available through the grant to pay for the expenses of implementing a public school choice program, including the use of the funds made available through the grant to provide technical assistance, and to implement programs of universal public school choice.

(2) Costs.—Each application for a grant under this subpart shall include—

(A) a description of the program for which the agency seeks funds and the goals for such program;

(B) a description of how the program will be coordinated with, and will complement and enhance, other Federal and non-Federal programs;

(C) if the program is carried out by a partnership, the name of each partner and a description of the partnership’s responsibilities;

(D) a description of the policies and procedures the agency will use to ensure—

(i) accountability for results, including goals and performance indicators; and

(ii) that the program is open and accessible to, and will promote high academic standards for, all students; and

(E) such other information as the Secretary may require.

SEC. 5166. PRIORITIES.

In making payments to public schools to which students transfer under the program, the Secretary shall give priority to—

(1) first, those State educational agencies and local educational agencies serving the lowest percentage of students in poverty; and

(2) second, those State educational agencies and local educational agencies serving the highest percentage of students in poverty; and

(3) third, those State educational agencies or local educational agencies forming a partnership that seeks to implement an interdistrict approach to carrying out a public school choice program.

SEC. 5167. EVALUATIONS, TECHNICAL ASSISTANCE, AND DISSEMINATION.

(1) In general.—The amount made available to carry out this subsection for a fiscal year, the Secretary may reserve not more than 5 percent of the funds reserved to carry out subsection (a) of section 5121 for purposes of—

(i) providing technical assistance under this subsection or its predecessors to public and charter schools; and

(ii) disseminating to the credit markets, by encouraging lending institutions to lend funds to charter schools on terms more similar to the terms typically extended to traditional public schools.

(2) Use of funds.—

(A) In general.—From the amount made available to carry out this subsection under section 5121 for any fiscal year, the Secretary shall make grants, on a competitive basis, to States to pay for the Federal share of the cost of establishing or enhancing, and administering, programs in which the States make payments, on a per-pupil basis, to charter schools to assist the schools in financing school facilities (referred to in this subsection as ‘per-pupil facilities aid programs’)

(B) Period.—The Secretary shall award grants under this subsection for periods of no more than 5 years.

(C) Federal share.—The Federal share of the cost described in subparagraph (A) for a per-pupil facilities aid program shall not be more than—

(i) 90 percent of the cost, for the first fiscal year for which the program receives assistance under this subsection or its predecessors; and

(ii) 80 percent in the second such year;

(iii) 70 percent in the third such year;

(iv) 60 percent in the fourth such year; and

(v) 50 percent in the fifth such year.

(D) Use of funds.—

(A) In general.—A State that receives a grant under this subsection shall use the funds made available through the grant to establish or enhance, and administer, a per-pupil facilities aid program for charter schools in the State.

(B) Evaluations; technical assistance; dissemination.—From the amount made available to a State through a grant under this subsection, the State may reserve not more than 5 percent of the amount to carry out evaluations, to provide
“CHAPTER II—CREDIT ENHANCEMENT INITIATIVES TO PROMOTE CHARTER SCHOOL FACILITY ACQUISITION, CONSTRUCTION, AND RENOVATION

SEC. 5125A. GRANTS TO ELIGIBLE ENTITIES.

The purpose of this chapter is to provide grants to eligible entities to permit the entities to establish or improve innovative credit enhancement initiatives for establishing charter schools to address the cost of acquiring, constructing, and renovating facilities.

SEC. 5126A. GRANTS TO ELIGIBLE ENTITIES.

(a) GRANTS FOR INITIATIVES.—

(1) IN GENERAL.—The Secretary shall have the authority to award the grants without approving an application that is not of sufficient quality to merit approval and which are not (A) leverage private sector financing capital, relative to the extent to which charter schools, in the application's development and implementation, will—

(1) Guarantees, insuring, and reinsuring bonds, notes, evidences of debt, loans, and other obligations issued or guaranteed by the United States or a State, or in other similarly low-risk securities.

(2) Leveraging and insuring leases of personal and real property for such an objective.

(3) Facilitating the issuance of bonds by charter schools, or by other public entities for the benefit of charter schools, for such an objective, by providing technical assistance and other appropriate assistance (including the recruitment of bond counsel, underwriters, and potential investors and the consolidation of multiple charter school projects within a single bond issue).

(c) INVESTMENT.—Funds received under this chapter and deposited in the reserve account established under section 5126(b)(3)(A), shall be invested in accordance with the provisions of section 5126(b)(3)(B).
established under subsection (a) and used in accordance with subsection (b).

**SEC. 5126E. LIMITATION ON ADMINISTRATIVE COSTS.**

"An eligible entity that receives a grant under this chapter may use not more than 0.25 percent of the funds received through the grant for the administrative costs of carrying out the entity’s responsibilities under this chapter.

**SEC. 5126F. AUDITS AND REPORTS.**

(a) Required Maintenance and Audit.—The financial records of each eligible entity receiving a grant under this chapter shall be maintained in accordance with generally accepted accounting principles, and an audit of the financial records of each eligible entity shall be subject to annual audit by an independent public accountant.

(b) Rights.—

(1) Grantee Annual Reports.—Each eligible entity receiving a grant under this chapter annually shall submit to the Secretary a report of the entity’s operations and activities under this chapter.

(2) Contents.—Each such annual report shall include—

(A) a copy of the most recent financial statement, and any accompanying opinion on such statements, prepared by an independent public accountant auditing the financial records of the entity;

(B) a copy of any report made on an audit of the financial records of the eligible entity that was conducted under subsection (a) during the reporting period;

(C) an evaluation by the eligible entity of the effectiveness of the entity’s use of the Federal funds provided under this chapter in leveraging private funds;

(D) a listing and description of the charter schools served by the entity with such Federal funds during the reporting period;

(E) a description of the activities carried out by the eligible entity to assist charter schools in meeting the objectives set forth in section 5126C; and

(F) a description of the characteristics of lenders and other financial institutions participating in the activities undertaken by the eligible entity under this chapter during the reporting period.

(3) Secretarial Report.—The Secretary shall review the reports submitted under paragraph (1) and shall provide a comprehensive report to Congress on the activities conducted under this chapter.

**SEC. 5126G. NO FULL FAITH AND CREDIT FOR GRANTEE OBLIGATIONS.**

"No financial obligation of an eligible entity entered into pursuant to this chapter (such as an obligation under a bond, note, evidence of debt, or loan) shall be an obligation of, or guaranteed in any respect by, the United States. The full faith and credit of the United States shall not pledge to the payment of funds that may be collected by, the United States. The full faith and credit of the United States shall not be pledged to the payment of funds that may be collected by the entity under section 5126D(a)."

**SEC. 5126H. RECOVERY OF FUNDS.**

"SEC. 5126H. RECOVERY OF FUNDS.

(a) IN GENERAL.—The Secretary, in accordance with chapter 37 of title 31, United States Code, shall collect—

(B) a private nonprofit entity; or

(C) a consortium of entities described in subparagraphs (A) and (B).

(b) Authorization of Appropriations.——

"There are authorized to be appropriated to carry out this chapter $200,000,000 for fiscal year 2002 and each subsequent fiscal year."

(5) Income Exclusion for Interest Paid on Loans by Charter Schools.—

(A) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 139 as section 140 and by inserting after section 139 the following new section:

**SEC. 139. INTEREST ON CHARTER SCHOOL LOANS.**

(1) EXCLUSION.—Gross income does not include interest on any charter school loan.

(2) CHARTER SCHOOL LOAN.—For purposes of this section—

(A) In General.—The term ‘charter school loan’ means any indebtedness incurred by a charter school.

(B) Charter School.—The term ‘charter school’ has the meaning given such term in section 5120.

(c) Authorization of Appropriations.—

There is authorized to be appropriated to carry out this section, $2,750,000 for each of the fiscal years 2002, 2003, and 2004, of which $2,000,000 shall be for Sandia National Laboratories in each fiscal year, $2,000,000 shall be for the National Law Enforcement and Corrections Technology Center South-east in each fiscal year.

**SEC. 4305. LOCAL SCHOOL SECURITY PROGRAMS.**

(a) IN GENERAL.—

(1) Grants Authorized.—From amounts appropriated under subsection (c), the Secretary shall award grants on a competitive basis to local educational agencies to enable the agencies to acquire security technology for use in their school facilities.

(b) Functions.—The center established under subsection (a) shall be a resource to local educational agencies for school security and provide school violence research, coalesce data from victim communities, and monitor and report on schools that implement school security strategies.

(2) Authorization of Appropriations.—

There is authorized to be appropriated to carry out this section, $2,750,000 for each of the fiscal years 2002, 2003, and 2004, of which $2,000,000 shall be for Sandia National Laboratories in each fiscal year, $2,000,000 shall be for the National Law Enforcement and Corrections Technology Center South-east in each fiscal year.

**SEC. 5126J. AUTHORIZATION OF APPROPRIATIONS.**

"(a) CENTER.—The Attorney General, the Secretary of Education, and the Secretary of Energy shall enter into an agreement for the establishment at the Sandia National Laboratories, in partnership with the National Law Enforcement and Corrections Technology Center—South-east and the National Center for Rural Law Enforcement in Little Rock, Arkansas, of a center to be known as the ‘School Security Technology and Research Center’.

(b) ADMINISTRATION.—The center established under subsection (a) shall be administered by the Attorney General.

(c) FUNCTIONS.—The center established under subsection (a) shall be a resource to local educational agencies for school security programs, assist in developing, evaluation and implementation, and technical assistance relating to improving school security. The center will also conduct and publish school violence research, coalesce data from victim communities, and monitor and report on schools that implement school security strategies.

(2) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this section, $2,750,000 for each of the fiscal years 2002, 2003, and 2004, of which $2,000,000 shall be for Sandia National Laboratories in each fiscal year, $2,000,000 shall be for the National Law Enforcement and Corrections Technology Center South-east in each fiscal year.

**SEC. 4306. SAFE AND SECURE SCHOOL ADVISORY REPORT.**

"Not later than 1 year after the date of enactment of this Act, the Attorney General, in consultation with the Secretary of Education and the Secretary of Energy, or their designees, shall—

(1) develop a proposal to further improve school security; and

(2) submit that proposal to Congress."

**SEC. 5126K. RESOURCE CENTER.**

"(A) CENTER.—The Attorney General, the Secretary of Education, and the Secretary of Energy shall enter into an agreement for the establishment at the Sandia National Laboratories, in partnership with the National Law Enforcement and Corrections Technology Center—South-east and the National Center for Rural Law Enforcement in Little Rock, Arkansas, of a center to be known as the ‘School Security Technology and Research Center’.

(b) ADMINISTRATION.—The center established under subsection (a) shall be administered by the Attorney General.

(c) FUNCTIONS.—The center established under subsection (a) shall be a resource to local educational agencies for school security programs, assist in developing, evaluation and implementation, and technical assistance relating to improving school security. The center will also conduct and publish school violence research, coalesce data from victim communities, and monitor and report on schools that implement school security strategies.

(2) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this section, $2,750,000 for each of the fiscal years 2002, 2003, and 2004."

**SEC. 4306. SAFE AND SECURE SCHOOL ADVISORY REPORT.**

"Not later than 1 year after the date of enactment of this Act, the Attorney General, in consultation with the Secretary of Education and the Secretary of Energy, or their designees, shall—

(1) develop a proposal to further improve school security; and

(2) submit that proposal to Congress.
SA 522. Mr. BAYH submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 308, strike line 9 and insert the following:

"(10) STATE EDUCATIONAL AGENCY.—The term ‘State educational agency’ means the entity or agency designated under the laws of a State as responsible for teacher certification or licensing in the State.

"(11) TEACHER MENTORING.—The term ‘"}

SA 523. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

"SEC. 901. SENSE OF THE SENATE REGARDING EXCELLENCE IN ECONOMIC EDUCATION.

"SEC. 9201. SHORT TITLE; FINDINGS.

"SEC. 9202. EXCELLENCE IN ECONOMIC EDUCATION.

"SEC. 9203. GRANT PROGRAM AUTHORIZED.

"(a) PURPOSE.—The purpose of this part is to promote economic and financial literacy among all United States students in kindergarten through grade 12 by awarding a competitive grant to a national nonprofit educational organization that has as its primary goal the improvement of the quality of student understanding of personal finance and economics, with 96 percent of adults tested believing that basic economics should be taught in secondary school.

"(b) FINDINGS.—Congress makes the following findings:

"(1) The need for economic literacy in the United States has grown exponentially in recent years as a result of technological advancements and increasing globalization, giving individuals in the United States more numerous and complex economic and financial choices than ever before. Nearly 40 percent of the workforce, managers of their families’ resources, and voting citizens.

"(2) Studies show that many individuals in the United States lack essential knowledge in personal finance and economic literacy.

"(3) A 1998-1999 test conducted by the National Council on Economic Education point out that only 15 percent of adults tested believed that basic economics should be taught in secondary school.

"(4) To assist States in measuring the impact of education in economics, which is 1 of 9 national core content areas described in section 306(c) of the Goals 2000: Educate America Act (20 U.S.C. 5886(c)); and

"(5) To leverage and expand private and public support for economic education partnerships at national, State, and local levels.

"(6) COMPETITIVE GRANT PROGRAM FOR EXCELLENCE IN ECONOMIC EDUCATION.
"'(1) IN GENERAL.—The Secretary is authorized to award a competitive grant to a non-profit educational organization that has as its primary purpose the improvement of student understanding of personal finance and economics through effective teaching of economics in the nation's classrooms (referred to in this section as the 'grantee').

'(2) USE OF GRANT FUNDS.—

'(A) ONE-QUARTER.—The grantee shall use ¼ of the funds made available through the grant as is reserved under subsection (i) for a fiscal year—

'(i) to strengthen and expand the grantee's relationship with State and local personal finance, entrepreneurial, and economic education organizations;

'(ii) to support and promote training, of teachers to teach a grade from kindergarten through grade 12, regarding economics, including the dissemination of information on effective practices and research findings regarding the teaching of economics;

'(iii) to support research on effective teaching practices and the development of assessment instruments to document student performance; and

'(iv) to develop and disseminate appropriate materials to foster economic literacy.

'(B) THREE-QUARTERS.—The grantee shall use ¾ of the funds made available through the grant for a fiscal year to award grants to State or local school boards and, State or local economic, personal finance, or entrepreneurial organizations or educational organizations (which shall be referred to in this section as a 'recipient'). The grantee shall award such a grant to pay for the Federal share of the cost of enabling the recipient to work in partnership with 1 or more of the entities described in paragraph (3) for 1 or more of the following:

'(i) Collaboratively establishing and conducting teacher training programs that use effective and innovative approaches to teaching of economics, personal finance, and entrepreneurship;

'(ii) Providing resources to school districts that want to incorporate economics and personal finance into the curricula of the schools in the districts.

'(iii) Conducting evaluations of the impact of economic and financial literacy education on students.

'(iv) Conducting economic and financial literacy education research.

'(v) Carrying out encouraging school-based student activities to promote consumer, economic, and personal finance education, such as saving, investing, and entrepreneurial education to encourage awareness and student achievement in economics.

'(vi) Encouraging replication of best practices to encourage economic and financial literacy education.

'(C) ADDITIONAL REQUIREMENTS AND TECHNICAL ASSISTANCE.—The grantee shall—

'(1) meet such other requirements as the Secretary determines to be necessary to assure compliance with this section; and

'(2) provide such technical assistance as may be necessary to carry out this section.

'(D) PARTNERSHIP ENTITIES.—The entities referred to in paragraph (2)(B) are the following:

'(A) A private sector entity.

'(B) A State educational agency.

'(C) A local educational agency.

'(D) An institution of higher education.

'(E) Another organization promoting economic education.

'(F) Another organization promoting educational excellence.

'(G) Another organization promoting personal financial education.

'(H) Administrative costs.—The grantee and each recipient receiving a grant under this section for a fiscal year may use not more than 25 percent of the funds made available through the grant for administrative costs.

'(I) TEACHER TRAINING PROGRAMS.—In carrying out the teacher training programs described in subsection (a)(2)(B) a recipient shall—

'(1) train teachers who teach a grade from kindergarten through grade 12; and

'(2) encourage teachers from disciplines other than economics and financial literacy to participate in such teacher training programs, if the training will promote the economic and financial literacy of their students.

'(J) INVOLVEMENT OF BUSINESS COMMUNITY.—In carrying out the activities assisted under this part the grantee and recipients are strongly encouraged to—

'(1) include interactions with the local business community to the fullest extent possible, to reinforce the connection between economic and financial literacy and economic development; and

'(2) work with private businesses to obtain matching contributions for Federal funds and assist recipients in working toward self-sufficiency.

'(K) FEDERAL SHARE.—

'(1) IN GENERAL.—The Federal share of the cost described in subsection (a)(2)(B) shall be 50 percent.

'(2) NON-FEDERAL SHARE.—The non-Federal share may be paid in cash or in kind, fairly evaluated, including plant, equipment, or services.

'(L) APPLICATIONS.—

'(1) GRANTEE.—To be eligible to receive a grant under this section, the grantee shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require.

'(2) RECIPIENT.—

'(A) IN GENERAL.—To be eligible to receive a grant under this section, a recipient shall submit an application to the grantee at such time, in such manner, and accompanied by such information as the Secretary may require.

'(B) REVIEW.—The grantee shall invite the individuals described in subparagraph (C) to review all applications from recipients for a grant under this section and to make recommendations to the Secretary regarding the funding of the applications.

'(C) INDIVIDUALS.—The individuals referred to in subparagraph (B) are the following:

'(i) Leaders in the fields of economics and education.

'(ii) Such other individuals as the grantee determines to be necessary, especially members of the State and local business, banking, and finance community.

'(D) SUPPLEMENT AND NOT SUPPLEMENT.—Funds appropriated under this section shall be used to supplement and not supplant other Federal, State, and local funds expended for the purposes described in section 9202(a).

'(E) REPORT.—The Secretary shall prepare and submit to the appropriate committees of Congress a report regarding activities assisted under this section not later than 2 years after the funds are first appropriated under subsection (h) and every 2 years thereafter.

'(F) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part $10,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years.'"
may reserve not more than 1 percent of its allocation under subsection (a)(1)(D) for the purpose of administering the distribution of grants under this subsection.

"(B) School repair and renovation.—If the State educational agency transfers funds to a State entity described in paragraph (2)(A), the agency shall transfer to such entity 0.75 of the amount reserved under this paragraph for the purpose of administering the distribution of grants under this subsection.

"(2) RESERVATION FOR COMPETITIVE SCHOOL REPAIR AND RENOVATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(A) IN GENERAL.—Subject to the reservation under paragraph (1), of the funds allocated to a State educational agency under subsection (a)(1)(D), the State educational agency shall distribute 75 percent of such funds to local educational agencies or, if such State educational agency is not responsible for the financing of education facilities, the agency shall transfer such funds to the State entity responsible for the financing of education facilities (referred to in this section as the 'State entity') for distribution by such entity to local educational agencies in accordance with this paragraph, to be used, consistent with subsection (c), for school repair and renovation.

"(B) COMPETITIVE GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(i) IN GENERAL.—The State educational agency or State entity shall carry out a program of competitive grants to local educational agencies for the purpose described in subparagraph (A). Of the total amount available for distribution to such agencies under this paragraph, the State educational agency or State entity, shall, in carrying out the competition—

"(I) award to high poverty local educational agencies declared in clause (ii), in the aggregate, at least an amount which bears the same relationship to such total amount as the aggregate amount such local educational agencies received under part A of title I for fiscal year 2002 bears to the aggregate amount received for such fiscal year under such part by all local educational agencies in the State;

"(II) award to rural local educational agencies in the aggregate an amount which bears the same relationship to such total amount as the aggregate amount such rural local educational agencies received under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), for fiscal year 2001 bears to the aggregate amount received for such fiscal year under such part by all local educational agencies in the State; and

"(III) award the remaining funds to local educational agencies not receiving an award under subclause (I) or (II), including high poverty local educational agencies that did not receive such an award.

"(ii) HIGH POVERTY LOCAL EDUCATIONAL AGENCIES.—A local educational agency is described in this clause if—

"(I) the percentage described in subparagraph (C)(i) with respect to the agency is 30 percent or greater; or

"(II) any program for children described in such subparagraph with respect to the agency is at least 10,000.

"(C) CRITERIA FOR AWARDING GRANTS.—In awarding competitive grants under this paragraph, a State educational agency or State entity shall take into account the following criteria:

"(i) The percentage of federal poverty children 5 to 17 years of age, inclusive, in a local educational agency.

"(ii) The need of a local educational agency for additional funds for activities described in this subparagraph as constrained by the condition of its public school facilities.

"(iii) The fiscal capacity of a local educational agency to meet its needs for repair and renovation of public school facilities without assistance under this section, including the extent to which the school or schools, the extent to which the school or schools have access to funding for the project through the financing methods available to other public schools or local educational agencies in the State.

"(iv) The likelihood that the local educational agency may need additional funds for a student whose Individuals with Disabilities Education Act substantially exceeds the State's individually allocable cost for expenses related to the Individuals with Disabilities Education Act under this section; and

"(v) The need of a local educational agency to meet its needs for repair and renovation of public school facilities only to ensure the States' individually allocable cost for expenses related to the Individuals with Disabilities Education Act substantially exceeds the State's individually allocable cost for expenses related to the Individuals with Disabilities Education Act under this section; and

"(vi) The need of a local educational agency to meet its needs for repair and renovation of public school facilities only to ensure the and renovation is assisted under this section.

"(D) POSSIBLE MATCHING REQUIREMENT.—

"(i) IN GENERAL.—The amount of a match described in clause (i) may be established by using a sliding scale that takes into account the relative poverty of the population served by the local educational agency.

"(ii) MATCH AMOUNT.—The amount of a match described in clause (i) may be determined by a State agency or State entity to meet its needs for repair and renovation, a State educational agency shall take into account the relative poverty of the population served by the local educational agency.

"(2) RESERVATION FOR COMPETITIVE IDEA OR TECHNOLOGY GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(A) IN GENERAL.—Subject to the reservation under paragraph (1), of the funds allocated to a State educational agency under subsection (a)(1)(D), the State educational agency shall distribute 25 percent of such funds to local educational agencies through competitive grant processes, to be used for the following:

"(I) To carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), a State educational agency shall take into account the following criteria:

"(i) The need of a local educational agency for additional funds for a student whose IDEA substantially exceeds the average per-pupil expenditure (as defined in section 3).

"(ii) The need of a local educational agency for additional funds for activities described in this subparagraph as constrained by the condition of its public school facilities.

"(iii) The need of a local educational agency for additional funds for activities described in this subparagraph as constrained by the condition of its public school facilities.

"(iv) The need of a local educational agency for additional funds for activities described in this subparagraph as constrained by the condition of its public school facilities.

"(2) RESERVATION FOR COMPETITIVE IDEA OR TECHNOLOGY GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(A) IN GENERAL.—Subject to the reservation under paragraph (1), of the funds allocated to a State educational agency under subsection (a)(1)(D), the State educational agency shall distribute 25 percent of such funds to local educational agencies through competitive grant processes, to be used for the following:

"(i) To carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), a State educational agency shall take into account the following criteria:

"(ii) The need of a local educational agency for additional funds for a student whose IDEA substantially exceeds the average per-pupil expenditure (as defined in section 3).

"(iii) The need of a local educational agency for additional funds for activities described in this subparagraph as constrained by the condition of its public school facilities.

"(4) SUPPLEMENT, NOT SUPPLANT.—Excluding the uses described in subparagraphs (B) and (C) of paragraph (1), a local educational agency shall use Federal funds subject to this subsection only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for school repair and renovation.

"(5) SPECIAL RULE.—Each local educational agency that receives funds under this section shall ensure that, if it carries out repair or renovation through a contract,
any such contract process ensures the maximum number of qualified bidders, including small, minority, and women-owned businesses, through full and open competition.

(b) PURPOSE.—Each local educational agency receiving funds under subsection (2) of this section shall provide the public with adequate and efficient notice of the opportunity described in paragraph (1) in a widely read and distributed medium.

(c) TECHNOLOGY ACTIVITIES.—Activities that are carried out in connection with school repair and renovation, including the activities described in subclauses (i) through (iv) of subsection (b)(3)(A)(ii).

(d) ADDITIONAL REPORTS.—Each entity receiving funds allocated under subsection (a)(1)(D) shall submit to the Secretary a report, not later than December 31, 2003, a report on the use of funds received under subsection (a)(1)(D) by local educational agencies for—

(1) school repair and renovation (and construction, in the case of an impacted local educational agency (as defined in subsection (a)(3)));

(2) activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.);

(3) technology activities that are carried out in connection with school repair and renovation, including the activities described in subclauses (i) through (iv) of subsection (b)(3)(A)(ii).

(4) POOR CHILDREN AND CHILD POVERTY.—The term ‘poor children’ refers to children 5 to 17 years of age, inclusive, who are from families with incomes below the poverty line (as defined by the Office of Management and Budget) and who received, immediately prior to participation in the school counseling program, special education services.

(5) the Institute of Medicine has identified the following:

(a) that the average student-to-counselor ratio in elementary and secondary schools is 531 to 1, and the average student-to-mental health professional ratio is 2500 to 1;

(b) that the national average student-to-counselor ratio in elementary and secondary schools is 531 to 1, and the average student-to-mental health professional ratio is 2500 to 1;

(c) that the Institute of Medicine has identified that to effectively address students’ mental health needs, schools have 1 full-time counselor for every 250 students, 1 psychologist for every 1,000 students, and 1 school social worker for every 800 students;

(d) that the population of elementary and secondary school students in the United States is expected to increase dramatically during the 5 to 10 years beginning with 1999;

(e) that the Federal Government can reduce the risk of academic, social, and emotional problems among elementary and secondary school children by stimulating the development of model school counseling programs; and

(f) that the Federal Government can help reduce the risk of future unemployment and assist the school-to-work transition by stimulating the development of model school counseling programs that include comprehensive career development.

(b) PURPOSE.—It is the purpose of this section to enhance the availability of counseling services for elementary and secondary school children by providing grants to local educational agencies to enable such agencies to establish model and effective and innovative counseling programs that can serve as models for the Nation.


(1) in section 4204 (20 U.S.C. 7104)—

(A) in paragraph (3), by striking the term ‘‘and’’ at the end;

(B) in paragraph (4), by striking the period and inserting ‘‘; and’’; and

(C) by adding at the end the following:

(6) $100,000,000 for fiscal year 2002, and such sums as may be necessary for each of the following fiscal years.

4720

SEC. 4720. M. HARKIN (for himself, Mr. LEVIN, and Mr. JOHNSON) submitted an amendment proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

SEC. 4720. COUNSELING IMPROVEMENT.

(a) FINDINGS.—Congress finds—

(1) that primary and secondary school children are being subjected to unprecedented social stresses, including segmentation of the family, drug and alcohol abuse, violence, child abuse, and poverty;

(2) that the number of elementary and secondary school children are exhibiting symptoms of substance abuse, emotional disorders, violent outbursts, disruptive behavior, juvenile delinquency, and suicide;

(3) that, between 1984 and 1994, the homicide rate for adolescents doubled, while the rate of nonfatal violent crimes committed by adolescents increased by almost 20 percent; and

(4) that according to the National Institute of Mental Health, up to one in five children and youth have psychological problems severe enough to require some form of professional help, yet only 20 percent of youth with mental disorders or their families receive help;

(5) that the Institute of Medicine has identified psychological counseling as the most serious health needs of our Nation’s youth; and

(6) that school counselors, school psychologists, and school social workers can contribute to student growth, development, and emotional well-being of elementary and secondary school children by providing professional counseling, intervention, and referral services.

(7) the implementation of well-designed school counseling programs has been shown to increase students’ academic success;

(6) that the national average student-to-mental health professional ratio is 2500 to 1; and

(7) that according to the National Institute of Mental Health, up to one in five children and youth have psychological problems severe enough to require some form of professional help, yet only 20 percent of youth with mental disorders or their families receive help;

(8) that school counselors, school psychologists, and school social workers can contribute to student growth, development, and emotional well-being of elementary and secondary school children by providing professional counseling, intervention, and referral services.

(7) the implementation of well-designed school counseling programs has been shown to increase students’ academic success;
(a) Counseling Demonstration.—

"(1) In General.—The Secretary may award grants under this section to each State educational agency to enable the local educational agencies to establish or expand elementary school and secondary school counseling programs.

(2) Priority.—In awarding grants under this section, the Secretary shall give special consideration to applications describing programs that—

(A) demonstrate the greatest need for new or additional counseling services among the children in the schools served by the applicant;

(B) propose the most promising and innovative approaches for initiating or expanding school counseling; and

(C) show the greatest potential for replication and dissemination.

(3) Equitable Distribution.—In awarding grants under this section, the Secretary shall ensure an equitable geographic distribution of grants to each of the United States and among urban, suburban, and rural areas.

(4) Duration.—A grant under this section shall be awarded for a period not to exceed three years.

(5) Maximum Grant.—A grant under this section shall not exceed $400,000 for any fiscal year.

(b) Applications.—

(1) In General.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(2) Contents.—Each application for a grant under this section shall—

(A) describe the school population to be targeted by the program, the particular personal, social, emotional, educational, and career development needs of such population, and the current school counseling resources available to address such needs;

(B) describe the activities, services, and training to be provided by the program and the specific approaches to be used to meet the needs described in subparagraph (A);

(C) describe the methods to be used to evaluate the outcomes and effectiveness of the program;

(D) describe the collaborative efforts to be undertaken with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and other public or private entities to enhance the program and promote school-linked services integration;

(E) describe collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, or other public or private entities to enhance the program and promote school-linked services integration; and

(F) document that the applicant has the personnel qualified to develop, implement, and administer the program.

(3) School Counselor.—The term 'school counselor' means an individual who has documentary evidence of counseling children and adolescents in a school setting and who—

(A) possesses State licensure or certification granted by an independent professional regulatory authority;

(B) in the absence of such State licensure or certification, possesses national certification from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs; or

(C) holds a minimum of a master's degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs.

(4) Definitions.—For purposes of this section:

"(1) School counselor.—The term 'school counselor' means an individual who has documentary evidence of counseling children and adolescents in a school setting and who—

(A) possesses a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours shall be in the school setting;

(B) possesses State licensure or certification in the State in which the individual works; or

(C) in the absence of such State licensure or certification, possesses national certification from the National School Psychology Certification Board.

(5) Maximum Grant.—A grant under this section shall—

(A) be comprehensive in addressing the personal, social, emotional, and educational needs of all students;

(B) use a developmental, preventive approach to counseling;

(C) increase the range, availability, quantity, and quality of counseling services in the schools of the local educational agency;

(D) expand counseling services only through qualified school counselors, school psychologists, and school social workers;

(E) increase children's understanding of peer and family relationships, work and self, decision-making, or academic and career planning, or to improve school success through qualified school counselors, school psychologists, other pupil services personnel, teachers, administrators, and other pupil services personnel;

(F) include inservice training for school counselors, school social workers, school psychologists, other pupil services personnel, teachers, administrators, and other pupil services personnel;

(G) include in-service training for school counselors, school social workers, school psychologists, other pupil services personnel, teachers, and instructional staff;

(H) involve parents of participating students in the design, implementation, and evaluation of a counseling program;

(I) involve collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, or other public or private entities to enhance the program and promote school-linked services integration; and

(J) evaluate annually the effectiveness and outcomes of the counseling services and activities assisted under this section.

(6) Report.—The Secretary shall issue a report evaluating the programs assisted pursuant to each grant under this subsection at the end of the grant period in accordance with section 14704.

(7) Dissemination.—The Secretary shall make the programs assisted under this section available for dissemination, either through the National Diffusion Network or other appropriate means.

(8) Limit on Administration.—Not more than 5 percent of the amounts made available under this section in any fiscal year shall be used for administrative costs to carry out this section.

(9) Definitions.—For purposes of this section:

"(1) School counselor.—The term 'school counselor' means an individual who has documentary evidence of counseling children and adolescents in a school setting and who—

(A) possesses State licensure or certification granted by an independent professional regulatory authority;

(B) in the absence of such State licensure or certification, possesses national certification from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs; or

(C) holds a minimum of a master's degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs.

(2) School psychologist.—The term 'school psychologist' means an individual who—

(A) possesses a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours shall be in the school setting;

(B) possesses State licensure or certification in the State in which the individual works; or

(C) in the absence of such State licensure or certification, possesses national certification from the National School Psychology Certification Board.

(3) School social worker.—The term 'school social worker' means an individual who—

(A) holds a master's degree in social work from a program accredited by the Council on Social Work Education; and

(B) is licensed or certified by the State in which the services are provided;

(C) possesses State licensure or certification, possesses a national certification or credential as a school social work specialist that has been awarded by an independent professional organization;

(D) Supervisor.—The term 'supervisor' means an individual who has the equivalent number of years of professional experience in such individual's respective discipline as is required of teaching experience for the supervisor or administrative credential in the State of such individual.

SA 527. Mr. KYL (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 264, strike line 14 and insert the following:

STUDENTS.—

(A) In General.—In providing a free public education to

On page 264, strikes lines 19 and 20 and insert the following:

youth's status as homeless, except as provided in section 722(a)(2)(B) and paragraph (B).

(B) Exception.—Notwithstanding subsection paragraph (A), paragraphs (1)(H) and (3) of section 722(a)(2) and any other provision of this subtitle relating to the placement of homeless children or youth in schools, a State that has a separate school for homeless children that was established not later than the fiscal year preceding the date of enactment of the Better Education for Students and Teachers Act shall remain eligible to receive funds under this subtitle for programs carried out in such school.

SA 528. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 266, after line 23, add the following:
“PART H—SUMMER SCHOOL

SEC. 1751. SUMMER SCHOOL.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make allotments to State educational agencies to enable the State educational agencies to award grants to local educational agencies to support summer school programs for students who have not achieved academic standards set by the States.

(b) STATE ALLOTMENTS, LOCAL GRANTS AND ALLOCATIONS.—

(1) STATE ALLOTMENTS.—From funds appropriated under subsection (g) and not reserved under subsection (e) for a fiscal year, the Secretary shall make an allotment to each State educational agency in a State in an amount that bears the same relation to the funds as the amount the State received under part A for the fiscal year bears to the amount received by all States under such part for the fiscal year.

(2) LOCAL GRANTS AND ALLOCATIONS.—Each State educational agency receiving an allotment under paragraph (1) for a fiscal year shall use the allotted funds to award grants to eligible local educational agencies.

(c) To be eligible to receive a grant under this section a local educational agency shall—

(1) adopt a plan for the use of the grant funds with a priority to providing services to students who do not meet State academic standards applicable to students in grade 3 through grade 8;

(2) conduct an assessment of the local educational agency’s needs for teachers who have the knowledge and skills necessary to ensure that all students have the opportunity to meet challenging academic standards;

(3) adopt a plan that is approved by the State educational agency to ensure, to the maximum extent possible, that all teachers employed by the local educational agency meet the State’s teacher certification or licensure requirements for the subjects in which the teachers teach;

(4) adopt a plan that is approved by the State educational agency to ensure that each student served by the local educational agency meets academic standards applicable to students in grade 3 through grade 8;

(5) adopt procedures used to identify students not meeting State academic standards; and

(6) establish procedures to evaluate the results of the summer school programs funded under this section.

(d) PRIORITY.—In awarding grants under this section, the State educational agency shall give priority to local educational agencies that—

(1) serving schools identified for school improvement under section 1116(c); and

(2) that develop an individualized learning plan for each student who fails to meet State academic standards detailing what steps will be taken by the local educational agency to bring that student into compliance with State standards.

(e) ELIGIBILITY.—To be eligible to receive a grant under this section a local educational agency shall—

(1) adopt a plan for the use of the grant funds that gives priority to providing services to students who do not meet State academic standards applicable to students in grade 3 through grade 8;

(2) conduct an assessment of the local educational agency’s needs for teachers who have the knowledge and skills necessary to ensure that all students have the opportunity to meet challenging academic standards;

(3) adopt a plan that is approved by the State educational agency to ensure, to the maximum extent possible, that all teachers employed by the local educational agency meet the State’s teacher certification or licensure requirements for the subjects in which the teachers teach;

(4) adopt a plan that is approved by the State educational agency to ensure that each student served by the local educational agency meets academic standards, based on guidelines established by the State educational agency, which plan shall include a description of—

(A) the procedures used to identify students not meeting State academic standards; and

(B) the supplemental educational and related services provided to students not meeting State academic standards applicable to students in grade 3 through grade 8;

(f) ADMINISTRATIVE EXPENSES.—Each local educational agency receiving grants under this section shall use more than 5 percent of the grant funds for a fiscal year for the administrative costs of carrying out this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002, and such sums as may be necessary for each of the fiscal years 2003 through 2008.

SA 529. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

SEC. 1788. SUMMER SCHOOL.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make allotments to State educational agencies to enable the State educational agencies to award grants to local educational agencies to support summer school programs for students who have not achieved academic standards set by the States.

(b) STATE ALLOTMENTS, LOCAL GRANTS AND ALLOCATIONS.—

(1) STATE ALLOTMENTS.—From funds appropriated under subsection (g) and not reserved under subsection (e) for a fiscal year, the Secretary shall make an allotment to each State educational agency in a State in an amount that bears the same relation to the funds as the amount the State received under part A for the fiscal year bears to the amount received by all States under such part for the fiscal year.

(2) LOCAL GRANTS AND ALLOCATIONS.—Each State educational agency receiving an allotment under paragraph (1) for a fiscal year shall use the allotted funds to award grants to eligible local educational agencies.

(c) To be eligible to receive a grant under this section a local educational agency shall—

(1) adopt a plan for the use of the grant funds with a priority to providing services to students who do not meet State academic standards applicable to students in grade 3 through grade 8;

(2) conduct an assessment of the local educational agency’s needs for teachers who have the knowledge and skills necessary to ensure that all students have the opportunity to meet challenging academic standards;

(3) adopt a plan that is approved by the State educational agency to ensure, to the maximum extent possible, that all teachers employed by the local educational agency meet the State’s teacher certification or licensure requirements for the subjects in which the teachers teach;

(4) adopt a plan that is approved by the State educational agency to ensure that each student served by the local educational agency meets academic standards, based on guidelines established by the State educational agency, which plan shall include a description of—

(A) the procedures used to identify students not meeting State academic standards; and

(B) the supplemental educational and related services provided to students not meeting State academic standards; and

(c) the additional or alternative programs provided to students who continue to fail to meet State academic standards; and

(d) ADMINISTRATIVE EXPENSES.—Each local educational agency receiving grants under this section shall use more than 5 percent of the grant funds for a fiscal year for the administrative costs of carrying out this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

SA 530. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

SEC. 2213. SUMMER SCHOOL.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make allotments to State educational agencies to enable the State educational agencies to award grants to local educational agencies to support summer school programs for students who have not achieved academic standards set by the States.

(b) STATE ALLOTMENTS, LOCAL GRANTS AND ALLOCATIONS.—

(1) STATE ALLOTMENTS.—From funds appropriated under subsection (g) and not reserved under subsection (e) for a fiscal year, the Secretary shall make an allotment to each State educational agency in a State in an amount that bears the same relation to the funds as the amount the State received under part A for the fiscal year bears to the amount received by all States under such part for the fiscal year.

(2) LOCAL GRANTS AND ALLOCATIONS.—Each State educational agency receiving an allotment under paragraph (1) for a fiscal year shall use the allotted funds to award grants to eligible local educational agencies.

(c) ELIGIBILITY.—To be eligible to receive a grant under this section a local educational agency shall—

(1) adopt a plan for the use of the grant funds that gives priority to providing services to students who do not meet State academic standards applicable to students in grade 3 through grade 8;

(2) conduct an assessment of the local educational agency’s needs for teachers who have the knowledge and skills necessary to ensure that all students have the opportunity to meet challenging academic standards;

(3) adopt a plan that is approved by the State educational agency to ensure, to the maximum extent possible, that all teachers employed by the local educational agency meet the State’s teacher certification or licensure requirements for the subjects in which the teachers teach;

(4) adopt a plan that is approved by the State educational agency to ensure that each student served by the local educational agency meets academic standards, based on guidelines established by the State educational agency, which plan shall include a description of—

(A) the procedures used to identify students not meeting State academic standards; and

(B) the supplemental educational and related services provided to students not meeting State academic standards; and

(c) the additional or alternative programs provided to students who continue to fail to meet State academic standards; and

(d) ADMINISTRATIVE EXPENSES.—Each local educational agency receiving grants under this section shall use more than 5 percent of the grant funds for a fiscal year for the administrative costs of carrying out this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

On page 266, after line 23, insert the following:

‘‘(d) PRIORITY.—In awarding grants under this section, the State educational agency shall give priority to local educational agencies—

(1) serving schools identified for school improvement under section 1116(c); and

(2) that develop an individualized learning plan for each student who fails to meet State academic standards detailing what steps will be taken by the local educational agency to bring that student into compliance with State standards.

