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 adventuresome, un-daunted 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
WASHINGTON, DC, MAY 9, 2001

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.

Tim Hutchinson, 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.

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 a 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 the technology centers to sharpen their job training for adults who could use homework or surf the web. It means children where they could learn how to partnership 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.

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:

<table>
<thead>
<tr>
<th>YEA'S—50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akaka</td>
</tr>
<tr>
<td>Bancas</td>
</tr>
<tr>
<td>Bayh</td>
</tr>
<tr>
<td>Biden</td>
</tr>
<tr>
<td>Bingaman</td>
</tr>
<tr>
<td>Boxer</td>
</tr>
<tr>
<td>Breaux</td>
</tr>
<tr>
<td>Byrd</td>
</tr>
<tr>
<td>Cantwell</td>
</tr>
<tr>
<td>Carnahan</td>
</tr>
<tr>
<td>Carper</td>
</tr>
<tr>
<td>Cleland</td>
</tr>
<tr>
<td>Clinton</td>
</tr>
<tr>
<td>Conrad</td>
</tr>
<tr>
<td>Corzine</td>
</tr>
<tr>
<td>Daschle</td>
</tr>
<tr>
<td>Dayton</td>
</tr>
<tr>
<td>REID</td>
</tr>
<tr>
<td>NAYS—49</td>
</tr>
<tr>
<td>Allard</td>
</tr>
<tr>
<td>Allen</td>
</tr>
<tr>
<td>Bennett</td>
</tr>
<tr>
<td>Bond</td>
</tr>
<tr>
<td>Brownback</td>
</tr>
<tr>
<td>Bunning</td>
</tr>
<tr>
<td>Campbell</td>
</tr>
<tr>
<td>Chafee</td>
</tr>
<tr>
<td>Cochran</td>
</tr>
<tr>
<td>Collins</td>
</tr>
<tr>
<td>Craig</td>
</tr>
<tr>
<td>Craig</td>
</tr>
<tr>
<td>DeWine</td>
</tr>
<tr>
<td>Domenici</td>
</tr>
<tr>
<td>Enzi</td>
</tr>
<tr>
<td>REID</td>
</tr>
</tbody>
</table>

The amendment (No. 379) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

The amendment (No. 379) 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.

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:

"(a) enable itemized score analyses to be reported to schools and local educational agencies in a way that parents, teachers, schools, and local educational agencies can interpret and address the specific academic needs of individual students as indicated by the students' performance on assessment items;"

On page 125, between lines 4 and 5, insert the following:

"SEC. 117A. 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:

(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) 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 purposes 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 not otherwise under this section 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, and reliable for the purposes for which the assessments are to be used, are grade-appropriate, include multiple measures of student achievement from multiple sources, and otherwise meet the requirements of section 1111(b)(3). Such assessments shall strive to better measure higher order thinking skills, understanding, analytical and critical thinking over time through the development of assessment tools that include techniques such as performance, curriculum-based assessments, and portfolios.

"(F) 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 State or local educational agency in improving the quality and fairness of assessments with respect to the purpose described in subsection (a).

Mr. WELLSTONE. Mr. President, this amendment greatly strengthens this legislation. It focuses on an issue that we have not really spent a lot of time on. That is, dealing 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 do not 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, 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 their 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 American Educational Research Association, the American Psychological Association and 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 are 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 they can help them do better.

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 do this the wrong way. I want to make sure our States and school districts can design the kinds of tests that are comprehensive, that have multiple measures, that are coherent, that we are actually measuring what is being taught, and also to make sure they assess progress over time.

This is so important because we don’t want to put our teachers and school districts in a position of having to teach to tests. We don’t want to drive our best teachers. We want to have the best teachers in our schools. We don’t want teachers to be drill sergeants. There is a distinction between training and education.

The need for this amendment is clear. The Independent Review Panel, which I mentioned, which was mandated in the 1994 reauthorization, issued its report—"Improving the Odds" this January. The report concluded:

Many States use assessment results from a single test—often traditional multiple choice tests. Although these tests may have an important place in state assessment systems, they rarely capture the depth and breadth of 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 is one 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 on our own 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 narrowness to focus only on the objectives tested, restricting the range of instructional approaches to correspond to testing format, increasing the number of drop-outs 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 education covered by the tests. Further, the over-reliance on tests could cause teachers to leave the profession at a time when
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 you 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 strong 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 is not good 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, areas 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 our 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 the students’ 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-taking 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 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 I 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 standardized tests 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 these achievement gaps, 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 tests. 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 incented by education are 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 don’t make sure the testing is done in a comprehensive and coherent way.