(g) RESERVATION FOR INNOVATIVE PROGRAMS.—The Secretary shall reserve 5 percent of the amount appropriated under subsection (g) for a fiscal year to award grants for innovative summer school programs for students who have not achieved academic standards set by the States.

On page 350, after line 4 add the following:

‘‘(9) Designing and implementing year-round small inquiry groups for teachers for the purpose of enhancing teachers’ subject knowledge and teaching skills.’’
On page 362, line 14, strike "$500,000,000" and insert "$900,000,000".

SA 531. Mr. DURBIN (for himself and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 347, strike lines 8 through 10 and insert the following:

"(d) Priority.—

"(1) HIGH NEED LOCAL EDUCATIONAL AGENCIES.—Grants under this subpart, the Secretary shall give first priority to an eligible partnership that includes a high need local educational agency.

"(2) BUSINESSES.—In awarding the grants among eligible partnerships that do not include such agencies, the Secretary shall give priority to an eligible partnership that—

"(A) includes a business (such as a corporation); and

"(B) demonstrates that the business will—

"(i) provide a non-Federal share of the cost of the activities carried out under section 2213; and

"(ii) provide a greater non-Federal share of the cost of the activities than the business provided prior to the date the partnership received that priority.

"(3) NON-FEDERAL SHARE.—The non-Federal share provided by a business under paragraph (2) may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

SA 532. Mr. DURBIN (for himself, Mr. SCHUMER, and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 362, line 14, strike "$500,000,000" and insert "$900,000,000".

SA 533. Mr. NELSON of Nebraska submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 566, between lines 18 and 19, insert the following:

SEC. 405. MENTORING PROGRAMS.

Title IV of Elementary and Secondary Education Act of 1965 is further amended by adding at the end the following:

PART E—MENTORING PROGRAMS

SEC. 4501. DEFINITIONS.

"In this part:

"(1) CHILD WITH GREATEST NEED.—The term 'child with greatest need' means a child at risk of educational failure, dropping out of school, or involvement in criminal or delinquent activities, or that has lack of strong positive adult role models.

"(2) MENTOR.—The term 'mentor' means an individual who works with a child to provide a positive role model for the child, to establish a supportive relationship with the child, and to prevent the child with academic assistance and exposure to new experiences and examples of opportunity that enhance the ability of the child to become a responsible adult.

"(3) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

SEC. 4502. PURPOSES.

The purposes of this part are to make assistance available to promote mentoring programs for children with greatest need—

"(1) to assist such children in receiving support and guidance from a caring adult;

"(2) to improve the academic performance of such children;

"(3) to improve interpersonal relationships between such children and their peers, teachers, other adults, and family members;

"(4) to reduce the dropout rate of such children; and

"(5) to reduce juvenile delinquency and involvement in gangs by such children.

SEC. 4503. GRANT PROGRAM.

"(a) In General.—In accordance with this section, the Secretary may make grants to eligible entities to assist such entities in establishing and supporting mentoring programs and activities that—

"(1) are designed to link children with greatest need (particularly such children living in rural areas, high crime areas, or troubled home environments, or such children experiencing educational failure) with responsible adults, who—

"(A) have received training and support in mentoring;

"(B) have been screened using appropriate reference checks, child and domestic abuse record checks, and criminal background checks; and

"(C) are interested in working with youth; and

"(2) are intended to achieve 1 or more of the following goals:

"(A) Provide general guidance to children with greatest need.

"(B) Promote personal and social responsibility among children with greatest need.

"(C) Increase participation by children with greatest need in, and enhance their ability to benefit from, elementary and secondary education.

"(D) Discourage illegal use of drugs and alcohol, violence, use of dangerous weapons, promiscuous behavior, and other criminal, harmful, or potentially harmful activity by children with greatest need.

"(E) Encourage children with greatest need to participate in community service and community activities.

"(F) Discourage involvement of children with greatest need in gangs.

"(b) ELIGIBLE ENTITIES.—Each of the following is an eligible entity to receive a grant under subsection (a):

"(1) A local educational agency.

"(2) A nonprofit, community-based organization.

"(3) A partnership between an agency referred to in paragraph (1) and an organization referred to in paragraph (2).

"(c) USE OF FUNDS.—

"(1) In general.—Each entity receiving a grant under this section shall use the grant funds for activities that establish or implement a mentoring program, including—

"(A) hiring of mentoring coordinators and support staff;

"(B) providing for the professional development of mentoring coordinators and support staff;

"(C) recruitment, screening, and training of adult mentors;

"(D) reimbursement of schools, if appropriate, for the use of school materials or supplies in carrying out the program;

"(E) dissemination of outreach materials; and

"(F) any other purpose reasonably related to mentoring.

"(2) Term of Grant.—Each grant made under this section shall be available for expenditure for a period of 3 years.

"(d) APPLICATION.—Each eligible entity seeking a grant under this section shall submit to the Secretary an application that includes—

"(1) a description of the mentoring plan the applicant proposes to carry out with such grant;

"(2) information on the children expected to be served by the mentoring program for which such grant is sought;

"(3) a description of the mechanism that applicant will use to match children with mentors based on the needs of the children;

"(4) an assurance that no mentor will be assigned to mentor so many children that the assignment would undermine either the mentor's ability to be an effective mentor or the mentor's ability to establish a close relationship (a one-on-one relationship, where practicable) with each mentored child;

"(5) an assurance that mentoring programs will provide children with a variety of experiences and support, including—

"(A) emotional support;

"(B) academic assistance; and

"(C) exposure to experiences that children might not otherwise encounter on their own;

"(6) an assurance that mentoring programs will be monitored to ensure that each child assessed by or assigned to mentor has the potential to benefit from, and that there will be a provision for the assignment of a new mentor if the relationship between the original mentor is not beneficial to the child;

"(7) information on the method by which mentors and children will be recruited to the mentor program;

"(8) information on the method by which prospective mentors will be screened;

"(9) information on the training that will be provided to mentors; and

"(10) information on the system that the applicant will use to manage and monitor information relating to the program's reference checks, child and domestic abuse record checks, and criminal background checks and to its procedure for matching children with mentors.
(C) proposes a mentoring program under which each mentor will be assigned to not more children than the mentor can serve effectively; or

(D) the proposal is a school-based mentoring program.

(3) OTHER CONSIDERATIONS.—In selecting grant recipients under paragraph (1), the Secretary shall consider:

(A) the degree to which the location of the programs proposed by each applicant contributes to a fair distribution of programs with respect to urban and rural locations;

(B) the quality of the mentoring programs proposed by each applicant, including—

(i) the resources, if any, the applicant will dedicate to providing children with opportunities for job training or postsecondary education; and

(ii) the degree to which parents, teachers, community-based organizations, and the local community have participated, or will participate, in the design and implementation of the applicant’s mentoring program;

(iii) the degree to which the applicant can ensure that mentors will develop long-standing relationships with the children they mentor;

(iv) the degree to which the applicant will be able to serve children with greatest need in the 4th, 5th, 6th grades; and

(v) the degree to which the program will continue to serve children from the 4th grade through graduation from secondary school; and

(C) the capability of each applicant to effectively implement its mentoring program.

(4) GRANT TO EACH STATE.—Notwithstanding subsection (c) of section (f), the Secretary shall make a grant to each State for each of fiscal years 2003 through 2006.

(5) REPORT.—Not later than 3 years after the Secretary makes a grant under paragraph (1), the Secretary shall submit a report to Congress containing the following:

(A) a study to identify successful school-based mentoring programs and, the elements, policies, or procedures of such programs that can be replicated.

(B) a report to—Not later than 3 years after the date of the enactment of this Act, the Comptroller General shall submit a report to the Secretary and Congress containing the results of the study conducted under this section.

(C) USE OF INFORMATION.—The Secretary shall use information contained in the report referred to in subsection (b) to—

(1) to improve the quality of existing mentoring programs assisted under this part and other mentoring programs assisted under this Act; and

(2) to develop models for new programs to be assisted or carried out under this Act.

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out section 4503 $50,000,000 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2003 through 2006.

SA 534. Mrs. HUTCHISON (for herself; Mr. WELLSTONE, Mr. DEWINE, Mrs. CLINTON, Mr. SCHUMER, Mr. RUDEN, Mr. CRAPO, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill S.1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 309, lines 17 and 18, strike “subsection (f)” and insert “subsection (e) and (f)”.

On page 339, line 6, strike “(e)” and insert “(d)”.

Beginning on page 340, strike line 9 and all that follows through page 341, line 8.

On page 341, line 9, strike “(e)” and insert “(d)”.

On page 341, between lines 21 and 22, insert the following:

(o) CAREERS TO CLASSROOMS.—(1) PURPOSES.—The purposes of this section are—

(A) to establish a program to recruit and retain highly qualified mid-career professionals, recent graduates from an institution of higher education, and certain paraprofessionals, as described in this section, including recruiting teachers through alternative routes to certification; and

(B) to encourage the development and expansion of alternative routes to certification under State-approved programs that enable individuals to be eligible for teacher certification within a reduced period of time, relying on the experience, expertise, and academic qualifications of an individual, or other factors in lieu of traditional course work in the field of education.

(2) DEFINITIONS.—In this subsection:

(A) ELIGIBLE PARTICIPANT.—The term ‘eligible participant’ means—

(i) an individual with substantial, demonstrable career experience and competence in a field for which there is a significant shortage of qualified teachers, such as mathematics, natural science, technology, engineering, and special education; or

(ii) an individual who is a graduate of an institution of higher education who—

(I) has graduated not later than 3 years before applying to an agency or consortium to teach under this subsection;

(II) in the case of an individual wishing to teach in a secondary school, has completed an academic major or courses totaling an equivalent number of credit hours in the academic subject that the individual will teach;

(III) has graduated in the top 50 percent of the individual’s undergraduate or graduate class;

(IV) can demonstrate a high level of competence through coursework or professional performance in the academic subject that the individual will teach; and

(V) meets any additional academic or other standards or qualifications established by the State; or

(iii) a paraprofessional who—

(I) has been working as a paraprofessional in an instructional role in an elementary school or secondary school for at least 2 years;

(II) can demonstrate that the paraprofessional is capable of completing a bachelor’s degree in not more than 2 years and is in the top 50 percent of the individual’s undergraduate class;

(III) will work toward completion of an academic major (or courses totaling an equivalent number of credit hours) in the academic subject that the paraprofessional will teach; and

(IV) can demonstrate a high level of competence through a high level of performance in the academic subject that the paraprofessional will teach.

(B) HIGH NEED LOCAL EDUCATIONAL AGENCY.—The term ‘high need local educational agency’ means a local educational agency that serves—

(i) a high need school district; and

(ii) a high need school.

(C) HIGH NEED SCHOOL.—The term ‘high need school’ means a school that—

(i) is located in an area in which the percentage of students from families with incomes below the poverty line is 30 percent or more; or

(ii) is located in an area, other than a metropolitan statistical area, that the Secretary determines has a high percentage of students from families with incomes below the poverty line or that has experienced greater than normal difficulty in recruiting or retaining teachers; and

(iii) is located in an area in which there is a high percentage of secondary school teachers not teaching in high need local educational agencies.

(D) HIGH NEED SCHOOL DISTRICT.—The term ‘high need school district’ means a school district in which there is—

(i) a high school need; and

(ii) a high percentage of individuals from families with incomes below the poverty line.

(E) POVERTY LINE.—The term ‘poverty line’ means the income official 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.

(3) GRANT PROGRAM.—(A) IN GENERAL.—The Secretary shall establish a program to make grants to States, regional consortia of States, high need local educational agencies, and consortia of high need local educational agencies, to develop State and local teacher corps or other programs to establish, expand, or enhance teacher recruitment and retention efforts.

(B) PRIORITY.—In making such a grant, the Secretary shall give priority to an agency or consortium of agencies that applies for the grant in collaboration with an institution of higher education or a nonprofit organization that has a proven record of effectively recruiting and retaining highly qualified teachers in high need school districts.

(4) APPLICATION.—(A) IN GENERAL.—To be eligible to receive a grant under this subsection, an agency or consortium described in paragraph (3) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(B) CONTENTS.—The application shall—

(i) describe how the agency or consortium will use funds received under this subsection to develop a teacher development program to recruit and retain highly qualified mid-career professionals, recent graduates from an
institution of higher education, and paraprofessionals as teachers in high need schools;

(ii) explain how the agency or consortium will ensure that no paraprofessional will be hired through the program as a teacher until the paraprofessional has obtained a bachelor’s degree and met the requirements of subparagraphs (II) through (V) of paragraph (2)(A)(ii);

(v) include a determination of the high need academic subjects and high need schools and facilitate the certification or licensing of such teachers; and

(vi) describe how the agency or consortium described in paragraph (3) will meet the requirements of paragraph (7)(A).

(C) COLLABORATION.—In developing the application, the agency or consortium shall consult with and seek input from—

(i) in the case of a partnership established by a State educational agency or consortium of such agencies, representatives of local educational agencies, including teachers, principals, superintendents, and school board members (including representatives of their professional organizations) and, to the extent appropriate, representatives of State educational agencies;

(ii) in the case of a partnership established by a local educational agency or a consortium of such agencies, representatives of a State educational agency;

(iii) elementary school and secondary school teachers, including representatives of theirprofessional organizations;

(iv) institutions of higher education;

(v) parents; and

(vi) other interested individuals and organizations, including businesses, experts in curriculum development, and nonprofit organizations with a proven record of effectively recruiting and retaining highly qualified teachers in high need school districts.

(5) DURATION OF GRANTS.—The Secretary may make grants under this subsection for periods of 5 years. At the end of the 5-year period for such a grant, the grant recipient may apply for an additional grant under this subsection.

(6) EQUITABLE DISTRIBUTION.—The Secretary shall ensure an equitable geographic distribution of grants among the regions of the United States.

(7) REQUIREMENTS.—

(A) In general.—An agency or consortium that receives a grant under this subsection shall carry out a program under this section located in a State, and the Secretary may make grants under this subsection only to States that have met those goals relating to teacher recruitment and retention described in the application.

(B) Specific requirements and standards.—An agency or consortium that receives a grant under this subsection shall use the funds to carry out a program under this section located in a State, and to the extent appropriate, shall use the funds to—

(i) in the case of a partnership established by a State educational agency or consortium of such agencies, to carry out a program under this section the local educational agency or consortium shall not be eligible to receive funds through a program under this section located in a State; and

(ii) in the case of a partnership established by a local educational agency or a consortium of such agencies to carry out a program under this section the local educational agency or consortium shall not be eligible to receive funds through a program under this section located in a State; and

(C) USES OF FUNDS.—

(A) In general.—An agency or consortium that receives a grant under this subsection shall use the funds made available through the grant to develop a teacher corps or other program in order to establish, expand, or enhance a teacher recruitment and retention program; or to provide financial incentives to prospective teachers who are eligible participants; and

(B) Specific uses of funds.—An agency or consortium receiving grants under this subsection shall use the funds to carry out—

(i) teacher training and recruitment programs; and

(ii) activities that have proven effective in retaining teachers in high need school districts.

(8) USES OF FUNDS.—

(A) IN GENERAL.—An agency or consortium that receives a grant under this subsection shall use the funds made available through the grant to develop a teacher corps or other program in order to establish, expand, or enhance a teacher recruitment and retention program; or to provide financial incentives to prospective teachers who are eligible participants; and

(B) SPECIFIC USES OF FUNDS.—An agency or consortium receiving grants under this subsection shall use the funds—

(i) in the case of a partnership established by a State educational agency or consortium of such agencies, to carry out a program under this section the local educational agency or consortium shall not be eligible to receive funds through a program under this section located in a State; and

(ii) in the case of a partnership established by a local educational agency or a consortium of such agencies to carry out a program under this section the local educational agency or consortium shall not be eligible to receive funds through a program under this section located in a State; and

(9) REPAYMENT.—The recipient of a loan under this subsection shall immediately repay amounts received under such loan, and the recipient of a scholarship, stipend, bonus, or other financial incentive under this subsection shall immediately repay amounts received under such scholarship, stipend, bonus, or other financial incentive to the agency or consortium from which the loan, scholarship, stipend, bonus, or other financial incentive was received.

(10) ADMINISTRATIVE FUNDS.—No agency or consortium that receives a grant under this subsection shall use more than 5 percent of the funds made available through the grant for the administration of the program under this section carried out under the grant.

(11) EVALUATION AND ACCOUNTABILITY FOR RECRUITING AND RETAINING TEACHERS.

(A) EVALUATION.—Each agency or consortium that receives a grant under this subsection shall conduct—

(i) an interim evaluation of the program funded under the grant at the end of the fifth year of the grant period; and

(ii) a final evaluation of the program at the end of the third year of the grant period.

(B) CONTENTS.—In conducting the evaluation, the agency or consortium shall describe the extent to which local educational agencies, institutions, and other recipients of funds through the grant have met those goals relating to teacher recruitment and retention described in the application.

(12) REPORTS.—The agency or consortium shall prepare and submit to the Secretary and to Congress interim and final reports
containing the results of the interim and final evaluations, respectively.

"(D) REVOCA TION.—If the Secretary determines that the recipient of a grant under this section has not made substantial progress in meeting the goals and objectives of the grant by the end of the third year of the grant period, the Secretary—

"(i) shall not make a payment made for the fourth year of the grant period; and

"(ii) shall not make a payment for the fifth year of the grant period.

"(E) MODIFICATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

On page 383, after line 21, add the following:

SEC. 1. MODIFICATION OF TROOPS-TO-TEACHERS PROGRAM.

(a) PURPOSE.—The purpose of this section is to authorize a mechanism for the funding and administration of the Troops-to-Teachers Program established by the Troops-to-Teachers Program Act of 1999 (title XVII of the National Defense Authorization Act for Fiscal Year 2000).

(b) DEFINITIONS.—Section 1701 of the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9301) is amended—

(1) in subsection (a)—

(A) by striking "means"
and all that follows and inserting "the Secretary of Education";

(B) by striking paragraph (2);

(C) by redesignating paragraphs (3) and (4), as paragraphs (2) and (3), respectively; and

(D) in paragraph (2) (as so redesignated), by inserting before the period the following: "and active and former members of the Coast Guard"; and

(2) by adding at the end the following:

"(c) ADMINISTRATION.—To the extent that funds are made available under this title, the administering Secretary shall use such funds to enter into a memorandum of agreement with the Department of Defense. DANTES shall use amounts made available under the memorandum of agreement to administer the Troops-to-Teachers Program, including the selection of participants in the Program in accordance with section 1704 of the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9304). The administering Secretary may retain a portion of the funds to identify local educational agencies with concentrations of children from low-income families or with teachers, principals, and administrators of States with alternative certification or licensure requirements, as required by section 1702.

(d) AUTHORIZATION.—Section 1702 of the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9302) is amended—

(1) in subsection (a)—

(A) by striking "(1) Subject"
and inserting "Subject";

(B) by striking paragraph (2);

(C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(D) in paragraph (2) (as so redesignated), by inserting before the period the following: "and active and former members of the Coast Guard"; and

(2) by adding at the end the following:

"(e) FUNDING.—The administering Secretary shall provide appropriate funds to the Secretary of Defense to manage and operate the Troops-to-Teachers Program."
formulating schools.

parisons that match schools with other

requires the use of longitudinal student data

May 9, 2001

shall be compiled in a report card format

for grades where the school's grade configu-

rolled in the same school for 2 years or more,

students who have been continuously en-

veted; students in each grade and subject and de-

State performance;

in order to enable parents, students, and oth-

demic achievement prior to enrolling in the

which shall be provided to the Secretary and

State develops a longitudinal data system

this section shall include—

public schools in such State; and

and provides to the Secretary a report that

systems linking individual student test scores, en-

rollment, and graduation records over time and

that links student records over time and

promising practices at high-per-

requirements of title I relating to the reporting of

information on student performance if the State

developers of longitudinal data systems that links individual student test scores, enroll-

ment, and graduation records over time and

provides to the Secretary a report that

contains:

(1) test data with respect to students in

public schools in such State; and

(2) information related to the per-

formance of continuously enrolled students in

schools in the State and to the quality of such

schools.

(2) CONTENTS.—Each report card under

this section shall include:

(A) information from longitudinal data systems linking individual student test scores, length of enrollment, and graduation record provision of this Act, a State shall be

which shall be provided to the Secretary and
to the public in disaggregated form in order to enable parents and others to compare—

(1) schools and schools in similar system,

income, geographic, racial, English pro-

iciency, and disability categories;

(ii) students in similar categories of aca-
demic achievement prior to enrolling in the

school to which the reported test data apply; and

(iii) students in similar categories of aca-
demic achievement prior to enrolling in the

school to which the reported test data apply, and

who have been continuously enrolled in

that school for 2 or 3 years.

(2) Provisional normalization of data in

order to enable parents, students, and oth-

ers to be able to compare student performance

between specific schools and, where available, in school, district, and State performance;

(3) information regarding the State or local education agency's own quantitative and qualitative assessments of each school and whether the school has been identified by the State or local education agency as failing, underperforming or otherwise in need of improvement;

(4) information on the number of untested

students in each grade and subject and de-
scriptions of why those students were not tested;

(5) information on the performance of students who have been continuously en-

rolled in the same school for 3 years or more, for grades where the school's grade configu-

ration permits such reports;

(6) information on the performance of students who have been continuously en-

rolled in the same school for 2 years or more, for grades where the school's grade configu-

ration permits such reports;

(7) the percentage of students in each school who are enrolled in special education programs, are from families whose incomes are below the Federal poverty line, and who have limited English proficiency;

(8) information regarding the profes-
sional qualifications of the student's class-

room teachers, including, at a minimum:

(i) whether the student is fully qualified

for the grade levels and subject areas in

which the teacher provides instruction;

(ii) whether each teacher is teaching under provisional or other provisional status

through which State certification or licens-

ing criteria are waived;

(iii) the baccalaureate degree major of

each teacher, or graduate certification or
degree held by the teacher, and the

field of discipline of each such certification or degree; and

(iv) whether the student is provided serv-
ices by paraprofessionals, and the qualifica-
tions of any such paraprofessional.

(c) NATIONAL DISTRIBUTION OF REPORT CARDS.—

(1) IN GENERAL.—The Secretary shall com-
pile information collected under this section and make such information available in elec-

tronic form and through other means that ensure broad distribution to the public, other government agencies, and to any other individuals who may re-

quest such information.

(2) ADDITIONAL INFORMATION.—Additional information that may be of use to parents, students, and others in evaluating schools, school districts, teachers, and the edu-
cational options available to students shall also be included with student performance data. The Secretary determines how to ap-

propriate. Such information may include in-

formation compiled by other public and pri-

vate entities, including the National Insti-
tute for Education Research, the National

Center for Education Statistics, the National Asses-

sment of Educational Progress, and the

National Assessment Governing Board.

(d) PRIVACY.—The Secretary shall ensure that all personally identifiable information about students, their educational perform-

ance, and their families, and information with respect to individual schools, submitted under this section remain confidential, in ac-
cordance with section 552a of title 5, United States Code.

(e) GRANTS.—

(1) IN GENERAL.—The Secretary may award grants, on a competitive basis, to States for the purpose of enabling such State to carry out the

(2) AUTHORIZATION OF APPROPRIATIONS.—

For purposes of carrying out this section, there are authorized to be appropriated $50,000,000 for fiscal year 2002, and such sums as may be necessary for each fiscal year thereafter.

(c) Programs Authorized.

SA 536. Mr. Gregg (for himself and

Mr. Hutchinson) submitted an amend-

ment intended to be proposed by him to

the bill S. 1, to extend programs and

activities under the Elementary and

Secondary Education Act of 1965; which

was ordered to lie on the table; as fol-
lows:

On page 268, between lines 9 and 10, insert the following:

Subpart 4—Low-Income School Choice

Demonstration

SEC. 5161. LOW-INCOME SCHOOL CHOICE DEMON-

stration.

(a) SHORT TITLE.—This section may be
cited as the 'Low-Income School Choice

Demonstration Act.'

(b) PURPOSE.—The purpose of this section

is to determine the effectiveness of school

choice in improving the academic achieve-

ment of disadvantaged students and the

overall quality of public schools and local educational agencies.

(d) Authorization of Appropriations.—In this section:

(1) CHOICE SCHOOL.—The term 'choice school' means any public school, including a charter school, that is identified under section 1116, or any private school, including a private sectarian school, that is in-

volved in a demonstration project assisted under this section.

(2) ELIGIBLE CHILD.—The term 'eligible child' means a child in grades kindergarten through 12.

(A) who is eligible for free or reduced price meals under the Richard B. Russell Na-

tional School Lunch Act and the Child Nu-

trition Act of 1964;

(B) who attended a public elementary or

secondary school, or who was not yet of

school age, in the year preceding the year in

which the child intends to participate in the

project under this section; and

(C) who attends, or is to attend, a public

school that has been identified as failing for 3 consecutive years under section 1116 or by the State's accountability system.

(3) ELIGIBLE ENTITY.—The term 'eligible entity' means a public agency, institution, or private or nonprofit organization, with demonstrated expertise in conducting evaluations, that is not an agency or instru-

mentality of the Federal Government.

(4) PARENT.—The term 'parent' includes a legal guardian or other individual acting in loco parentis.

(5) SCHOOL.—The term 'school' means a school that provides elementary education or secondary education (through grade 12), as determined under State law.

(f) Authorization of Appropriations.

There are authorized to be appropriated $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the suc-

ceeding fiscal years, to carry out this section.

(3) Assistance to States.

(4) Other Matters.
determination is made, if the Secretary determines that such eligible entity was in compliance with this section for such preceding fiscal year;

(2) AUTHORIZATION OF GRANTS.—Grants awarded under paragraph (2) shall be used to pay the costs of—

(A) providing education certificates to low-income eligible such children to attend a choice school; and

(B) administration of the demonstration project, which shall not exceed 15 percent of the amount received in the first fiscal year for which the eligible entity provides education certificates under this section or 10 percent in any subsequent year, including—

(i) seeking the involvement of choice schools in the demonstration project;

(ii) providing information about the demonstration project, and the schools involved in the demonstration project, to parents of eligible children;

(iii) making determinations of eligibility for participation in the demonstration project for eligible children;

(iv) selecting school applicants to participate in the demonstration project;

(v) determining the amount of, and issuing, education certificates;

(vi) maintaining such financial and programmatic records as the Secretary may prescribe; and

(vii) collecting such information about the evaluation of the demonstration project as the evaluating agency may need to conduct the evaluation described in subsection (k).

(4) CIVIL RIGHTS.—

(A) IN GENERAL.—A choice school participating in the project under this section shall comply with title VI of the Civil Rights Act of 1964 and shall not discriminate on the basis of race, color, national origin, or sex in carrying out the provisions of this section.

(B) APPLICABILITY AND CONSTRUCTION WITH RESPECT TO DISCRIMINATION ON THE BASIS OF SEX.—

(i) APPLICABILITY.—With respect to discrimination on the basis of sex, nothing in subparagraph (A) shall not apply to a choice school that is a religious organization if the application of such subparagraph is inconsistent with the religious tenets of the choice school.

(ii) CONSTRUCTION.—With respect to discrimination on the basis of sex, nothing in subparagraph (A) shall be construed to require any person, or public or private entity to provide or pay, or to prohibit any such person or entity from providing or paying, for any benefit or service, including the use of facilities, related to an abortion. Nothing in the preceding sentence shall be construed to permit a religious organization to be imposed on any person or individual because such person or individual is seeking or has received any benefit or service related to a legal abortion.

(C) RERVICATION.—If the eligible entity determines that a choice school participating in the project in this section is in violation of paragraph (1), the eligible entity shall terminate the involvement of such school in the project.

(5) AUTHORIZED PROJECTS; PRIORITY.—

(I) AUTHORIZED PROJECTS.—The Secretary may award a grant under this section only for a demonstration project that—

(A) involves at least one local educational agency that receives funds under section 1124A; and

(B) includes the involvement of a sufficient number of eligible children in the judgment of the Secretary, to allow for a valid demonstration project.

(II) PRIORITY.—In awarding grants under this section the Secretary shall give priority to demonstration projects—

(A) that involve diverse types of schools; and

(B) that involve diverse types of choice schools; and

(C) that will contribute to the geographic diversity of demonstration projects assisted under this section.

(6) APPLICATIONS.—

(I) GENERAL.—Any eligible entity that wishes to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(II) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) information about the demonstration project—

(i) a description of the standards used by the eligible entity to determine which schools are within a reasonable commuting distance of eligible children and that are consistent with the religious tenets of the choice school;

(ii) a description of the types of potential public and private schools that will be involved in the demonstration project;

(B) with respect to the involvement of—

(i) a description of the procedures to be used to encourage public and private schools to be involved in the demonstration project; and

(ii) a description of how the eligible entity will annually determine the number of spaces available for eligible children in each choice school;

(C) an assurance that each school will not impose higher standards for admission into a separate program or activity for eligible children provided education certificates under this section than the choice school does for other children;

(D) an assurance that the choice school will operate, for at least 1 year prior to accepting education certificates under this section, an educational program similar to the educational program for which such choice school will accept such education certificates;

(E) an assurance that the eligible entity will comply with reasonable requests from the Secretary to provide such information as the Secretary may require; and

(F) a description of the manner in which the choice school will provide the Secretary periodic reports on the status of such funds;

(G) an assurance that the eligible entity will provide the Secretary periodic reports on the status of such funds;

(H) an assurance that the eligible entity will provide the Secretary with assessments used by the local educational agency involved; and

(I) an assurance that the eligible entity will maintain such records as the Secretary may require; and

(J) an assurance that no private school will be served;

(K) a description of the type of assessments used to provide the parental notification described in subsection (j);

(L) a description of the procedures to be used for the issuance and redemption of education certificates under this section;

(M) a description of the procedures by which a choice school will make a pro rata refund of the education certificate under this section for any participating eligible child who withdraws from the school for any reason before completing 75 percent of the school attendance period for which the education certificate was issued;

(N) a description of the procedures to be used to comply with the parental notification described in subsection (j);

(O) an assurance that the eligible entity will provide the Secretary periodic reports on the status of such funds;

(P) an assurance that the eligible entity will provide the Secretary with assessments used by the local educational agency involved; and

(Q) an assurance that if the number of students applying to participate in the project in this section is greater than the number of students that the project can serve, participating students will be selected by a lottery; and

(R) an assurance that the eligible entity will not impose any religious test on any person, or public or private entity to provide or pay, or to prohibit any such person or entity from providing or paying, for any benefit or service, for the religious component of any school in the project.

(II) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) a description of the methods by which the eligible entity will ensure that, in selecting eligible schools, the eligible entity gives priority to eligible children from the lowest income families;

(B) a description of the procedures to be used to ensure maximum choice of schools for participating eligible children, including procedures to be used when—

(i) the number of parents provided education certificates under this section who desire to enroll their eligible children in a particular choice school exceeds the number of eligible children that the choice school will accept and

(ii) grant funds and funds from local sources are insufficient to support the total cost of choices made by parents with education certificates under this section; and

(III) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) the procedures for obtaining, using and safeguarding information from applications for free or reduced price meals under the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1964 or other funds will be placed in such account;

(B) a description of the extent to which such assessment is comparable to assessments used by the local educational agency involved; and

(C) a description of the methods by which the eligible entity will use to assess the progress of participants in math and reading and how such assessment is comparable to assessments used by the local educational agency involved.

(III) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) a description of the method by which the eligible entity will use to assess the progress of participants in math and reading and how such assessment is comparable to assessments used by the local educational agency involved.

(IV) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) an assurance that the eligible entity will maintain such records as the Secretary may require; and

(B) comply with reasonable requests from the Secretary for information; and

(C) a description of the method by which the eligible entity will use to assess the progress of participants in math and reading and how such assessment is comparable to assessments used by the local educational agency involved.

(V) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) an assurance that the eligible entity will maintain such records as the Secretary may require; and

(B) comply with reasonable requests from the Secretary for information; and

(C) a description of the method by which the eligible entity will use to assess the progress of participants in math and reading and how such assessment is comparable to assessments used by the local educational agency involved.

(D) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) a description of the methods by which the eligible entity will provide the Secretary periodic reports on the status of such funds;
(A) AMOUNT.—The amount of an eligible child’s education certificate under this section shall be determined by the eligible entity, but shall be an amount that provides to the eligible entity rates that approximate the maximum degree of choice in selecting the choice school the eligible child will attend.

(B) CONSIDERATIONS.—

(1) The amount subject to such regulations as the Secretary shall prescribe, in determining the amount of an education certificate under this section an eligible entity shall consider—

(I) the additional reasonable costs of transportation directly attributable to the eligible child’s participation in the demonstration project; and

(II) the cost of complying with subsection (1)(A).

(2) SCHOOLS CHARGING TUITION.—If an eligible child participating in a demonstration project under this section was attending a public school that charged tuition for the year preceding the first year of such participation, then in determining the amount of an education certificate for such eligible child under this section the eligible entity shall subtract the tuition charged by the school for such eligible child in such preceding year.

(C) SPECIAL RULE.—An eligible entity may provide an education certificate under this section to the parent of an eligible child who chooses to attend a school that does not charge tuition or fees, to pay the additional reasonable costs of transportation directly attributable to the eligible child’s participation in the demonstration project or the cost of complying with subsection (1)(A).

(2) ADJUSTMENT.—The amount of the education certificate for a fiscal year may be adjusted in the second and third years of an eligible entity’s participation in a demonstration project under this section to reflect any increase or decrease in the tuition, fees, or transportation costs directly attributable to that eligible child’s continued attendance at a choice school, but shall not be increased for this purpose by more than 10 percent of the amount of the education certificate for the fiscal year preceding the fiscal year for which the determination is made. The amount of the education certificate may also be adjusted in any fiscal year to comply with subsection (4)(A).

(3) MAXIMUM AMOUNT.—Notwithstanding any other provision of this subsection, the amount of an eligible child’s education certificate under this section and any expenditure for elementary or secondary education, as appropriate, by the local educational agency in which the public school to which the eligible child would normally be assigned is located for the fiscal year preceding the fiscal year for which the determination is made.

(4) INCOME.—An education certificate under this section, and funds provided under the education certificate, shall not be treated as income of the parents for purposes of Federal, State, or local tax laws, or for determining eligibility for any other Federal program.

(1) EFFECT ON OTHER PROGRAMS; USE OF SCHOOL LUNCH DATA.—

(A) CONTRACT.—The Secretary shall enter into a contract with an eligible entity under this section and may be used by the eligible entity to determine the eligibility of a child to participate in a demonstration project under this section and may be used by the eligible entity to determine the eligibility of a child to participate in a demonstration project under this section.

(B) LIMITATIONS.—

(i) IN GENERAL.—Information provided under this paragraph shall be limited to the information needed to determine eligibility or to rank families in a demonstration project under this section to reflect any increase or decrease in the tuition, fees, or transportation costs directly attributable to the eligible child’s participation in the demonstration project or the cost of complying with subsection (1)(A).

(ii) LIMITATION.—Any access to information provided under this paragraph shall be subject to the limitations and penalties imposed under section 9(b)(2)(C)(v) of the Richard B. Russell National School Lunch Act.

(4) CONSTRUCTION.—

(A) SECTARIAN INSTITUTIONS.—Nothing in this section shall be construed to supersede or modify any provision of a State constitution or State laws that prohibits the expenditures of public funds in sectarian institutions, except that no provision of a State constitution or State law shall be construed to prohibit the expenditure of funds in or by sectarian institutions of any Federal funds provided under this section.

(B) DESEGREGATION PLANS.—Nothing in this section shall be construed to interfere with any desegregation plans that involve school attendance areas affected by this section.

(5) PARENTAL NOTIFICATION.—Each eligible entity receiving an education certificate under this section shall provide timely notice of the demonstration project to parents of eligible children residing in the area to be served by the demonstration project. At a minimum, such notice shall—

(1) describe the demonstration project;

(2) describe the eligibility requirements for participation in the demonstration project;

(3) describe the information needed to make a determination of eligibility for participation in the demonstration project for an eligible child;

(4) describe the selection procedures to be used in selecting eligible children seeking to participate in the demonstration project exceeds the number that can be accommodated in the demonstration project;

(5) provide information about each choice school, including information about any admission requirements or criteria for each choice school participating in the demonstration project; and

(6) include the schedule for parents to apply for their eligible children to participate in the demonstration project.

(6) ANNUAL EVALUATION.—

(A) CONTRACT.—The Secretary shall enter into a contract with an eligible entity under this section to provide the eligibility evaluation of the demonstration program under this section.

(B) ANNUAL EVALUATION REQUIREMENT.—

The contract described in subparagraph (A) shall require the evaluation agency to annually evaluate each demonstration project under this section in accordance with the criteria described in paragraph (2).

(2) EVALUATION CRITERIA.—The Secretary shall establish such criteria for evaluating the demonstration programs under this section.

(3) REPORTS.—

(A) A description of the implementation of each demonstration project under this section.

(B) A comparison of the educational achievement between students receiving education certificates under this section and students otherwise eligible for, but not receiving education certificates under this section.

(C) A comparison of the level of parental satisfaction and involvement between parents whose children receive education certificates and parents from comparable backgrounds whose children did not receive an education certificate; and

(D) A description of changes in the overall performance and quality of public elementary or secondary schools in the demonstration project area that can be directly or reasonably attributable to the program under this section.

(4) REPORTS BY EVALUATING AGENCY.—

(A) IN GENERAL.—The evaluating agency shall transmit to the Secretary and the Congress interim reports and an annual report regarding the demonstration project under this section. Each such report shall be submitted at such time, in such manner, and accompanied by such information, as such evaluating agency may require.

(A) IN GENERAL.—

(B) REPORTS BY EVALUATING AGENCY.—

(1) IN GENERAL.—The evaluating agency shall submit to the Congress 2 interim reports on the findings of the annual evaluation under this subsection.

(ii) SECOND INTERIM REPORT.—The second interim report under clause (i) shall be submitted not later than September 30, 2003, and shall, at a minimum, describe the implementation of the demonstration projects under this section and shall include such demographic information as is reasonably available about—

(I) the participating schools (both the choice schools and the schools that have been identified as failing);

(II) the participating and requesting students and background of their families; and

(III) the number of applications received versus the number of certificates received.

(iii) FINAL REPORT.—

(A) IN GENERAL.—

(B) CONTRACT.—The Secretary shall enter into a contract under this section to provide the eligibility evaluation of the demonstration program under this section.

(C) REPORTS.—

(A) IN GENERAL.—

(B) ANNUAL EVALUATION REQUIREMENT.—

The contract described in subparagraph (A) shall require the evaluation agency to annually evaluate each demonstration project under this section in accordance with the criteria described in paragraph (2).

(C) EVALUATION CRITERIA.—The Secretary shall establish such criteria for evaluating the demonstration programs under this section.

Such criteria shall include—

(A) a description of the implementation of each demonstration project under this section;

(B) a comparison of the educational achievement between students receiving education certificates under this section and students otherwise eligible for, but not receiving education certificates under this section;

(C) a comparison of the level of parental satisfaction and involvement between parents whose children receive education certificates and parents from comparable backgrounds whose children did not receive an education certificate; and

(D) a description of changes in the overall performance and quality of public elementary or secondary schools in the demonstration project area that can be directly or reasonably attributable to the program under this section.

(4) REPORTS.—

(A) REPORT BY GRANT RECIPIENT.—Each eligible entity receiving a grant under this section shall submit, to the Secretary and the Congress interim reports and an annual report regarding the demonstration project under this section. Each such report shall be submitted at such time, in such manner, and accompanied by such information, as such evaluating agency may require.

(B) REPORTS BY EVALUATING AGENCY.—

(i) IN GENERAL.—The evaluating agency shall submit to the Congress 2 interim reports on the findings of the annual evaluation under this subsection.

(II) SECOND INTERIM REPORT.—The second interim report under clause (i) shall be submitted not later than September 30, 2003, and shall, at a minimum, describe the implementation of the demonstration projects under this section and shall include such demographic information as is reasonably available about—

(I) the participating schools (both the choice schools and the schools that have been identified as failing);

(II) the participating and requesting students and background of their families; and

(III) the number of applications received versus the number of certificates received.

(iii) FINAL REPORT.—

(A) IN GENERAL.—

(B) ANNUAL EVALUATION REQUIREMENT.—

The contract described in subparagraph (A) shall require the evaluation agency to annually evaluate each demonstration project under this section in accordance with the criteria described in paragraph (2).

(C) EVALUATION CRITERIA.—The Secretary shall establish such criteria for evaluating the demonstration programs under this section.

Such criteria shall include—

(A) a description of the implementation of each demonstration project under this section;

(B) a comparison of the educational achievement between students receiving education certificates under this section and students otherwise eligible for, but not receiving education certificates under this section;

(C) a comparison of the level of parental satisfaction and involvement between parents whose children receive education certificates and parents from comparable backgrounds whose children did not receive an education certificate; and

(D) a description of changes in the overall performance and quality of public elementary or secondary schools in the demonstration project area that can be directly or reasonably attributable to the program under this section.
SA 538. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 22, lines 22–23, strike “participation of private school” and insert “parents and” after “for”.

On page 23, line 3, insert “this Act, including but not limited to” after “of” and insert a comma “,” after “of”.

On page 23, line 8, strike “a reasonable period of time” and insert “90 days of receipt of the complaint” after “within”.

On page 23, lines 12–13, strike “fails to resolve the complaint within a reasonable period of time” and insert “if there is no resolution of the complaint before the expiration of the State educational agency’s 90-day period for resolving such complaints” after “or”.

On page 23, lines 16–17, strike “resolve” and insert “make an initial determination of” after “and”.

On page 23, line 19, strike “by-pass determination” and insert “complaint appeals” before “process”.

On page 23, line 21, after “In General,” insert a new section (A) to read as follows: “(A) If the Secretary determines that the State educational agency, local educational agency, educational service agency, or consortium of such agencies is not meeting its responsibilities under the Act, the Secretary shall refer such educational agency of such determination and the reasons for such determination, offer the State educational agency the opportunity to address the complaint, and provide technical assistance to the State educational agency. If the State educational agency fails to take corrective action within a reasonable time, the Secretary may, after notice and consultation, withhold funds for State administration and secondary education services, and facilities that are comparable educational opportunities are offered for students of both sexes;”.

SA 540. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 684, strike lines 1 through 5, and insert the following: “(L) programs to provide same gender schools and classrooms, if the local educational agencies being offered to low-income students of the same gender schools and classrooms policies and criteria for admission, courses, services, and facilities that are comparable to the policies and criteria, and the services, courses, and facilities offered in or through the local educational agency’s coeducational schools and classrooms;”.

SA 541. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 684, strike lines 1 through 5, and insert the following:

“(L) education reform programs that provide same gender schools and classrooms, if comparable educational opportunities are offered for students of both sexes;”.

SA 542. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 684, strike lines 1 through 5.

SA 543. Mr. KYL (for himself and Mr. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. Sense of the Senate Regarding Tax Credits for Contributions to Tuition Scholarship Organizations.

(a) FINDINGS.—The Senate finds the following:

(1) Over the last decade, many education reform advocates in the private sector have formed organizations that provide partial tuition scholarships to students whose families lack the means to pay full tuition at the school of their choice.

(2) Studies have shown that parents with children receiving such scholarship assistance outperform comparable students not awarded such scholarships on standardized tests and that the parents of such students express high levels of satisfaction with the quality of their children’s education.

(3) In 1999, approximately 1,250,000 applications were made for 40,000 partial tuition scholarships, from low-income students nationwide; comparable results from other such lotteries demonstrate that demand for such scholarship assistance far outstrips the supply.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should act expeditiously to pass legislation in the 107th Congress providing a tax credit to partially offset the cost of donations to organizations that provide tuition scholarships to students whose families lack the means to pay full tuition at the school of their choice.

SA 544. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. Pilot Training Program.

(a) FINDINGS.—The Senate finds the following:

(1) Over the last decade, many education reform advocates in the private sector have formed organizations that provide partial tuition scholarships to students whose families lack the means to pay full tuition at the school of their choice.

(2) Studies have shown that parents with children receiving such scholarship assistance outperform comparable students not awarded such scholarships on standardized tests and that the parents of such students express high levels of satisfaction with the quality of their children’s education.

(3) In 1999, approximately 1,250,000 applications were made for 40,000 partial tuition scholarships, from low-income students nationwide; comparable results from other such lotteries demonstrate that demand for such scholarship assistance far outstrips the supply.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should act expeditiously to pass legislation in the 107th Congress providing a tax credit to partially offset the cost of donations to organizations that provide tuition scholarships to students whose families lack the means to pay full tuition at the school of their choice.

Ay 545. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 686, strike lines 7 through 11, and insert the following:

“(a) LIMITATION.—

(1) IN GENERAL.—From funds appropriated under this Act, the Secretary shall reserve such sums as may be necessary for grants awarded under section 3136 prior to the date of enactment of the Bill for Education for Students and Teacher Act.

(2) BUREAU OF INDIAN AFFAIRS FUNDED SCHOOLS.—From funds appropriated under this Act, the Secretary shall reserve such sums as may be necessary for grants awarded under section 3136 prior to the date of enactment of the Bill for Education for Students and Teacher Act.

(3) Congress should encourage promising private initiatives to improve education at the elementary and secondary level.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should act expeditiously to pass legislation in the 107th Congress providing a tax credit to partially offset the cost of donations to organizations that provide tuition scholarships to students whose families lack the means to pay full tuition at the school of their choice.

SA 545. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 686, strike lines 7 through 11, and insert the following:

“(a) LIMITATION.—

(1) IN GENERAL.—From funds appropriated under this Act, the Secretary shall reserve such sums as may be necessary for grants awarded under section 3136 prior to the date of enactment of the Bill for Education for Students and Teacher Act.

(2) BUREAU OF INDIAN AFFAIRS FUNDED SCHOOLS.—From funds appropriated under this Act, the Secretary shall reserve such sums as may be necessary for grants awarded under section 3136 prior to the date of enactment of the Bill for Education for Students and Teacher Act.

(3) Congress should encourage promising private initiatives to improve education at the elementary and secondary level.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should act expeditiously to pass legislation in the 107th Congress providing a tax credit to partially offset the cost of donations to organizations that provide tuition scholarships to students whose families lack the means to pay full tuition at the school of their choice.

(4) Congress should encourage promising private initiatives to improve education at the elementary and secondary level.

(5) Congress should encourage promising private initiatives to improve education at the elementary and secondary level.

(6) Congress should encourage promising private initiatives to improve education at the elementary and secondary level.
rules for distributing such funds in accordance with a formula developed by the Secretary of the Interior in consultation with school boards of BIA-funded schools, taking into account the number of student enrollment, the number of children with special needs, the number of bilingual children, the number of students in residential programs, and the number of children of gifted and talented programs. The Secretary shall also consider whether a minimum amount is needed to ensure small schools can utilize funding effectively. In accordance with such rules, the Secretary of the Interior shall distribute such funds.

SA 524. Ms. SNOE submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 893, after line 14, insert the following:

TITLE—BUILDING AND RENOVATION

SEC. 01. SHORT TITLE.

This title may be cited as the “Building, Renovating, Improving, and Constructing Kids’ Schools Act.”

SEC. 02. FINDINGS.

Congress makes the following findings:

(1) According to a 1999 issue brief prepared by the National Center for Education Statistics, the average public school in America is 42 years old, and school buildings begin rapid deterioration after 40 years. In addition, 29 percent of all public schools are in the oldest condition, meaning that the schools were built before 1970 and have either never been renovated or were renovated prior to 1980.

(2) Reports issued by the General Accounting Office (GAO) in 1995 and 1996, it would cost $122,000,000,000 to bring the Nation’s schools into good overall condition, and one-third of all public schools need extensive repair or replacement.

(3) Many schools do not have the appropriate infrastructure to support computers and other technologies that are necessary to prepare students for the jobs of the 21st century.

(4) Without impeding on local control, the Federal Government appropriately can aid the State, regional, and local entities in addressing school construction, renovation, and repair needs by providing low-interest loans for purchase, improvement, acquisition, or repair of school facilities; or supporting other State-administered school construction programs.

SEC. 03. DEFINITIONS.

In this title:

(1) BOND.—The term “bond” includes any obligation.

(2) GOVERNOR.—The term “Governor” includes the chief executive officer of a State.

(3) LOCAL EDUCATIONAL AGENCY.—The term “local educational agency” has the meaning given in section 611(e) of the Elementary and Secondary Education Act of 1965.

(4) PUBLIC SCHOOL FACILITY.—The term “public school facility” shall not include—

(A) any stadium or other facility primarily used for athletic contests or exhibitions, or other events for which admission is charged to the public;

(B) any facility that is not owned by a State or local government or any agency or instrumentality of a State or local government.

(5) QUALIFIED SCHOOL CONSTRUCTION BOND.—The term “qualified school construction bond” means any bond (or portion of a bond) issued by a State or local educational agency to—

(A) 95 percent or more of the proceeds attributable to such bond (or portion) are to be used for the construction, rehabilitation, or repair of a public school facility or for the acquisition of land on which such a facility is to be constructed with part of the proceeds;

(B) the bond is issued by a State, regional, or local entity, with bonding authority; and

(C) the issuer designates such bond (or portion) for purposes for which it shall be used.

(6) STABILIZATION FUND.—The term “stabilization fund” means the stabilization fund established under section 5332 of title 31, United States Code.

(7) STATE.—The term “State” means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

SEC. 04. LOANS FOR SCHOOL CONSTRUCTION BOND INTEREST PAYMENTS AND OTHER SUPPORT.

(a) LOAN AUTHORITY AND OTHER SUPPORT.—

(1) LOANS AND STATE-ADMINISTERED PROGRAMS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), from funds made available to a State under section 5332(a) the State in consultation with the State educational agency—

(i) shall use not less than 50 percent of the funds to make loans to, or provide financial assistance to, local educational agencies or local entities within the State to enable the entities to make annual interest payments on qualified school construction bonds that are issued by the entities not later than December 31, 2004; and

(ii) may use not more than 50 percent of the funds to support revolving programs for projects described in subparagraph (A)(i), the State, in consultation with the educational agency, may use the funds described in subparagraph (A)(i) to support the programs described in subparagraph (A)(ii).

(B) REQUESTS.—The Governor of each State desiring assistance under this section shall submit a request to the Secretary of the interior in consultation with the Secretary of the Treasury at such time and in such manner as the Secretary of the Treasury may require.

(2) PRIORITY.—In selecting entities to receive funds under paragraph (1) for projects involving construction, rehabilitation, repair, or acquisition of land for schools, the State shall give priority to entities with projects for schools with greatest need, as determined by the State. In determining the schools with greatest need, the State shall take into consideration student enrollment, the fiscal year at the originally promised level, which promised level would provide to each State 40 percent of the average per-pupil expenditure for providing special education and related services for each child with a disability in the State.

(ii) children from low-income families; and

(iii) children living in areas with high concentrations of low-income families.

(B) children from low-income families; and

(iii) children living in sparsely populated areas.

(B) has inadequate school facilities and a low level of resources to meet the need for school facilities.

(C) meets such criteria as the Secretary may determine to be appropriate.

(b) REPAYMENT.—

(1) IN GENERAL.—Subject to paragraph (2), a State that uses funds made available under section 5332(a) to make a loan or support a State-administered program under subsection (a)(1) shall repay to the stabilization fund the amount of the loan or support, plus interest, at an annual rate of 4.5 percent. A State is not required to begin making such repayment until the year immediately following the 15th year for which the State is eligible to receive annual distributions from the stabilization fund for which it shall be eligible for such a distribution under this Act. The amount of such loan or support shall be fully repaid not later than the 20th year period beginning on the expiration of the eligibility of the State under this title.

(2) EXCEPTIONS.—(A) IN GENERAL.—The interest on the amount made available to a State under section 5332(c)(2) shall not accrue, prior to January 1, 2001, unless the amount appropriated to carry out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.) for any fiscal year prior to fiscal year 2001 is sufficient to fully fund such part for the fiscal year at the originally promised level, which promised level would provide to each State 40 percent of the average per-pupil expenditure for the fiscal year at the originally promised level, which promised level would provide to each State 40 percent of the average per-pupil expenditure.

(B) APPLICABLE INTEREST RATE.—Effective January 1, 2001, the interest rate that will apply to an amount made available to a State under section 5332(c)(2) shall be—

(i) 0 percent with respect to the amount in which the amount appropriated to carry out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.) is not sufficient to provide to each State at least 40 percent of the average per-pupil expenditure for providing special education and related services for each child with a disability in the State.

(ii) 2.5 percent with respect to years in which the amount described in clause (i) is not sufficient to provide to each State at least 40 percent of such average per-pupil expenditure; and

(iii) 5.5 percent with respect to years in which the amount described in clause (i) is not sufficient to provide to each State at least 40 percent of such average per-pupil expenditure; and

(iv) 4.5 percent with respect to years in which the amount described in clause (i) is not sufficient to provide to each State at least 40 percent of such average per-pupil expenditure.

(3) FEDERAL RESPONSIBILITIES.—The Secretary of the Treasury shall—

(A) establish a stabilization fund for each fiscal year prior to fiscal year 2007 and make the following funds available to each State—

(i) 0.5 percent of the amount made available to the State under section 5332(a);

(ii) 3.5 percent with respect to years in which the amount described in clause (i) is not sufficient to provide to each State at least 40 percent of such average per-pupil expenditure; and

(iii) 5 percent with respect to years in which the amount described in clause (i) is not sufficient to provide to each State at least 40 percent of such average per-pupil expenditure.

(B) use the funds described in clause (i) to fully fund part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.) for each fiscal year prior to fiscal year 2007; and

(C) use the funds described in clauses (ii) and (iii) to make loans under this section.

(4) AMOUNTS AVAILABLE TO EACH STATE.—

(A) RESERVATION FOR INDIANS.—From $20,000,000,000 of the funds in the stabilization fund, the Secretary of the Treasury shall reserve $500,000,000 to provide assistance to Indian tribes.
(2) USE OF FUNDS.—An Indian tribe that receives assistance under paragraph (1) —
(A) shall use not less than 50 percent of the assistance for a loan to enable the Indian tribe to acquire interest payments on qualified school construction bonds, in accordance with the requirements of this Act that the Secretary of the Treasury determines are appropriate; and
(B) may use not more than 50 percent of the assistance to support tribal revolving fund programs or other tribal-administered programs that the Secretary approves; and

(3) AWARD CRITERIA.—In awarding grants under this subsection, the Secretary shall review applications submitted with respect to each type of agency represented by local educational agencies that qualify under each of subparagraphs (A), (B), (C) of paragraph (2). In evaluating an application, the Secretary shall consider the following criteria:

(1) Whether the local educational agency has the fiscal capacity to undertake the modernization project without Federal assistance.

(2) The extent to which property in the local educational agency is nontaxable due to the presence of the Federal Government.

(3) The extent to which the local educational agency derives its funds or tax revenues from Federal sources.

(4) OTHER AWARD PROVISIONS.—
(A) AMOUNT.—In determining the amount of a grant awarded under this subsection, the Secretary shall consider the cost of the modernization and the ability of the local educational agency to produce sufficient funds to carry out the activities for which assistance is sought.

(B) FEDERAL SHARE.—The Federal funds provided under this subsection to a local educational agency shall not exceed 51 percent of the total amount of the project to be assisted under this subsection. A local educational agency may use in-kind contributions, excluding land contributions, to meet the matching requirement of the preceding sentence.

(C) MAXIMUM GRANT.—A local educational agency described in this subsection may not receive a grant under this subsection in an amount that exceeds $5,000,000 during any 2-year period.

(D) APPLICATIONS.—A local educational agency that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall contain

(A) a listing of the school facilities to be modernized, including the number and percentage of children determined under section 8003(a)(1) in average daily attendance in each school facility;

(B) a description of the ownership of the property on which the school facility is located or on which the Federal Government is required by law to be located;

(C) a description of how the local educational agency meets the award criteria under paragraph (3);

(D) a description of the modernization to be supported with funds provided under this subsection;

(E) a cost estimate of the proposed modernization, and

(F) such other information and assurances as the Secretary may reasonably require.

(2) EMERGENCY GRANTS.—
(A) APPLICATIONS.—Each local educational agency applying for a grant under paragraph (1)(B)(ii) or (1)(B)(iii) that desires the application submitted under paragraph (1)(B)(ii) or (1)(B)(iii) that desires

(B) a signed statement from an appropriate
local official certifying that a health or safety emergency exists.

(2) SPECIAL RULES. — The Secretary shall make every effort to meet fully the school facility needs of educational agencies applying for a grant under this paragraph.

(3) PRIORITY. — If the Secretary receives more than one application from local educational agencies described in paragraph (1)(B)(ii) or (1)(B)(iii) for grants under this paragraph for any fiscal year, the peer review group and the Secretary shall give priority to local educational agencies based on the severity of the emergency, as determined by the Secretary, and when the application was received.

(4) CONSIDERATION FOR FOLLOWING YEAR. — A local educational agency described in paragraph (2) that applies for a grant under this paragraph for any fiscal year and does not receive the grant shall have the application for the grant considered for the following fiscal year, subject to the priority described in subparagraph (C).

(5) GENERAL LIMITATIONS. —

(A) REAL PROPERTY. — No grant funds awarded under this subsection shall be used for the acquisition of any interest in real property.

(B) MAINTENANCE. — Nothing in this subsection shall be construed to authorize the payment of maintenance costs in connection with an existing or newly modernized or constructed facility or in part with Federal funds provided under this subsection.

(C) ENVIRONMENTAL SAFEGUARDS. — All projects carried out with Federal funds provided under this subsection shall comply with all relevant Federal, State, and local environmental laws and regulations.

(D) SIMILAR SCHOOL FACILITIES. — No Federal funds received under this subsection shall be used for outdoor stadiums or other school facilities that are primarily used for non-school purposes, or for athletic events, and for or in part with Federal funds provided under this subsection.

(E) SUPPLEMENT NOT SUPPLANT. — An eligible local educational agency shall use funds received under this subsection only to supplement the amount of funds that would, in the absence of such Federal funds, be made available through other Federal or local sources for the modernization of school facilities used for educational purposes, and not to supplant such funds.

SA 550. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 794, after line 7, add the following:

TITLE X—Liberation of Tax-Exempt Financing Rules for Public School Construction

SEC. 1001. ADDITIONAL INCREASE IN ARBITRAGE REBATE EXCEPTION FOR GOVERNMENTAL BONDS USED TO FINANCE EDUCATIONAL FACILITIES.

(a) In General. — Section 142(b)(4)(D)(vii) (relating to increase in exception for bonds financing public school capital expenditures) is amended by striking "$5,000,000" and inserting "$10,000,000".

(b) EFFECTIVE DATE. — The amendment made by subsection (a) shall apply to obligations issued in calendar years beginning after December 31, 2001.

SEC. 1002. TREATMENT OF QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS AS EXEMPT BONDS.

(a) TREATMENT AS EXEMPT FACILITY BOND. — Subsection (a) of section 142 (relating to exemption facility bond) is amended by striking "or" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting " or "; and by adding at the end thereof the following new paragraph:

"(13) qualified public educational facility bond)."

(b) QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS. — A qualified public educational facility bond is defined as a bond issued by a State or local educational agency described in paragraph (2).

(c) EXEMPTION FROM GENERAL STATE VOLUME LIMITATIONS. — Paragraph (3) of section 146(g) (relating to exception for certain bonds) is amended—

(1) by striking "(12)" and inserting "(12), or (13)";

(2) by striking "and environmental enhacements of hydroelectric generating facilities" and inserting "environmental enhacements of hydroelectric generating facilities";

(3) EXEMPT FACILITY BONDS FOR QUALIFIED PUBLIC-PRIVATE SCHOOLS. — Subsection (c) shall not apply to any exempt facility bond issued as part of an issue described in section 142(a)(13) (relating to qualified public educational facilities)."

(e) CONFORMING AMENDMENT. — The heading for section 142(h) is amended by adding "and environmental enhancements of hydroelectric generating facilities" and inserting "environmental enhancements of hydroelectric generating facilities."

(f) EFFECTIVE DATE. — The amendments made by this section shall apply to bonds issued after December 31, 2001.
"(2) Public-private partnership agreement described. — A public-private partnership agreement is described in this paragraph if it is an agreement—

(A) under which the corporation agrees—

(i) to do 1 or more of the following: construct, rehabilitate, refurbish, or equip a school facility; and

(ii) by virtue of the terms of the agreement, to transfer the school facility to such agency for no additional consideration, and

(B) the term of which does not exceed the term of the issue to be used to provide the school facility.

(3) School facility. — For purposes of this subsection, the term ‘school facility’ means—

(A) any school building,

(B) any functionally related and subordinated facility and land with respect to such building, including any stadium or other facility primarily used for school events, and

(C) any property, to which section 168 applies (or would apply but for section 179), for use in a facility described in subparagraph (A) or (B).

(4) Public schools. — For purposes of this subsection, the terms ‘elementary school’ and ‘secondary school’ have the meanings given such terms by section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801), as in effect on the date of this subsection.

(5) Annual aggregate face amount of tax-exempt financing. —

(A) In general. — An issue shall not be treated as an issue described in subparagraph (A)(13) if the aggregate face amount of bonds issued by the State pursuant thereto (when added to the aggregate face amount of bonds previously so issued during the calendar year) exceeds an amount equal to the greater of—

(i) $10 multiplied by the State population, or

(ii) $5,000,000.

(B) Allocation rules. —

(i) In general. — Except as otherwise provided in this subparagraph, the State may allocate the amount described in subparagraph (A) for any calendar year in such manner as the State determines appropriate.

(ii) Rules for allocation of unused limitation. — A State may elect to carry forward an unused limitation for any calendar year in which the limitation was not utilized in the following calendar year in which the unused limitation arose under rules similar to the rules of section 146(f), except that the only purpose for which the carryforward may be elected is the issuance of facility bonds described in subparagraph (A)(13).

(c) Exemption from general state volume caps. — Paragraph (3) of section 146(c) (relating to exception for certain bonds) is amended—

(1) by striking “or (12)” and inserting “(12), or (13)”;

(2) by striking “and environmental enhancements of hydroelectric generating facilities” and inserting “environmental enhancements of hydroelectric generating facilities, and qualified public educational facilities”;

(d) Exemption from limitation on use for land acquisition. — Section 141(h) (relating to certain rules not to apply to mortgage revenue bonds, qualified student loan bonds, and qualified 501(c)(3) bonds) is amended by adding at the end the following new paragraph:

‘‘(3) Exempt facility bonds for qualified public-private schools. — Subsection (c) shall not apply to any exempt facility bond issued under section 142(a)(13) (relating to qualified public educational facilities).’’.

(e) Conforming amendment. — The heading for section 147(h) is amended by striking ‘‘MORTGAGE REVENUE BONDS, QUALIFIED STUDENT LOAN BONDS, AND QUALIFIED 501(c)(3) BONDS’’ and inserting ‘‘QUALIFIED 501(c)(3) BONDS’’.

(f) Effective date. — The amendments made by this section shall apply to bonds issued after December 31, 2001.

SA 552. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

**SEC. 902. EDUCATIONAL USE COPYRIGHT EXEMPTION.**

(a) Short title. — This section may be cited as the ‘‘Technology, Education and Copyright Harmonization Act of 2001’’.

(b) Exemption of certain performances and displays for educational uses. — Section 110 of title 17, United States Code, is amended—

(1) by striking paragraph (2) and inserting the following:

‘‘(2) except with respect to a work produced or marketed primarily for performance or display of a nondramatic literary or musical work or reasonable and limited portions thereof, the following:

(A) the performance or display is made by, at the direction of, or under the actual supervision of an instructor as an integral part of a class session offered as a regular part of the systematic mediated instructional activities transmitted via digital networks, or a performance or display that is given by means of a copy or phonorecord that is not lawfully made and acquired under this title, and the transmitting government body or accredited nonprofit educational institution knew or had reason to believe was not lawfully made and acquired, the performance of a nondramatic literary or musical work or reasonable and limited portions of any other work, or display of a work in an amount comparable to which is typically displayed in the course of a live classroom session, by or in the course of a transmission, if—

(i) the performance or display is made at the direction of, or under the actual supervision of an instructor as an integral part of a class session offered as a regular part of the systematic mediated instructional activities of a governmental body or an accredited nonprofit educational institution; and

(ii) the performance or display is directly related and of material assistance to the teaching content of the transmission; and

(C) the transmission is made solely for, and in a form and, solely to the extent permitted in accordance with the following:

(i) students officially enrolled in the course for which the transmission is made; or

(ii) officers or employees of governmental bodies as a part of their official duties or employment;

(2) by adding at the end the following:

‘‘(D) the transmitting body or institution—

(i) institutes policies regarding copyright, and provides notice to students, and relevant staff members that

(ii) accurately describe, and promote compliance with, the laws of the United States relating to copyright, and provides notice to students that

(iii) in the case of digital transmissions—

(A) the technological measures that

(B) in the ordinary course of their operations, prevent—

(1) any retention of the work in accessible form by recipients of the transmission from the transmitting body or institution for longer than the class session; and

(2) adding at the end the following:

‘‘(bb) unauthorized further dissemination of the work in accessible form by such recipients to others; and

(II) does not engage in conduct that could reasonably be expected to interfere with technological measures used by copyright owners to prevent such retention or unauthorized further dissemination;’’;

(2) by adding at the end the following:

‘‘In paragraph (2), the term ‘mediated instructional activities’ with respect to the performance or display of a work by digital transmission under the following activities that use such work as an integral part of the class experience, controlled by or under the actual supervision of a teacher and analogous to the type of performance or display that would take place in a live classroom setting. The term does not refer to activities that use, in 1 or more class sessions of a single course, such works as textbooks, course packs, or other material in any media, copies or phonorecords of which are typically purchased or acquired by the students in higher education for their independent use and retention or are typically purchased or acquired for elementary and secondary students for their possession and independent use.

For purposes of paragraph (2), a copy or phonorecord shall be presumed to be lawfully acquired if it is lawfully acquired under rules similar to the rules of section 110(2)(C) shall be liable for infringement by reason of the transient or temporary storage of material carried out through the automatic technical process of a digital transmission of the performance or display of that material as authorized under paragraph (2). No such material stored on the system or network controlled or operated by the transmitting body or institution under this paragraph shall be maintained on such system or network in a manner ordinarily accessible to unauthorized recipients for a longer period than is necessary for dissemination to others; and

(3) by adding at the end the following:

‘‘For purposes of paragraph (2), no governmental body or accredited nonprofit educational institution and no recipient identified under paragraph (2)(C) shall be liable for infringement by reason of the transient or temporary storage of material carried out through the automatic technical process of a digital transmission of the performance or display of that material as authorized under paragraph (2). No such material stored on the system or network controlled or operated by the transmitting body or institution under this paragraph shall be maintained on such system or network in a manner ordinarily accessible to such anticipated recipients for a longer period than is reasonably necessary to facilitate the transmissions for which it was made.’’.

(c) Ephemeral Recordings.—

(1) in general. — Section 112 of title 17, United States Code, is amended—

(A) by redesigning subsection (f) as subsection (g); and

(B) by inserting after subsection (e) the following:

‘‘(f) Notwithstanding the provisions of section 106, and without limiting the application of subsection (b), it is not an infringement of copyright for a governmental body or other nonprofit educational institution explicitly authorized under section 110 to permit a performance or display to make copies or phonorecords of a work that is in digital form solely for the purpose of providing the performance or display of a work, that is in digital form, solely for the purpose of providing the performance or display of a work, that is in digital form, to its students for educational use in the ordinary course of their operations, prevent—

(1) such copies or phonorecords are retained and used solely by the body or institution that made them, and no further copies or phonorecords of them are made or distributed; and

(2) by adding at the end the following:

‘‘(A) such copies or phonorecords are retained and used solely by the body or institution that made them, and no further copies or phonorecords of them are made or distributed, except as authorized under section 110(2); and

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"(B) such copies or phonorecords are used solely for transmissions authorized under section 110(2)."

"(2) This subsection does not authorize the conversion of print or other analog versions of works into digital formats, except that such conversion is permitted hereunder, only with respect to the amount of such works authorized to be performed or displayed under section 110(2), if—

"(A) no digital version of the work is available to the institution; or

"(B) the digital version of the work that is available to the institution is subject to technological protection measures that prevent its use.

 SEC. 4. REPORT.

(A) COPYRIGHT OFFICE REPORT.—Not later than 3 years after the date of enactment of this Act, the Register of Copyrights shall conduct a study and, after consultation with representatives of accredited for-profit educational institutions, and copyright owners, submit a report to Congress on the status of distance education programs run by accredited for-profit educational institutions, including—

(1) the extent to which accredited for-profit educational institutions are engaging in such programs;

(2) the extent to which an extension of the provisions of this Act to accredited for-profit educational institutions would enhance the number, scope, and quality of such programs;

(3) the policy considerations involved in extending the provisions of this Act to accredited for-profit educational institutions;

(4) an extension would be likely to have on the market for copyrighted works and the incentive to create such works;

(5) whether such an extension would be consistent with United States treaty obligations; and

(6) such other issues relating to relating to distance education through interactive digital networks by accredited for-profit educational institutions that the Register of Copyrights considers appropriate.

"(B) Not later than 180 days after the date of enactment of this Act and after a period for public comment, the Undersecretary for Intellectual Property, after consultations and in conjunction with the Director of National Institute of Standards and Technology and the Register of Copyrights, shall identify and submit to the Committees on the Judiciary of the Senate and the House of Representatives a list of identified technological protection systems or standards that would be the most effective in protecting digitized copyrighted works and preventing infringement of copyright for use by educational institutions.

SA 554. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; and Mr. TORRICELLI)

SA 553. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; and

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 802(c) of title 17, United States Code, is amended in the third sentence by striking "section 112(c)" and inserting "section 112(g)".

SEC. 5353. TRANSFERABILITY OF FUNDS.

(a) TRANSFERS BY STATES.—

(1) IN GENERAL.—In accordance with this subpart, a State may transfer up to 15 percent of the nonadministrative State funds allocated to the State for use for State-level activities under each of the following provisions to 1 or more of the State's allocations under any such provision:

(A) A part of title II, relating to teachers.

(B) Superseded part of B of this title, relating to innovative education.

(C) Part C of title II, relating to technology.

(D) A part of title IV, relating to safe and drug-free schools and communities.

(2) TRANSFERS BY LOCAL EDUCATIONAL AGENCIES.—

(A) AUTHORITY TO TRANSFER FUNDS.—In accordance with this subpart, a local educational agency (except a local educational agency (except a local educational agency identified for improvement under section 1116(d)(3) or subject to corrective action under section 1116(d)(6)) may transfer not more than 50 percent of the funds allocated to it under each of the provisions listed in section 1116(d)(3) for a fiscal year to 1 or more of its allocations for such fiscal year under any other provision listed in section 1116(d)(3).

(B) AGENCIES IDENTIFIED FOR IMPROVEMENT.—A local educational agency identified for improvement under section 1116(d)(3) may transfer in accordance with this subpart not more than 30 percent of the funds allocated to it under each of the provisions listed in paragraph (2) to its allocation under title I.

(C) SUPPLEMENTAL FUNDS FOR TITLE I.—In accordance with this subpart, a State may transfer any funds allocated to the State under a provision listed in paragraph (1) to its allocations under title I.

(D) TRANSFERS BY LOCAL EDUCATIONAL AGENCIES.—

(1) AUTHORITY TO TRANSFER FUNDS.—In accordance with this subpart, a local educational agency (except a local educational agency identified for improvement under section 1116(d)(3) or subject to corrective action under section 1116(d)(6)) may transfer not more than 50 percent of the funds allocated to it under each of the provisions listed in section 1116(d)(3) for a fiscal year to 1 or more of its allocations for such fiscal year under any other provision listed in section 1116(d)(3).

(2) APPLICABLE PROVISIONS.—A local educational agency may transfer funds under subparagraph (A) or (B) from allocations made under each of the following provisions:

(A) A part of title II.

(B) Superseded part of B of title VI, relating to innovative education.

(C) Part A of title IV, relating to safe and drug-free schools and communities.

(D) A part of title III, relating to bilingual education.

(E) NO TRANSFER OF TITLE I FUNDS.—A State or a local educational agency may not transfer under this subpart to any other program any funds allocated to it under title I.

(F) MODIFICATION OF PLANS AND APPLICATIONS; NOTIFICATION.—Not later than 30 days after the date of such transfer, each State shall notify the Secretary of such transfer.

(G) LOCAL TRANSFERS.—Each local educational agency that makes a transfer under this section shall—

(A) modify to account for such transfer each local plan, or application submitted by the agency, to which such funds relate;

(B) not later than 30 days after the date of such transfer, submit a copy of such modified plan or application to the State; and

(C) not later than 30 days before the effective date of such transfer, notify the State of such transfer.

(H) APPLICABLE RULES.—

(1) IN GENERAL.—Except as otherwise provided in this subpart, transfers under this section are subject to each of the rules and requirements applicable to the funds allocated by the Secretary under the provision to which the transferred funds are transferred.

(2) CONSULTATION.—Each State educational agency or local educational agency that makes a transfer under this section shall conduct consultations in accordance with section 6(c), if such transfer transfers funds from a program that provides funds for participation of students, teachers, or other educational personnel, from private schools.

SA 554. Mr. HUTCHINSON (for himself and Mr. TORRICELLI) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; and

(9) The Senate Finance Committee recommended favorably the Affordable Educational Opportunity Act of 2001, S. 763, on April 24, 2001, which included the Coverdell Education Savings Accounts.
The Senate makes the following findings:

(1) Service in the Armed Forces of the United States is voluntary.

(2) Recruiting quality persons in the numbers necessary to maintain the strengths of the Armed Forces authorized by Congress is vital to the United States national defense.

(3) Recruiting quality servicemembers is very challenging, and as a result, Armed Forces recruiters must devote extraordinary time and effort to their work in order to fill monthly requirements for immediate accessions.

(4) In meeting goals for recruiting high quality men and women, each of the Armed Forces faces intense competition from the other Armed Forces, from the private sector, and from institutions offering postsecondary education.

Despite a variety of innovative approaches taken by recruiters, and the extensive benefits that are available to those who join the Armed Forces, it is becoming increasingly difficult for the Armed Forces to meet recruiting goals.

A number of high schools have denied recruiters access to students or to student directory information.

In 1999, the Army was denied access on 4,515 occasions, the Navy was denied access on 4,364 occasions, the Marine Corps was denied access on 4,515 occasions, and the Air Force was denied access on 5,465 occasions.

As of the beginning of 2000, nearly 25 percent of all high schools in the United States did not release student directory information requested by Armed Forces recruiters.

In testimony presented to the Committee on Armed Services, the recruiters stated that the single biggest obstacle to carrying out the recruiting mission was denial of access to student directory information. The student directory is the basic tool of the recruiter.

Denying recruiters direct access to students and to student directory information undermines the youth of the United States, as it prevents students from receiving important information on the education and training opportunities offered by the Armed Forces and the military students' decisionmaking on careers by limiting the information on the options available to them.

Denying recruiters direct access to students and to student directory information undermines the national defense by making it more difficult to recruit high quality young Americans in numbers sufficient to maintain the readiness of the Armed Forces and to provide for the national defense.

Section 503 of title 10, United States Code, requires educational agencies, as of July 1, 2002, to provide recruiters access to secondary schools on the same basis that those agencies provide access to representatives of colleges, universities, and private sector employers.

The Senate makes the following findings:

(1) Service in the Armed Forces of the United States is voluntary.

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Section 503 of title 10, United States Code, requires educational agencies, as of July 1, 2002, to provide recruiters access to secondary schools on the same basis that those agencies provide access to representatives of colleges, universities, and private sector employers.
in section 529(b) on behalf of the designated beneficiary (as defined in section 529(e)(1)); but there shall be no increase in the investment in the contract for purposes of applying section 529(b) of any portion of such contribution which is not includible in gross income by reason of subsection (d)(2)."

(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES—Section 530(b)(1) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

"(1) ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified elementary and secondary education expenses' includes—

"(i) expenses for tuition, fees, academic tutoring, special needs services, books, supplies, computer equipment (including related software and services), and other equipment which are incurred in connection with the enrollment or attendance of the designated beneficiary of the trust as an elementary or secondary school student at a public, private, or religious school, and

"(ii) expenses for room and board, uniforms, and other related items and services (including extended day programs) which are required or provided by a public, private, or religious school in connection with enrollment or attendance.

"(B) School.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

(3) CONFORMING AMENDMENTS.—Section 530 is amended—

"(a) by striking "higher" each place it appears in subsections (b)(1) and (d), and

"(b) by striking "higher" in the heading for subsection (d)(2).

(4) LIMITS OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Section 530(b)(1) (defining education individual retirement account) is amended by adding at the end the following flush sentence:

"The age limitations in subparagraphs (A)(iii) and (E), and paragraphs (5) and (6) of subsection (d), shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).

(e) QUALITIES PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Section 530(c)(1) (relating to reduction in permitted contributions based on adjusted gross income) is amended by striking "of an individual retirement accountunder" and inserting "in the case of a contributor who is an individual, the maximum amount the contributor"

(f) TIME WHEN CONTRIBUTIONS DEEMED MADE.—

In general.—Section 530(b) (relating to definitions and special rules), as amended by subsection (c)(2), is amended by adding at the end the following new paragraph:

"5. Time when contributions deemed made.—

"(1) IN GENERAL.—Section 530(b)(1) (defining education individual retirement account) shall be deemed to have made a contribution to an education individual retirement account on the last day of the preceding taxable year if the contribution is not includible in gross income by reason of subsection (d)(2) and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

(2) EXTENSION OF TIME TO RETURN EXCESS CONTRIBUTIONS.—Subparagraph (C) of section 530(d)(4) (relating to additional tax for distributions not used for educational expenses) is amended—

"(a) by striking clause (i) and inserting the following new clause:

"(i) Adjustment is made before the first day of the sixth month of the taxable year following the taxable year, and

"(b) by striking "due date of return" in the heading and inserting "certain date".

(g) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUTION PROGRAMS.—

In general.—Section 530(d)(2)(C) is amended to read as follows:

"(C) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUTION PROGRAMS.—For purposes of subparagraph (A)—

"(i) CREDIT COORDINATION.—The total amount of qualified higher education expenses with respect to an individual for the taxable year shall be reduced—

"(I) by the amount of the Hope credit for the taxpayer or any other person under section 25A.

"(II) by the amount of the Hope credit available for the taxpayer or any other person under section 25A.

"(ii) COORDINATION WITH QUALIFIED TUTION PROGRAMS.—If, with respect to an individual for any taxable year, the aggregate distributions during such year to which subparagraph (A) and section 529(c)(3)(B) apply, exceed

"(I) the total amount of qualified education expenses (after the application of clause (i) for such year, the taxpayer shall allocate such expenses among such distributions for purposes of determining the amount of such exclusion under subparagraph (A) and section 529(c)(3)(B)."

(2) CONFORMING AMENDMENTS.—

"(A) Subsection (e) of section 25A is amended to read as follows:

"(e) Election Not To Have Section Apply.—A taxpayer may elect not to have this section apply with respect to the qualified tuition and related expenses of an individual for any taxable year.

"(B) Section 535(d)(2)(A) is amended by striking "allowable" and inserting "allowed".

"(C) Section 530(d)(2)(D) is amended—

"(i) by striking "or credit", and

"(ii) by striking "credit", and

"(D) Section 479(e)(1) is amended by adding "and" at the end of subparagraph (A), by striking subparagraph (B), and by redesignating subparagraph (C) as subparagraph (B).

(3) RENAMING EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS AS COVERDELL EDUCATION SAVINGS ACCOUNTS.—

In general.—Section 530(d)(2)(C) is amended—

"(C) ADJUSTED GROSS INCOME PHASEOUT OF ACCOUNT CONTRIBUTIONS.—

"(1) IN GENERAL.—Section 530(d)(2)(C) is amended to read as follows:

"Sec. 530. Coverdell education savings accounts.

(2) CONFORMING AMENDMENTS.—

"(A) The following provisions are amended by striking "an education individual retirement account" and inserting "a Coverdell education savings account":

"(i) Section 72(e)(9).

"(ii) Section 133(c)(2)(C).

"(iii) Section 4976a(e).