John O’Donohue wrote 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 as once did—certainly not in the same exuberant light as when I first started teaching five years ago. Where once they were “challenging” 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 Testers, for example, that:

If a test is intended to measure mathematical reasoning, it becomes important to determine whether examinees are in fact reasoning 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 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 affect 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
Tests can lead to inaccurate assessments, which do not serve but, rather, subvert the efforts at true educational accountability. Nobody put it better than the strongly protesting Committee for Economic Development. These business leaders concluded in their report that there should be unambiguous support for this amendment—entitled “Measuring What Matters” that:

“Tests that are not valid, reliable, and fair will obviously be inaccurate indicators of the assessment of students. As a result, they can lead to wrong decisions being made about students and the schools.”

We want to make sure these tests are accurate, reliable, and fair. I know the language I speak is technical, but the issue is of great import.

Let me just simply summarize my position. There is more to say, and perhaps we will listen to other colleagues as well, because there is much more than I can say in evidence.

One of the things we have to make sure is that we have comprehensive multiple measures that will measure schools and students. You have to do that; otherwise, you are abusing the tests. It is very dangerous to use a single test to determine how well schools and students are doing. But beyond pure error, it is important to realize that even without technical error, tests tell only a part of the education story. They should be accompanied by other measures to ensure that we are getting the best picture possible of how these students and schools are doing. That is the way we can hold the schools truly and fairly accountable.

In his testimony before the House Education and Workforce Committee, Kurt M. Landgraf, president and CEO of the Educational Testing Service, which is one of the largest providers of K–12 testing services in the country, said:

“Scores from large-scale assessments should not be used alone if other information will increase the validity of the decisions being made.”

Riverside Publishing, another of the major test publishers in the country, in their Interpretive Guide For School Administrators for the Iowa Test of Basic Skills, said:

“Many of the common misuses (of standardized tests) stem from depending on a single test score to make a decision about a student or a group of students.”

The National Association of State Boards of Education also did a comprehensive study which indicated the same thing.

The study I mentioned before, “Quality Counts,” shows that we need to have multiple measures. In no area is this phenomenon more evident than in the use of a single standardized test to make a high-stakes decision about a student, as whether or not that student will be promoted from one grade to another. Or in what reading group that student will be placed.

Nearly everybody involved in the testing field, whether it is the groups 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. The National Education Association reports for that matter, about individual schools.

The Standards for Educational and Psychological Testing asserts that in educational settings, a decision or characterization that will have a major impact on a student should not be made on the basis of a single test score.

The National Research Council—we commissioned this report—in 1999 concludes that:

“No single test score can be considered a definitive measure of a student’s knowledge, and an educational decision that will have a major impact on a test taker should not be made solely or automatically on the basis of a single test score.”

So we need multiple measures. Second, right now, too many of the tests are not aligned with the curriculum and standards. So another condition that has to be met, another problem that has to be met, is that current assessments all too often are not aligned with standards, curriculum, and instruction. That is what it has to be.

I am putting into the language what we have implied. Alignment is the cornerstone of accountability. If we don’t have tests that are aligned with the standards and curriculum and the instruction, then we are not going to have real accountability.

Now, the Committee for Economic Development in their report makes the point that barriers to alignment are more serious when States use so-called off-the-shelf commercial tests rather than developing their own. The National Association of State Boards of Education confirms in their study and makes the point that norm reference tests and the attainment of content and performance standards.

This amendment provides grants to States to better align their assessments, as well as to ensure that the tests validly assess the domain they are intended to measure. This is common sense, but it is so important.

This amendment seeks not to stop using tests but to ensure fairness and accuracy in the large-scale assessment movement under title I. This amendment seeks not to stop using tests. I want to make sure this is done the right way. I want to make sure it is fair. I want to make sure the tests are accurate. I want to make sure we have real accountability. I want to make sure we are respectful of teachers. I want to make sure we are respectful of school boards. I want to make sure we are respectful of what goes on in our schools.

This call for fairness and accuracy is a call that has been made by business leaders, by educators, by government leaders, and by the most respected research institutes in the country. I rarely read text when I speak on the floor of the Senate. However, there are 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.