"(iv) Subsections (c) and (e) of section 4975.

"(B) The following provisions are amended by striking "education individual retirement account" and inserting "Coverdell education savings account":

"(i) Section 26(b)(2)(E).

"(ii) Section 497(e).

"(iii) Section 669(a)(2)(D).

"(C) The headings for the following provisions are amended by striking "education individual retirement accounts" and inserting "Coverdell education savings accounts":

"(i) Section 72(e)(9).

"(ii) Section 133(c)(2)(C).

"(iii) Section 4976a(e).

"(iv) Section 4975(c)(5).

(1) EFFECTIVE DATES.—

In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall take effect on the date of the enactment of this Act.

SEC. 52. EXCLUSION FROM INCOME OF CERTAIN AMOUNTS CONTRIBUTED TO COVERDELL EDUCATION SAVINGS ACCOUNTS.

In general.—Section 127 (relating to education assistance programs) is amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and by inserting after subsection (c) the following new subsection:

"(d) QUALIFIED COVERDELL EDUCATION SAVINGS ACCOUNT CONTRIBUTIONS.—

"(1) IN GENERAL.—Gross income of an employee shall not include amounts paid or incurred by the employer for a qualified Coverdell education savings account contribution on behalf of the employee.

"(2) QUALIFIED COVERDELL EDUCATION SAVINGS ACCOUNT CONTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified Coverdell education savings account contribution' means an amount contributed pursuant to an educational assistance program described in subsection (b) by an employer to a Coverdell education savings account established and maintained for the benefit of an employee or the employee's spouse, or any lineal descendent of either.

(3) DOLLAR LIMIT.—A contribution by an employer to a Coverdell education savings account shall not be treated as a qualified Coverdell education savings account contribution to the extent that the contribution, when added to prior contributions by the employer during the calendar year to Coverdell education savings accounts established and maintained for the same beneficiary, exceeds $500.

(4) SPECIAL RULES.—

"(A) CONTRIBUTIONS NOT TREATED AS EDUCATIONAL ASSISTANCE IN DETERMINING MAXIMUM EXCLUSION.—For purposes of subsection (a)(2), qualified Coverdell education savings account contributions shall not be treated as educational assistance.

"(B) SELF-EMPLOYED NOT TREATED AS EMPLOYEE.—For purposes of this subsection, subsection (c)(2) shall not apply.

"(C) ADJUSTED GROSS INCOME PHASEOUT OF ACCOUNT CONTRIBUTION NOT APPLICABLE TO INDIVIDUAL EMPLOYERS.—The limitation under
choice programs that provide scholarships, the District of Columbia to carry out educational programs in the District of Columbia that gives parents the needs of their children; and

The purposes of this title are—

(1) to assist the District of Columbia to—

(A) give children from low-income families in the District of Columbia the same choices among all elementary schools and secondary schools and other academic programs as children from wealthier families already have;

(B) improve schools and other academic programs in the District of Columbia by giving parents in low-income families increased consumer power to choose the schools and programs that the parents determine best fit the needs of the children and;

(C) more fully engage parents in the District of Columbia in their children's schooling; and

(D) to demonstrate, through a 3-year grant program, the effects of a voucher program in the District of Columbia that gives parents in low-income families—

(A) choice among public, private, and religious schools for their children; and

(B) access to the same academic options as parents in wealthy families have for their children.

SECT. 02. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There is authorized to be appropriated to carry out this title (other than section 509) $25,000,000 for each of fiscal years 2002 through 2005.

(b) Evaluation.—There is authorized to be appropriated to carry out section 509 $1,000,000 for each of fiscal years 2002 through 2005.

SECT. 03. PROGRAM AUTHORITY.

(a) In General.—From amounts made available to carry out this title, the Secretary of Education shall award grants to the District of Columbia to enable the District of Columbia to carry out educational choice programs that provide scholarships, in accordance with this title.
the amount of such assistance, to the District of Columbia or to a school attended by such child.

(e) No Discretion.—Nothing in this title shall be construed to authorize the Secretary of Education to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any State educational institution or school participating in a program under this title.

SEC. 90. EVALUATION.

The Comptroller General of the United States shall conduct an evaluation of the program authorized by this title. Such evaluation shall be comprehensive and of such scope as to determine the extent to which such program is achieving its goals.

The Comptroller General shall report to the Congress not later than 180 days after the date of enactment of this title, the results of the evaluation.

The Comptroller General shall, at a minimum—

(a) submit an application to the Secretary; and

(b) provide such information as the Secretary may require.

(c) Secretarial Authority.—In order to carry out the purpose of this section, the Secretary—

(1) shall establish a system for the monitoring and evaluation of, and shall annually report to the Congress upon the programs funded under this section; and

(2) may establish any other policies, procedures, or requirements, with respect to the programs.

SEC. 91. APPROPRIATIONS.—There are authorized to be appropriated to carry out this title $300,000,000 for each of the fiscal years 2002 through 2006.

SA 561. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

SEC. 902. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate makes the following findings:

(1) The afterschool programs provided through 21st Century Community Learning Centers grants are proven strategies that should be encouraged.

(2) The demand for afterschool education is very high, with over 7,000,000 children without afterschool opportunities.

(3) Afterschool programs improve education achievement and have widespread support, with over 80 percent of American people supporting such programs.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) Congress should continue toward the goal of providing the necessary funding for afterschool program by appropriating the authorized level of $1,500,000,000 for fiscal year 2002, to carry out part P of title I of the Elementary and Secondary Education Act of 1965, and

(2) such funding should be the benchmark for future years in order to the goal of providing academically enriched activities during after school hours for the 7,000,000 children in need.

SA 563. Mrs. BOXER submitted an amendment intended to be proposed by...
here to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

SEC. 902. SENSE OF THE SENATE. AUTHORIZA-
TION OF APPROPRIATIONS.

(a) SENSE OF THE SENATE.—Congress finds that—

(1) Congress should continue toward the goal of providing the necessary funding for afterschool programs by appropriating the authorized level of $51,000,000 for FY 2002 to carry out part F of Title I of the Elementary and Secondary Education Act of 1965.

(2) This funding should be the benchmark for future years in order to reach the goal of providing academically enriched activities during after school hours for the 7,000,000 children in need.

(b) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out part F of Title I of the Elementary and Secondary Education Act of 1965—

(1) $2,000,000,000 for fiscal year 2003;

(2) $2,000,000,000 for fiscal year 2004;

(3) $3,000,000,000 for fiscal year 2005;

(4) $3,500,000,000 for fiscal year 2006;

(5) $4,000,000,000 for fiscal year 2007;

(6) $4,500,000,000 for fiscal year 2008;

SA 564. Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 548, between lines 11 and 12, insert the following:

"SEC. 4119. COMMUNITY SERVICE DURING PERI-
ODS OF EXPULSION OR SUSPENSION.

"(a) REQUIREMENT FOR STATE LAW.—Each State receiving Federal funds under this sub-
part shall have in effect a State law that—

"(1) requires each student expelled or sus-
pended from school for a period to partic-
ipate in a community service activity for the
same number of hours as the student would have been in school during that period if the
student had not been expelled or suspended;

"(2) provides for the community service ac-
tivity in which the student participates to be—

"(A) a community service activity that in-
volved drug and violence prevention, if such
an activity is available for the student’s par-
ticipation; or

"(B) any similar community service activ-
ity, to the extent that an activity described in
subparagraph (A) is not available for the
student’s participation; and

"(3) to the extent that the State law au-
thorizes the local educational agency to
administer the requirement for community
service under the law, requires that the local
educational agency designate a single offi-
cial or agency to coordinate the admin-
istration of the requirement for community
service with the schools of that agency and
with community organizations concerned with the community service.

"(b) FUNDING.—Funds allocated to a State
under this subpart shall be available for the
administration of a law described in sub-
section (a) that is in effect in that State.

SA 565. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 893, strike line 14 and insert the following:

"(B) 80 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is less than 15
percent and not more than 30 percent; and

"(C) 75 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is less than 15
percent.

SA 566. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 145, strike lines 3 through 8 and in-
sert the following:

"(B) 40 percent of the average per pupil ex-
penditure in the State, except that—

"(1) if the average per pupil expenditure in
the State is less than 95 percent of the aver-
age per pupil expenditure in the United
States, the amount shall be 95 percent of
the average per pupil expenditure in the
United States; or

"(2) if the average per pupil expenditure in
the State is more than 105 percent of the av-
verage per pupil expenditure in the United
States, the amount shall be 105 percent of
the average per pupil expenditure in the
United States.

SA 567. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 141, strike line 23 and all that follows through page 142, line 13, and insert the following:

"(A) 90 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if the number of children counted for
grants under section 1214 is not less than 30
percent and not more than 30 percent; and

"(B) 85 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is not less than 15
percent and not more than 30 percent; and

"(C) 80 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is less than 15
percent.

SA 568. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 141, strike line 23 and all that follows through page 142, line 13, and insert the following:

"(A) 85 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if the number of children counted for
grants under section 1214 is not less than 30
percent and not more than 30 percent; and

"(B) 70 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is not less than 15
percent and not more than 30 percent; and

"(C) 65 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is less than 15
percent.

SA 569. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 141, strike line 23 and all that follows through page 142, line 13, and insert the following:

"(A) 80 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is less than 15
percent

"(B) 75 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is less than 15
percent and not more than 30 percent; and

"(C) 70 percent of the amount made avail-
able to the local educational agency under
each such section for the preceding fiscal
year if such percentage is less than 15
percent.
5 to 17 years, inclusive, served by the local educational agency; “(B) 65 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is not less than 15 percent and not more than 30 percent; and “(C) 70 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent.

SA 572. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965 which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. 17. RIGHT-TO-KNOW ON ARSENIC IN SCHOOL DRINKING WATER.

Part F of the Safe Drinking Water Act (42 U.S.C. 300-21 et seq.) is amended by adding at the end the following:

“SEC. 1466. NOTICE CONCERNING ARSENIC IN SCHOOL DRINKING WATER.

“Any entity that discharges or releases arsenic into the environment that contributes to the presence of arsenic in the drinking water supply of any public school in a concentration greater than 0.050 milligrams per liter, as determined by the Administrator, shall comply with, rules or orders with respect to a monitoring program and shall submit the parents or guardians of each child enrolled at that school a notice that—

(1) describes the concentration of arsenic in the drinking water of the school; and

(2) includes a summary of the health effects of arsenic, in accordance with guidance issued by the Administrator.’’.

SA 573. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965 which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

TITLE SCHOOLCHILDREN’S HEALTH PROTECTION

SEC. 1. SHORT TITLE.

This title may be cited as the “Schoolchildren’s Health Protection Act’’.

SEC. 2. SCHOOLCHILDREN’S HEALTH PROTECTION.

(a) In General.—Notwithstanding any other provision of law (including the specific provisions described in subsection (b)), no funds made available through the Department of Education or the Department of Health and Human Services shall be used for the distribution or provision of postcoital emergency contraception, or the distribution or provision of a prescription for postcoital emergency contraception, to an unemancipated minor, on the premises or in the facilities of any elementary school or secondary school, without the written consent of such minor’s parent for, and prior to, each such distribution or provision.

(b) SPECIFIC PROVISIONS.—The specific provisions referred to in subsection (a) are sections 330 and title X of the Public Health Service Act (42 U.S.C. 254b, 300 et seq.) and title V and XIX of the Social Security Act (42 U.S.C. 710 et seq., 1396 et seq.).

(c) DEFINITIONS.—In this section:

(1) ELEMENTARY SCHOOL; SECONDARY SCHOOL.—The terms “elementary school” and “secondary school” have the meanings given the terms in section 3 of the Elementary and Secondary Education Act of 1965.


(3) UNEMANCIPATED MINOR.—The term “unemancipated minor” means an unmarried individual who is 17 years of age or younger, as defined in section 152(a) of the Internal Revenue Code of 1986.

(4) WRITTEN CONSENT.—The term “written consent”, used with respect to the parental consent described in subsection (a), means written consent by a parent that the postcoital emergency contraception may be distributed or provided to the unemancipated minor of the parent, or a prescription for the contraception may be distributed or provided to such minor.

SA 574. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

TITLE—EQUAL ACCESS TO PUBLIC SCHOOL FACILITIES

SEC. 1. SHORT TITLE.

This title may be cited as the “Boy Scouts of America Equal Access Act”.

SEC. 2. EQUAL ACCESS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, no funds made available through the Department of Education shall be provided to any public elementary school, public secondary school, local educational agency, or State educational agency, if the school or a school served by the agency—

(1) has a designated open forum; and

(2) denies equal access or a fair opportunity to meet, or discriminates against, any group affiliated with the Boy Scouts of America or of the youth group that wishes to conduct a meeting within that designated open forum, on the basis of the membership or leadership criteria of the Boy Scouts of America or of the youth group that prohibits discrimination by the membership or leadership of individuals, or individuals who reject the Boy Scouts’ or the youth group’s oath of allegiance to God and country, as members or leaders.

(b) TERMINATION OF ASSISTANCE AND OTHER ACTION.—

(1) DEPARTMENTAL ACTION.—The Secretary is authorized and directed to effectuate subsection (a) by issuing, and securing compliance with, rules or orders with respect to a public school or agency that receives funds made available through the Department of Education and that denies equal access, or a fair opportunity to meet, or discriminates, as described in subsection (a).

(2) PROCEDURE.—The Secretary shall issue and secure compliance with the rules or orders, under paragraph (1), in a manner consistent with the procedure used by a Federal department, agency, or independent regulatory agency involved in the enforcement of the Civil Rights Act of 1964 (42 U.S.C. 2000d-1).

(3) JUDICIAL REVIEW.—Any action taken by the Secretary under paragraph (1) shall be subject to the judicial review described in section 603 of that Act (42 U.S.C. 2000d-2). Any person aggrieved by the action may obtain judicial review in the manner provided in section 1331 of title 28 of the United States Code (relating to the district courts), and any relevant judicial proceedings shall be commenced within 6 months from the date of the action, or within 60 days after the mailing of notice of the action, whichever is later, as provided in subsection (c) of such section and computed under subsection (a)(2)(B) of such section for such year—

(c) DEFINITIONS AND RULE.—

(1) DEFINITIONS.—In this section:

(A) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY.—The terms “elementary school”, “local educational agency”, “secondary school”, and “State educational agency” have the meanings given the terms in section 3 of the Elementary and Secondary Education Act of 1965.

(B) SECRETARY.—The term “Secretary” means the Secretary of Education, acting through the Assistant Secretary for Civil Rights of the Department of Education.

(C) YOUTH GROUP.—The term “youth group” means any group or organization intended to serve young people under the age of 21.

(2) RULE.—For purposes of this section, an elementary school or secondary school has a designated open forum whenever the school involved grants an offering to or opportunity for 1 or more youth or community groups to meet on school premises or in school facilities before or after the hours during which attendance at the school is compulsory.

SA 575. Mr. HARKIN (for himself, Mr. KERRY, Mr. LEVIN, Mr. BIDEN, Mr. REID, Mr. JOHNSON, Mr. CORZINE, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

SEC. 9201. GRANTS FOR SCHOOL RENOVATION.

(a) IN GENERAL.—Of the amount appropriated for each fiscal year under section (k), the Secretary of Education shall allocate—

(1) 6.0 percent of such amount for grants to impacted local educational agencies (as defined in paragraph (3) for school repair, renovation, and construction; and

(2) 0.25 percent of such amount for grants to outlying areas for school repair and renovation in high-need schools and communities, allocated on such basis, and subject to such terms and conditions, as the Secretary determines appropriate; and

(3) 2 percent of such amount for grants to public entities, private nonprofit entities, and consortia of such entities for use in accordance with subpart 2 of part C of this title X; and

(D) the remainder to State educational agencies in proportion to the amount each State received under part A of title I for fiscal year 2001, except that no State shall receive less than 0.5 percent of the amount allocated under this subparagraph; and

(2) DETERMINATION OF GRANT AMOUNT.—

(A) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the grant amount under paragraph (1), the amount each State received under paragraph (1) for fiscal year 2001, the Secretary shall determine the results obtained by the computation made under section 8033 with respect to children who are students in such section and computed under subsection (a)(2)(B) of such section for such year.
“(i) for each impacted local educational agency that receives funds under this section; and

(ii) for all such agencies together.

(2) PAYMENT.—For fiscal year 2002, the Secretary shall calculate the amount of a grant to an impacted local educational agency by—

(i) dividing the amount described in paragraph (1)(A) by the results of the computation described in subparagraph (A)(ii); and

(ii) multiplying the number derived under clause (i) by the results of the computation described in subparagraph (A)(i) for such agency.

(3) DEFINITION.—For purposes of this section, the term ‘impacted local educational agency’ means, for fiscal year 2001—

(A) a local educational agency that received a basic support payment under section 8003(b) for such fiscal year; and

(B) with respect to which the number of students described in subparagraph (A) does not exceed 50 percent of the total student enrollment in the schools of the agency during such fiscal year.

(b) ALLOCATIONS.—

(1) ADMINISTRATIVE COSTS.—

(A) STATE EDUCATIONAL AGENCY ADMINISTRATION.—In awarding grants under this paragraph, each State educational agency may reserve such proportion of the funds available under this subparagraph with respect to such agency as the State entity responsible for the financing of the agency shall transfer such funds to the State educational agency under this section.

(B) STATE ENTITY ADMINISTRATION.—If the State educational agency transfers funds to a State entity described in paragraph (2)(A), the agency shall transfer to such entity 0.75 percent of the amount reserved under this paragraph for the purpose of administering the distribution of funds to local educational agencies described in this subparagraph.

(2) RESERVATION FOR COMPETITIVE SCHOOL REPAIR AND RENOVATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—Subject to the reservation under paragraph (1), of the funds allocated to a State educational agency under section 8003(b)(1)(C), the State educational agency shall distribute 75 percent of such funds to local educational agencies through the financing methods available under this subparagraph.

(B) COMPETITIVE GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(i) In General.—The State educational agency shall carry out a program of competitive grants to local educational agencies for the purpose described in subparagraph (A). Of the total amount available for distribution to such agencies under this paragraph, the State educational agency or State entity, shall, in carrying out the competition—

(I) award to high poverty local educational agencies described in clause (ii), in the aggregate, at least an amount which bears the same relationship to such total amount as the aggregate amount such local educational agencies received under part A of title I for fiscal year 2001 bears to the aggregate amount received for such fiscal year under such part by all local educational agencies in the State; and

(ii) award to rural local educational agencies in the State, in the aggregate, at least an amount which bears the same relationship to such total amount as the aggregate amount such rural local educational agencies received under part A of title I for fiscal year 2001 bears to the aggregate amount received for such fiscal year under such part by all local educational agencies in the State; and

(iii) award the remaining funds to local educational agencies not receiving an award under subparagraph (I) or (II), including high poverty and rural local educational agencies that did not receive such an award.

(ii) HIGH POVERTY LOCAL EDUCATIONAL AGENCIES.—A local educational agency is described in this clause if—

(I) the percentage described in subparagraph (C)(i) with respect to the agency is 50 percent or greater;

(ii) the number of children described in such subparagraph with respect to the agency is at least 10,000; and

(iii) the aggregate amount received for such fiscal year under such part by all local educational agencies described in clause (ii), in the aggregate, constitutes at least 50 percent of the total student enrollment in the schools of the agency during such fiscal year.

(c) COMPUTATION OF PAYMENT.—For fiscal year 2002 and each subsequent fiscal year, the amount of a grant under this section to a State educational agency or State entity shall take into account the following criteria:

(i) the percentage of poor children 5 to 17 years of age, inclusive, in a local educational agency.

(ii) the need of a local educational agency for school repair and renovation, as demonstrated by the condition of its public school facilities.

(iii) the fiscal capacity of a local educational agency to meet its need for repair and renovation of public school facilities without assistance, including its ability to raise funds through the use of local bonding capacity and otherwise.

(iv) the extent to which the school or schools have access to funding for the projects for which the matching funds are made available to other public schools or local educational agencies in the State.

(v) the likelihood that the local educational agency will maintain, in good condition, any facility whose repair or renovation is assisted under this section.

(d) POSSIBLE MATCHING REQUIREMENT.—Subject to the reservation under paragraph (1), in awarding grants under this subparagraph to a State educational agency or State entity, the Secretary shall—

(I) permit such agency to use funds described in this subparagraph to carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), the purpose of which is to—

(aa) improve the ability of a school to carry out activities described in subparagraph (A)(ii); and

(bb) improve the ability of a school to comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(II) permit such agency to use funds described in this subparagraph to carry out activities described in subparagraphs(II) and (IV) of subsection (a)(1)(D) of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), the purpose of which is to—

(aa) improve the ability of a school to carry out activities described in subparagraph (A)(ii); and

(bb) improve the ability of a school to comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(b) ASBESTOS REMOVAL.—In awarding grants under this subparagraph (A) to use funds described in this subparagraph (A) to use funds described in this subparagraph to carry out activities described in subparagraphs (II) and (IV) of subsection (a)(1)(D) of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), the State educational agency shall take into account the relative poverty of the population served by the local educational agency.

(c) RESERVATION FOR COMPETITIVE IDEA OR TECHNOLOGY GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—A State educational agency or State entity may require local educational agencies to match funds awarded under this subparagraph. Such match shall be in the form provided in paragraph (3).

(B) MATCH AMOUNT.—The amount of a match described in clause (i) may be established by using a sliding scale that takes into account the relative poverty of the population served by the local educational agency.

(d) IN GENERAL.—Subject to the reservation under paragraph (1), in awarding grants under this subparagraph to a State educational agency or State entity, the Secretary shall—

(I) permit the agency to use funds described in this subparagraph to carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), the purpose of which is to—

(aa) improve the ability of a school to comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(bb) implement measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls or abatement or a combination of each.

(C) SCHOOL FACILITIES MODIFICATIONS NEEDED TO RENDER PUBLIC SCHOOL FACILITIES ACCESSIBLE TO THE AMERICANS WITH DISABILITIES ACT OF 1990.—In order to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), the Secretary may award grants to local educational agencies for the purpose of—

(I) providing for new construction or alteration of public school facilities, to ensure that such facilities are accessible in order to comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(D) ASBESTOS ABATEMENT OR REMOVAL.—Funds received under this section may be used for—

(aa) asbestos abatement or removal from public school facilities; and

(bb) implementing measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls or abatement or a combination of each.
"(a) payment of maintenance costs in connection with any projects constructed in whole or part with Federal funds provided under this section;" 

"(b) the provision of new facilities, except for facilities for an impacted local educational agency (as defined in subsection (a)(3)); or" 

"(c) libraries or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public." 

"(3) Charter schools.—A public charter school that constitutes a local educational agency under State law shall be eligible for assistance under the same terms and conditions as any other local educational agency (as defined in section 3)." 

"(4) Supplement, not supplant.—Excluding the use described in subparagraphs (B) and (C) of paragraph (1), a local educational agency shall use Federal funds subject to this subsection only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for school repair and renovation."

"(d) Special rule.—Each local educational agency receiving funds under this section shall ensure that, if it carries out repair or renovation through a contract, any such contract process ensures the maximum extent possible that the services are performed by small, minority, and women-owned businesses, through full and open competition."

"(e) Public comment.—Each local educational agency receiving funds under paragraph (2) or (3) of subsection (b)—" 

"(1) shall provide parents, educators, and all other interested members of the community to the extent feasible, with an opportunity to consult on the use of funds received under such paragraph;" 

"(2) shall provide the public with adequate and efficient notice of the opportunity described in paragraph (1) in a widely read and distributed medium; and" 

"(3) shall provide the opportunity described in paragraph (1) in accordance with any applicable State and local law specifying how the comments may be received and how the comments may be reviewed by any member of the public."

"(f) Grant application—" 

"(1) Local reporting.—Each local educational agency receiving funds under subsection (a)(1)(D) shall submit a report to the State educational agency (as defined in subsection (b)(3)(A)) describing the use of such funds for—" 

"(A) school repair and renovation (and construction) activities described in subclauses (I) through (IV) of subsection (b)(3)(A)(ii);" 

"(B) activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); and" 

"(C) technology activities that are carried out in connection with school repair and renovation, including the activities described in subclauses (I) through (IV) of subsection (b)(3)(A)(ii)." 

"(2) State reporting.—Each State educational agency shall submit to the Secretary, not later than December 31, 2003, a report on the use of funds received under subsection (a)(1)(D) by local educational agencies for—" 

"(A) school repair and renovation (and construction) activities described in subclauses (I) through (IV) of subsection (b)(3)(A)(ii);" 

"(B) the term ‘services’ as used in section 5342 with respect to funds under this section shall be provided only to private, nonprofit elementary and secondary schools with a rate of child poverty of at least 40 percent and may include for purposes of subsection (b)(2) only—" 

"(i) modifications of school facilities necessary to meet the standards applicable to public schools under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);" 

"(ii) modifications of school facilities necessary to meet the standards applicable to public schools under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and" 

"(iii) support of school improvement or removal from school facilities; and" 

"(C) notwithstanding the requirements of section 5342(b), expenditures for services provided under this subsection (b)(2) shall be considered equal for purposes of such section if the per-pupil expenditure for services described in subparagraph (A) for students enrolled in private nonprofit elementary and secondary schools that have child poverty rates of at least 40 percent are consistent with the per-pupil expenditures under this section for children enrolled in the public schools in the school district of the local educational agency receiving funds under this section."

"(2) Remaining funds.—If the expenditure for services described in paragraph (1)(B) is less than the amount calculated under paragraph (1)(C) because of insufficient need for such services, the remainder shall be available to the local educational agency for renovation and repair of public school facilities."

"(3) Application.—If any provision of this section, or the application thereof, to any person or circumstances is judicially determined to be invalid, the provisions of the remainder of the section and the application to other persons and circumstances shall not be affected thereby."

"(4) Definitions.—For purposes of this section—" 

"(1) Charter school.—The term ‘charter school’ has the meaning given such term in section 5120(1)."

"(2) Poor children and child poverty.—The terms ‘poor children’ and ‘child poverty’ refer to children 5 to 17 years of age, inclusive, who are from families with incomes below the poverty level under the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant (42 U.S.C. 12672) application of the size involved for the most recent fiscal year for which data satisfactory to the Secretary are available."

"(3) Local educational agency.—The term ‘local educational agency’ means a local educational agency that the State determines is located in a rural area under section 1905(a) and is primarily, in fact and in law, employed definition of the term ‘rural’."

"(4) State.—The term ‘State’ means each of the 50 states, the District of Columbia, and the Commonwealth of Puerto Rico."

"(5) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section, $1,600,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006."
(a) USE OF FUNDS.—To assist charter schools to accomplish the objectives described in this subpart, an eligible entity receiving a grant under this subpart shall use the funds deposited in the reserve account established under section 5168(a) to assist one or more charter schools to access private sector capital to accomplish one or both of the following objectives:

(1) The acquisition (by purchase, lease, donation, or otherwise) of an interest (including a leasehold interest held by a third party for the benefit of a charter school) in improved or unimproved real property that is necessary to commence or continue the operation of a charter school.

(2) The construction of new facilities, or the renovation, repair, or alteration of existing facilities, necessary to commence or continue the operation of a charter school.

(b) INVESTMENT.—Funds received under this subpart and deposited in the reserve account shall be invested in obligations issued or guaranteed by the United States or a State, or in other similarly low-risk securities.

(c) REINVESTMENT OF EARNINGS.—Any earnings on funds received under this subpart shall be reinvested in the reserve account established under subsection (a) and used in accordance with such subsection.

SEC. 5166. LIMITATION ON ADMINISTRATIVE COSTS.

An eligible entity may use not more than 0.25 percent of the funds received under this subpart for the administrative costs of carrying out its responsibilities under this subpart.

SEC. 5167. AUDITS AND REPORTS.

(a) FINANCIAL RECORD MAINTENANCE AND AUDIT.—The financial records of each eligible entity receiving a grant under this subpart shall be maintained in accordance with generally accepted accounting principles and shall be subject to an annual audit by an independent public accountant.

(b) REPORTS.—

(1) GRANTEE ANNUAL REPORTS.—Each eligible entity receiving a grant under this subpart annually shall submit to the Secretary a report of its operations and activities under this subpart.

(2) CONSTRUCTION.—Each such annual report shall include—

(A) a copy of the most recent financial statements, and any accompanying opinion on such statements, prepared by the independent public accountant reviewing the financial records of the eligible entity;

(B) a copy of any report made on an audit of the financial records of the eligible entity that was conducted under subsection (a) during the reporting period;

(C) an evaluation by the eligible entity of the effectiveness of the use of the Federal funds provided under this subpart in leveraging private funds;

(D) a listing and description of the charter schools served during the reporting period;

(E) a description of the activities carried out by the eligible entity to assist charter schools in meeting the objectives set forth in section 5164; and

(F) a description of the characteristics of lenders and other financial institutions participating in the subpart for the administrative costs of the eligible entity under this subpart during the reporting period.

(b) GRANTEE ANNUAL REPORTS.—Each grantee shall annually report to the Secretary a comprehensive annual report on its activities conducted under this subpart.

(c) PROCEDURES.—The provisions of section 5168(c) shall apply to the annual report submitted under this section.

(d) SECRECY.—The Secretary shall comply with the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) in making available for public inspection any report submitted under this section.

SEC. 5168. NO FULL FAITH AND CREDIT FOR GRANTEE OBLIGATIONS.

No financial obligation of an eligible entity entered into pursuant to this subpart (such as a lease, bond, note, evidence of debt, or loan) shall be an obligation of, or guaranteed in any respect by, the United States. The full faith and credit of the United States is not pledged to the payment of funds which may be required to be paid under any obligation made by an eligible entity pursuant to any provision of this subpart.

SEC. 5169. RECOVERY OF FUNDS.

(a) IN GENERAL.—The Secretary, in accordance with chapter 37 of title 31, United States Code, shall collect—

(1) all of the funds in a reserve account established by an eligible entity under section 5168(a) if the Secretary determines, not later than the date on which the entity first received funds under this subpart, that the entity has failed to make substantial progress in carrying out the purposes described in section 5165(a); or

(2) all or a portion of the funds in a reserve account established by an eligible entity under section 5168(a) if the Secretary determines that the eligible entity has permanently ceased to use all or a portion of the funds in such account to accomplish any purpose described in section 5165(a).

(b) EXERCISE OF AUTHORITY.—The Secretary shall not exercise the authority provided in subsection (a) to collect from any eligible entity any funds that are being properly used to achieve one or more of the purposes described in section 5165(a).


SEC. 5170. DEFINITIONS.

In this subpart:

(1) The term ‘charter school’ has the meaning given to such term in section 5130.

(2) The term ‘eligible entity’ means—

(A) a public entity, such as a State or local governmental entity;

(B) a private nonprofit entity; or

(C) a consortium of entities described in subparagraphs (A) and (B).

SEC. 5171. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this subpart, there are authorized to be appropriated $100,000,000 for fiscal year 2001.

SA 576. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

TITLE —NATIONAL COLLEGIATE AND AMATEUR ATHLETIC PROTECTION ACT OF 2001

SEC. 01. SHORT TITLE.

This title may be cited as the ‘National Collegiate and Amateur Athletic Protection Act of 2001.

SEC. 02. TASK FORCE ON ILLEGAL WAGERING ON AMATEUR AND COLLEGIATE SPORTING EVENTS.

(a) ESTABLISHMENT.—The Attorney General shall establish a prosecutorial task force on illegal wagering on amateur and collegiate sporting events (referred to in this section as the ‘task force’).

(b) DUTIES.—The task force shall—

(1) coordinate enforcement of Federal laws that prohibit gambling relating to amateur and collegiate athletic events; and

(2) submit annually, to the House of Representatives and the Senate a report describing specific violations of such laws, prosecutions commenced, and convictions obtained.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

$2,000,000 in fiscal year 2002 and $6,000,000 in each of the fiscal years 2003 through 2006.

SEC. 03. INCREASED PENALTIES FOR ILLEGAL SPORTS GAMING.

(a) INTERSTATE TRANSMISSION OF BETS OR INFORMATION ASSISTING IN PLACING BETS ON

CONGRESSIONAL RECORD — SENATE

May 9, 2001

SEC. 02. TASK FORCE ON ILLEGAL WAGERING ON AMATEUR AND COLLEGIATE SPORTING EVENTS.

(a) ESTABLISHMENT.—The Attorney General shall establish a prosecutorial task force on illegal wagering on amateur and collegiate sporting events (referred to in this section as the ‘task force’).

(b) DUTIES.—The task force shall—

(1) coordinate enforcement of Federal laws that prohibit gambling relating to amateur and collegiate athletic events; and

(2) submit annually, to the House of Representatives and the Senate a report describing specific violations of such laws, prosecutions commenced, and convictions obtained.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

$2,000,000 in fiscal year 2002 and $6,000,000 in each of the fiscal years 2003 through 2006.

SEC. 03. INCREASED PENALTIES FOR ILLEGAL SPORTS GAMING.

(a) INTERSTATE TRANSMISSION OF BETS OR INFORMATION ASSISTING IN PLACING BETS ON
S 4745

May 9, 2001

CONGRESSIONAL RECORD—SENATE

SPORTING EVENTS.—Section 108(a) of title 18, United States Code, is amended by striking "two" and inserting "five".

(b) INTERSTATE TRANSPORTATION OF WAGERING MACHINES.—Section 1955(a) of title 18, United States Code, is amended by adding at the end the following: "If the matter carried or sent in interstate or foreign commerce was intended by the defendant to be used to assist in the placing of bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years."

(d) ILLEGAL GAMBLING BUSINESS.—Section 1955(a) of title 18, United States Code, is amended by adding at the end the following: "If the matter included the placing of bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years."

(e) SPORTS BRIBERY.—Section 221(a) of title 18, United States Code, is amended by adding at the end the following: "If the matter included the placing of bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years."

SEC. 04. STUDY ON ILLEGAL SPORTS GAMBLING BEHAVIOR AMONG MINORS.

(a) IN GENERAL.—The Director of the National Institute of Justice shall conduct a study to determine the extent to which minor persons participate in illegal sports gambling activities.

(b) REPORT.—Not later than 2 years after the date of enactment of this title, the Director of the National Institute of Justice shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate, a report—

(1) describing the extent to which minor persons participate in illegal sports gambling activities; and

(2) making recommendations on actions that should be taken to curtail participation by minor persons in sports gambling activities.

SEC. 05. STUDY OF GAMBLING ON COLLEGE AND UNIVERSITY CAMPUSES.

(a) ESTABLISHMENT OF PANEL.—Not later than 90 days after the date of enactment of this title, the Attorney General shall establish a panel which shall be composed of Federal, State, and local government law enforcement officials, to conduct a study of illegal college sports gambling.

(b) CONTENTS OF STUDY.—The study conducted under subsection (a) shall include an analysis of—

(1) the scope and prevalence of illegal college sports gambling, including unlawful sports gambling as defined in section 3702 of title 28, United States Code;

(2) the role of organized crime in illegal gambling on college sports;

(3) the role of State regulators and the legal sports books in Nevada in assisting law enforcement to uncover illegal sports gambling and related illegal activities;

(4) the findings and implementation of the Professional and Amateur Sports Protection Act of 1992, including whether it has been adequately enforced;

(5) the findings and implementation of the Professional and Amateur Sports Protection Act of 1992, including whether it has been adequately enforced;

(6) the factors that influence the attitudes or levels of awareness of administrators, professors, and student athletes, about illegal gambling on college sports;

(7) the effectiveness of new countermeasures to illegal gambling on college sports, including related requirements for institutions of higher education and persons receiving Federal education funds;

(8) the effectiveness of steps taken by the National Collegiate Athletic Association to address illegal gambling on college and university campuses;

(9) other matters relevant to the issue of illegal gambling on college sports as determined by the Attorney General.

(c) REPORT.—Not later than 12 months after the establishment of the panel under this section, the Attorney General shall submit to Congress a report on the study conducted under this section, which shall include—

(1) recommendations for actions colleges, universities, and the National Collegiate Athletic Association should implement to address the issue of illegal gambling on college sports;

(2) recommendations for intensive educational campaigns which the National Collegiate Athletic Association could implement to assist in the effort to prevent illegal gambling on college sports;

(3) recommendations for any Federal and State legislative actions to address the issue of illegal gambling on college sports; and

(4) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.

SEC. 06. REDUCTION OF GAMBLING ON COLLEGE AND UNIVERSITY CAMPUSES.

(a) COLLEGE PROGRAMS TO REDUCE ILLEGAL GAMBLING.—

(1) COMPREHENSIVE PROGRAM.—Each institution of higher education (as defined in section 101 of the Higher Education Act (20 U.S.C. 1001)) shall designate 1 or more full-time senior officers of the institution to coordinate the implementation of a comprehensive program, as determined by the Secretary of Education, to reduce illegal gambling and gambling control disorders by students and employees of the institution.

(2) ANNUAL REPORTING.—An institution described in paragraph (1) shall annually prepare and submit to the Secretary of Education a report regarding the manner prescribed by the Secretary, concerning the progress made by the institution to reduce illegal gambling by students and employees of the institution.

(b) GAMBLING ENFORCEMENT INFORMATION AND POLICIES.—

(1) IN GENERAL.—Each institution described in subsection (a)(1) shall include—

(A) statistics and other information on illegal gambling, including gambling over the Internet, in addition to the other criminal offense on which such institution must report pursuant to section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)) in the form and manner so prescribed; and

(B) a statement of policy regarding underage and other illegal gambling activity at the institution and the manner prescribed for statements of policy on alcoholic beverages and illegal drugs pursuant to such section 485(f), including a description of any gambling abuse education programs available to students and employees of the institution.

(c) REVIEW OF PROCEDURES.—Notwithstanding paragraph (2) of section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)), the Attorney General, in consultation with the Secretary of Education, shall periodically review the policies, procedures, and practices of institutions described in subsection (a)(1) with respect to campus crimes and security related directly or indirectly to illegal gambling, including the integrity of the athletic contests in which students of the institution participate.

The provisions of the Jeffords amendment (section 485(e)(8)) shall cease to be eligible for such aid upon a determination by either the institution of higher education that sanctions a competitive game or performance in which 1 or more competitors receive such aid, shall annually report to the Attorney General and the Secretary of Education on actions taken to implement this subsection.

SEC. 07. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) illegal sports gambling poses a significant threat to youth on college campuses and in society in general;

(2) State and local governments, the National Collegiate Athletic Association, and other youth, school, and collegiate organizations should provide educational and prevention programs to help youth recognize the dangers of illegal sports gambling and the serious consequences it can have;

(3) such programs should include public service announcements, especially during television and radio broadcasts;

(4) the National Collegiate Athletic Association and other amateur sports governing bodies should adopt mandatory codes of conduct regarding the reduction of illegal sports gambling among our youth; and

(5) the National Collegiate Athletic Association should enlist universities in the United States to develop scientific research on youth sports gambling, and related matters.

SA 577. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

SECTION 1. ESA.

The provisions of the Jeffords amendment (section 358 (107th Congress 395)) incorporated into this Act and enacted into law.

SEC. 2. BROADCAST OF SPORTS GAMBLING EDUCATION INFORMATION.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Federal Communications Commission shall issue a final rule requiring broadcasters
within its jurisdiction to include in any broadcast of a game or performance 1 or more toll-free telephone lines administered by a nonprofit organization to assist persons with a gambling disorder.

SA 578. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

SEC. 01. SHORT TITLE.
This title may be cited as the “National Collegiate and Amateur Athletic Protection Act of 2001”.

SEC. 02. TASK FORCE ON ILLEGAL WAGERING ON AMATEUR AND COLLEGIATE SPORTING EVENTS.
(a) ESTABLISHMENT.—The Attorney General shall establish a prosecutorial task force on illegal wagering on amateur and collegiate sporting events (referred to in this section as the “task force”).
(b) DUTIES.—The task force shall—

1. coordinate enforcement of Federal laws that prohibit gambling relating to amateur and collegiate athletic events; and
2. submit annually, to the House of Representatives and the Senate, a report describing any specific violations of such laws, prosecutions commenced, and convictions obtained.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $4,000,000 in fiscal years 2002 and $6,000,000 in each of the fiscal years 2003 through 2006.