This amendment is this call for accurate, fair testing has crossed party lines. I hope it will have bipartisan support in the Senate.

The most recent National Research Council report on testing, “Knowing What Students Know,” outlines the direction in which I think we as policymakers need to move to make sure the testing is done fairly and correctly.

The report concludes that:

“. . . policymakers are urged to recognize the limits of current assessments and to support the development of new systems of multiple assessments that would improve their ability to make decisions about educational programs and allocation of resources.”

It says:

“. . . needed are classroom and large-scale assessments that help all students succeed in school by making as clearly as possible to them, their teachers and other educational stakeholders the nature of their accomplishments and the progress of their learning.”

We surely ought to be able to meet that condition.

Right now, the authors report: Assessment practices need to move beyond a focus on component skills and discrete bits of knowledge to encompass more complex aspects of student achievement.

The authors recommended that: Funding should be provided for a major program of research, given the a synthesis of cognitive and measurement principles, that focus on the design of assessments that yield more valid and fair inferences about student achievement.

And key components are what? Multiple measures of student achievement and a move to more performance-based, curriculum-embedded assessment.

Doesn’t that make sense, to have multiple measures? I’ll try to make sure what you are testing is aligned with the curriculum? The three principles of good assessment are laid out.

I conclude on the principles: Comprehensiveness, meaning you have a range of measurement approaches so that you have a variety of evidence to support educational decisionmaking; coherence, meaning that the assessment should be closely linked to curriculum and instruction; and continuity, meaning that the assessment should measure student progress over time.

I emphasize, this legislation, S. 1. is a major departure in public policy in the sense we are now calling on all of the school districts in all of the States in all of the schools in all of our States to test children as young as age 8 to age 13 every single year. There can be a philosophical discussion about whether we should be doing that. The only thing I am saying is, let’s do it the right way.

I have been working on this amendment, using the best studies we have. I have been in touch with people all over.
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 there are 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 neighborhood I think we have to teach the inner-city neighborhood that Jonathan Kozol does.

The dreardest and most robotic teachers will remain, the flowing and passionate teachers will get out as fast as they can. They will be hired in exclusive 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? They are the way of robbing the urban poor and rural children of the opportunities that we give to our own children.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time of the debate in Minnesota, about every 2 weeks for the last 10 1/2 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 one way of robbing the urban poor and rural children of the opportunities that we give to our own children.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time of the debate in Minnesota, about every 2 weeks for the last 10 1/2 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 one way of robbing the urban poor and rural children of the opportunities that we give to our own children.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time of the debate in Minnesota, about every 2 weeks for the last 10 1/2 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 one way of robbing the urban poor and rural children of the opportunities that we give to our own children.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time of the debate in Minnesota, about every 2 weeks for the last 10 1/2 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 one way of robbing the urban poor and rural children of the opportunities that we give to our own children.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time of the debate in Minnesota, about every 2 weeks for the last 10 1/2 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 one way of robbing the urban poor and rural children of the opportunities that we give to our own children.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time of the debate in Minnesota, about every 2 weeks for the last 10 1/2 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 one way of robbing the urban poor and rural children of the opportunities that we give to our own children.

I think he is right. I have been a college teacher for 20 years. I have been in a school the time of the debate in Minnesota, about every 2 weeks for the last 10 1/2 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 one way of robbing the urban poor and rural children of the opportunities that we give to our own children.
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. I limited 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 student 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 parents in 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 definitely did not at that time. 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 to have 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 a 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 definitely did not at that time. It gave us 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 was a traveling shoe salesman. He found out 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 going to put 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 say: 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 and say: I don't 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 you 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 it.

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—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 here 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 take. My dad was an engineer, and he would read the books of his choice, and 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 her, 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 might have a somewhat different view of mine, 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. Shovelin. 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 compete in math, and he would let me in on what 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 ever had. He made 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 enthusiastic, too, and would make us 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 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.
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 for innovative teacher performance systems, or alternative routes of certification, or hire additional teachers if that is what they believe necessary.

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 not just allowing us to do such things as building a rocket that we could put out into the field and see if it would fly.

The reason I mention this is because I personally had a teacher named Tom Allen who was the biology teacher at the high school who worked with me on my special project. Many of us have seen the October Skies movie of young men who were encouraged by this great Russian event, 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.