SEC. 03. INCREASED PENALTIES FOR ILLEGAL SPORTS GAMBLING.
(a) INTERSTATE TRANSMISSION OF BETS OR INFORMATIONAL BROADCASTING OF BETS ON SPORTING EVENTS.—Section 1084(a) of title 18, United States Code, is amended by striking “two” and inserting “five”.
(b) INTERSTATE TRANSMISSION OF WAGERING PARAPHERNALIA.—Section 1955(a) of title 18, United States Code, is amended by adding at the end the following: “If the matter carried or sent in interstate or foreign commerce was intended by the defendant to be used to place bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years.”.
(c) ILLEGAL GAMBLING BUSINESS.—Section 1955(a) of title 18, United States Code, is amended to read—“(a) ILLEGAL GAMBLING BUSINESS.—Section 1955(a) of title 18, United States Code, is amended by adding at the end the following: “If the gambling business included the placing of bets or wagers on any sporting or contest, the maximum term of imprisonment for the offense shall be 10 years.”.
(d) SPORTS BRIBERY.—Section 225(a) of title 18, United States Code, is amended by adding at the end the following: “If the offense violated paragraph (1) or (3) of this subsection and the illegal activity included the placing of bets or wagers on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years.”.

SEC. 04. STUDY ON ILLEGAL GAMBLING BEHAVIOR AMONG MINORS.
(a) IN GENERAL.—The Director of the National Institute of Justice shall conduct a study to determine to which minor persons participate in illegal sports gambling activities.
(b) REPORT.—Not later than 2 years after the date of enactment of this title, the Director of the National Institute of Justice shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report—

1. describing the extent to which minor persons participate in illegal sports gambling activities; and
2. making recommendations on actions that should be taken to curtail participation by minor persons in sports gambling activities.

SEC. 05. STUDY OF GAMBLING ON COLLEGE AND UNIVERSITY CAMPUSES.
(a) ESTABLISHMENT OF PANEL.—Not later than 90 days after the date of enactment of this title, the Attorney General shall establish a panel, which shall be composed of Federal, State, and local government law enforcement officials, the National Collegiate Athletic Association, the National Institute of Justice, and other interested parties, to conduct a study of illegal college sports gambling.
(b) CONTENTS OF STUDY.—The study conducted by the panel established under subsection (a) shall include—

1. the scope and prevalence of illegal college sports gambling, including unlawful sports gambling (as defined in section 3702 of title 28, United States Code); and
2. the role of organized crime in illegal gambling on college sports.
(c) ANNUAL REPORTING.—In the case of State legislative actions to address the issue of illegal gambling on college campuses, such report shall include—

1. the factors that influence the attitudes of students, professors, and other employees about illegal gambling on college campuses;
2. the effectiveness of new countermeasures to reduce illegal gambling on college campuses, including related requirements for institutions of higher education and professional and private sector actions to address the issue of illegal gambling on college campuses; and
3. any other relevant information.

SEC. 06. REDUCTION OF GAMBLING ON COLLEGE CAMPUSES.
(a) COLLEGE PROGRAMS TO REDUCE ILLEGAL GAMBLING.
(1) COMPREHENSIVE PROGRAM.—Each institution of higher education (as defined in section 101 of the Higher Education Act (20 U.S.C. 1001)) shall designate 1 or more full-time senior officers of the institution to coordinate the implementation of comprehensive programs, as determined by the Secretary of Education, to reduce illegal gambling and gambling control disorders by students and employees of the institution.
(2) ANNUAL REPORTING.—An institution designated under paragraph (1) shall submit to the Secretary of Education a report, in a form and manner prescribed by the Secretary, regarding the progress made by the institution to reduce illegal gambling by students and employees of the institution.
(3) CONTINUED ELIGIBILITY.—An institution described in paragraph (1) shall make reasonable further progress (as defined by the Secretary of Education) toward the elimination of illegal gambling as a condition of the institution remaining eligible for assistance and participation in other programs authorized under the Higher Education Act of 1965 (20 U.S.C. 1001).
(b) GAMBING ENFORCEMENT INFORMATION AND POLICIES.
(1) In General.—Each institution described in subsection (a)(1) shall include—
(A) statistics and other information on illegal gambling, including gambling over the Internet, in addition to the other criminal offense on which such institution must report pursuant to section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)) in the form prescribed; and
(B) a statement of policy regarding underage and other illegal gambling activity at the institution, in the form and manner prescribed for statement of policy on alcoholic beverages and illegal drugs pursuant to such section 485(f), including a description of any gambling abuse education programs available to students and employees of the institution.

(2) Review of Procedures.—Notwithstanding paragraph (2) of section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)), the Attorney General, in consultation with the Secretary of Education, shall periodically review the policies, procedures, and practices of institutions described in subsection (a)(1) with respect to campus crimes and security related directly or indirectly to illegal gambling, including the integrity of the athletic contests in which students of the institution participate.

(c) Zero Tolerance of Illegal Gambling.—

(1) Revocation of Aid.—A recipient of athletically related student aid (as defined in section 485(e)(6) of the Higher Education Act of 1965 (20 U.S.C. 1092(f))) shall cease to be eligible for such aid upon a determination by either the institution of higher education providing such aid, or the applicable amateur sports organization, that the recipient has engaged in illegal gambling activity, including sports bribery, in violation of the policies or by-laws of the institution or organization.

(2) Report.—An institution of higher education that provides athletically related student aid, and an amateur sports organization that sanctions a competitive game or performance in which 1 or more competitors receive such aid, shall annually report to the Attorney General and the Secretary of Education on actions taken to implement this subsection.

SEC. 07. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) illegal sports gambling poses a significant threat to youth on college campuses and in society in general;

(2) States and local governments, the National Collegiate Athletic Association, and other youth, school, and collegiate organizations should provide educational and prevention programs to help youth recognize the dangers of illegal sports gambling and the serious consequences it can have;

(3) such programs should include public service announcements, especially during tournament and bowl game coverage;

(4) the National Collegiate Athletic Association and other amateur sports governing bodies should mandatory require a criminal record regarding the avoidance and prevention of illegal sports gambling among our youth; and

(5) the National Collegiate Athletic Association should enlist universities in the United States to develop scientific research on youth sports gambling, and related matters.

SA 580. Mr. KYL submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ... CREDIT FOR CONTRIBUTIONS TO CHARITABLE ORGANIZATIONS WHICH PROVIDE SCHOLARSHIPS FOR STUDENTS ATTENDING ELEMENTARY AND SECONDARY SCHOOLS.

(a) In General.—Subpart B of part IV of chapter 1 of the Internal Revenue Code of 1986 is amended by adding the following new section:

"SEC. 30B. CREDIT FOR CONTRIBUTIONS TO CHARITABLE ORGANIZATIONS WHICH PROVIDE SCHOLARSHIPS FOR STUDENTS ATTENDING ELEMENTARY AND SECONDARY SCHOOLS.

(a) Allowance of Credit.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified charitable contributions of the taxpayer for the taxable year.

(b) Maximum Credit.—The credit allowed by subsection (a) for any taxable year shall not exceed $250 ($500, in the case of a joint return).

(c) Qualified Charitable Contribution.—For purposes of this section—

(1) In General.—The term 'qualified charitable contribution' means, with respect to any taxable year, the amount allowable as a deduction under section 170 (determined without regard to subsection (d)(1) for cash contributions to a school tuition organization.

(2) School Tuition Organization.—

(A) In General.—The term 'school tuition organization' means any organization described in section 170(c)(2) if the annual disbursements of the organization for elementary and secondary school scholarships are normally not less than 90 percent of the sum of such organization's annual gross income and contributions and gifts.

(B) Elementary and Secondary School Scholarship.—The term 'elementary and secondary school scholarship' means any scholarship excludable from gross income under section 117 for expenses related to education at or below the 12th grade.

(d) Special Rules.—

(1) Denial of Double Benefit.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

(2) Application With Other Credits.—The credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

(A) the regular tax for the taxable year, reduced by the sum of the credits allowable under subsection A and the preceding sections of this subpart, over

(B) the tentative minimum tax for the taxable year.

(3) Controlled Groups.—All persons who are treated as one employer under subsection (a) or (b) of section 52 shall be treated as 1 taxpayer for purposes of this section.

(4) Election To Have Credit Not Apply.—A taxpayer may elect to have this section not apply for any taxable year.

(b) Clerical Amendment.—The table of sections for subpart B of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"Sect. 30B. Credit for contributions to charitable organizations which provide scholarships for students attending elementary and secondary schools."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SA 581. Mr. KYL submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ... CREDIT FOR CONTRIBUTIONS TO CHARITABLE ORGANIZATIONS WHICH PROVIDE SCHOLARSHIPS FOR STUDENTS ATTENDING ELEMENTARY AND SECONDARY SCHOOLS.

(a) Allowance of Credit.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified charitable contributions of the taxpayer for the taxable year.

(b) Maximum Credit.—The credit allowed by subsection (a) for any taxable year shall not exceed $250 ($500, in the case of a joint return).

(c) Qualified Charitable Contribution.—For purposes of this section—

(1) In General.—The term 'qualified charitable contribution' means, with respect to any taxable year, the amount allowable as a deduction under section 170 (determined without regard to subsection (d)(1) for cash contributions to a school tuition organization.

(2) School Tuition Organization.—

(A) In General.—The term 'school tuition organization' means any organization described in section 170(c)(2) if the annual disbursements of the organization for elementary and secondary school scholarships are normally not less than 90 percent of the sum of such organization's annual gross income and contributions and gifts.

(B) Elementary and Secondary School Scholarship.—The term 'elementary and secondary school scholarship' means any scholarship excludable from gross income under section 117 for expenses related to education at or below the 12th grade.

(d) Special Rules.—

(1) Denial of Double Benefit.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

(2) Application With Other Credits.—The credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

(A) the regular tax for the taxable year, reduced by the sum of the credits allowable under subsection A and the preceding sections of this subpart, over

(B) the tentative minimum tax for the taxable year.

(3) Controlled Groups.—All persons who are treated as one employer under subsection (a) or (b) of section 52 shall be treated as 1 taxpayer for purposes of this section.

(4) Election To Have Credit Not Apply.—A taxpayer may elect to have this section not apply for any taxable year.

(b) Clerical Amendment.—The table of sections for subpart B of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:
SA 582. Mr. HUTCHINSON submitted an amendment intended to be proposed to amendment SA 457 submitted by Mr. DODD and intended to be proposed to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 1. IMPACT AID TECHNICAL AMENDMENTS. (a) FEDERAL PROPERTY PAYMENTS.—Section 802(b) (20 U.S.C. 702(b)) (as amended by section 1806(b)(2) of the John H. Chafee Environmental Education Act of 2001) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ‘‘and was eligible to receive a payment under section 2 of the Act of September 30, 1950’’ and inserting ‘‘and that filed, or has been determined pursuant to law to have filed, a timely application and met, or has been determined pursuant to law to meet, the eligibility requirements of section 2(a)(1)(C) of the Act of September 30, 1950’’; and

(B) in subparagraph (B), by striking ‘‘or if the local educational agency did not meet, or has not been determined pursuant to law to meet, the eligibility requirements of section 2(a)(1)(C) of the Act of September 30, 1950, for fiscal year 1994’’.

(2) in paragraph (2)—

(A) in subparagraph (A), by inserting before the period at the end the following:

‘‘(1) in paragraph (1)—

(B) in subparagraph (B), by striking ‘‘(or if the local educational agency did not receive a payment under section 2 for fiscal year 1995)’’ and inserting ‘‘(or if the local educational agency did not receive a payment under section 2 for fiscal year 1995 and inserted in the purpose requirements of section 2(a)(1)(C) of the Act of September 30, 1950, for fiscal year 1994’’;

and

(B) in subparagraph (B), by striking ‘‘for each local educational agency that received a payment under this section for fiscal year 1995’’ and inserting ‘‘for each local educational agency described in subparagraph (A)’’; and

(3) in paragraph (4)—

(A) by striking ‘‘(in the same manner as percentage shares are determined for local educational agencies under paragraph 2(b)(ii))’’ and inserting ‘‘(by dividing the maximum amount that the agency is eligible to receive under subsection (b) by the total of the maximum amounts for all such agencies)’’; and

(B) by striking ‘‘, except that for the purpose of calculating a local educational agency’s assessed value of the Federal property,’’ and inserting ‘‘, except that, for the purpose of determining a local educational agency’s maximum amount under subsection (b),’’

(b) CALCULATION OF PAYMENT UNDER SECTION 8003 FOR SMALL LOCAL EDUCATIONAL AGENCIES.—Section 803(b)(3)(B)(iv) (20 U.S.C. 7003(b)(3)(B)(iv)) (as amended by section 1806(b)(2)(C) of the Impact Aid Reauthorization Act of 2000) is amended by adding a new paragraph (3) before the period at the end of paragraph (3) as follows:

‘‘(3) in paragraph (1) of subsection (a)—

(1) in paragraph (1), by striking ‘‘50 percent’’ and inserting ‘‘15 percent’’; and

(2) by striking paragraph (2).’’

SA 584. Mr. INHOFE submitted an amendment intended to be proposed to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

Subtitle —Environmental Education

SEC. 9. SHORT TITLE. (a) This Subtitle.—This subtitle may be cited as the ‘‘John H. Chafee Environmental Education Act of 2001’’.

(b) NATIONAL ENVIRONMENTAL EDUCATION ACT.—Section 1(a) of the National Environmental Education Act (20 U.S.C. 5501) is amended by striking ‘‘John H. Chafee Environmental Education Act’’.

SEC. 9. OFFICE OF ENVIRONMENTAL EDUCATION. Section 4 of the John H. Chafee Environmental Education Act (20 U.S.C. 5503) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by inserting ‘‘objective and scientifically sound’’ after ‘‘support’’;

(B) by striking paragraph (6);

(C) by redesignating paragraphs (7) through (13) as paragraphs (6) through (12), respectively;

and

(D) in paragraph (12) (as so redesignated), by inserting before the period at the end the following:

‘‘through the headquarters and the regional offices of the Agency’’;

and

(2) by striking subsection (c) and inserting the following:

‘‘(c) STAFF.—The Office of Environmental Education shall—

1. include a headquarters staff of not more than 10 full-time equivalent employees; and

2. be supported by 1 full-time equivalent employee in each regional office of the Agency.

(d) ACTIVITIES.—The Administrator may carry out the activities described in subsection (b) directly or through awards of grants, cooperative agreements, or contracts.’’.

SEC. 9. ENVIRONMENTAL EDUCATION GRANTS. Section 6 of the John H. Chafee Environmental Education Act (20 U.S.C. 5505) is amended—

(1) in the second sentence of subsection (i), by striking ‘‘25 percent’’ and inserting ‘‘15 percent’’; and

(2) by adding at the end the following:

‘‘(j) LOBBYING ACTIVITIES.—A grant under this section may not be used to support a lobbying activity (as described in the document prepared by the Office of Management and Budget and designated as OMB Circulars No. A-21 and No. A-122).’’

(k) GUIDANCE REVIEW.—Before the Administrator issues any guideline to grant applicants, the guidance shall be reviewed and approved by the Science Advisory Board of the
SEC. 9. 4. JOHN H. CHAFEE MEMORIAL FELLOWSHIP PROGRAM.

(a) In General.—Section 7 of the John H. Chafee Environmental Education Act (20 U.S.C. 5502) is amended to read as follows:

SEC. 7. JOHN H. CHAFEE MEMORIAL FELLOWSHIP PROGRAM.

"(a) Establishment.—There is established the John H. Chafee Memorial Fellowship Program to stimulate innovative graduate level study and the development of expertise in complex, relevant and important environmental issues and effective approaches to addressing those issues through organized programs of guided independent study and environmental research.

"(c) Award.—Each John H. Chafee Fellowship shall—

"(1) be made available to individual candidates through a sponsoring institution and in accordance with an annual competitive selection process established under subsection (f)(3); and

"(d) Focus.—Each John H. Chafee Fellowship shall focus on an environmental, natural resource, or public health protection issue that a sponsoring institution determines to be appropriate.

"(e) Sponsoring Institutions.—The John H. Chafee Fellowships may be applied for through any sponsoring institution.

"(f) Panel.—

"(1) In general.—The National Environmental Education Advisory Council established by section 9(a) shall administer the John H. Chafee Fellowship Panel.

"(2) Membership.—The Panel shall consist of not more than 11 members, appointed by a majority vote of members of the National Environmental Education Advisory Council, of whom—

"(A) 2 members shall be professional educators in higher education;

"(B) 2 members shall be environmental scientists;

"(C) 1 member shall be a public environmental policy analyst;

"(D) 3 duties.—The Panel shall—

"(A) establish criteria for a competitive selection process for recipients of John H. Chafee Fellowships;

"(B) receive applications for John H. Chafee Fellowships; and

"(C) annually review applications and select recipients of John H. Chafee Fellowships.

"(g) Distribution of Funds.—The amount of each John H. Chafee Fellowship shall be provided to each such fellowship recipient selected by the Panel upon receipt of a certification from the recipient that the recipient will adhere to a specific and detailed plan of study and research.

"(h) Funding.—From amounts made available under section 13(b)(1)(C) for each fiscal year, the Office of Environmental Education shall make available to each such fellowship recipient selected by the Panel upon receipt of a certification from the recipient that the recipient will adhere to a specific and detailed plan of study and research.

"(2) in paragraph (13), by striking the period at the end and inserting a semicolon; and

"(3) by adding at the end the following:

"(14) 'Panel' means the John H. Chafee Fellowship Panel established under section 7(f); and

"(15) 'sponsoring institution' means an institution of higher education;".

"(c) Conforming Amendment.—The table of contents in section 1(b) of the John H. Chafee Environmental Education Act (20 U.S.C. 5502) is amended by striking the item relating to section 7 and inserting the following:

"Sec. 7. John H. Chafee Memorial Fellowship Program.".

SEC. 9. 5. NATIONAL ENVIRONMENTAL EDUCATION AWARDS.

(a) In General.—Section 8 of the John H. Chafee Environmental Education Act (20 U.S.C. 5507) is amended—

"(1) by striking the item relating to section 10, and inserting the following:

"(2) M EMBERSHIP.—Membership on the Task Force shall be open to representatives of any Federal agency actively engaged in environmental education; and

"(3) in subsection (d), by striking "(d)(1)" and all that follows through "(2) The" and inserting the following:

"(d) Meetings and Reports.—

"(1) In general.—The Advisory Council shall—

"(A) hold biennial meetings on timely issues regarding environmental education; and

"(B) issue a report describing the proceedings of each meeting and recommendations resulting from the meeting.

"(2) Review and Comment on Draft Reports.—The

SEC. 9. 7. NATIONAL ENVIRONMENTAL LEARNING FOUNDATION.

(a) Change in Name.—Section 10 of the John H. Chafee Environmental Education Act (20 U.S.C. 5509) is amended—

"(A) in the first sentence of subsection (a)(1), by striking "the Environmental Youth Awards" and inserting "the President's Environmental Youth Awards"; and

"(B) in the first sentence of subsection (a)(2), by striking paragraph (3) and inserting the following:

"(3) A CKNOWLEDGMENT OF DONORS.—The

"(c) Conforming Amendments.—

"(A) The table of contents in section 1(b) of the John H. Chafee Environmental Education Act (20 U.S.C. 5502) is amended by striking the item relating to section 10 and inserting the following:

"Sec. 10. National Environmental Learning Foundation.

"(B) Section 3 of the John H. Chafee Educational Improvement Act (20 U.S.C. 5502) is amended by striking the following:

"(2) 'Foundation' means the National Environmental Learning Foundation established by section 10; and

"(C) in paragraph (3), by striking "National Environmental Education and Training Foundation" and inserting "Foundation".

"(b) Number of Directors.—Section 10(d)(1)(A) of the John H. Chafee Environmental Education Act (20 U.S.C. 5509)(b)(1)(A) is amended by striking the following:

"(1) in paragraph (12), by striking and secondary schools;

"(ii) colleges and universities;

"(iii) not-for-profit organizations involved in environmental education; and

"(iv) State departments of education and natural resources; and

"(v) business and industry.

"(B) in the third sentence, by striking "A representative" and inserting the following:

"(C) REPRESENTATIVE OF THE SECRETARY.— A representative; and

"(D) CONFLICTS OF INTEREST.—The conflict...".

"(2) by adding at the end the following:

"(d) Meetings and Reports.—

"(1) in general.—The Advisory Council shall—

"(A) hold biennial meetings on timely issues regarding environmental education; and

"(B) issue a report describing the proceedings of each meeting and recommendations resulting from the meeting.

"(2) Review and Comment on Draft Reports.—The

"(B) in the first sentence of subsection (a)(1), by striking "the Environmental Youth Awards" and inserting "the President's Environmental Youth Awards"; and

"(B) in the first sentence of subsection (a)(2), by striking paragraph (3) and inserting the following:

"(3) Acknowledgment of Donors.—The Foundation may acknowledge receipt of donations by means of a listing of the names of donors in materials distributed by the Foundation, except that any such acknowledgment—

"(i) elementary schools and secondary schools;

"(ii) colleges and universities;

"(iii) not-for-profit organizations involved in environmental education; and

"(iv) State departments of education and natural resources; and

"(v) business and industry.

"(B) in the third sentence, by striking "A representative" and inserting the following:

"(C) Representative of the Secretary.— A representative; and

"(D) Conflicts of Interest.—The conflict...".

"(B) by adding at the end the following:

"(d) Meetings and Reports.—

"(1) in general.—The Advisory Council shall—

"(A) hold biennial meetings on timely issues regarding environmental education; and

"(B) issue a report describing the proceedings of each meeting and recommendations resulting from the meeting.

"(2) Review and Comment on Draft Reports.—The

"(B) in the first sentence of subsection (a)(1), by striking "the Environmental Youth Awards" and inserting "the President's Environmental Youth Awards"; and

"(B) in the first sentence of subsection (a)(2), by striking paragraph (3) and inserting the following:

"(3) Acknowledgment of Donors.—The Foundation may acknowledge receipt of donations by means of a listing of the names of donors in materials distributed by the Foundation, except that any such acknowledgment—
among 2 or more institutions of higher education; and

SEC. 9. INFORMATION STANDARDS.
(a) IN GENERAL.—The John H. Chafee Environmental Education Act is amended by inserting after section 11 (as added by section 9 _b(a)(2)) the following:

**SEC. 12. INFORMATION STANDARDS.** In disseminating information under this Act, the Office of Environmental Education shall comply with the guidelines issued by the Administrator under section 515 of the Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516 note, 114 Stat. 2763A–153).".

(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the John H. Chafee Environmental Education Act (20 U.S.C. prec. 5501) is amended by striking the item relating to section 11 and inserting the following:

**Sec. 11. Environmental Stewardship Grant Program.**

**SEC. 12. Information standards.**

"Sec. 13. Authorization of appropriations."

**SEC. 9. ADMINISTRATION OF APPROPRIATIONS.**

Section 13 of the John H. Chafee Environmental Education Act (20 U.S.C. 5510) (as redesignated by section 9 _b(a)(1)) is amended—

(1) by redesigning subsection (c) as subsection (d).

(2) by striking the section heading and subsections (a) and (b) and inserting the following:

**SEC. 13. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—There is authorized to be appropriated to the Environmental Protection Agency to carry out this Act $13,000,000 for each of fiscal years 2002 through 2007, of which—

(1) $3,000,000 for each fiscal year shall be used to carry out section 11; and

(2) $10,000,000 for each fiscal year shall be allocated in accordance with subsection (b).

(b) LIMITATIONS.—

(1) IN GENERAL.—Subject to paragraph (2), of the amounts made available under subsection (a) for each fiscal year—

(A) not more than 25 percent may be used for the activities of the Office of Environmental Education established under section 4;

(B) not more than 25 percent may be used for the operation of the environmental education and training programs under section 5;

(C) not less than 40 percent shall be used for environmental education grants under section 6 and for the John H. Chafee Memorial Fellowship Program under section 7; and

(D) 10 percent shall be used for the activities of the Foundation under section 10.

(2) ADMINISTRATIVE EXPENSES.—Of the amounts made available under paragraph (1)(A) for each fiscal year, not more than 10 percent may be used for administrative expenses of the Office of Environmental Education.

(c) EXPENSE REPORT.—As soon as practicable after the end of each fiscal year, the Administrator shall submit to Congress a report describing in detail the activities for which funds appropriated for the fiscal year were expended; and

(3) in subsection (d) (as redesignated by paragraph (1))—

(A) by striking ‘‘National Environmental Education and Training Foundation’’ and inserting ‘‘Foundation’’; and

(B) in paragraph (2), by striking ‘‘section 10(d) of this Act’’ and inserting ‘‘section 10(e)’’."

**SEC. 12. LOCAL EARLY READING FIRST GRANTS.**

(a) PROGRAM AUTHORIZED.—From amounts appropriated under section 1002(b)(3), the Secretary shall award grants, on a competitive basis, for periods of not more than 5 years, to eligible applicants to enable the eligible applicant to carry out the authorized activities described in subsection (e).

(1) DEFINITION OF ELIGIBLE APPLICANT.—In this subpart the term ‘‘eligible applicant’’ means—

(1) one or more local educational agencies that is eligible to receive a subgrant under subpart 2;

(2) one or more public or private organizations, acting on behalf of 1 or more programs that serve preschool age children at a Head Start center, a child care program, or a family literacy program), which organizations shall be located in a community served by a local educational agency described in paragraph (1); or

(3) one or more local educational agencies that desires to receive a grant under this section shall submit an application to the Secretary which shall include a description of—

(i) the programs to be served by the proposed project, including demographic and socioeconomic information on the preschool age children enrolled in the programs;
“(2) how the proposed project will prepare and provide ongoing assistance to staff in the programs, through professional development and other support, to provide high-quality early childhood and preschool education using scientifically based research, for preschool age children;

(3) how the proposed project will provide services that are based on scientifically based research on early language acquisition, prereading activities, and the development of spoken language skills;

(4) how the proposed project will help staff in the programs to meet the diverse needs of preschool age children in the community better, including such children with limited English proficiency, disabilities, or other special needs;

(5) how the proposed project will help preschool age children, particularly such children experiencing difficulty with spoken language, prereading, and literacy skills, to make the transition from preschool to formal classroom instruction in school;

(6) if the eligible applicant has received a subgrant under part 2, how the activities conducted under this subpart will be coordinated with the eligible applicant’s activities under part 2 at the kindergarten through third-grade level;

(7) how the proposed project will evaluate the success of the activities supported under this subpart in achieving the scientific language, literacy, and prereading development of preschool age children served by the project; and

(8) such other information as the Secretary may require.

(d) APPROVAL OF APPLICATIONS.—The Secretary shall select applicants for funding under this subpart on the basis of the quality of the applications, in consultation with the National Institute for Child Health and Human Development, the National Institute for Literacy, and the National Academy of Sciences. The Secretary shall select applications for approval under this subpart on the basis of a peer review process.

(1) AUTHORIZED ACTIVITIES.—An eligible applicant that receives a grant under this subpart shall use the funds provided under the grant to carry out the following activities:

(A) Providing preschool age children with high-quality oral language and literature-rich environments in which to acquire language and literacy skills;

(B) Providing professional development that is based on scientifically based research knowledge of early language and reading development for the staff of the eligible applicant and that will assist in developing the preschool age children’s—

(i) spoken language (including vocabulary, the contextual use of speech, and syntax) and oral comprehension abilities;

(ii) understanding that spoken language can be analyzed into discrete words, and awareness that words can be broken into sequences of syllables and phonemes;

(iii) automatic recognition of letters of the alphabet and understanding that letters or groups of letters systematically represent the component sounds of the language; and

(iv) knowledge of the purposes and conventions of print.

(C) Identifying and providing activities and instructional materials that are based on scientifically based research for use in developing the skills and abilities described in subparagraphs (A) and (B)

(D) Acquiring, providing training for, and implementing screening tools or other appropriate measures that are based on scientifically based research to determine whether preschool age children are developing the skills described in this subsection.

(2) how the proposed project will integrate such instructional materials, activities, tools, and measures into the programs offered by the eligible applicant.

(3) for 2 consecutive years, the Secretary shall reduce, by not more than 30 percent, the amount of such professional development activities offered to the staff of the eligible applicant who serve preschool age children and the amount of such professional development and research that have proven effective.

(4) Each eligible applicant receiving a grant under this subpart shall report annually to the Secretary regarding the eligible applicant with National Institute for Child Health and Human Development, the National Institute for Literacy, and the Department of Health and Human Services.

(5) how the proposed project will help preschool age children, particularly such children experiencing difficulty with spoken language, prereading, and literacy skills, to make the transition from preschool to formal classroom instruction in school; and

(6) such other information as the Secretary may require.

(e) INFORMATION DISSEMINATION.—The Secretary shall consult with the Secretary of Health and Human Services in order to coordinate the activities undertaken under this subpart with preschool age programs administered by the Department of Health and Human Services.

(f) AUTHORIZED ACTIVITIES.—An eligible applicant for funding under this subpart shall use the funds provided under section 1292(c)(7) to carry out the following activities:

(1) for the total amount appropriated under section 1002(b)(3) for the period beginning October 1, 2002 and ending September 30, 2003, the Secretary shall reserve not more than $20,000,000 to fund professional development projects undertaken by eligible applicants that will disseminate information on scientifically based research on language and literacy development to States and education agencies through the National Institute for Child Health and Human Development, the National Institute for Literacy, and the Department of Health and Human Services, and the National Academy of Sciences.

(g) NO CHILD LEFT BEHIND AWARDS.—The Secretary may make grants to eligible applicants for the following purposes:

(1) to improve the English proficiency of students who enter school with limited English proficiency;

(2) to improve the English proficiency of students who are economically disadvantaged students;

(3) for the improvement of assessments required by section 1111; and

(4) to improve the English proficiency of students described in section 1111(b)(2)(B)(v)(II); and

(h) for 2 consecutive years, the Secretary shall reduce, by not more than 30 percent, the amount of funds that the State may reserve for the following purposes:

(1) to improve the English proficiency of students described in section 1111(b)(2)(B)(v)(II); and

(2) to improve the English proficiency of students described in section 1111(b)(2)(B)(v)(II).
“(B) beginning with the 2nd year for which data are available on State assessments under the National Assessment of Educational Progress of 4th and 8th grade reading and math the State has failed to demonstrate an increase in the achievement of each of the categories of students described in section 1111(b)(2)(B)(v)(II).

“(b) MACHO FAMILIA.

“(1) BARRIERS TO EXPRESSION PROGRESS.—If the Secretary makes the determinations described in subsection (a)(2) for a third or subsequent consecutive year, the Secretary, by not more than 75 percent, the amount of funds that the State may reserve for the subsequent fiscal year for State administration under the program authorized by this Act that the Secretary determines are formula grant programs.

SEC. 6203. GRANTS FOR STATE ASSESSMENTS AND RELATED ACTIVITIES.

“(a) STATE GRANTS AUTHORIZED.—From amounts appropriated under subsection (c) the Secretary shall award grants to States to enable the States to pay the costs of—

“(1) developing assessments and standards required by amendments made to this Act by the Better Education for Students and Teachers Act;

“(2) working in voluntary partnerships with other States to develop such assessments and standards; and

“(3) activities described in this part or related to ensuring accountability for results in the State’s public elementary schools or secondary schools, and local educational agencies such as—

“(A) developing content and performance standards, and aligned assessments, in subjects other than those assessments that were required by amendments made to section 1111 by the Better Education for Students and Teachers Act; and

“(B) administering the assessments required by amendments made to section 1111 by the Better Education for Students and Teachers Act.

“(b) ALLOCATIONS TO STATES.—

“(1) IN GENERAL.—From the amount appropriated to carry out this section for any fiscal year, the Secretary first shall allocate $3,000,000 to each State.

“(2) RANKING.—The Secretary shall allocate any remaining funds among the States on the basis of their respective numbers of children enrolled in grades 3 through 8 in public elementary schools and secondary schools.

“DEFINITION OF STATE.—For the purpose of this subsection, the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“AUTHORIZATION OF APPROPRIATIONS.—For the purposes of carrying out this section, there are authorized to be appropriated $400,000,000 for fiscal year 2002, and such sums as may be necessary for each of the succeeding fiscal years.

SEC. 6204. AUTHORIZATION OF APPROPRIATIONS.

“(a) NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS.—For the purpose of administering the State assessments under the National Assessment of Educational Progress, there are authorized to be appropriated $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the succeeding fiscal years.

“(b) EDUCATION AWARDS.—For the purpose of carrying out section 6201, there are authorized to be appropriated $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the succeeding fiscal years.

SA 588. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 74, strike line 24, and insert the following:

On page 98, line 25, strike “(D)” and insert “(C)”.

On page 99, line 6, insert “(i)” after “(B)”. On page 99, line 12, strike “(i)” and insert “(II)”.

On page 99, line 14, strike “(ii)” and insert “(II)”.

On page 99, line 16, strike “(iii)” and insert “(III)”.

On page 99, line 19, strike “(iv)” and insert “(IV)”.

On page 99, line 21, strike “(v)” and insert “(V)”.

On page 99, between lines 22 and 23, insert the following:

“A rural local agency, as described in section 5221(b), may apply to the Secretary for a waiver of the requirements of this subparagraph if the agency submits to the Secretary an alternative plan for making significant changes to improve student performance in the school, such as providing an academically focused after school program for all students, changing school administration, or implementing a research based, proven effective, whole school reform program. The Secretary shall approve or reject an application for a waiver under this subparagraph no later than 30 days after the submission of information required by the Secretary to apply for the waiver. If the Secretary fails to make a determination with respect to the waiver application within such 30 days, the application shall be considered approved by the Secretary.”

On page 100, line 6, strike “(D)” and insert “(C)”.

On page 100, line 23, strike “(A)”.

On page 101, strike lines 5 through 20.

On page 102, lines 15 and 16, strike “(7)(C) and subject to paragraph (7)(D)” and insert “(B)”.

On page 102, line 21, strike “, and that,” and all that follows through “(II)”, on page 102, line 25.

On page 103, line 1, strike “(D)” and insert “(C)”.

On page 104, line 7, strike “(C)” and insert “(C)”.

On page 105, line 20, strike “section 1111(b)(2)(B)” and insert “sections 1111(b)(2)(B) and (D)”.

On page 105, line 21, strike “section 1111(b)(2)(B)” and insert “sections 1111(b)(2)(B) and (D)”.

On page 105, line 22, strike “section 1111(b)(2)(B)” and insert “sections 1111(b)(2)(B) and (D)”.

On page 106, lines 20 and 21, strike “section 1111(b)(2)(B)” and insert “sections 1111(b)(2)(B) and (D)”.

On page 106, between lines 13 and 14, insert the following:

“(C) Not later than 30 days after a State educational agency makes an initial determination under subparagraph (A), the State educational agency shall make public a final determination regarding the improvement status of the local educational agency.

On page 106, line 25, strike “meet proficient levels” and insert “make continuous and significant progress towards meeting the goal of all students reaching”.

On page 106, line 26, strike “and that,” and all that follows through “disadvantaged students,” on page 106, line 10.

On page 107, line 20, strike “(D)” and insert “(C)”.

On page 107, line 21, strike “, and that,” and all that follows through “disadvantaged students,” on page 107, line 10.

On page 108, line 21, strike “section 1111(b)(2)(B)” and insert “sections 1111(b)(2)(B) and (D)”.

On page 108, line 22, strike “section 1111(b)(2)(B)” and insert “sections 1111(b)(2)(B) and (D)”.

On page 109, line 5, strike “(C)” and insert “(E)”.

On page 112, line 16, strike “(A)”.

On page 112, line 19, strike “(D)” and insert “(B)”.

On page 112, line 23, strike “section 1111(b)(2)(B)” and insert “sections 1111(b)(2)(B) and (D)”.

On page 115, line 14, strike “(D)” and insert “(C)”.

On page 115, line 14, strike “(D)” and insert “(C)”.

SA 590. Mr. JEFFORDS submitted an amendment intended to be proposed by
him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 683, strike lines 12 and 13, and insert the following:

'(h) programs to improve the literacy skills of adults, especially the parents of children served by the local educational agencies, including adult education and family literacy programs;

On page 684, between lines 7 and 8, insert the following:

'(O) programs that employ research-based cognitive and perceptual development approaches and rely on a diagnostic-prescriptive model to improve students' learning of academic content at the preschool, elementary, and secondary levels; and

(P) supplemental educational services as defined in section 1116(f)(6).

SA 591. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 130, strike line 2, and insert the following:

quality of professional development; and

'(J) provide assistance to teachers for the purpose of meeting certification, licensing, or other requirements needed to become highly qualified as defined in section 2002(4).

On page 130, line 5, strike the period and insert 'and'.

On page 130, between lines 5 and 6, insert the following:

(3) by adding at the end the following:

'(j) REQUIREMENT.—Each local educational agency that receives funds under this part and serves a school in which 50 percent or more of the children are from low income families shall use not less than 5 percent of the funds for each fiscal years 2002 and fiscal year 2003; and not less than 10 percent of the funds for each subsequent fiscal year, for professional development activities to ensure that teachers who are not highly qualified become highly qualified within 4 years.'

On page 127, line 23, insert '(1)' after '(b)'.

On page 127, line 24, strike 'in paragraph (1)' and insert 'in paragraph (1)'.

SA 592. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 29, between lines 14 and 15, insert the following:

SEC. 16. PROHIBITION ON DISCRIMINATION.

"Nothing in this Act shall be construed to require, authorize, or permit, the Secretary, or a State, local educational agency, or school to grant to a student, or deny or impose upon a student, any financial or educational benefits or burdens under violation of the fifth or 14th amendments to the Constitution or other law relating to discrimination in the provision of federally funded programs.

On page 36, strike lines 21 and 22, and strike 'served under this part'.

On page 36, strike line 24 and all that follows through page 37, line 2, and insert the following:

"guage arts, history, and science, except that—

(i) any State which does not have standards in mathematics or reading or language arts, for public elementary school and secondary school children served under this part, on the date of enactment of the Better Education for Students and Teachers Act shall apply the standards described in subparagraph (A) to such children not later than the beginning of the school year 2002-2003; and

(ii) no State shall be required to meet the requirements of subparagraph (A) until 10 years after the date of enactment of the provision of federally funded programs."

On page 37, line 18, insert "and" after the semicolon.

On page 37, line 23, strike "and", and insert a period.

On page 37, strike line 24 and all that follows through page 38, line 4.

On page 38, strike subparagraph "(B)" and insert "subparagraphs (B) and (D)".

On page 41, strike lines 6 through 8 and insert the following:

"(vii) including school completion or graduation rates for secondary school students and at least 1 other academic indicator, as determined by the State, for elementary school students served under this part, on the date of enactment of the provision of federally funded programs."

On page 41, line 13, strike "discretionary".

On page 44, lines 13 and 14, strike "curriculum.

On page 45, line 2, strike "curriculum.

On page 46, strike line 20 and all that follows through page 47, line 2.

On page 47, line 3, strike "(E)" and insert "(D)".

On page 47, between lines 6 and 7, insert the following:

"(E) beginning not later than school year 2001-2002, measure the proficiency of students served under this part in mathematics and reading or language arts and be administered not less than once during—

(i) grades 3 through 5;

(ii) grades 6 through 9; and

(iii) grades 10 through 12.

(ii) beginning not later than school year 2002-2003, measure the proficiency of all students served under this part in mathematics and reading or language arts and be administered not less than once during—

(i) grades 3 through 5;

(ii) grades 6 through 9; and

(iii) grades 10 through 12.

(iii) beginning not later than school year 2007-2008, measure the proficiency of all students in science and be administered not less than one time during—

(I) grades 3 through 5;

(II) grades 6 through 9; and

(III) grades 10 through 12.

(iv) by adding at the end the following:

"(I) beginning not later than school year 2003-2004, provide for the annual assessment of the following:

(a) the proficiency of students served under this part in mathematics and reading or language arts and be administered not less than once during—

(b) the systematic use of high quality assessments aligned with State standards and the State educational agency will disseminate such models to each local educational agency and school within the State; and

(c) such other factors the State deems appropriate.

On page 55, line 11, strike "(i)" and insert "(1)".

On page 59, lines 16 and 17, strike "performance standards," and insert "performance standards, a set of high quality annual student assessments aligned with the standards."

On page 59, line 19, insert "and take such other steps as are needed to assist the State in coming into compliance with this section after "1117".

On page 68, line 24, strike "paraprofessionals" and insert "paraprofessionals.

On page 69, line 18, insert "setting the State performance standards, the development of measures of adequate yearly progress that are valid and reliable, before and after other.

SA 593. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

(a) IN GENERAL.—From funds reserved under section 1225, the Secretary shall contract with an independent outside organization for a 5-year, rigorous, scientifically valid, quantitative evaluation of this subpart.