The teachers in Gillette, who are retiring now—Nello and Rollo Williams. They are brothers. One runs the planetarium. One of them runs the adventureium. The adventureium is a science lab that invites kids from all over northern Wyoming to do unusual 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 extracurricular activities. 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. Shovelín, 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 she is in the position. All of those people liked their classroom work better than their administrative work. She, of course, 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. But it is a concept that exists 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 bad news on education, they open it first to see what it is, and find out that it is something good, and it does get delivered to the parents. But whatever she 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 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 believe we really need to improve 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, Wyoming currently is 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 not help Wyoming keep 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 on education but rather an attempt to incorporate the best practices in education staffing needs across the country are real, and they are very dramatic.

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 199 kids. There are 122 such schools in Wyoming. There are 143 “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. Wyoming often have to incorporate several grade schools to form a big high 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, 2.8 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 was 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 or reward 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 make use of this flexibility. However, the question I ask, on behalf of all the schools that were not eligible for that money because they already had small school size, is: Are the struggles they face in recruiting and retaining qualified 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 investing federally targeted class size goals.

I hope this background about Wyoming’s uniquely rural public education system, juxtaposed on that of “big” States, can help my colleagues to appreciate why the flexibility in this bill is so important to meeting the needs of all our children.

I will not see a bill enacted that doesn’t provide as much support for Wyoming student success as it does for the students in big cities. Our children are our most valuable resource, and we must prepare them to face the challenges of the 21st century. We can’t do this by allowing Washington politicians to implement a one-size-fits-all approach to education.

The Better Education for Students and Teachers Act allows States to decide how to best serve their students and teachers. I strongly support this legislation and my colleagues to do the same, and to maintain the flexibility that it has.

I yield the floor.

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

Mr. KENNEDY. Mr. President, I thank my friend and colleague from Wyoming for sharing his good judgment and observation about education in rural areas. States with smaller populations, and about their particular needs and the challenges they are facing in terms of strengthening teacher quality in those communities. We are grateful for his comments.

I add my strong support to the amendment offered by my good friend Senator WELLSTONE of Minnesota, making sure the tests that are developed under this legislation are going to be the kinds of tests that are going to be helpful and useful in terms of advancing the understanding of the children in this country.

We know tests in and of themselves are not reform. Tests don’t provide a well-qualified teacher. Tests don’t provide smaller class sizes. Tests don’t provide the right teacher. Tests, in and of themselves, are a device and only a device.

In Lancaster, PA, we have seen tests used as frequently as every 9 weeks by teachers. The purpose of those tests is to find out how the children are making progress in different courses. They have had a remarkable amount of success because they are broad dimensioned. They are challenging the thinking process of the children. They demonstrate that when the tests are done well, not just in the kinds of tests, the multiple choice tests, but ones that really evaluate the children’s progress and look at the thinking process of the child, and then takes action, it is going to be supplementary services for those children in order to enhance their academic achievement, then there is legitimacy in terms of these kinds of evaluations.

I commend the Senator from 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 quick, 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 add to the legislation.

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 what is found. 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 surprised to hear 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.

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 him. 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 kind of teachers. We need something 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 they can get to the answer.

That is the essence of the Wellstone amendment. He has explained it very well.

I commend 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 that it is complex. You want to use multiple measures, you do not want to use a 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 do not 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 continuous. It should measure the progress of a child over a period of time. That is terribly important to do.

I want to, one more time, say to colleagues that I guarantee you that if we don't change our language and if we don't, I want to see what we have tested our students that are revealed by knowing how best to address the needs of our communities. Then they really capture in a few short words what the Senate from Minnesota is doing.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Mr. President, I am a big believer in the importance of testing students. I think that testing has an essential and appropriate role in the curriculum and educational system. I think there is no doubt that we have to test in order to determine whether or not students are meeting high academic standards. It would be a delight, I suppose, to most students who think that we are not going to test them but, indeed, we are.

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.

I appreciate very 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.

Right now, 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—whom, all after, are on the front line 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 think that one of 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 financing corporations in this country 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 this 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 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—some say that 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 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 that kind of determination 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 climate 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 what we are measuring 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, one for children who live 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 need to have to be very careful that our tests are fair, that they have no sign of bias toward any group of students. It is 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 promotion. We ought to be sensible about this. If the Federal Government, through our 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 so that many of our schools feel 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. If I hope the testing we are discussing today will be successful, it will be important that we 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 the child back in context of American education generally. I take a back seat to no one in saying education has to be accountable. 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 I am very much afraid that the bill that we are going to vote on this week will put 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 or 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. It is a sad day when 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 in a situation where we are 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 the buildings, that 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 neighborhoods 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 get away from that in our country; 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. We need 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 some of my colleagues. We are 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 condition of the century that was 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 a very important issue that goes right to the heart of this budget. I, along with many of my colleagues, was very disturbed to learn there was no initiative in the budget that was 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 the President promised that will allow 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 was chairman’s 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 on, but one that could actually produce results. I was 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 is an attempt to isolate from the budget which, after all, carries 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 up 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 deserves some improvement. I believe the amendment of the Senator from Kentucky leaves a big void. It doesn’t do anything to protect teachers. And, most importantly, 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 he dropped her off at school, he could be seen at school as a principal for elobowing a friend in the cafeteria, he collapsed on the floor, crying. “It hurt me more than it hurt Megan,” Robert said. “You don’t hit on my baby.”

Megan, a fourth grader, whose name appears more often on the honor roll than on a referral slip at the principal’s office, is one of millions of pupils in public schools who have been paddled 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. It was New Jersey back in 1887. Then came Massachusetts, a century later, in 1971. There was a crusade in effect started by a man named Robert Fathman from Ohio, president of the National Coalition to Abolish Corporal Punishment. You can’t whack a prisoner, but you can whack a kindergartener child.

The state of the law by the U.S. Supreme Court allows people who teach and train children in schools to beat them, but prisoners cannot be touched. It seems a strange little quirk in the law.

In some communities, the activities to allow a student to be whipped or spanked is approved in the law.

Since Mr. Fathman started his crusade in 1964 after his own daughter landed on the painful end of a paddle, 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 were 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.

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 speech from 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 outlined it does not seem fair that she was still allowed to cheer on the 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 his |t| truth. 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.

We have teachers who 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 Fagan, a rural Mississippi school teacher, said 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 been paddled, it does not enlarge any authority and showed them her rear end with all the bruises and contusions on it and said, “This was done by my mother or father;” very likely the juvenile authorities would have stepped in and been involved 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, and if you use—there is no 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 in my amendment. 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 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 don’t 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 the 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 protect 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 a little more about 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 Senator 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-degree amendment he has in mind to offer. If he would be willing to discuss it prior to sending it forward, it may be we could agree to it. As I will make clear when I regain the floor after the Senator finishes speaking, my amendment has nothing to do with corporal punishment. I am sorry the Senator from Nevada may have interpreted it otherwise. I think I can make 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 to 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—for misbehavior, and if that is done 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 under the State legislature. I didn’t do that.
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 amendment is as follows: 

(Purpose: To limit the teacher liability protections in this bill for teachers who strike a child to situations in which such action is necessary to maintain order in and in 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 5, line 6, insert a new subsection (c), as follows, and renumber accordingly:

“(c) 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 action and during the school year in which the striking incident occurs.”

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. REID. I am happy to yield without limit to the Senator.

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 will ask my friend 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 more about it on both sides.

Mr. MCCONNELL. Mr. President, I guess the understanding 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 Wellstone, as you know, was a great conciliator, was great at mediating problems. I expect perhaps the spirit of Paul Wellstone 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 substitute 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:

(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, which are critical for the continued economic development of the United States.

(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 effort to improve an already scarce and anapposite educational environment.

(5) Frivolous lawsuits against teachers maintain order, discipline and an appropriate educational environment is an appropriate subject of Federal legislation because—

(A) the scope of the problems created by the legitimate fears of teachers, principals and other school professionals about frivolous, arbitrary 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 to teach, inspire and shape the intellect of our Nation’s elementary and secondary school students.

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 laws that provides additional protection from liability relating to teachers.

(b) ELECTION OF STATE REGARDING NONAPPLICABILITY.—This title shall not apply to any action in a civil cause of action 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—

(i) the teacher was acting within the scope of the teacher’s employment or responsibilities related to providing educational services;

(ii) the actions of the teacher were carried out in conformity with local, State, and Federal laws (including rules and policies) in furtherance of efforts to control, discipline, expel, or suspend a student or maintain order or control in the classroom or school; and

(iii) 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) that are caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the teacher;

(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 possess the owner of the vehicle, craft, or vessel to—

(A) possess an operator's license; or

(B) maintain insurance.