(b) PROCEDURE.—Such evaluation shall be conducted by an organization outside of the Department that is capable of designing and carrying out an independent evaluation that identifies the effects of specific activities carried out by States and local educational agencies under this subpart on improving reading instruction. Such evaluation shall use only data relating to students served under this subpart and shall take into account factors influencing student performance that are not controlled by teachers or education administrators.
‘‘(c) ANALYSIS.—Such evaluation shall include the following:

‘‘(1) An analysis of the relationship between each of the essential components of reading instruction and overall reading proficiency.

‘‘(2) An analysis of whether assessment tools used by States and local educational agencies fulfill the essential components of reading instruction.

‘‘(3) An analysis of how State reading standards correlate with the essential components of reading instruction.

‘‘(4) An analysis of whether the receipt of a discretionary grant under this part results in an increase in the number of children who read proficiently.

‘‘(5) A measurement of the extent to which specific instructional materials improve reading proficiency.

‘‘(6) A measurement of the extent to which specific rigorous diagnostic reading and screening assessment tools assist teachers in identifying specific reading deficiencies.

‘‘(7) A measurement of the extent to which professional development programs implemented by States using funds received under this subpart improve reading instruction.

‘‘(8) A measurement of how well students preparing to enter the teaching profession are prepared to teach the essential components of reading instruction.

‘‘(9) An analysis of changes in students’ interest in reading and time spent reading outside of school.

‘‘(10) Any other analysis or measurement pertinent to this part that is determined to be appropriate by the Secretary.

‘‘(d) PROGRAM IMPROVEMENT.—The findings of the evaluation conducted under this section shall be provided to States and local educational agencies on a periodic basis for use in program improvement.

SA 594. Mr. JEFFORDS submitted an amendment to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table, as follows:

At the end of title IX, add the following:

SEC. 9. HELPING CHILDREN SUCCEED BY FULLY FUNDING THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA).

(a) FINDINGS.—Congress makes the following findings:

(1) All children deserve a quality education.


(3) In 1975, Congress passed what is now known as the Individuals with Disabilities Education Act (referred to in this section as ‘‘IDEA’’) (20 U.S.C. 1400 et seq.)(hereinafter referred to as the ‘‘Act’’) to help States provide all children with disabilities a free, appropriate public education in the least restrictive environment. At full funding, Congress contributes 40 percent of the average per pupil expenditure for each child with a disability served.

(4) Before 1975, only 1/3 of the children with disabilities received a formal education. At that time, many States had laws that specifically excluded many children with disabilities, including children who were blind, deaf, or emotionally disturbed, from receiving education.

(5) IDEA currently serves an estimated 200,000 infants and toddlers, 600,000 preschoolers, and 5,400,000 children 6 to 21 years of age.

(b) PROGRAM AUTHORIZED.—The Secretary of Education is authorized to allocate such sums as may be necessary for the purpose of carrying out this part, other than section 619, to—

‘‘(A) $8,823,685,000 for fiscal year 2002;

‘‘(B) $11,323,685,000 for fiscal year 2003;

‘‘(C) $13,162,685,000 for fiscal year 2004;

‘‘(D) $16,323,685,000 for fiscal year 2005;

‘‘(E) $18,823,685,000 for fiscal year 2006;

‘‘(F) not more than $21,067,600,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2007;

‘‘(G) not more than $21,742,019,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2008;

‘‘(H) not more than $23,065,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2009;

‘‘(I) not more than $23,956,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2010; and

‘‘(J) not more than $26,000,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2011.

(c) FUNDING.—Section 611(j) of the Individuals with Disabilities Education Act is amended to add the following new subsection:

‘‘(1) STATEMENT OF PURPOSE.—It is the purpose of carrying out this part, other than section 619, to—

‘‘(i) help States and local educational agencies to—

‘‘(I) make schools safe and secure;

‘‘(II) help teachers improve their instruction of reading instruction.

‘‘(2) PROGRAM AUTHORIZED.—For fiscal year 2012 and each fiscal year thereafter, there are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this part, other than section 619, to—

SA 595. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table, as follows:

At the end of title IX, add the following:

SEC. 9. MAINTAINING FUNDING FOR THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

Section 611 of the Individuals with Disabilities Education Act is amended to add the following new subsection:

‘‘(1) STATEMENT OF PURPOSE.—It is the purpose of this subsection to encourage individuals who majored in, or obtained a graduate degree in, mathematics or science to teach those subjects in high need schools.

‘‘(2) PROGRAM AUTHORIZED.—The Secretary shall carry out a program, through the holder of the loan, of assuming the obligation to repay a qualified loan amount for a loan made under section 428 or 428H, in accordance with paragraph (3), for a borrower whose academic major or graduate degree was in mathematics or science.

‘‘(A) $8,823,685,000 for fiscal year 2002;

‘‘(B) $11,323,685,000 for fiscal year 2003;

‘‘(C) $13,162,685,000 for fiscal year 2004;

‘‘(D) $16,323,685,000 for fiscal year 2005;

‘‘(E) $18,823,685,000 for fiscal year 2006;

‘‘(F) not more than $21,067,600,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2007;

‘‘(G) not more than $21,742,019,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2008;

‘‘(H) not more than $23,065,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2009;

‘‘(I) not more than $23,956,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2010; and

‘‘(J) not more than $26,000,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2011.

SA 596. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table, as follows:

On page 893, after line 14, add the following:

SEC. 902. LOAN FORGIVENESS FOR MATHEMATICS AND SCIENCE TEACHERS.

(a) FFEL PROGRAM.—Section 423J of the Higher Education Act of 1965 (20 U.S.C. 1078–10) is amended by adding at the end the following:

‘‘(1) LOAN FORGIVENESS FOR TEACHERS OF MATHEMATICS AND SCIENCE.—

‘‘(A) LOAN FORGIVENESS.—It is the purpose of this subsection to encourage individuals who majored in, or obtained a graduate degree in, mathematics or science to teach those subjects in high need schools.

‘‘(B) PROGRAM AUTHORIZED.—The Secretary shall carry out a program, through the holder of the loan, of assuming the obligation to repay a qualified loan amount for a loan made under section 428 or 428H, in accordance with paragraph (3), for a borrower whose academic major or graduate degree was in mathematics or science.

‘‘(A) $8,823,685,000 for fiscal year 2002;

‘‘(B) $11,323,685,000 for fiscal year 2003;

‘‘(C) $13,162,685,000 for fiscal year 2004;

‘‘(D) $16,323,685,000 for fiscal year 2005;

‘‘(E) $18,823,685,000 for fiscal year 2006;

‘‘(F) not more than $21,067,600,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2007;

‘‘(G) not more than $21,742,019,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2008;

‘‘(H) not more than $23,065,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2009;

‘‘(I) not more than $23,956,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2010; and

‘‘(J) not more than $26,000,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2011.
‘‘(1) in a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such schools; and

‘‘(ii) as a full-time teacher of mathematics or science, as certified by the chief administrative officer of the public or nonprofit private elementary school or secondary school in which the borrower is employed;

‘‘(B) has not been employed as a full-time teacher in a public or nonprofit private elementary school or secondary school prior to the date of enactment of the Better Education for Students and Teachers Act, other than as part of a teacher preparation or certification program; and

‘‘(C) is not in default on a loan for which the borrower seeks forgiveness.

‘‘(3) QUALIFIED LOANS.—

‘‘(A) The Secretary shall repay not more than $17,500 in the aggregate of the loan obligation on a loan made under section 428 or 428H that is outstanding after the close of the last school year of teaching described in paragraph (2)(A). No borrower may receive a reduction of loan obligations under both this section and section 465.

‘‘(B) TREATMENT OF CONSOLIDATION LOANS.—A loan amount for a loan made under section 428C may be a qualified loan amount for purposes of this subsection only to the extent that such loan amount was used to repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428 or 428H for a borrower who meets the requirements of paragraph (2), as determined in accordance with regulations prescribed by the Secretary.

‘‘(C) CONFORMING AMENDMENTS.—

‘‘(1) FFEL PROGRAM.—Section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078j) is amended by adding at the end the following:

‘‘(A) in subsection (f), by inserting ‘‘or (i)’’ after ‘‘(b)’’;

‘‘(B) in subsection (g)(1)—

‘‘(i) in subparagraph (A), by inserting ‘‘or (i)’’ after ‘‘(b)(i)’’;

‘‘(ii) in subparagraph (B), by inserting ‘‘or (i)’’ after ‘‘(b)(i)’’;

‘‘(3) PROGRAM AUTHORIZED.—

‘‘(1) LOAN FORGIVENESS FOR TEACHERS OF MATHEMATICS OR SCIENCE.—

‘‘(1) in subsection (f), by inserting ‘‘or (i)’’ after ‘‘(b)’’;

‘‘(2) DIRECT LOAN PROGRAM.—Section 460 of the Higher Education Act of 1965 (20 U.S.C. 1087a) is amended by adding at the end the following:

‘‘(A) in subsection (f), by inserting ‘‘or (i)’’ after ‘‘(b)’’;

‘‘(B) in subsection (g)(1)—

‘‘(i) in subparagraph (A), by inserting ‘‘or (i)’’ after ‘‘(b)(i)’’;

‘‘(ii) in subparagraph (B), by inserting ‘‘or (i)’’ after ‘‘(b)’’;

SA 597. Mr. WELLSTONE (for himself, Mr. DAYTON, and Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 48, between lines 14 and 15, insert the following:

‘‘(iii) no State shall be required to conduct any assessments under this subparagraph in any school year if, by July 1, 2005, the amount appropriated to carry out this part for fiscal year 2005 does not equal or exceed $34,720,000,000.’’

SA 598. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

‘‘SEC. 4. THE STUDY OF THE DECLARATION OF INDEPENDENCE, UNITED STATES CONSTITUTION, AND THE FEDERALIST PAPERS.

‘‘It is the sense of Congress that—

‘‘(1) State and local governments and local educational agencies are encouraged to dedicate at least 1 day of learning to the study and understanding of the significance of the Declaration of Independence, the United States Constitution, and the Federalist Papers; and

‘‘(2) State and local governments and local educational agencies are encouraged to include a requirement that, before receiving a certificate or diploma of graduation from secondary school, students be tested on their understanding of the Declaration of Independence, the United States Constitution, and the Federalist Papers.’’

SA 600. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 512, line 2, strike the end quotation mark and the second period.

On page 512, between lines 2 and 3, insert the following:

‘‘SEC. 4394. CONFIDENTIAL REPORTING OF INDIVIDUALS SUSPECTED OF IMMINENT SCHOOL VIOLENCE.

‘‘Subject to the provisions of this title and subparagraph 4 of part B of title V, funds made available under such titles may be used to—

‘‘(1) to support independent State and local law enforcement entities for investigation;’’.
“(2) ensure proper State training of personnel to answer and respond to telephone calls to hotlines described in paragraph (1); and
“(3) assist in the acquisition of technology necessary for the implementation of hotlines described in paragraph (1), including the utilization of Internet web-pages or resources;
“(4) enhance State efforts to offer appropriate counseling services to individuals who call hotlines described in paragraph (1) threatening to do harm to themselves or others; and
“(5) further State effort to publicize services offered by the hotlines described in paragraph (1) and to encourage individuals to utilize those services.

SA 601. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 619, strike lines 23 and 24, and insert “and public and private entities”.

SA 602. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 510, after line 22, add the following: “Notwithstanding any other provision of this title, and paragraph (5) of subsection (B), funds made available under such titles may be used by States to provide contracts or grants to, and by the Secretary to provide Federal assistance to, for-profit entities to enable such entities to perform or assist in the performance of the activities described in this section.”.

SA 603. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 440, lines 15 and 16, strike “and other public and private nonprofit agencies and organizations” and insert “and public and private entities”.

On page 440, line 22, strike “nonprofit organizations” and insert “entities”.

On page 452, line 13, insert “with public and private entities after ‘contracts’.

On page 460, lines 7 and 8, strike “and other public entities and private nonprofit organizations” and insert “and public and private entities”.

On page 483, lines 20 and 21, strike “non-profit organizations” and insert “entities”.

On page 489, lines 14 and 15, strike “non-profit private organizations” and insert “private entities”.

SA 604. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

in paragraph (1), school personnel have discretion to consider all germane factors in each individual case and modify any disciplinary action on a case-by-case basis.

SA 605. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

in paragraph (1), school personnel have discretion to consider all germane factors in each individual case and modify any disciplinary action on a case-by-case basis.

"(4) LIMITATION.—
“(A) IN GENERAL.—A child with a disability who is removed from his or her regular educational placement under paragraph (1) shall receive a free appropriate public education in an alternative educational setting if the behavior that led to his or her removal is not a manifestation of his or her disability, as determined under subparagraphs (B) and (C) of subsection (k)(4).
"(B) MANIFESTATION DETERMINATION.—The manifestation determination shall be made immediately, if possible, but in no case later than 10 school days after school personnel decide to remove the child with a disability from his or her regular educational placement.
"(C) DETERMINATION THAT BEHAVIOR WAS NOT MANIFESTATION OF DISABILITY.—If the result of the manifestation review is a determination that the behavior of the child with a disability was not a manifestation of the child’s disability, appropriate school personnel may apply to the child the same relevant disciplinary procedures that would apply to children without a disability.
"(D) RECORDS FOR DECISION.—If the agency initiates disciplinary procedures applicable to all children, the agency shall ensure that the special education and disciplinary records of a child with a disability are transmitted for consideration by the person making the final decision regarding the disciplinary action.
"(E) REVIEW OF MANIFESTATION DETERMINATION.—If the parents or the local educational agency disagree with the manifestation determination, the agency or the parents may request a review of that determination through the procedures in subsections (f) through (i).
"(F) PLACEMENT DURING REVIEW.—During the course of any review proceedings under subparagraph (E), the child shall receive a free appropriate public education in an alternative educational placement.
"(G) DEFINITIONS.—In this subsection:
"(A) WEAPON.—The term ‘weapon’ means a weapon, device, instrument, material, or substance, animate or inanimate, that is used for, or is readily capable of, causing death or serious bodily injury.
"(B) ILLEGAL DRUG, CONTROLLED SUBSTANCE, AND ASSAULT.—The terms ‘illegal drug’, ‘controlled substance’, ‘assault’, ‘unintentional’, and ‘innocent’ have the meanings given such terms under State law.
"(H) REVIEW OF MANIFESTATION DETERMINATION.—If the parents or the local educational agency disagree with the manifestation determination, they may request a review of the determination through the procedures in subsections (f) through (i).
"(I) PLACEMENT DURING REVIEW.—During the course of any review proceedings under subparagraph (E), the child shall receive a free appropriate public education in an alternative educational placement."
SA 608. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 145, strike lines 3 through 8 and insert the following:

"(B) 40 percent of the average per pupil expenditure in the State, except that—"

"(i) if the average per pupil expenditure in the State is less than 85 percent of the average per pupil expenditure in the United States, the amount shall be 85 percent of the average per pupil expenditure in the United States; or"

"(ii) if the average per pupil expenditure in the State is more than 115 percent of the average per pupil expenditure in the United States, the amount shall be 115 percent of the average per pupil expenditure in the United States;"

SA 609. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

"(b) REPORT.—Not later than 3 months after the completion of the audits under section (a) in each year, the Office of the Inspector General of the Department of Education shall submit a report, which shall include a summary of the audit results and an assessment of the effectiveness of the procedures used in the audits, to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate.

SA 610. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 144, line 23, strike "is the amount" and all that follows through..."
SA 611. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

On page 893, strike line 14 and insert the following:

remain available until expended.

"PART B—POVERTY DATA"

"SEC. 9201. POVERTY DATA ADJUSTMENTS.

"Whenever the Secretary uses any data that relates to the incidence of poverty and is published by or for the Secretary of Commerce for subnational, State or substate areas, the Secretary shall adjust the data to account for differences in the cost of living in the areas."

SA 616. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 141, strike line 23 and all that follows through page 142, line 13, and insert the following:

"(A) 90 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if the number of children counted for grants under section 1121 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, served by the local educational agency;

"(B) 85 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent and not more than 30 percent; and

"(C) 80 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent."

SA 617. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 141, strike line 23 and all that follows through page 142, line 13, and insert the following:

"(A) 80 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if the number of children counted for grants under section 1121 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, served by the local educational agency;

"(B) 75 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent and not more than 30 percent; and

"(C) 70 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent."

SA 614. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 141, strike line 23 and all that follows through page 142, line 13, and insert the following:

"(A) 85 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if the number of children counted for grants under section 1121 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, served by the local educational agency;

"(B) 80 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is not less than 15 percent and not more than 30 percent; and

"(C) 75 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent."

SA 618. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 141, strike line 23 and all that follows through page 142, line 13, and insert the following:
SA 619. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 145, between lines 15 and 16, insert the following:

"(4) INAPPLICABILITY.—Notwithstanding any other provision of this Act, this section shall not apply to any fiscal year for which the amount appropriated to carry out this Act exceeds the amount appropriated to carry out this Act for fiscal year 2001.

SA 620. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 145, strike lines 3 through 8 and insert the following:

"(4) 70 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year, if such percentage is less than 70 percent, shall be equal to 80 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year, if such percentage is less than 80 percent.

SA 621. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 145, strike lines 5 through 22 and insert the following:

"(1) In General.—If the amount made available under this Act for any fiscal year is insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such fiscal year:

"(A) the Secretary shall ratably reduce the allocations to such local educational agencies; and

"(B) if, after reducing the allocations, the amount made available to any local educational agency for any fiscal year would be less than 95 percent of the full amount, the Secretary shall reallocate the amounts exceeding 95 percent to the other local educational agencies ratably so that all such other local educational agencies would be eligible to receive as close as possible to 95 percent, but not more, of the full amount.

"(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, the local educational agencies were reallocated under paragraph (1) shall be increased on the same basis as the allocations were reduced.

"(c) HOLD-HARMLESS AMOUNTS.—(1) In general.—After application of subsection (b), for each fiscal year the amount made available to each local educational agency under each of sections 1124, 1124A, and 1125 shall be not less than—

"(A) the Secretary shall reduce the amount under paragraph (1) so that the amount made available to any local educational agency under each of such sections for the fiscal year does not exceed the average per pupil expenditure in the United States, the amount shall be 105 percent of the average per pupil expenditure in the United States, the amount shall be 95 percent of the average per pupil expenditure in the United States, the amount shall be 85 percent of the average per pupil expenditure in the United States, the amount shall be 70 percent of the average per pupil expenditure in the United States, the amount shall be 55 percent of the average per pupil expenditure in the United States, the amount shall be 40 percent of the average per pupil expenditure in the United States, the amount shall be 25 percent of the average per pupil expenditure in the United States, the amount shall be 10 percent of the average per pupil expenditure in the United States.

SA 622. Mr. DAYTON (for himself and Mr. CORZINE) submitted an amendment in the nature of a substitute to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. 405. SAFE SCHOOLS INITIATIVE.

Notwithstanding any other amendment made by this Act to section 611(j) of the Individuals with Disabilities Education Act (20 U.S.C. 1411(j)), this Act is amended to read as follows:

"(1) FUNDING.—For the purpose of carrying out this Act, other than section 619, there are authorized to be appropriated:

"(A) $12,347,001,000 for fiscal year 2002; $11,892,000,000 for fiscal year 2003; $11,437,000,000 for fiscal year 2004; $11,982,000,000 for fiscal year 2005; $12,527,000,000 for fiscal year 2006; $13,072,000,000 for fiscal year 2007; $13,617,000,000 for fiscal year 2008; $14,162,000,000 for fiscal year 2009; or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2005; or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2003; or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2004; or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2006; or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2007; or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2008; or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2011.

"(D) each year since fiscal year 1999, Senator Gregg, as chairman of the Commerce, Justice, State and the Judiciary Appropriations Subcommittee of the Senate, has included funding for a collaborative program entitled "Safe Schools Initiative" in the Commerce-Justice-State appropriations bill;

"(E) the Safe Schools Initiative is an effort to help schools employ safety strategies and ensure the well-being of all students; and

"(F) this worthwhile program should be established in statute.

"(2) PURPOSE.—It is the purpose of this section to maximize local flexibility in responding to the threat of juvenile violence through the implementation of effective school violence prevention and safety programs.

"(c) PROGRAM AUTHORIZED.—

"(1) DEFINITION.—In this subsection, the term "local educational agency" means the meaning given under section 3 of the Elementary and Secondary Education Act of 1965.

"(2) AUTHORIZATION.—The Attorney General shall award grants to local educational agencies and law enforcement agencies to assist in planning, establishing, operating, coordinating, and evaluating the application of violence prevention and school safety programs.

"(d) APPLICATION REQUIREMENTS.—To be eligible to receive a grant under subsection (c), an entity shall prepare and submit to the Attorney General an application at such time, in such manner and containing such information as the Attorney General may require, including:

"(1) a detailed explanation of the intended uses of funds provided under the grant;

"(2) a detailed statement of how funds will be used under the grant;

"(3) a detailed identification of potential threats (such as illegal weapons and explosive devices);

"(4) a detailed statement of how funds will be used to train personnel, custodians, and bus drivers in—

"(A) the identification of potential threats (such as illegal weapons and explosive devices);

"(B) crisis preparedness and intervention procedures; and

"(C) emergency response;

"(5) a detailed statement of how funds will be used to train personnel, custodians, and bus drivers in—

"(A) the identification of potential threats (such as illegal weapons and explosive devices);

"(B) crisis preparedness and intervention procedures; and

"(C) emergency response;

"(2) training of interested parents, teachers, and other school and law enforcement personnel in the identification and responses to early warning signs of troubled and violent youth;

"(3) implementation of innovative research-based delinquency and violence prevention programs, including mentoring programs;

"(4) comprehensive school security assessments;

"(5) the purchase of school security equipment and technologies such as metal detectors, electronic locks, and surveillance cameras;

"(6) collaborative efforts with law enforcement agencies and community-based organizations that have dedicated their efforts to providing effective, research-based violence prevention and intervention programs to schools age children;

"(7) full funding to families in need for the purpose of purchasing required school uniforms;
SEC. 4203. 24-HOUR HOLDING PERIOD FOR STUDENTS WHO UNWILFULLY BRING A GUN TO SCHOOL.

(a) In General.—Each state receiving Federal funds under this Act shall have in effect a policy or practice described in subsection (b) by not later than the first day of the fiscal year involved.

(b) State Policy or Practice Described.—A policy or practice described in this subsection is a policy or practice of the State that requires State and local law enforcement agencies to detain, in an appropriate juvenile community-based facility or in an appropriate juvenile justice facility, for not less than 24 hours, any juvenile of—

(1) unlawfully possesses a firearm in a school; and

(2) is found by a judicial officer to be a possible danger to himself or herself or to the community.

SEC. 333. PEST MANAGEMENT IN SCHOOLS.

(a) Definitions.—In this section:

(A) Pesticide.—The term ‘pesticide’ means a pesticide that, as identified by the Administrator—

(i) is readily detected, recognized, or eaten by the target pest; or

(ii) contains a known or probable carcinogen;

(iii) is of the organophosphate, organochlorine, or carbamate class of pesticides;

(B) School.—The term ‘school’ means a school that fails to make adequate yearly progress, as defined in the plan of the State under section 1111(b)(2)(B).

(b) Mandatory Notification.—

(1) In general.—A school shall, in accordance with this subsection, notify parents and guardians of children attending that school of the application.

(2) CONTENTS OF NOTIFICATION.—A notification required under this subsection shall include, with respect to each pesticide to be applied at the school during the application covered by the notification—

(A) the common name, trade name, and Environmental Protection Agency registration number of the pesticide;

(B) a description of the method, duration, and location of the application of the pesticide; and

(C) a description of any potential acute or chronic effects on human health that may result from exposure to the pesticide.

(c) Conforming Amendment.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.) is amended—

(1) by redesignating sections 33 and 34 as sections 33 and 35, respectively; and

(2) by inserting after section 32 the following:

(p) Pest Management in Schools.

(a) Definitions.—In this section:

(B) a description of the method, duration, and location of the application of the pesticide.

(C) kindergarten or nursery school.

(i) an antimicrobial pesticide described in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 801);

(ii) a bait, paste, gel, or pesticide used for crack and crevice treatment; or

(iii) any pesticide exempt from the requirements of this Act under section 2(b).

(4) School.—The term ‘school’ means a school that—

(A) elementary school (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 801));

(B) secondary school (as defined in section 14101 of that Act); or

(C) kindergarten or nursery school.

(b) Mandatory Notification.—

(1) In general.—A school shall, in accordance with this subsection, notify parents and guardians of children attending that school of the application.

(2) CONTENTS OF NOTIFICATION.—A notification required under this subsection shall include, with respect to each pesticide to be applied at the school during the application covered by the notification—

(A) the common name, trade name, and Environmental Protection Agency registration number of the pesticide;

(B) a description of the method, duration, and location of the application of the pesticide; and

(C) a description of any potential acute or chronic effects on human health that may result from exposure to the pesticide.

(b) Conforming Amendment.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.) is amended—

(1) by redesignating sections 33 and 34 as sections 33 and 35, respectively; and

(2) by inserting after section 32 the following:

(p) Pest Management in Schools.

(a) Definitions.—In this section:

(B) a description of the method, duration, and location of the application of the pesticide.
SA 629. Mr. WELLSTONE (for himself, Mr. DEWINE, Mrs. CLINTON, Mr. SCHUMER, Mr. BIDEN, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which was ordered to lie on the table; as follows:

On page 309, lines 17 and 18, strike “subsection (f)” and insert “subsections (e) and (f)”.

On page 339, line 6, strike “(o)” and insert “(d)”.

Beginning on page 340, strike line 9 and all that follows through page 341, line 8.

On page 341, line 9, strike “(e)” and insert “(d)”.

On page 341, between lines 21 and 22, insert the following:

(o) CAREERS TO CLASSROOMS.—

(1) PURPOSES.—The purposes of this subsection are—

(A) to establish a program to recruit and retain highly qualified mid-career professionals, recent graduates from an institution of higher education, and certain paraprofessionals, to teach in schools, including recruiting teachers through alternative routes to certification; and

(B) to encourage the development and expansion of alternate routes to certification under State-approved programs that enable individuals to be eligible for teacher certification within a reduced period of time, relying on the experience, expertise, and academic qualifications of an individual, or other factors in lieu of traditional course work in the field of education.

(2) DEFINITIONS.—In this subsection—

(A) ELIGIBLE PARTICIPANT.—The term ‘eligible participant’ means—

(i) an individual with substantial, demonstrable career experience and competence in a field for which there is a significant shortage of qualified teachers, such as mathematics, natural science, technology, engineering, and special education;

(ii) an individual who is a graduate of an institution of higher education who—

(I) has graduated not later than 3 years before applying to an agency or consortium to teach under this subsection;

(II) in the case of an individual wishing to teach in a secondary school, has completed an academic major (or courses totaling an equivalent number of credit hours) in the academic subject that the individual will teach;

(III) has graduated in the top 50 percent of the individual’s undergraduate or graduate class;

(IV) can demonstrate a high level of competence through a high level of performance in the academic subject that the individual will teach; and

(V) meets any additional academic or other standards or qualifications established by the State;

(iii) a paraprofessional who—

(I) has been working as a paraprofessional in an instructional role in an elementary school or secondary school for at least 2 years;

(II) can demonstrate that the paraprofessional is capable of completing a bachelor’s degree in not more than 2 years and is in the top 50 percent of the individual’s undergraduate class;

(III) will work toward completion of an academic major (or courses totaling an equivalent number of credit hours) in the academic subject that the paraprofessional will teach;

(IV) can demonstrate a high level of competence through a high level of performance in the academic subject that the paraprofessional will teach.

(B) HIGH NEED LOCAL EDUCATIONAL AGENCY.—The term ‘high need local educational agency’ means a local educational agency that serves—

(i) a high need school district; and

(ii) a high need school.

(C) HIGH NEED SCHOOL.—The term ‘high need school’ means a school that—

(I) is located in an area in which the percentage of students from families with incomes below the poverty line is 30 percent or more; or

(II) is located in an area, other than a metropolitan statistical area, that the State determines has a high percentage of students from families with incomes below the poverty line and that has experienced greater than normal difficulty in recruiting or retaining teachers; and

(III) is located in an area in which there is a high percentage of secondary school teachers not teaching in the content area in which the teachers were trained to teach, is within the top quartile of schools statewide, as ranked by the number of unfilled, available teacher positions at the schools, is located in an area in which there is a high teacher turnover rate, or is located in an area in which there has been a history of high turnover rate of teachers who are not certified or licensed.

(D) HIGHER NEED SCHOOL DISTRICT.—The term ‘higher need school district’ means a school district in which one or more of the following conditions apply:

(i) (I) a high need school; and

(II) a high percentage of individuals from families with incomes below the poverty line;

(ii) a high percentage of secondary school teachers not teaching in the content area in which the teachers were trained to teach; and

(iii) a high teacher turnover rate.

(E) POVERTY LINE.—The term ‘poverty line’ means the income official 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.

(F) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a program to make grants on a competitive basis to State educational agencies, regional consortia of State educational agencies, high need local educational agencies, and consortia of high need local educational agencies, to develop State and local teacher corps or other programs to establish, expand, or enhance teacher recruitment and reten-
"(B) PRIORITY.—In making such a grant, the Secretary shall give priority to an agency or consortium of agencies that applies for the grant in collaboration with an institution of higher education, or a nonprofit organization that has a proven record of effectively recruiting and retaining highly qualified teachers in high need school districts.

"(C) COLLABORATION.—In general.—To be eligible to receive a grant under this subsection, an agency or consortium described in paragraph (3) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(D) USES OF FUNDS.—An agency or consortium that receives a grant under this subsection shall use the funds made available under this subsection for high need schools in high need school districts. In developing the application, the agency or consortium shall carry out a program under this section that will meet the requirements of paragraph (7)(A).

"(E) EQUIBLE DISTRIBUTION.—The Secretary shall ensure an equitable geographic distribution of grants among the regions of the United States.

"(7) REQUIREMENTS.—

"(A) TARGETING.—An agency or consortium that receives a grant under this subsection shall be subject to the following:

"(i) describe how the agency or consortium will ensure that no paraprofessional will be hired through the program in a teacher corps that the paraprofessional has obtained a bachelor’s degree and meets the requirements of subpart II (through V) of paragraph (2)(A)(ii);

"(ii) include a determination of the high need academic subjects in the jurisdiction served by the agency or consortium and how the agency or consortium will recruit teachers for those subjects;

"(iii) describe how the grant will increase the number of highly qualified teachers in high need schools in high need school districts that are urban or rural school districts;

"(iv) describe how the agency or consortium described in paragraph (3) will meet the requirements of subparagraph (C);

"(v) describe how the agency or consortium described in paragraph (3) will meet the requirements of subparagraph (C);

"(vi) explain how the agency or consortium will ensure that no paraprofessional will be hired through the program in a teacher corps that the paraprofessional has obtained a bachelor’s degree and meets the requirements of subpart II (through V) of paragraph (2)(A)(ii);

"(vii) provide a plan to meet the requirements of paragraph (6)(A)

"(B) SPECIFIC ACTIVITIES.—(i) the establishment and operation, or expansion and improvement, of a statewide or regionwide clearinghouse for the recruitment and placement of preschool, elementary school, secondary school, and vocational and technical school teachers which shall not be subject to the targeting requirements under paragraph (7)(A);

"(ii) the establishment of administrative structures necessary for the development and implementation of programs to provide alternative routes to certification;

"(iii) the development of reciprocity agreements between or among States for the certification or licensure of teachers; and

"(iv) the implementation of other activities designed to ensure the use of long-term teacher recruitment and retention strategies.

"(C) EFFECTIVE ACTIVITIES.—The agency or consortium shall use the funds made available under this subsection to carry out a program under this section that will meet the requirements of paragraph (7)(A).

"(D) EQUITABLE DISTRIBUTION.—The Secretary shall ensure an equitable geographic distribution of grants among the regions of the United States.
grant for the administration of the Teacher Corps program carried out under the grant.

“(11) EVALUATION AND ACCOUNTABILITY FOR RECRUITING AND RETAINING TEACHERS.—

(A) PURPOSES.—The purpose of this section is to ensure that funds made available under this title are used to support the recruitment and retention of qualified education professionals. Specifically, the administering Secretary shall—

(1) in subsection (a)—
   (A) in paragraph (1)—
      (i) by striking “after their discharge or re-lease, or retirement,” and insert “who re-train’’; and
      (ii) by striking “and” at the end;
   (B) by redesignating paragraph (2) as paragraph (3); and
   (C) by inserting after paragraph (1), the following:
      “(2) to assist members of the active reserve forces to obtain certification or licensure as elementary or secondary school teachers or as vocational or technical teachers; and’’;

(B) by redesignating paragraphs (3) and (4), respectively; and

(C) by redesigning paragraph (3) as paragraph (2); and

(D) by redesigning paragraph (2) as paragraph (1), the following:
   (A) by striking “four years” each place that such appears and inserting “three years’’; and
   (B) by striking paragraph (1), by striking “(2) Subject to paragraph (3),” and inserting “(2)’’.

(12) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002 and such sums as may be nec-essary for each of the 6 succeeding fiscal years.

SEC. 705. MODIFICATION OF TROOPS-TO-TEACH-ERS PROGRAM.

(a) PURPOSES.—The purpose of this section is to ensure that funds made available under this title are used to support the recruitment and retention of qualified education professionals. Specifically, the administering Secretary shall—

(1) in subsection (b)—
   (A) by striking “means” and all that follows and inserting “means the Secretary of Education’’;
   (B) by striking paragraph (2);
   (C) by redesigning paragraphs (3) and (4), as paragraphs (2) and (3), respectively; and
   (D) in paragraph (2) (as so redesignated), by inserting before the period the following: “and active and former members of the Guard’’; and

(2) by adding at the end the following:
   “(c) ADMINISTRATION.—The Secretary shall—
      (1) in subsection (a), by striking “means’’ and all that follows and inserting “means the Secretary of Education’’;
      (2) in subsection (b), by striking “four years’’ each place that such appears and inserting “three years’’;
      (3) by redesigning paragraph (3) as paragraph (2); and
      (4) by redesigning paragraph (2) as paragraph (1), the following:
         (A) by striking “four years” each place that such appears and inserting “three years’’;
         (B) by striking paragraph (1), by striking “Subject to paragraph (2), the’’ and inserting “The’’;
         (C) by inserting after paragraph (1), the following:
            “(2) in subsection (d)—
               (A) by striking subsection (a) and inserting the following:
                  “(a) ELIGIBLE MEMBERS.—Subject to subsection (c), any member of the Armed Forces who, during the period beginning on October 1, 2000, and ending on September 30, 2006, re-tires from the active National Guard or the active reserve and who satisfies such other criteria for the selection as the administering Secretary may require, shall be eligible for selection to participate in the Troops-to-Teachers Program.’’; and
               (B) by striking subsection (b); and
               (C) by inserting before the period the following: “and (2) shall not make a payment for the fifth year of the grant period.’’;
      (d) REVOCATION.—If the Secretary deter-mines that the recipient of a grant under this subsection has not made substantial progress in meeting the goals and objectives of the grant for the third year of the grant period, the granting agency or consortium shall—
         (1) shall revoke the payment made for the fourth year of the grant period; and
         (2) shall not make payment for the fifth year of the grant period.

(b) DEFINITIONS.—Section 1701 of the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9303) is amended—

(1) in subsection (a)—
   (A) by striking “Program’’ and inserting “Secretary’’;
   (B) by redesigning paragraph (2), as paragraphs (1) and (2), respectively; and
   (C) by redesigning paragraph (2) as paragraph (1), the following:
      “(1) the Secretary may waive the 3 year commitment if the Secretary determines such waiver to be appro-priate.’’;

(2) in paragraph (3)—
   (A) by striking “(i) a final evaluation of the program at the end of the fifth year of the grant period. ‘’ and inserting “(i) an interim evaluation of the Teacher Corps program carried out under the grant. ‘’;
   (B) by redesigning paragraph (2) (as so redesignated), by inserting before the period the following: “and (ii) a final evaluation of the program at the end of the fifth year of the grant period. ‘’;
   (C) by redesigning paragraph (2) (as so redesignated), by inserting before the period the following: “(ii) by striking ‘’ and inserting ‘’; and
   (D) by adding at the end the following:
      “(e) FUNDING.—The administering Secre-tary shall provide appropriate funds to the Secretary of Defense to enable the Secretary of Defense to manage and operate the Troops-to-Teachers Program.’’;

(c) ELIGIBLE MEMBERS.—Section 1703 of the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9303) is amended—

(1) by striking subsection (a) and inserting the following:
   “(a) ELIGIBLE MEMBERS.—Subject to sub-section (c), any member of the Armed Forces who, during the period beginning on October 1, 2000, and ending on September 30, 2006, re-tires from the active National Guard or the active reserve and who satisfies such other criteria for the selection as the administering Secretary may require, shall be eligible for selection to participate in the Troops-to-Teachers Program.’’; and

(2) in subsection (d)—
   (A) by striking “The administering Secre-tary’’ and inserting “Secretary of Defense’’;
   (B) by striking paragraph (2); and
   (3) by adding at the end the following:
      “(e) PLACEMENT ASSISTANCE AND REFERAL SERVICES.—The administering Secretary may give a preference to those members of the Armed Forces who have served in the active National Guard or the active reserve and who satisfies such other criteria for the selection as the administering Secretary may require, such prefer-ence or certification requirements;’’;

(d) SUPPORT OF TEACHER CERTIFICATION PROGRAMS.—The Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9301 et seq.) is amended by striking 1707 through 1709 and inserting the following:

SEC. 707. SUPPORT OF INNOVATIVE, PRE-RE-TRAINMENT TEACHER CERTIFI-ICATION PROGRAMS.

(a) IN GENERAL.—The administering Secre-tary may enter into a memorandum of agreements with institutions of higher educa-tion to develop, implement, and demon-strate new teacher certification programs for pre-retirement military personnel for the purpose of preparing such personnel to transi-tion to teaching as a second career. Such programs shall—

(1) provide for the recognition of military experience and training as related to licen-sure or certification requirements;

(2) provide courses of instruction that may be provided at military installations;

(3) incorporate alternative approaches to achieving teacher certification such as innova-tive methods to gaining teaching experience, and assessments of background knowledge and abilities required of elementary or secondary school teachers; and

(4) provide for the delivery of courses through distance education methods.

(b) APPLICABLE PROCEDURE.—

(1) IN GENERAL.—An institution of higher education, or a consortia of such institu-tions, that desires to enter into a memo-randum under subsection (a) shall prepare and submit to the administering Secretary a proposal, at such time, in such manner, and containing such information as the admin-istering Secretary may require, for assur-ance that the institution is operating one or more programs that lead to State ap-proved teacher certification.

(2) PREFERENCES.—The administering Secre-tary shall give a preference to institutions (or consortia) submitting proposals that pro-vide for cost sharing with respect to the pro-gram involved.

SEC. 709. NATIONAL DIGITAL SCHOOL DISTRICTS.

(a) PURPOSES.—The purposes of this section are—

(1) to address the important role that technolo-ogy and the Internet can play in en-hancing and improving education in the
schools of the United States when resources are allocated strategically and effectively;

(2) to assist State and local school administrators of the United States in effectively devoloping programs and methods to incorporate the use of high technology and the Internet in educational curricula;

(3) to encourage the development of innovative teaching techniques and the appropriate and effective use of technology in teaching, learning, and managing elementary schools and secondary schools;

(4) to fund and assess the various strategies described in paragraph (3) and provide models for the innovative use of technology in schools in the United States; and

(5) to encourage the development of partnerships between educational institutions and the private sector relating to the use of technology described in paragraph (3) in schools in the United States.

(b) Definitions.—In this section:

(1) State.—The term ‘State’ means 1 of the several States of the United States and the District of Columbia.

(2) State educational agency.—The term ‘State educational agency’ means the State educational agency of a State.

(c) Grants to State educational agencies.—

(1) Fiscal year 2002.—For fiscal year 2002, the Secretary shall award 1 grant to each State educational agency to make subgrants to local educational agencies to create national digital school districts.

(2) Fiscal year 2003.—For fiscal year 2003, the Secretary shall award 1 grant to each State educational agency to pay for the Federal share of the cost of making subgrants to local educational agencies to create national digital school districts.

(d) Subgrants to local educational agencies.—

(1) Subgrants.—A State educational agency that receives a grant under subsection (c) shall use not less than 95 percent of the funds provided under the grant to make subgrants, on a competitive basis, to local educational agencies.