(b) RESPONSIBILITY OF TEACHERS TO SCHOOLS AND GOVERNMENTAL ENTITIES.—Nothing in this section shall be construed to affect any civil action brought by any school or any governmental entity against any teacher of such school.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect any civil action brought by any school or any governmental entity against any teacher of such school.

(d) EXCEPTIONS TO TEACHER LIABILITY PROTECTION.—Nothing in this section shall be construed to affect any civil action brought by any school or any governmental entity against any teacher of such school.

(e) LIMITATION ON PUNITIVE DAMAGES BASED ON THE ACTIONS OF TEACHERS.—

(1) IN GENERAL.—This title shall take effect on the date of enactment of the Paul D. Coverdell Teacher Protection Act of 2001.

(2) APPLICABILITY.—This title applies to any claim for harm caused by an act or omission of a teacher that is on or after the effective date of the Paul D. Coverdell Teacher Protection Act of 2001, without regard to whether the harm 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 finally with a vote after some closing observations?

Mr. JEFFORDS. Yes.

Mr. REID. Mr. President, I think we will have to wait until about 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. 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, and I urge the Senate to revisit this issue and give its full endorsement.

Mr. McCONNELL. 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.

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

The Senator from Kentucky, Mr. McCONNELL. 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 PRESIDING OFFICER. The clerk 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 PRESIDING OFFICER. 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 start with 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 achievement gap would not be the problem it is today if it were not for the resources that were not distributed 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 have we 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, I should add. 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, I talked about some time underlining 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, 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, 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, teacher recruitment, professional development, and other ways of teacher support.

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, State universities, talent schools, and 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 these 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.

Mr. McCONNELL. Mr. President, I ask for the yeas and nays. The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The clerk will call the roll. The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

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

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 97 Leg.]

YEAS—98

Akaka
Allard
Baucus
Bentsen
Biden
Bingaman
Boxer
Brownback
Bunning
Burns
Byrd
Campbell
Conrad
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Craig
Crapo
Baucus
Leahy
Dayton
DeWine
Dorgan
Dodd

Lugar
Edwards
Ensign
Pennelly
Penstein
Fitzgerald
Pratt
Graham
Gosny
Gregg
Hagel
Harkin
Hatch
Huntsman
Huntsman
Ihode
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Laundren
Leahy
Levin
Lieberman
Lincoln
Lott

NOT VOTING—1


dodd

The amendment was agreed to. The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I send an amendment to the desk. The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

AMENDMENT NO. 42 TO AMENDMENT NO. 52

Mr. REED. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. REED), for himself, Mrs. SNOWE, Mr. KENNEDY, Mr. CHAPMAN, Mr. BINGAMAN, Mr. WELLPSTONE, Mrs. MURRAY, Mr. DICKEY, Mr. SARRANES, Mr. JOHNSON, Mr. BAUCUS, Mr. LEVIN, Mr. REID, Mr. ROCKEFELLER, Mr. DURBIN, and Mr. DAYTON, proposes an amendment numbered 425.

Mr. REED. I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:
(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 “in such manner, and containing such information as the Secretary shall require. The application shall contain a description of the:

(A) a needs assessment relating to the need for school library media improvement, based on the age and condition of school library materials, 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 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 other Federal 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.

‘‘(4) 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 receive in the prior fiscal year a certain 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 percentage of students enrolled from families with incomes below the poverty line; and

(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 curricula 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 schools with audit to school libraries during nonschool hours, including the hours before and after school, during weekends, 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 funding for a third or subsequent fiscal year only if the local educational agency demonstrates to the Secretary of Education 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 support grants to 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 1223 for each fiscal year, the Secretary shall reserve not more than 1 percent for, 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.

On page 203, line 21, strike “1228” and insert “1229”.

Mr. REED. Mr. President, I have sent to the desk an amendment on my behalf and of Ms. Skow, Mr. Kennedy, Mr. Chafee, Mr. Bingaman, Mr. Wellstone, Mrs. Murray, Mrs. Clinton, Mr. Sarteano, 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 recognize the most 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 a portion of the MDOLE updated 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 poorest 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 falls 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-
These findings echo earlier studies 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 the legislation 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, more particularly, good school library programs, we are not going to help 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 show the highest achieving 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.