(2) Notice.—The State educational agency shall provide notice to all local educational agencies in the State that receives a grant under this section, which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

SEC. 5. INCREASE IN NUMBER OF MONTHS OF VOCATIONAL EDUCATIONAL TRAINING COUNTED AS A WORK ACTIVITY UNDER THE TANF PROGRAM.

Section 607(d)(6) of the Social Security Act (42 U.S.C. 607(d)(6)) is amended by striking ‘‘12’’ and inserting ‘‘24’’.

SEC. 6. CLOSE UP FELLOWSHIP PROGRAM.

Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6801 et seq.), as amended by section 202, is further amended by adding at the end the following:

‘‘PART E—CLOSE UP FELLOWSHIP PROGRAM

SEC. 6. FINDINGS.

Congress makes the following findings:

(1) The strength of our democracy rests with the willingness of our citizens to be active participants in their governance. For young people to be such active participants, it is essential that they develop a strong sense of responsibility toward ensuring the common good and general welfare of their local communities, States and the Nation.

(2) Civic education about our Federal Government is an integral component in the development of strong moral character and values.

(3) Civic education about our Federal Government is an integral component in the development of strong moral character and values.

(4) Educators of young people must be active and productive citizens who contribute to strengthening and promoting our democratic form of government.

There are numerous pressures on teachers to develop creative ways to stimulate the development of strong moral character and appropriate value systems among students. The persons who teach our young people about their responsibilities and rights as citizens.
“(5) Young people who have economically disadvantaged backgrounds, or who are from other under-served constituencies, have a special need for educational programs that develop a sense of community and educate them about their rights and responsibilities as citizens of the United States. Under-served constituencies include those such as economically disadvantaged young people in large metropolitan areas, ethnic minorities, who are members of recently immigrated or migrant families, Native Americans or the physically disabled.

“(6) The Close Up Foundation has thirty years of experience in providing economically disadvantaged young people and teachers with their highly educational experience with how our federal system of government functions through its programs that bring young people and teachers to Washington, D.C. for a first-hand view of our government in action.

“(7) It is a worthwhile goal to ensure that economically disadvantaged young people and teachers have the opportunity to participate in Close Up’s highly effective civic education program. Therefore, it is fitting and appropriate to provide fellowships to students and teachers who have demonstrated a commitment to support the Close Up Foundation’s ‘Great American Cities’ program that focuses on character and leadership development.

“Subpart 1—Program for Middle and Secondary School Students

“SEC. 3. ESTABLISHMENT.

“(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of teaching skills enhancement for middle and secondary school teachers.

“(b) Use of funds.—Grants under this subpart shall be used only to provide financial assistance to teachers who participate in the program described in subsection (a). Financial assistance received pursuant to this subpart by such students shall be known as the Close Up Teacher Fellowships.

“SEC. 4. APPLICATIONS.

“(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(b) CONTENT OF APPLICATION.—Each such application shall contain provisions to assure—

“(1) that fellowship grants are made only to teachers who have worked with at least one student from such teacher’s school who participates in the program described in section (a).

“(2) that no teacher in each school participating in the programs provided for in section (a) may receive more than one fellowship in any single year.

“(3) the proper disbursement of the funds received under this subpart.

“Subpart 2—Program for Middle and Secondary School Teachers

“SEC. 5. ESTABLISHMENT.

“(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of teaching skills enhancement for middle and secondary school teachers.

“(b) Use of funds.—Grants under this subpart shall be used only to provide financial assistance to teachers who participate in the program described in subsection (a). Financial assistance received pursuant to this subpart by such students shall be known as the Close Up Teacher Fellowships.

“SEC. 6. APPLICATIONS.

“(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(b) CONTENT OF APPLICATION.—Each such application shall contain provisions to assure—

“(1) that fellowship grants are made only to teachers who have worked with at least one student from such teacher’s school who participates in the program described in section (a).

“(2) that no teacher in each school participating in the programs provided for in section (a) may receive more than one fellowship in any single year.

“(3) the proper disbursement of the funds received under this subpart.

“Subpart 3—Program for New Americans

“SEC. 7. ESTABLISHMENT.

“(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing understanding of the Federal Government among economically disadvantaged middle and secondary school students.

“(b) Use of funds.—Grants under this subpart shall be used only to provide financial assistance to economically disadvantaged students who participate in the program described in subsection (a). Financial assistance received pursuant to this subpart by such students shall be known as the Close Up Fellowships.

“SEC. 8. APPLICATIONS.

“(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(b) CONTENT OF APPLICATION.—Each such application shall contain provisions to assure—

“(1) that fellowship grants are made to economically disadvantaged middle and secondary school students;

“(2) that every effort shall be made to ensure that teachers of students from rural and small town areas, as well as from urban areas, and that in awarding fellowships to economically disadvantaged students, special consideration will be given to the participation of students with special educational needs, including students with disabilities, students with migrant parents and ethnic minority students;

“(3) the proper disbursement of the funds received under this subpart.

“Subpart 4—Great American Cities Program

“SEC. 9. ESTABLISHMENT.

“(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with provisions of this subpart to the Great American Cities Foundation, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of teaching civic virtue and leadership development to economically disadvantaged young people who reside in large metropolitan areas.

“(b) Use of funds.—Grants under this subpart shall be used only to provide financial assistance to teachers and economically disadvantaged secondary school students who participate in the program described in subsection (a) and to assist in the development and execution of the program. Financial assistance received pursuant to this subpart by such students shall be known as the Close Up Great American Cities Fellowships.

“SEC. 10. APPLICATIONS.

“(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(b) CONTENT OF APPLICATION.—Each such application shall contain provisions to assure—

“(1) that fellowship grants are made to teachers and economically disadvantaged secondary school students who reside in large metropolitan areas;

“(2) that every effort shall be made to ensure the participation of teachers and students from large metropolitan areas, and that in awarding fellowships to teachers and economically disadvantaged students, special consideration will be given to the participation of students with special educational needs, including students with disabilities, students with migrant parents and ethnic minority students; and

“(3) the proper disbursement of the funds received under this subpart.

“Subpart 5—General Provisions

“SEC. 11. ADMINISTRATIVE PROVISIONS.

“(a) Accountability.—In consultation with the Secretary, the Close Up Foundation will devise and implement procedures to measure the efficacy of the programs authorized in subparts 1, 2, 3, and 4 in attaining objectives that include helping people with an increased understanding of the Federal Government; heightening a sense of civic responsibility among young people; and enhancing the skills of educators in teaching young people about civic virtue, citizenship competencies and the Federal Government.

“(b) General Rule.—Payments under this part may be made in instruments in advance, or by way of reimbursement, with necessary adjustments on account of underpayments or overpayments.

“S 4765

May 9, 2001

CONGRESSIONAL RECORD — SENATE
SEC. 01. PURPOSES.

The purposes of this title are—

(a) IN GENERAL.—There are authorized to be appropriated to carry out educational choice programs that provide scholarships, in accordance with this title.

(b) LIMIT ON FEDERAL ADMINISTRATIVE EXPENDITURE.—The Secretary of Education may reserve not more than 5 percent of the amounts appropriated under section 02(a) for a fiscal year to the District of Columbia Board of Education or other entity that exercises administrative jurisdiction over the District of Columbia public schools, the Superintendent of the District of Columbia public schools, and other school scholarship programs in the District of Columbia, to pay for the costs of administering this title.

SEC. 02. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out educational choice programs that provide scholarships, in accordance with this title.

(b) LIMIT ON FEDERAL ADMINISTRATIVE EXPENDITURE.—The Secretary of Education may reserve not more than 5 percent of the amounts appropriated under section 02(a) for a fiscal year to the District of Columbia Board of Education or other entity that exercises administrative jurisdiction over the District of Columbia public schools, the Superintendent of the District of Columbia public schools, and other school scholarship programs in the District of Columbia, to pay for the costs of administering this title.

SEC. 03. PROGRAM AUTHORITY.

(a) IN GENERAL.—From amounts made available to carry out this title, the Secretary of Education shall award grants to eligible children after the amounts appropriated under section 02(a) for a fiscal year to the District of Columbia Board of Education or other entity that exercises administrative jurisdiction over the District of Columbia public schools, the Superintendent of the District of Columbia public schools, and other school scholarship programs in the District of Columbia, to pay for the costs of administering this title.

(b) LIMIT ON FEDERAL ADMINISTRATIVE EXPENDITURE.—The Secretary of Education may reserve not more than 5 percent of the amounts appropriated under section 02(a) for a fiscal year to the District of Columbia Board of Education or other entity that exercises administrative jurisdiction over the District of Columbia public schools, the Superintendent of the District of Columbia public schools, and other school scholarship programs in the District of Columbia, to pay for the costs of administering this title.

(c) SCHOLARSHIP AMOUNT.—The amount of each scholarship shall be $2000 per year.

(d) OTHER FEDERAL FUNDS.—No Federal, State, or local agency may, in any year, take into account Federal funds provided to the District of Columbia Board of Education or other entity that exercises administrative jurisdiction over the District of Columbia public schools, the Superintendent of the District of Columbia public schools, and other school scholarship programs in the District of Columbia, in determining whether to provide any other funds to Federal, State, or local agencies, or in determining the extent of such funds to the District of Columbia or to a school attended by such child.

(e) NO DISCRETION.—Nothing in this title shall be construed to authorize the Secretary of Education to exercise any direction, supervision, or control over the curriculum, program of instruction, or personnel of any educational institution or school participating in a program under this title.

SEC. 09. EVALUATION.

The Comptroller General of the United States shall conduct an evaluation of the program authorized by this title. Such evaluation shall be commenced within 1 year after such program shall have commenced and shall, at a minimum—

(a) assess the implementation of educational choice programs assisted under this title.
title and their effect on participants, schools, and communities in the school districts served, including parental involvement in, and satisfaction with, the program and other factors; and

(2) compare the educational achievement of participating eligible children with the educational achievement of similar non-participants, before, during, and after the program; and

(3) compare—

(A) the educational achievement of eligible children whose scholarships are awarded by such school districts other than the schools the children would attend in the absence of the program; with

(B) the educational achievement of children who attend the schools the children would attend in the absence of the program.

SEC. 10. ENFORCEMENT.

(a) Regulations.—The Secretary of Education shall promulgate regulations to enforce the provisions of this title.

(b) Provisions or requirements of this title shall be enforced through a private cause of action.

SEC. 11. WASTEFUL SPENDING AND FUNDING.

(1) The Committee on Finance and the Committee on Appropriations of the Senate and the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives shall identify wasteful spending by the Federal Government as a means of providing funding for the provisions of this title.

(2) Prior to—Not later than 30 days after the date of enactment of this title, the committee referred to in subparagraph (a) shall, in consultation with the Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives, identify wasteful spending by the Federal Government.

SEC. 12. DISTRICT OF COLUMBIA SCHOLARSHIP CORPORATION.

(a) DEFINITION.—In this section—

(1) the term "Board" means the Board of Directors of the Corporation established under subsection (c); and

(2) the term "Corporation" means the District of Columbia Scholarship Corporation established under subsection (b).

(b) GENERAL REQUIREMENTS.

(1) The Board is authorized to establish a private, nonprofit corporation, to be known as the "District of Columbia Scholarship Corporation", which is neither an agent, instrumentality, or establishment of the United States Government or the District of Columbia.

(2) Duties.—The Corporation shall administer, operate, and maintain the scholarship program established under this section, and determine student and school eligibility for participation in the program.

(3) POWERS.—The Corporation shall exercise its authority in consultation with the Board of Education, the Superintendent, the Consensus Commission, and other school scholarship programs in the District of Columbia.

(4) APPLICATION OF PROVISIONS.—The Corporation shall be subject to the provisions of this section, and, to the extent that it is consistent with this section, to the District of Columbia Nonprofit Corporation Act (D.C. Code 29–501 et seq.).

(5) RESIDENCE.—The Corporation shall have its place of business in the District of Columbia, and shall be considered, for purposes of venue in civil actions, to be a resident of the District of Columbia.

(6) FUND.—There is established in the District of Columbia a general fund, a fund that shall be known as the "District of Columbia Scholarship Corporation Fund.

(7) DISBURSEMENT.—The Mayor of the District of Columbia shall disburse to the Corporation, before October 15 of each fiscal year or not later than 15 days after the date of enactment of an Act making appropriations for the District of Columbia for such fiscal year, all funds appropriated by Congress to be appropriated to the District of Columbia Scholarship Fund for the fiscal year for which such disbursement is made.

(8) AVAILABLE FUNDING.—Funds appropriated to be appropriated under this section shall remain available until expended.

(9) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 3 percent of the amount appropriated to carry out this section for any fiscal year may be used by the Corporation for any purpose other than assistance to students.

(c) ORGANIZATION AND MANAGEMENT; BOARD OF DIRECTORS.

(1) BOARD OF DIRECTORS; MEMBERSHIP.—

(A) IN GENERAL.—The Corporation shall have a Board of Directors comprised of 7 individuals to be selected from a list of not fewer than 6 individuals nominated by the Secretary of the House of Representatives, the Majority Leader or Majority Whip of the Senate, and the Minority Leader of the Senate, in accordance with this paragraph.

(B) HOUSE Nominations.—The Speaker of the House of Representatives shall appoint 2 members of the Board from a list of not fewer than 6 individuals nominated by the Speaker of the House of Representatives.

(C) House Nominations.—The Majority Leader of the Senate shall appoint 1 member of the Board from a list of not fewer than 6 individuals nominated by the Majority Leader of the Senate.

(d) OFFICERS AND STAFF.

(1) EXECUTIVE DIRECTOR.—The Corporation shall have an Executive Director, and such other staff, as may be appointed by the Corporation in a prudent and financially responsible manner, solely for awarding scholarships and for administrative costs.

(10) REGULATIONS.—The Secretary of Education, with the approval of the Board, may adopt regulations to carry out the provisions of this Act.

(11) STIPENDS.—The Corporation shall provide a stipend of not less than $150 per day, for which the member of the Board is officially recorded as having worked, except that no member may be paid a total stipend amount in any calendar year in excess of $5,000.

(12) STIPENDS.—The Corporation shall provide a stipend of not less than $150 per day to each member of the Board, and shall not be responsible for any expenses of the Board unless a stipend is authorized under subparagraph (A).

(13) ELECTIONS.—Members of the Board shall elect 1 of the members of the Board to serve as chairperson of the Board.

(14) RESIDENCY.—All members appointed to the Board shall reside in the District of Columbia at the time of appointment and while serving on the Board.

(15) NONEMPLOYER.—No member of the Board may be an employee of the Federal Government or the District of Columbia government when appointed or during tenure on the Board, unless the individual is otherwise eligible for appointment by virtue of a position held in the District of Columbia government.

(e) POWERS OF THE CORPORATION.—

(1) GENERALLY.—The Corporation is authorized to obtain grants from, and make contracts with, individuals and with private, State, and Federal agencies, organizations, and institutions.

(f) GENERAL AUTHORITY.—The Corporation may hire, or accept the voluntary services of, consultants, experts, advisory boards, and
panels to aid the Corporation in carrying out this section.

SA 637. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

Beginning on page 141, strike line 18 and all that follows through line 15 on page 143, and insert the following:

"(c) SPECIAL FUNDING RULES.—Notwithstanding the provision of law, the State shall not receive under this part for fiscal year 2000 or any succeeding fiscal year, an amount that—

(1) exceeds by more than 10 percent the amount the State received under this part for fiscal year 1999; and

(2) is less than 0.25 percent of the amount appropriated to carry out this part for the fiscal year for which the determination is made.

Beginning on page 144, line 23, strike "year is" and all that follows through line 8 on page 145, and insert "year shall bear the same relation to the amount appropriated under section 1124(a) for the fiscal year as the number of children counted under section 1124(c) for the local educational agency bears to the number of children counted under section 1124(c) for all local educational agencies in the States.''.

Beginning on page 149, strike line 23 and all that follows through line 11 on page 150, and insert the following:

"(3) PUERTO RICO.—The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for each fiscal year is equal to the amount received by the Commonwealth of Puerto Rico under this section for fiscal year 1999.

Beginning on page 155, strike line 13 and all that follows through line 3 on page 156.

On page 161, line 11, strike "year shall" and all that follows through line 16, and insert "year shall bear the same relation to the amount made available to carry out this section for the fiscal year as the number of children counted under section 1124(c) for the local educational agency bears to the number of children counted under section 1124(c) for all local educational agencies in all States.''.

On page 161, strike lines 17 through 23, and insert the following:

"(2) PUERTO RICO.—The amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section is equal to the amount received by the Commonwealth of Puerto Rico under this section for fiscal year 1999.

Beginning on page 163, line 13 and all that follows through line 3 on page 156.

On page 161, line 11, strike "year shall" and all that follows through line 16, and insert "year shall bear the same relation to the amount made available to carry out this section for the fiscal year as the number of children counted under section 1124(c) for the local educational agency bears to the number of children counted under section 1124(c) for all local educational agencies in all States.''.

On page 161, strike lines 17 through 23, and insert the following:

"(3) PUERTO RICO.—The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for each fiscal year is equal to the amount received by the Commonwealth of Puerto Rico under this section for fiscal year 1999.

Beginning on page 164, line 23, strike "year is" and all that follows through line 8 on page 145, and insert "year shall bear the same relation to the amount appropriated under section 1124(a) for the fiscal year as the number of children counted under section 1124(c) for the local educational agency bears to the number of children counted under section 1124(c) for all local educational agencies in all States.''.

Beginning on page 149, strike line 23 and all that follows through line 11 on page 150, and insert the following:

"(c) SPECIAL FUNDING RULES.—Notwithstanding any other provision of law, a State shall not receive under this part for fiscal year 2000 or any succeeding fiscal year, an amount that—

(1) exceeds by more than 10 percent the amount the State received under this part for fiscal year 1999; and

(2) is less than 0.25 percent of the amount appropriated to carry out this part for the fiscal year for which the determination is made.

Beginning on page 144, line 23, strike "year is" and all that follows through line 8 on page 145, and insert "year shall bear the same relation to the amount appropriated under section 1124(a) for the fiscal year as the number of children counted under section 1124(c) for the local educational agency bears to the number of children counted under section 1124(c) for all local educational agencies in all States.''.

Beginning on page 149, strike line 23 and all that follows through line 11 on page 150, and insert the following:

"(3) PUERTO RICO.—The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for each fiscal year is equal to the amount received by the Commonwealth of Puerto Rico under this section for fiscal year 1999.

Beginning on page 164, strike lines 17 through 23, and insert the following:

"(2) PUERTO RICO.—The amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section is equal to the amount received by the Commonwealth of Puerto Rico under this section for fiscal year 1999.

Beginning on page 163, line 13 and all that follows through line 3 on page 156.

On page 161, line 11, strike "year shall" and all that follows through line 16, and insert "year shall bear the same relation to the amount made available to carry out this section for the fiscal year as the number of children counted under section 1124(c) for the local educational agency bears to the number of children counted under section 1124(c) for all local educational agencies in all States.''.

The Senate finds:

The price of energy has skyrocketed in recent months;

The California consumers have seen a 10-fold increase in electricity prices in less than 2 years;

Natural gas prices have doubled in some areas, as compared with a year ago;

Gasoline prices are close to $2.00 per gallon now and are expected to increase to as much as $3.00 per gallon this summer;

Energy companies have seen their profits doubled, tripled, and in some cases even quintupled; and

High energy prices are having a detrimental effect on families across the country and threaten economic growth.

SECTION 1. SENSE OF THE SENATE CONCERNING THE NEED TO ESTABLISH A JOINT COMMITTEE OF THE SENATE AND HOUSE OF REPRESENTATIVES TO INVESTIGATE THE RAPIDLY INCREASING ENERGY PRICES ACROSS THE COUNTRY AND TO DETERMINE WHAT IS CAUSING THE INCREASES.

It is the sense of the Senate that there should be established a joint committee of the Senate and House of Representatives to—

(1) study the dramatic increases in energy prices (including increases in the prices of gasoline, natural gas, electricity, and home heating oil);

(2) investigate the cause of the increases;

(3) make findings of fact; and

(4) make such recommendations, including recommendations for legislation and any administrative or other actions, as the joint committee determines to be appropriate.

SA 641. Mr. CONRAD submitted an amendment intended to be proposed by him to the bill S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965; which was ordered to lie on the table; as follows:

At the end of title II, add the following:

SEC. 203. PROFESSIONAL DEVELOPMENT.

Section 3141(b)(2)(A) (20 U.S.C. 6861(b)(2)(A)) is amended—

(1) in clause (i), by striking "and" at the end;

(2) in clause (ii)(V), by adding "and" after the semicolon; and

(3) by adding at the end the following:

"(iii) the provision of incentives, including bonus payments, to recognized educators who achieve the National Education Technology Standards, or an information technology certification that is directly related to the curriculum or content area in which the teacher provides instruction;

"(4) RESERVATION FROM APPROPRIATIONS.—From the amounts appropriated under section 1002(b)(2) to carry out this subpart for a fiscal year, the Secretary shall—

(A) reserve 1/3 of 1 percent for allotments for the Virgin Islands, Guam, American Samoa and the Commonwealth of the Northern Marianas Islands, to be distributed among these outlying areas on the basis of their relative student enrollment, as determined by the Secretary in accordance with the purposes of this subpart; and
“(B) reserve ½ of 1 percent for allotments for the Secretary of the Interior for programs under this subpart in schools operated or funded by the Bureau of Indian Affairs.

On page 227, line 10, strike and insert the following: “Republic of Palau and Bureau of Indian Affairs for purposes of serving schools funded by the Bureau.”

On page 776, line 19, strike and insert the following: “or the indebtedness or the indebtedness to

strict bonded indebtedness or the indebted-

not exceed the poverty level, as determined

ity—State with respect to a public school facil-

means a construction project selected by the

choose 1 of the Federal funding mechanisms

for purposes of this

SEC.

SEC.

1116(8)(B), is amended by inserting:

Subtitle B—Liberalization of Tax-Exempt Fi-

QUALIFIED PUBLIC SCHOOL FACIL-

MENTAL BONDS USED TO FINANCE

REBATE EXCEPTION FOR GOVERN-

MENTAL BONDS USED TO FINANCE

QUALIFIED PUBLIC SCHOOL FACIL-

ITY CONSTRUCTION PROJECTS.

(a) In General.—The term ‘qualified public

school facility’ means any public elementary or secondary school facility, but does not include—

(1) any stadium or other facility primarily used for athletic contests or exhibitions, or

other events for which admission is charged to the public general; or

(B) any facility that is not owned by a State or local government or any agency or

instrumentality of a State or local govern-

ment.

(2) Bond.—The term ‘bond’ includes any

internal revenue code of 1986 (relating to ex-

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(2) GOVERNOR.—The term “Governor” includes the chief executive officer of a State.

(3) QUALIFIED SCHOOL CONSTRUCTION BOND.—The term “qualified school construction bond” or “bond” (or portion of a bond) issued as part of an issue if—

(A) 95 percent or more of the proceeds attributable to such bond (or portion) are to be used for the construction, rehabilitation, or repair of a public school facility (within the meaning of section 3(5)(A) of the Better Education for Students and Teachers Act) or for the acquisition of such land on which such facility is to be constructed with part of the proceeds;

(B) the bond is issued by a State, regional, or local entity, with bonding authority; and

(C) the issuer designates such bond (or portion) for purposes of this section.

(4) MEANING.—The term “stabilization fund” means the stabilization fund established under section 5302 of title 31, United States Code.

SEC. 405. LOANS AND SCHOOL CONSTRUCTION BOND INTEREST PAYMENTS AND OTHER SUPPORT.

(a) LOAN AUTHORITY AND OTHER SUPPORT.—

(1) LOANS AND STATE-ADMINISTERED PROGRAMS.—

(A) In general.—Except as provided in subparagraph (B), funds made available under this section to a State under this paragraph shall be used to make loans to States, regional, or local entities within the State to enable the entities to make annual interest payments on qualified school construction bonds that are issued by the entities not later than December 31, 2004;

(B) states with restrictions.—If, on the date of enactment of this Act, a State has in effect a law that prohibits the State from making the loans described in subparagraph (A), the State, in consultation with the State educational agency—

(i) shall use not less than 50 percent of the funds to make loans to State, regional, or local entities within the State for the cost of construction, rehabilitation, repair, or acquisition described in section 3(5)(A); and

(ii) may use not more than 50 percent of the funds to support State revolving fund programs or other State-administered programs that assist State, regional, and local entities within the State in paying for the cost of construction, rehabilitation, repair, or acquisition described in section 3(5)(A). (B) STATES WITH RESTRICTIONS.—If, on the date of enactment of this Act, a State has in effect a law that prohibits the State from making the loans described in subparagraph (A), the State, in consultation with the State educational agency, may use the funds described in paragraph (1) to support the programs described in subparagraph (A). (2) REQUESTS.—The Governor of each State described in clause (1) may request the Secretary of the Treasury to make a direct loan to a tribe to make annual interest payments on qualified school construction bonds issued by the tribe.

(2) USE OF FUNDS.—An Indian tribe that receives assistance under paragraph (1) shall use the stabilization fund to make annual principal and interest payments on such bond.

(b) STATE ELIGIBILITY.—The term “State” means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(c) AMOUNTS AVAILABLE TO EACH STATE.

(1) IN GENERAL.—From $7,400,000,000 of the funds in the stabilization fund, the Secretary of the Treasury shall make available to each State at least 40 percent of such average per-pupil expenditure for the fiscal year before the applicable period.

(2) SMALL STATE MINIMUM.—No State shall receive an amount under paragraph (1) that is less than $300,000.

SEC. 406. GRANTS TO STATES FOR SCHOOL CONSTRUCTION.

(a) AUTHORITY TO AWARD GRANTS TO STATES FOR PUBLICLY OWNED EDUCATION FACILITIES.—

(1) IN GENERAL.—The Secretary of Education (in this section referred to as the “Secretary”) is authorized to make grants, pursuant to this section, for the construction, alteration, remodeling, and repair of public schools, and the purchase of real property for use as a school facility including facilities for Indian Tribal Governments.

(2) AMOUNTS AVAILABLE.—No State shall receive an amount under paragraph (1) that is less than $300,000.

(b) STATE ELIGIBILITY.—No State shall be eligible to receive grants under this section if the Secretary determines that it has an operational plan to meet such an obligation.

(c) APPLICATION REQUIREMENTS.—Not later than December 1 of the school year for which grants are requested, each State shall submit to the Secretary an application for a facilities grant, which shall be approved by the Secretary only upon meeting the following criteria:

(1) The school—...
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(A) due to the lack of onsite facilities and for the purposes of regular curriculum delivery, houses students in instructional facilities located away from the school site (such as in rented space, trailers, or other public or community property); or
(B) facilities fail to meet functional (including environmental and code) requirements that are consistent with the performance and would require extensive corrective maintenance and repair, of a financial threshold that exceeds the school's bonding or levy authority by at least 150 percent.

(2) The school’s facilities features are limited to roofs, framing, floors, foundation, exterior, doors, windows, interior finishes, plumbing, heating, ventilation and air conditioning, electrical power, electrical lighting, life safety codes or technology infrastructure, limited to, telephone lines, conduits or raceways for computer network cables, fiber optic cable, electrical wiring for communications technology and electrical power for communications technology.

(3) The estimate for all costs in the proposal are based on facilities inspections and assessments made in the most recent 2 years.

(4) Alterations or improvements that fall within a State’s statewide needs assessment as inadequate for education or safety reasons, if such a State assessment is in place.

(5) Meets all applicable Federal, State, and local building code requirements.

The proposal includes a certified accounting to be compliant with all State and local privacy requirements, of the number of children at each grade level and the number of children expected to be served through alternative special needs education facilities, as required by Federal, State, and local law, if the proposal includes such a request.

ALLOWABLE USES OF FUNDS.—
(1) In accordance with paragraph (2), a grant made to a local educational agency under this section shall only be used for the following:

(A) School facility construction, including erection, building, acquisition, alteration, remodeling, improvement, or extension, but excluding facilities that are not consistently used for regular curriculum delivery and instructional purposes.

(B) Major renovation or repair of existing school facilities, excluding normal and regular building operation, maintenance and repair expenses.

(2) COMPLIANCE WITH STATE AND LOCAL STANDARDS.—Under this section for facility construction proposals that fall within State or local minimum and maximum building standards, as established by State or local law, rule, or regulation, which are more limited than the allowable uses under this subsection, shall be compliant with such State and local standards.

(e) The Federal funds provided to a local educational agency under this section shall not exceed 50 percent of the total cost of the facility construction proposal. A local educational agency may use in-kind contributions to meet the matching requirement of the preceding sentence.

(f) PROGRESS REPORTS.—The Secretary shall receive semiannual reports under this section (b) to instruct the United States delegation at the annual week-long summit of the World Health Assembly in May 2001 in Geneva, Switzerland; and

(g) to instruct the United States delegation to Geneva to implement that plan.

(2) Direct and unobstructed participation in international health cooperation forums is beneficial for all parts of the world, especially with today’s greater potential for the cross-border spread of various infectious diseases such as the human immunodeficiency virus (HIV), tuberculosis, and malaria.

(3) Taiwan’s population of 23,500,000 people should have appropriate and adequate access to health care. Health care in Taiwan and its regionally and globally, Taiwan and its state of health not only in Taiwan, but also internationally, is beneficial for all parts of the world.

(4) The United States has donated $200,000 in relief aid to the Salvadoran Government.

(5) The purpose of this hearing is to consider the nominations of J. Steven Griles to be the Deputy Secretary of Interior, Lee Sarah Liberman Otis to be the General Counsel for the Department of Energy, Jessie Hill Roberson to be the Assistant Secretary for Environmental Management of the Department of Energy, Nora Mead Brownell to be a Commissioner of the Federal Energy Regulation Commission, and W. Stephen Henry III to be a Commissioner of the Federal Energy Regulation Commission.

For further information, please contact David Dye of the Committee staff at (202) 224-0624.
AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, May 9, 2001. The purpose of this hearing will be to consider nominations for positions at the Department of Agriculture.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, May 9 at 9:30 a.m. to conduct a hearing. The committee will consider the nominations of Francis S. Blake to be the Deputy Secretary of the Department of Energy, Robert Gordon Card to be the Under Secretary of the Department of Energy, Bruce Marshall Carnes to be the Chief Financial Officer for the Department of Energy, and David Garman to be the Assistant Secretary for Energy Efficiency and Renewable Energy for the Department of Energy.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, May 9, 2001 at 10:00 a.m. for an oversight hearing on Federal election practices and procedures.

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

COMMITTEE ON THE JUDICIARY

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Wednesday, May 9, 2001 at 10:00 a.m. in Dirksen 226.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, May 9, 2001 at 2:00 p.m. to hold a closed hearing on intelligence matters.

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

SUBCOMMITTEE ON SURFACE TRANSPORTATION AND MERCHANT MARINE

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation and Merchant Marine of the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, May 9, 2001, at 9:30 a.m., on state of the rail industry.

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

PRIVILEGE OF THE FLOOR

Mr. ENZI. Mr. President, I ask unanimous consent that Amanda Farrish from my staff on the Health, Education, Labor, and Pensions Committee be granted the privilege of the floor for the remainder of this debate.

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

ORDERS FOR THURSDAY, MAY 10, 2001

Mr. ENSIGN. For the information of all Senators, there will be up to 1 hour 50 minutes of debate remaining on the budget conference report tomorrow morning. It is expected that some time on the resolution will be yielded back, and therefore the vote is expected to occur between 11 and 11:30 tomorrow morning. After the disposition of the budget conference report, the Senate will resume consideration of the education bill. There are numerous amendments pending and further amendments are expected to be offered. Therefore, further votes will occur during tomorrow’s session.

ORDER FOR ADJOURNMENT

Mr. ENSIGN. If there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order following the remarks of Senator CONRAD.

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

THE PRESIDING OFFICER (Mr. ENZI). The Senator from North Dakota.

BUDGET CONFERENCE REPORT

Mr. CONRAD. One of the great problems of this budget is the defense build-up that we all know the administration is going to call for—in fact, we are told it is going to come out next week—and the Secretary of Defense was asked by the President not to come out with his defense numbers before we passed the tax cut. Why? I suppose reasonable people would expect that, didn’t want the defense numbers out before the tax cut was agreed to. But I think I know. I think the truth is that they know if you have the defense numbers, and if you have what is likely to happen in education spending, and if you have some commitment to strengthening Social Security, which everybody says they are for as part of a budget document, then the budget document before us simply does not add up. That is their problem.

When you put all of those numbers together, what you find is that you are into the Social Security and the Medicare trust funds.

In conclusion, I take my colleagues back to the budget proposal we made on our side because I think it was a fiscally responsible proposal, one that took the $3.6 trillion forecast but underforecasted what it was a projection, and that it is very unlikely to come true.

The Senator from Michigan has just shown how inaccurate these forecasts have been year after year. They average being off by 100 percent or more. That tells me that we ought to be cautious in what we do.

In the budget proposal we made, we reserved all of the Social Security trust fund money for Social Security, $2.5 trillion, all of the Medicare trust fund money for Medicare, $400 billion, and then with what was left, we had a proposed tax cut of $745 billion in comparison to the $1.3 trillion that is before us.

In other words, we had about 60 percent of the tax cut that is being proposed. We had $300 billion more of investment on high-priority domestic needs. And the area where there were the big differences was education. We had $139 billion of new money for education. Actually, what passed the Senate was much more than that. But this conference committee came back with nothing—no new money for education.

I know there are colleagues who believe this conference report has more money for education. It does not. It does not.
We had a smaller tax cut. We had more resources than is provided in this conference report dedicated to these high-priority needs, including education, including national defense, and including health care coverage. We set aside $750 billion to deal with this long-term debt that we all know is coming our way about when the baby boom generation retires. We set aside $750 billion for that purpose because we think it is kind of like the squirrel in the fall. You had better be putting some nuts away to prepare for the winter.

In this conference report there is zero set aside to strengthen Social Security for the long term, to address this long-term debt that is coming our way.

The fundamental difference between us is that we had about twice as much money set aside for debt reduction. The other side has about twice as much money set aside for national defense than is in this conference report.

But this conference report isn’t the full story because we know the Secretary of Defense has said he is going to come out next week and propose a huge increase in defense. But they are not in the budget.

We know the President has a Social Security commission that is going to come back and propose privatization. That has a transition cost of about $1 trillion. There is no money in the budget for it, just as there is no money in the budget for the defense buildup they are going to ask for, just as there is no new money for education, although the President says it is his top priority.

There is something wrong with a budget that does not have what we really intend to do in it. That is the way we get into financial trouble. There is no private sector enterprise in America that would budget this way. It is profoundly irresponsible.

I hope we reject the conference report. I sincerely do. I call on my colleagues to do just that. Let’s go back to the drawing board. Let’s wait until we have that defense number next week. Let’s wait until the President proposes how much he needs to strengthen Social Security for the long term. Let’s wait until we finish action on the education bill that is on the floor of the Senate right now and see how much money that is going to require, so that we have a full accounting, a full budget, and make certain that it adds up.

Mr. President, I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9:30 tomorrow morning.

Thereupon, the Senate, at 8:19 p.m., adjourned until Thursday, May 10, 2001, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 9, 2001:

THE JUDICIARY

BARRINGTON D. PARKER, JR., OF CONNECTICUT, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT. VICE RALPH K. WINTER, JR., RETIRED.

TERRANCE W. BOYLE, OF NORTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT. VICE J. JACKSON PHILLIPS, JR., RETIRED.

DENNIS W. HEDDIX, OF NORTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT. VICE CLYDE R. HAMILTON, RETIRED.

EDITH BROWN CLEMENT, OF LOUISIANA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT. VICE JOHN M. DUBE, JR., RETIRED.

PRISCILLA RICCI-BROWNOW, OF TEXAS, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT. VICE WILLIAM L. GARWOOD, RETIRED.

DEBORAH L. COOK, OF OHIO, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT. VICE ALAN E. NORD, JR., RETIRED.

JEFFREY S. SUTTON, OF OHIO, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT. VICE DAVID A. NELSON, RETIRED.

MICHAEL W. MCCONNELL, OF UTAH, TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT. VICE STEPHEN H. ANDERSON, RETIRED.

MIGUEL A. ESTRELA, OF VIRGINIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT. VICE PATRICIA M. WALD, RETIRED.

ROGER L. GOLDBERG, OF VIRGINIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT. VICE JAMES B. RICKEL, RETIRED.

MICHAEL A. BURDICK, OF WASHINGTON, D.C., TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT. VICE JAMES B. RICKEL, RETIRED.

Arms Forces and National Security

The following nominees for appointment to the grades indicated in the United States Marine Corps Reserve under title 10, U.S.C., section 12201:

RICHARD G. ANDERSON, 0000
DOUGLAS L. APPELLEGRA, 0000
JAMES A. ATTWOOD, JR., 0000
NICHOLAS R. AUGUSTINE, 0000
JOHN R. BALLARD, 0000
WILLIAM J. BALKCOM, 0000
WILLIAM F. BOOTH, 0000
TERRENCE F. BRENAN, 0000
JAMES E. BROTHWELL, 0000
WILLIAM A. CASH, 0000
J. DICKSON PHILLIPS, JR., RETIRED
L. L. DONOHOE, 0000
MARIO ENRIQUEZ, 0000
RICHARD A. FINE, 0000
MICHAEL L. FLYNN, 0000
GEORGE W. HALLGAC, 0000
ROBERT D. HERMES, 0000
RICHARD D. HINE, 0000
MICHAEL C. HOWARD, 0000
CHRIS A. JOHNSON, 0000
RAYMOND S. KEITH, 0000
MICHAEL L. KELLEY, 0000
KENNETH J. LEE, 0000
STEPHEN A. MALONEY, 0000
PAUL R. MAUNSEY, 0000
MARY P. MCCAFFREY, 0000
JOHN M. MCBRIDE, 0000
ROBERT B. MCKINZIE, 0000
CHRISTOPHER W. MURPHY, 0000
TIMOTHY P. MURPHY, 0000
MICHAEL L. PANNELL, 0000
CHARLES J. PEARSON III, 0000
GREGORY J. PIFUSH, 0000
KERRY L. RENDLE, 0000
MARC T. RICHARDSON, 0000
PATRICIA D. SAINTE, 0000
GREGOR C. SANCHEZ, 0000
MICHAEL J. SHAFF, 0000
RICHARD J. SINNOTT, 0000
WILLIAM J. SKILLOW, 0000
HOBART N. SMITH, JR., RETIRED
MICHAEL T. SPENCER, 0000
DANIEL L. TRAVERS, 0000
JOHN W. TRAYNOR, 0000
MICHAEL M. WALKER, 0000
DAVID J. WASSING, 0000
COURTNEY WHITNEY III, 0000
JOHN H. WILLIAMS, 0000

CONFERMATIONS

Executive nominations confirmed by the Senate May 9, 2001:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE


DEPARTMENT OF LABOR

PAT FIZZELLA, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR.

DAVID D. LAURIEK, OF UTAH, TO BE AN ASSISTANT SECRETARY OF LABOR FOR MINES SAFETY AND HEALTH.

ANNA L. ROME, OF MICHIGAN, TO BE AN ASSISTANT SECRETARY OF LABOR.

SHIN T. CHEN, OF ILLINOIS, TO BE DIRECTOR OF THE WOMEN'S BUREAU, DEPARTMENT OF LABOR.
A PROCLAMATION RECOGNIZING
JOHN P. FAULDS
HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 2001
Mr. NEY, Mr. Speaker, I commend the following article to my colleagues:
Whereas, Senior Chief John P. Faulds, of the United States Navy has continually demonstrated a superlative degree of professionalism, care and commitment to the Navy, his family, and his community; and, Whereas, he has consistently demonstrated excellence in a remarkable 19 years of dedicated service; and, Whereas, he has served thirteen years at sea, with three consecutive overseas tours; and, Whereas, his exemplarily service has been recognized by the city of Cleveland, by the Commander Amphibious Group “Three Sailors of the Year” award, as well as being named the Enlisted Surface Warfare Specialist, and Therefore, I ask that my colleagues join me in honoring the dedication and service of a man who serves as an example to us all.

SMALL BUSINESS EXPORT ENHANCEMENT ACT OF 2001
HON. DONALD A. MANZULLO
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 2001
Mr. MANZULLO. Mr. Speaker, as we celebrate National Small Business Week, let’s not forget the fastest growing, and most exciting segment of the small business community—those getting involved in international trade. According to the Commerce Department, between 1987 and 1997, the number of small business exporters tripled, going from 66,000 to 202,000. Small businesses now account for 31 percent of total merchandise export sales spread throughout every industrial classification. What is more surprising is that the fastest growth among small business exporters has been with companies employing fewer than 20 employees. These very small businesses represented 65 percent of all exporting companies in 1997.
In fact, out of the 53 state Small Business Persons of the Year, 22 percent export goods and services representing 20 percent of sales. Additionally, 17 percent of the winners who currently do not export anticipate doing so within two years. Countries receiving exports include: nations of Great Britain, Canada, Mexico, Australia, Germany, China, Switzerland, Japan, Cyprus, Israel, Norway, France, Singapore, Russia, Argentina, Kazakhstan, Belgium, Brazil, Chile, Egypt, Greece, Indonesia, Italy, Poland, Romania, South Africa, Saudi Arabia, Spain, Thailand, Turkey and Venezuela.

Despite these encouraging statistics, there is still more work that needs to be done. Even though the number of small business exporters tripled, they form less than one percent of all small businesses in the United States. Even among these cutting-edge firms, nearly two-thirds of small business exporters sold to just one foreign market in 1997. In fact, 76 percent of small business exporters sold less than $250,000 worth of goods abroad. In other words, these are “casual” exporters. The key is to encourage more small businesses to enter the trade arena and then to prod “casual” small business exporters into becoming more active. If we were able to move in this direction, it could boost our exports by several billion dollars.

With the growth of the Internet economy, more small businesses are able to export overseas but sometimes face difficult obstacles in completing a sale. We need to insure that all our government agencies are up to the challenge so they can continue to help increase exports from the small business community.

While most of the trade focus in the federal government for small business is on export promotion, the office of the United States Trade Representative (USTR) can continue to play a vital role in formulating trade policy beneficial to small business. With the President requesting Trade Promotion Authority to negotiate more trade agreements, including the Free Trade in the Americas Agreement (FTA), small business exporters need to be at the table.

These trade talks could have positive benefits for small business exporters, primarily in the area of trade facilitation. Topics of discussion under this umbrella are streamlining trade dispute resolution procedures; reforming the documentation and filing procedures for patent and trademark protection; opening the public procurement process by foreign governments to small businesses; enhancing transparency in international tax, finance, customs procedures, and trade rules; and exploring means to internationalize the recognition of technical certification of professionals. How these issues get resolved will be of key interest to small business exporters.

That’s why I have introduced legislation to create an Assistant USTR for Small Business so that one person is primarily responsible for these tasks. In addition, the Assistant USTR for Small Business can play an outreach and advocacy role throughout the United States to solicit input from the small business community. Many small business exporters find our government bureaucracy very mystifying and complicated. Many times, small business exporters do not know who to ask a trade policy question. They get bounced or referred to one person after another. Having one person in charge who is empowered to go beyond the Washington Beltway to listen to small business may help alleviate this problem.

Mr. Speaker, I urge my colleagues to support the Small Business Export Enhancement Act of 2001.

COMMENDING CATAWBA MEMORIAL
HON. CASS BALLENGER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 2001
Mr. BALLenger. Mr. Speaker, I rise today to pay tribute to Catawba Memorial Hospital, a health care facility in my district that for years has provided first-rate care to those in need.

Nearly forty years ago, I joined a number of business, civic and community leaders for the groundbreaking of Catawba Memorial Hospital. Since then, my wife and I have maintained close involvement with the hospital for a number of years. During this time, we’ve both watched as Catawba Memorial has grown in size and prominence in the health care community. Much to my expectation and pleasure, Catawba Memorial Hospital has gone on to become one of the region’s leading health care facilities.

Aside from merely wanting to heap praise on a hospital that clearly deserves it, I also rise today, Mr. Speaker, to commend Catawba Memorial Hospital for its recent designation as a Magnate Hospital by the American Nurses Credentialing Center. Catawba Memorial is only the 32nd hospital in the nation to receive this prestigious award. It was chosen for Magnet Hospital designation for its excellence in nursing services. Although I’m certainly not surprised that Catawba Memorial was singled out for such a distinction, I am pleased nonetheless to congratulate Catawba Memorial Hospital’s doctors, nurses, and staff for their tremendous achievement. We are indeed fortunate to have such a distinguished facility in the 10th District of North Carolina.
SENATE COMMITTEE MEETINGS
Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, May 10, 2001 may be found in the Daily Digest of today’s RECORD.

MEETINGS SCHEDULED

MAY 15

9:30 a.m.
Energy and Natural Resources
To hold hearings on the national energy policy with respect to federal, state, and local impediments to the siting of energy infrastructure.
SD-366
10 a.m.
Judiciary
To hold hearings to examine high technology patents relating to business methods and the internet.
SD-226

Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Alphonso R. Jackson, of Texas, to be Deputy Secretary, the nomination of Richard A. Hauser, of Maryland, to be General Counsel, the nomination of John Charles Weicher, of the District of Columbia, to be an Assistant Secretary for Community Planning and Development, all of the Department of Housing and Urban Development; and to hold a business meeting to consider the nomination of John E. Robson, of California, to be President of the Export-Import Bank of the United States and the nomination of James J. Jochum, of Virginia, to be Assistant Secretary of Commerce for Export Administration.
SD-538

Governmental Affairs
To hold hearings to examine the financial outlook of the United States postal service.
SD-342
10:30 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Foreign Operations.
SD-124

2 p.m.
Judiciary
To hold hearings on the implementation of the Paul Coverdell National Forensic Science Improvement Act (P.L. 106-561), focusing on DNA crime labs.
SD-226

United States Senate Caucus on International Narcotics Control
To hold hearings to examine the relationship between the source zone and Plan Colombia, including the current strategy and balance of transit zone operations.
SD-215

2:30 p.m.
Environment and Public Works
To hold hearings on the President’s proposed budget request for fiscal year 2002 for the Environmental Protection Agency.
SD-628

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Department of Energy environmental management and the Office of Civilian Radioactive Waste Management.
SD-138

MAY 16

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the Farm Credit title of the Farm Bill.
SR-328A

9:30 a.m.
Veterans’ Affairs
To hold hearings on the nomination of Leo S. Mckay, Jr., of Texas, to be Deputy Secretary of Veterans Affairs; the nomination of Robin L. Higgins, of Florida, to be Under Secretary of Veterans Affairs for Memorial Affairs; the nomination of Maureen Patricia Cragin, of Maine, to be an Assistant Secretary of Veterans Affairs for Public and Intergovernmental Affairs; the nomination of Jacob Lezada, of Puerto Rico, to be an Assistant Secretary of Veterans Affairs; and the nomination of Gordon H. Mansfield, of Virginia, to be an Assistant Secretary of Veterans Affairs for Congressional Affairs.

Energy and Natural Resources
To hold hearings on the nomination of J. Steven Griles, of Virginia, to be Deputy Secretary of the Interior; the nomination of Lee Sarah Liberman Otto, of Virginia, to be General Counsel and the nomination of Jessie Hill Roberson, of Alabama, to be Assistant Secretary for Environmental Management, both of the Department of Energy; the nomination of Nora Mead Brownell, of Pennsylvania and the nomination of Patrick Henry Wood III, of Texas, both to be Members of the Federal Energy Regulatory Commission.
SD-366

Commerce, Science, and Transportation
To hold hearings on certain nominations of the Department of Transportation, the Department of Commerce and the Federal Trade Commission.
SR-253

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Federal Emergency Management Agency.
SD-138

Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Sergeant at Arms, United States Capitol Police Board, and Office of Compliance.
SD-124

Judiciary
To hold hearings on Department of Justice and certain judicial nominations.
SD-226

MAY 17

9:30 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine certain issues surrounding the nursing shortage.
SD-430

Commerce, Science, and Transportation
To hold hearings on certain nominations for the Federal Communications Commission.
SR-253

MAY 22

9 a.m.
Governmental Affairs
To hold hearings on the nomination of Erik Patrick Christian and the nomination of Maurice A. Ross, each to be an Associate Judge of the Superior Court of the District of Columbia.
SD-342

MAY 23

9:30 a.m.
Health, Education, Labor, and Pensions
Public Health Subcommittee
To hold hearings to examine issues surrounding human subject protection.
SD-430

MAY 24

9:30 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine issues surrounding patient safety.
SD-430

Governmental Affairs
Investigations Subcommittee
To hold hearings to examine alleged problems in the tissue industry, such as claims of excessive charges and profit making within the industry, problems in obtaining appropriate informed consent from donor families, issues related to quality control in processing tissue, and whether current regulatory efforts are adequate to ensure the safety of human tissue transplants.
SD-342

10 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Secretary of the Senate and the Architect of the Capitol.
SD-124

JUNE 6

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Science Foundation and the Office of Science Technology Policy.
SD-138
JUNE 13
10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 2002 for the Environmental Protection Agency and the Council of Environmental Quality. SD–138

JUNE 14
9:30 a.m.
Governmental Affairs
Investigations Subcommittee

To hold hearings to examine the nature and scope of cross border fraud, focusing on the state of binational U.S.-Canadian law enforcement coordination and cooperation and what steps can be taken to fight such crime in the future. SD–342

JUNE 15
9:30 a.m.
Governmental Affairs
Investigations Subcommittee

To continue hearings to examine the growing problem of cross border fraud, which poses a threat to all American consumers but disproportionately affects the elderly. The focus will be on the state of binational U.S.-Canadian law enforcement coordination and cooperation and what steps can be taken to fight such crime in the future. SD–342

JUNE 20
10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Housing and Urban Development. SD–138
HIGHLIGHTS

The House agreed to the conference report on H. Con. Res. 83, establishing the Congressional Budget for the United States Government.

House Committees ordered reported five sundry measures including the No Child Left Behind Act of 2001 and the Internet Freedom and Broadband Deployment Act.

Senate

Chamber Action

Routine Proceedings, pages S4525–S4773

Measures Introduced: Twelve bills and two resolutions were introduced, as follows: S. 847–858, and S. Res. 85–86.

Measures Reported:


Measures Passed:

Teacher Appreciation Week/National Teacher Day: Senate agreed to S. Res. 85, designating the week of May 6 through 12, 2001, as “Teacher Appreciation Week”, and designating Tuesday May 8, 2001, as “National Teacher Day”.

Honoring National Science Foundation: Senate agreed to H. Con. Res. 108, honoring the National Science Foundation for 50 years of service to the Nation.

Authorizing Use of Capitol Grounds: Senate agreed to H. Con. Res. 74, authorizing the use of the Capitol Grounds for the 20th annual National Peace Officers’ Memorial Service.

Honoring the “Whidbey 24”: Committee on Armed Services was discharged from further consideration of S. Res. 80, honoring the “Whidbey 24” for their professionalism, bravery, and courage, and the resolution was agreed to.

Small Business Administration Recognition: Senate agreed to S. Res. 86, to express the sense of the Senate recognizing the important role played by the Small Business Administration on behalf of the United States small business community.

Commending Navy Aircraft Crew: Committee on Foreign Relations was discharged from further consideration of S. Res. 81, commending the members of the United States mission in the People’s Republic of China for their persistence, devotion to duty, sacrifice, and success in obtaining the safe repatriation to the United States of the crew of the Navy EP–3E ARIES II aircraft who had been detained in China, and the resolution was then agreed to.

Taiwan WHO Participation: Committee on Foreign Relations was discharged from further consideration of H.R. 428, concerning the participation of Taiwan in the World Health Organization, and the bill was then passed, after agreeing to the following amendment proposed thereto:

Ensign (for Hatch) Amendment No. 647, in the nature of a substitute.

Elementary and Secondary Education Act Authorization: Senate continued consideration of S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965, taking action on the following amendments proposed thereto:

Adopted:

By 50 yeas to 49 nays (Vote No. 96), Kennedy (for Mikulski/Kennedy) Amendment No. 379 (to Amendment No. 358), to provide for the establishment of community technology centers.
By 98 yeas to 1 nay (Vote No. 97), McConnell

Modified Amendment No. 384 (to Amendment No.

358), to provide for teacher liability protection.

Pages S4525, S4536–40

Withdrawn:

Reid Amendment No. 421 (to Amendment No.

384), to limit the teacher liability protections in this

bill for teachers who strike a child to those situations

in which such action is necessary to maintain order and in which a parent or guardian has provided recent written consent to such actions.

Pages S4537–38

Pending:

Jeffords Amendment No. 358, in the nature of a substitute.

Pages S4525–44

Kennedy (for Murray) Amendment No. 378 (to Amendment No. 358), to provide for class size reduction programs.

Page S4525

Kennedy (for Dodd) Amendment No. 382 (to Amendment No. 358), to remove the 21st century community learning center program from the list of programs covered by performance agreements.

Page S4525

Cleland Amendment No. 376 (to Amendment No. 358), to provide for school safety enhancement, including the establishment of the National Center for School and Youth Safety.

Page S4525

Biden Amendment No. 386 (to Amendment No. 358), to establish school-based partnerships between local law enforcement agencies and local school systems, by providing school resource officers who operate in and around elementary and secondary schools.

Page S4525

Specter Modified Amendment No. 388 (to Amendment No. 378), to provide for class size reduction.

Page S4525

Voinovich Amendment No. 389 (to Amendment No. 358), to modify provisions relating to State applications and plans and school improvement to provide for the input of the Governor of the State involved.

Page S4525

Carnahan Amendment No. 374 (to Amendment No. 358), to improve the quality of education in our Nation’s classrooms.

Page S4525

Wellstone Amendment No. 403 (to Amendment No. 358), to modify provisions relating to State assessments.

Pages S4526–36

Reed Amendment No. 425 (to Amendment No. 358), to revise provisions regarding the Reading First Program.

Pages S4540–44

Senate will resume further consideration of the bill on Thursday, May 10, 2001.


Pages S4545–59, S4560–81

A unanimous-consent-time agreement was reached providing for further consideration of the conference report at 9:30 a.m., on Thursday, May 10, 2001, with a vote on adoption of the conference report to occur thereon.

Page S4578

Messages From the President: Senate received the following message from the President of the United States:

Transmitting, pursuant to law, a report relative to the national emergency with respect to Iran; to the Committee on Banking, Housing, and Urban Affairs. (PM–18)

Page S4589

Nominations Confirmed: Senate, after discharging the Committee on Health, Education, Labor, and Pensions from further consideration, confirmed the following nominations:

Stephen Goldsmith, of Indiana, to be a Member of the Board of Directors of the Corporation for National and Community Service for a term expiring October 6, 2005.

Pat Pizzella, of Virginia, to be an Assistant Secretary of Labor.

David D. Lauriski, of Utah, to be Assistant Secretary of Labor for Mine Safety and Health.

Ann Laine Combs, of Michigan, to be an Assistant Secretary of Labor.

Shinae Chun, of Illinois, to be Director of the Women’s Bureau, Department of Labor.

Pages S4581, S4773

Nominations Received: Senate received the following nominations:

Barrington D. Parker, Jr., of Connecticut, to be United States Circuit Judge for the Second Circuit.

Terrence W. Boyle, of North Carolina, to be United States Circuit Judge for the Fourth Circuit.

Dennis W. Shedd, of South Carolina, to be United States Circuit Judge for the Fourth Circuit.

Edith Brown Clement, of Louisiana, to be United States Circuit Judge for the Fifth Circuit.

Priscilla Richman Owen, of Texas, to be United States Circuit Judge for the Fifth Circuit.

Deborah L. Cook, of Ohio, to be United States Circuit Judge for the Sixth Circuit vice Alan E. Norris, retired.

Jeffrey S. Sutton, of Ohio, to be United States Circuit Judge for the Sixth Circuit.

Michael W. McConnell, of Utah, to be United States Circuit Judge for the Tenth Circuit.
Miguel A. Estrada, of Virginia, to be United States Circuit Judge for the District of Columbia Circuit.

Roger L. Gregory, of Virginia, to be United States Circuit Judge for the Fourth Circuit.

John G. Roberts, Jr., of Maryland, to be United States Circuit Judge for the District of Columbia Circuit.

A routine list in the Marine Corps.

Messages From the House: Page S4589

Statements on Introduced Bills: Pages S4591–S4612

Additional Cosponsors: Pages S4590–91

Amendments Submitted: Pages S4613–S4771

Additional Statements: Pages S4587–89

Notices of Hearings: Page S4771

Authority for Committees: Page S4772

Privileges of the Floor: Page S4772

Record Votes: Two record votes were taken today. (Total—97) Pages S4526, S4540

Adjournment: Senate met at 9:30 a.m., and adjourned at 8:19 p.m., until 9:30 a.m., on Thursday, May 10, 2001. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page S4772.)

Committee Meetings

(Committees not listed did not meet)

NOMINATIONS

Committee on Agriculture, Nutrition, and Forestry: Committee concluded hearings on the nominations of Mary Kirtley Waters, of Virginia, to be Assistant Secretary of Agriculture for Congressional Relations, Lou Gallegos, of New Mexico, to be Assistant Secretary of Agriculture for Administration, and J. B. Penn, of Arkansas, to be Under Secretary of Agriculture for Farm and Foreign Agricultural Services, after the nominees testified and answered questions in their own behalf. Mr. Gallegos was introduced by Senator Domenici.

COUNTERTERRORISM

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary resumed hearings to examine the roles and capabilities of various United States federal government departments’ counterterrorism efforts, after receiving testimony from John Ashcroft, Attorney General, Department of Justice; Tommy G. Thompson, Secretary of Health and Human Services; Donald L. Evans, Secretary of Commerce; Ann M. Veneman, Secretary of Agriculture; and Gale A. Norton, Secretary of the Interior.

Hearings continue on Thursday, May 10.

APPROPRIATIONS—DEFENSE


APPROPRIATIONS—NASA

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies concluded hearings on proposed budget estimates for fiscal year 2002 for the National Aeronautics and Space Administration, after receiving testimony from Daniel S. Goldin, Administrator, National Aeronautics and Space Administration.

RAILROAD INDUSTRY

Committee on Commerce, Science, and Transportation: Subcommittee on Surface Transportation and Merchant Marine held hearings to examine the state of the

Hearings recessed subject to call.

NOMINATIONS

Committee on Energy and Natural Resources: Committee concluded hearings on the nominations of Francis S. Blake, of Connecticut, to be Deputy Secretary, Robert Gordon Card, of Colorado, to be Under Secretary, Bruce Marshall Carnes, of Virginia, to be Chief Financial Officer, and David Garman, of Virginia, to be Assistant Secretary for Energy Efficiency and Renewable Energy, all of the Department of Energy, after the nominees testified and answered questions in their own behalf. Mr. Card was introduced by Senator Allard, and Mr. Carnes was introduced by Senator Allen.

ENDANGERED SPECIES ACT

Committee on Environment and Public Works: Subcommittee on Fisheries, Wildlife, and Water held hearings to examine the listing and de-listing processes of the Endangered Species Act, receiving testimony from Senator Thomas; Gary Frazer, Assistant Director, Endangered Species, Fish and Wildlife Service, Department of the Interior; Don Knowles, Director, Office of Protected Resources, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce; Deborah M. Brosnan, Sustainable Ecosystems Institute, Portland, Oregon; David S. Wilcove, Environmental Defense, John D. Echeverria, Georgetown University Law Center, on behalf of the Environmental Policy Project, Steven P. Quarles, on behalf of the QuadState County Government Coalition and the American Forest and Paper Association, and Ralph Moss, Seaboard Corporation, all of Washington, D.C.; Lev Ginzburg, State University of New York Department of Ecology and Evolution, Stony Brook; Steven N. Moyer, Trout Unlimited, Arlington, Virginia; and W. F. Zeke Grader, Jr., Pacific Coast Federation of Fishermen’s Associations, San Francisco, California.

Hearings recessed subject to the call.

FEDERAL ELECTION PRACTICES AND PROCEDURES

Committee on Governmental Affairs: Committee concluded hearings to examine Federal election practices and procedures, focusing on certain voting irregularities that occurred during the November, 2000 Presidential election and recommendations to reform the current voting system, after receiving testimony from Stephen Knack, Senior Research Economist, World Bank; Arkansas Secretary of State Sharon Priest, Little Rock, on behalf of the National Association of Secretaries of State; Hilary O. Shelton, National Association for the Advancement of Colored People, Washington, D.C.; Hans A. von Spakovsky, Fulton County Board of Registration and Elections, Atlanta, Georgia; R. Doug Lewis, Election Center, Houston, Texas; and Arturo Vargas, National Association of Latino Elected and Appointed Officials Educational Fund, and Conny B. McCormack, both of Los Angeles, California.

NOMINATIONS

Committee on the Judiciary: Committee concluded hearings on the nominations of Viet D. Dinh, of the District of Columbia, and Michael Chertoff, of New Jersey, each to be an Assistant Attorney General, both of the Department of Justice, after the nominees testified and answered questions in their own behalf. Mr. Dinh was introduced by Senator Domenici and Representative Sanchez, and Mr. Chertoff was introduced by Senator Corzine.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee will meet again tomorrow.
House of Representatives

Chamber Action

Bills Introduced: 24 public bills, H.R. 1769–1792; and 1 resolution, H. Res. 139, were introduced.

Pages H2081–82

Reports Filed: Reports were filed today as follows:


Page H2081

Guest Chaplain: The prayer was offered by the guest Chaplain, Rabbi Ely Rosensveig of Congregation Anshe Shalom, New Rochelle, New York.

Page H2025

Journal: The House agreed to the Speaker’s approval of the Journal of Tuesday, may 8 by a yea and nay vote of 335 yeas to 70 nays with 1 voting “present”, Roll No. 102.

Pages H2025–26


Earlier, the House agreed to H. Res. 136, the rule that waived points of order against the conference report by a yea and nay vote of 218 yeas to 208 nays, Roll No. 103.

Pages H2026–35

Great Falls Historic District in Paterson, New Jersey: The House passed H.R. 146, to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Great Falls Historic District in Paterson, New Jersey, as a unit of the National Park System.

Page H2051

Mad Cow and Foot-and-Mouth Disease: The House passed S. 700, to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as “mad cow disease”) and foot-and-mouth disease in the United States—clearing the measure for the President.

Pages H2051–53

Wildfire Management Act: The House passed H.R. 581, to authorize the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for wildland fire management in the Department of the Interior and Related Agencies Appropriations Act, 2001, to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service to facilitate the interagency cooperation required under the Endangered Species Act of 1973 in connection with wildland fire management.

Pages H2053–57

Agreed to the Traficant amendment that adds a section to detail the sense of the Congress that entities should only purchase American-made equipment and products and requires a report on the expenditures of foreign-made items to the Congress within 180 days of the purchase.

Earlier, H. Res. 135, the rule that provided for consideration of the bill was agreed to by voice vote.

Pages H2050–51

Presidential Message—National Emergency re Iran: Read a message from the President wherein he transmitted a 6-month periodic report on the national emergency with respect to Iran that was declared in Executive Order 12170 of November 14, 1979—referred to the Committee on International Relations and ordered printed (H. Doc. 107–68).

Pages H2071–72

Recess: The House recessed at 5:26 p.m. and reconvened at 6:25 p.m.

Page H2079

Amendments: Amendment ordered printed pursuant to the rule appears on page H2083.

Quorum Calls—Votes: Three yea and nay votes developed during the proceedings of the House today and appear on pages H2025–26, H2035, and H2049. There were no quorum calls.

Adjournment: The House met at 10:00 a.m. and adjourned at 6:26 p.m.

Committee Meetings

COMMERCE, JUSTICE, STATE AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State and Judiciary held a hearing on Immigration and Naturalization Service. Testimony was heard from Kevin Rooney, Acting Commissioner, Immigration and Naturalization Service, Department of Justice.

Pages H2051

DEFENSE APPROPRIATIONS

Committee on Appropriations: Subcommittee on Defense met in executive session to hold a hearing on Joint Forces Command. Testimony was heard from Gen. William F. Kernan, USA, Commander and Chief, Joint Forces Command, Department of Defense.
ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Energy and Water Development held a hearing on Department of Energy Nuclear Waste Management and Disposal. Testimony was heard from the following officials of the Department of Energy: Carolyn Huntwoon, Acting Secretary, Environmental Management; and Lake Barrett, Acting Director, Office of Civilian Radioactive Waste Management.

LABOR-HHS-EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education held a hearing on Health Care Financing Administration. Testimony was heard from Michael McMullan, Acting Deputy Administrator, Health Care Financing Administration, Department of Health and Human Services.

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation held a hearing on Federal Motor Carrier Safety Administration. Testimony was heard from Julie Anna Cirillo, Acting Deputy Administrator, Federal Motor Carrier Safety Administration, Department of Transportation.

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Treasury, Postal Service and General Government held a hearing on the GSA. Testimony was heard from Thurman M. Davis, Sr., Acting Administrator, GSA.

VA-HUD APPROPRIATIONS

Committee on Appropriations: Subcommittee on VA, HUD and Independent Agencies held a hearing on the EPA. Testimony was heard from Christine Todd Whitman, Administrator, EPA.

Facilities' Conditions and Perspective of Senior Enlisted

Committee on Armed Services: Subcommittee on Military Installations and Facilities held a hearing on facilities' conditions and the perspective of the senior enlisted. Testimony was heard from the following officials of the Department of Defense: Sgt. Maj. Jack L. Tilley, USA, Command Sgt. Maj., Army; Master Chief Petty Officer J. L. Herdt, USN, Navy; Chief Master Sgt. Frederick J. Finch, USAF, and Sgt. Maj. Alford L. McMichael, USMC.

MILITARY VOTING

Committee on Armed Services: Subcommittee on Military Personnel held a hearing on military voting. Testimony was heard from David M. Walker, Comptroller General, GAO; David O. Cooke, Director, Administration, Office of the Secretary, Department of Defense; and public witnesses.

NO CHILD LEFT BEHIND ACT

Committee on Education and the Workforce: Ordered reported, as amended, H.R. 1, No Child Left Behind Act of 2001.

INTERNET FREEDOM AND BROADBAND DEPLOYMENT ACT


COMMITTEE BUSINESS

Committee on Financial Services: Met to consider pending Committee business.

FINANCIAL SERVICES ANTIFRAUD NETWORK ACT


CHALLENGES TO NATIONAL SECURITY

Committee on Government Reform: Held a hearing on Challenges to National Security—Constraints on Military Training. Testimony was heard from the following officials of the Department of Defense: Adm. William J. Fallon, USN, Vice Chief of Naval Operations and Capt. William H. McRaven, USN, Commodore, Naval Special Warfare, Seal Group One, both with the Department of the Navy; Lt. Gen. Leon J. LaPorte, USA, Commanding General, III Corps and Ford Hood and Lt. Gen. Larry R. Ellis, USA, Deputy Chief of Staff, Operations and Plans, both with the Department of the Army; Gen. John P. Jumper, USAF, Commanding Commander, Headquarters Air Combat Command, Langley AFB, Virginia; and Col. Herbert J. Carlisle, USAF, Commander, 33rd Fighter Wing, Eglin AFB, both with the Department of the Air Force; Maj. Gen. James R. Battaglini, USMC, Deputy Commanding General, 1 Marine Expeditionary Force and Maj. Gen. Edward Hanlon, Jr., USMC, Commanding General, Camp Pendleton, California, both with the Department of the Air Force.
ILSA (IRAN-LIBYA SANCTIONS) EXTENSION ACT

Committee on International Relations: Subcommittee on Middle East and South Asia held a hearing on the ILSA (Iran-Libya Sanctions) Extension Act of 2001. Testimony was heard from former Senator Alfonse D’Amato, State of New York; and public witnesses.

NOTIFICATION AND FEDERAL EMPLOYEE ANTIDISCRIMINATION AND RETALIATION ACT

Committee on the Judiciary: Held a hearing on H.R. 169, Notification and Federal Employee Antidiscrimination and Retaliation Act of 2001. Testimony was heard from J. Christopher Mihm, Director, Strategic Issues, GAO; and public witnesses.

OVERSIGHT

Committee on the Judiciary: Subcommittee on Commercial and Administrative Law held an oversight hearing on the reauthorization of the U.S. Department of Justice: Executive Office for the U.S. Attorneys; Civil Division; Environment and Natural Resources Division; Executive Office for U.S. Trustees; and Office of the Solicitor General. Testimony was heard from the following officials of the Department of Justice: Mark Calloway, Acting Director, Executive Office for U.S. Attorneys; Stuart Schiffer, Acting Assistant Attorney General, Civil Division; John Cruden, Acting Assistant Attorney General, Environment and Natural Resources Division; and Martha Davis, Acting Director, Executive Office for U.S. Trustees.

FOREIGN RELATIONS AUTHORIZATION ACT

Committee on Rules: Granted, by voice vote, a structured rule providing 1 hour of general debate on H.R. 1646, Foreign Relations Authorization Act, Fiscal Years 2002 and 2003. The rules waives all points of order against the consideration of the bill and the committee amendment in the nature of a substitute. The rule makes in order only those amendments printed in the Rules Committee report accompanying the resolution. The rule provides that each amendment printed in the report shall be offered only in the order printed in the report, except as specified in section 2 of the resolution, shall be offered by a Member designated in the report, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. The rule waives all points of order against such amendments.

The rule allows the chairman of the Committee of the Whole to permit amendments printed in the Rules Committee report to be considered out of the order printed, provided that the Majority Leader or his designee announces such a request form the floor no sooner than one hour before its consideration. Finally, the rule provides one motion to recommit with or without instructions.

NOAA’S BUDGET: PREDICTING WEATHER CLIMATE

Committee on Science: Subcommittee on Environment, Technology and Standards held a hearing on NOAA’s Fiscal Year 2002 Budget: Predicting Weather Climate. Testimony was heard from Scott Gudes, Acting Under Secretary, Oceans and Atmosphere, and Administrator, NOAA, Department of Commerce; and public witnesses.

NATIONAL AIRSPACE SYSTEM—VERTICAL TAKEOFF AND LANDING TECHNOLOGY

Committee on Science: Subcommittee on Space and Aeronautics held a hearing on the Application of Vertical Takeoff and Landing (VTOL) Technology in the National Airspace System. Testimony was heard from John Zuk, Chief, Advanced Tiltrotor Technology Office, Ames Research Center, NASA; and public witnesses.

HCFA PAPERWORK BURDENS

Committee on Small Business: Held a hearing on Health Care Financing Administration Paperwork Burdens. Testimony was heard from public witnesses.

PREPAREDNESS AGAINST DOMESTIC TERRORISM ACT

Committee on Transportation and Infrastructure: Subcommittee on Economic Development, Public Buildings and Emergency Management held a hearing on H.R. 525, Preparedness Against Domestic Terrorism Act of 2001. Testimony was heard from Representatives Gilchrest, Blumenauer and Chambliss; the following officials of the FEMA: Joe M. Allbaugh, Director and John Magaw, Acting Deputy Director; Mary Lou Leary, Acting Assistant Attorney General, Office of Justice Programs, Department of Justice; Charles Cragin, Acting Assistant Secretary, Civil Support, Department of Defense; Raymond Decker, Director, Diffuse Threat Issues, Defense Capabilities and Management Team, GAO; Gary McConnell, Director, Emergency Management Agency, State of Georgia; and public witnesses.

DRIVER DISTRACTIONS

Committee on Transportation and Infrastructure: Subcommittee on Highways and Transit held a hearing on Driver Distractions: Electronic Devices in the
Automobile. Testimony was heard from L. Robert Shelton, Executive Director, National Highway Traffic Safety Administration, Department of Transportation; and public witnesses.

RAILROAD LEGISLATION
Committee on Transportation and infrastructure: Subcommittee on Railroads approved for full Committee action, as amended, the following bills: H.R. 1140, Railroad Retirement and Survivors’ Improvement Act of 2001; and H.R. 1020, Railroad Track Modernization Act of 2001.

MISCELLANEOUS MEASURES
Committee on Ways and Means: Ordered reported, as amended, the following bills: H.R. 622, Hope for Children Act; H.R. 586, to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies; and H.R. 1727, Fallen Hero Survivor Benefit Act of 2001.

MODERNIZING BENEFICIARY COST SHARING
Committee on Ways and Means: Subcommittee on Health held a hearing on Modernizing Beneficiary Cost Sharing. Testimony was heard from William J. Scanlon, Health Care Issues, GAO; Jennifer O’Sullivan, Specialist in Social Legislation, Domestic Social Policy Division, Congressional Research Service, Library of Congress; and public witnesses.

BALKANS BRIEFING
Permanent Select Committee on Intelligence: Subcommittee on International Policy and National Security met in executive session to receive a briefing on the Balkans. The Subcommittee received a briefing on the Balkans. The Subcommittee was briefed by departmental officials.

Committee on Agriculture, Rural Development, and Related Agencies, to hold hearings on proposed budget estimates for fiscal year 2002 for the Food and Drug Administration, Department of Health and Human Services, 10 a.m., SD–138.

Subcommittee on Legislative Branch, to hold hearings on proposed budget estimates for fiscal year 2002 for the Congressional Budget Office, Government Printing Office, and General Accounting Office, 10 a.m., S–128, Capitol.

Subcommittee on Commerce, Justice, State, and the Judiciary, to continue hearings, in closed session, to examine United States Federal Government capabilities with respect to terrorism, 1:30 p.m., SH–219.

Subcommittee on Commerce, Justice, State, and the Judiciary, with the Select Committee on Intelligence, to hold closed hearings on intelligence matters, 2:30 p.m., SH–219.

Subcommittee on Commerce, Justice, State, and the Judiciary, to continue hearings to examine United States Federal Government capabilities with respect to terrorism, 4:45 p.m., SH–216.

Committee on Armed Services: to hold hearings on the nomination of Thomas E. White, of Texas, to be Secretary of the Army; the nomination of Gordon R. England, of Texas, to be Secretary of the Navy; the nomination of Alfred Rascon, of California, to be Director of Selective Service; the nomination of David S.C. Chu, of the District of Columbia, to be Under Secretary of Defense for Personnel and Readiness; and the nomination of James G. Roche, of Maryland, to be Secretary of the Air Force, 10 a.m., SD–342.

Committee on Banking, Housing, and Urban Affairs: to hold hearings on the nomination of John E. Robson, of California, to be President of the Export-Import Bank of the United States; the nomination of Peter R. Fisher, of New Jersey, to be an Under Secretary of the Treasury for Domestic Finance; and the nomination of James J. Jochum, of Virginia, to be an Assistant Secretary of Commerce for Export Administration; and to hold a business meeting to consider the nomination of Grant D. Aldonas, of Virginia, to be Under Secretary of Commerce for International Trade; the nomination of Kenneth I. Juster, of the District of Columbia, to be Under Secretary of Commerce for Export Administration; the nomination of Maria Cino, of Virginia, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service; and the nomination of Robert Glenn Hubbard, of New York, to be a Member of the Council of Economic Advisers, 10 a.m., SD–538.

Committee on Commerce, Science, and Transportation: Subcommittee on Aviation, to hold hearings to examine government and industry wide efforts to address air traffic control delays, 10 a.m., SR–253.

Committee on Energy and Natural Resources: to hold hearings on the President’s proposed budget request for fiscal year 2002 for the Department of Energy, 9:30 a.m., SD–366.

Subcommittee on National Parks, Historic Preservation, and Recreation, to hold oversight hearings on the Department of the Interior’s proposed budget request for the National Park Service; to be followed by the Subcommittee on Forests and Public Land Management hearing on H.R. 880, to provide for all right, title, and interest in certain property in Washington County, Utah, to be vested in the United States, 2:30 p.m., SD–366.
Committee on Environment and Public Works: Subcommittee on Transportation and Infrastructure, to hold hearings on the Department of Transportation and the General Services Administration proposed budget request for fiscal year 2002, 10:15 a.m., SD–628.

Committee on Health, Education, Labor, and Pensions: to hold hearings on the goals and priorities of the Native Alaska Community for the 107th Congress, 2:45 p.m., SR–485.

Select Committee on Intelligence: to hold hearings to examine opportunities and innovations involving biomedical research, 9:30 a.m., SD–430.

Committee on Indian Affairs: to hold hearings to receive the nomination of Charles A. James, Jr., of Virginia, to be an Assistant Attorney General; the nomination of Theodore Bevry Olson, of the District of Columbia, to be Solicitor General of the United States; the nomination of Daniel J. Bryant, of Virginia, to be an Assistant Attorney General; the nomination of Larry D. Thompson, of Georgia, to be Deputy Attorney General; the nomination of Viet D. Dinh, of the District of Columbia, to be an Assistant Attorney General; the nomination of Michael Chertoff, of New Jersey, to be an Assistant Attorney General, all of the Department of Justice; S.487, to amend chapter 1 of title 17, United States Code, relating to the exemption of certain performances or displays for educational uses from copyright infringement provisions, to provide that the making of a single copy of such performances or displays is not an infringement; S.166, to limit access to body armor by violent felons and to facilitate the donation of Federal surplus body armor to State and local law enforcement agencies; H.R. 802, to authorize the Public Safety Officer Medal of Valor; S. 39, to provide a national medal for public safety officers who act with extraordinary valor above and beyond the call of duty; and S. Res. 63, to commemorate and acknowledge the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers, 10 a.m., SD–226.

House

Committee on Appropriations, Subcommittee on Commerce, Justice, State and Judiciary, on International Organizations and Peacekeeping, 10 a.m., and on U.S. Trade Representation, 2 p.m., H–309 Capitol.

Subcommittee on Energy and Water Development, on Department of Energy, Energy Resources and Science, 10 a.m., 2362–B Rayburn.

Subcommittee on Foreign Operations, Export Financing and Related Programs, on the Secretary of State, 1 p.m., 2359 Rayburn.

Subcommittee on Labor, Health and Human Services and Education, on Substance Abuse and Mental Health Services, 10 a.m., and on Agency for Healthcare Research and Quality, 11:15 a.m., 2358 Rayburn.

Subcommittee on Treasury, Postal Service and General Government, on OMB, 10 a.m., 2358 Rayburn.

Subcommittee on VA, HUD and Independent Agencies, to continue on EPA, 9:30 a.m., 2359 Rayburn and 1:30 p.m., 2358 Rayburn.

Committee on Education and the Workforce, Subcommittee on Workforce Protections, hearing on “Beck Rights 2001: Are Workers Being Heeded?” 10 a.m., 2175 Rayburn.


Subcommittee on Health and the Subcommittee on Oversight and Investigations, joint hearing entitled “Patients First: A 21st Century Promise to Ensure Quality and Affordable Health Coverage,” 10 a.m., 2322 Rayburn.

Committee on Financial Services, Subcommittee on Financial Institutions and Consumer Credit, to consider H.R. 1408 Financial Services Antifraud Network Act of 2001, 10 a.m., 2128 Rayburn.

Committee on House Administration, hearing on Federal Election Reform, 4:45 p.m., 1310 Longworth.


Subcommittee on Courts, the Internet and Intellectual Property, oversight hearing on Improving the Fairness and Quality of Issued Patents, 1:30 p.m., 2141 Rayburn.

Committee on Resources, Subcommittee on Fisheries Conservation, Wildlife and Oceans, oversight hearing on the capacity reduction programs, Federal investments in fisheries and the reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act, 9:30 a.m., 1324 Longworth.

Committee on Science, Subcommittee on Research, hearing on Classrooms as Laboratories: The Science of Learning Meets the Practice of Teaching, 10:30 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Aviation, to mark up H.R. 1407, to amend title 49, United States Code, to permit air carriers to meet to discuss their schedules in order to reduce flight delays, 9:30 a.m., 2167 Rayburn.

Subcommittee on Coast Guard and Maritime Transportation, to mark up H.R. 1699, Coast Guard Authorization Act of 2001, 2 p.m., 2253 Rayburn.


Committee on Ways and Means, Subcommittee on Human Resources, hearing on the Promoting Safe and Stable Families Program, 1 p.m., B–318 Rayburn.

Subcommittee on Social Security, hearing on Ensuring the Integrity of Social Security Programs, 10 a.m., B–318 Rayburn.

Permanent Select Committee on Intelligence, executive, briefing on Peru Update, 10 a.m., Capitol.
Next Meeting of the SENATE
9:30 a.m., Thursday, May 10

Senate Chamber
Program for Thursday: Senate will continue consideration of the Conference Report on H. Con. Res. 83, Congressional Budget Resolution, with a vote on adoption of the conference report to occur thereon; following which, Senate will continue consideration of S. 1, Elementary and Secondary Education Act Authorization.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Thursday, May 10

House Chamber

Extensions of Remarks, as inserted in this issue

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