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 facts one the one hand we are 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 book has 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
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 consigned to use as classroom space. Librarians who needed more, 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 stimulation, cognitive excitement, and aesthetic provocation by municipal denial of those literacy treasures known to white and middle-class Americans for generations.

The reason for this sad state of affairs is the loss of targeted national funding for libraries, which we had provided in the 1965 ESEA authorization.

I would challenge all of my colleagues 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 copyright of 1967, and maybe with a stamp, as they do in the Philadelphia school system, that says, "ESEA 1965." About 20 years ago, however, a decision 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, and everything else, the price of quality school library books goes up.

The average school library book costs $16. But the average spending per student for books in elementary schools throughout this country is approximately $6.75, $7.50 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 20, 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 technology. The computers are bought with book money and the administrators can brag about how well the schools are doing. Librarians 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 anymore. They have taken a very strong position with respect to this amendment. Coincidentally, they have come to Washington, and I believe they have visited most of my colleagues' offices, to talk about the need, not some esoteric hypothetical pie-in-the-sky need, but the real need for investments in school libraries.

What happens is that we have a situation 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 bothered or turned off. The result is too many of our students don’t have the tools they need to learn and achieve.

Too often schools sacrifice improvement in libraries. We can help change that dynamic. We can pass this legislation. 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 important 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 accurately identified the need to train teachers in the latest scientific methods, that we need to have classroom 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 children 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 President’s Reading First Initiative pursuant to Senator Collins’ amendment. It targets funds to the schools with the highest levels of poverty.

Recall now the comments of Jonathan Kozol: the diminishment of the educational experience by a lack of access 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 accomplish a great deal with this reauthorization.

This amendment also provides the districts and the schools with the flexibility to use the funding to meet local school library needs. Who better than a local school system and local librarians to decide what it really needs? 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 individuals.

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
The second point I make is that this is not, as I said before, a novel Federal intervention into school policy. In 1965, we authorized funds to buy library materials. It worked. Those materials are still on the shelves. It is something that has been long associated with our Federal support for education.

Now we all want to consolidate programs. I think that makes a great deal of sense. As you look across the board, some programs could be more efficient. But here is an effort to present, within the context of the Reath by First Initiative, a comprehensive reading program: training teachers to teach reading based on scientific principles, classroom materials, and then, if you will, the laboratory for reading, which is the school library and the books to read.

If we are serious—and I know we are—that we want to see every child succeed, if we want to see every child meet challenging standards, and in a very real sense pass the test, then we have to have a school library. 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; we should do that as it 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. 439 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.

This action 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 Senate as a traditional, deliberative 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 judgment. The Parliamentarian plays the role of the judge. It is before 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 less a body of 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 your saucer?” “To cool it,” 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.
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, so that we may 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 record 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 the process and get rid of one so that the other one can 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 look at the whole budget.

The Presiding Officer, the Senator from New York, is on the Budget Committee. I know she found the process 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 a role 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 30, 40, 50 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 money should not be able to keep a little bit more of that money. 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 go to Washington to marry 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 this monstrosity, this 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? Yes. 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 into your life 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 at a later time. I do not think that is right, 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
CONGRESSIONAL RECORD — SENATE

May 9, 2001

S4546

you get up and flip on a switch and you drink that cup of coffee until you get your paycheck, you are paying taxes. I realize in this city, unbelievably, it is hard to cut taxes. But I don’t think this is too much. In fact, I don’t think it is possible to keep a little bit more of their money through a child tax credit? We should not do that? We have been trying now to get some other things, such as the education savings account, in place to allow them to save 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 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 one way to support.

I think what is provided in this budget 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 assume some reductions in certain areas, but that is a balanced, fiscally responsible budget resolution. It provides for additional action on Medicare. It provides for increases in a lot of areas. The President’s budget does provide for some reductions in certain areas, but can we not have priorities in the Government? Can’t we spend a little more here and a little less there? Isn’t a 4-percent increase over an inflated expenditure from last year and the previous 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 an irresponsible 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 have not even gotten into the first quarter. We need to get it done.

Think of the alternative if we didn’t pass this budget resolution. What happens? We are stalling out right here and cannot go forward with the annual appropriations bills, with the tax relief package. There would be uncertainty about what would be available, I guess, in certain entitlement programs. We would have to go back to the States. I hope that does not happen. But I think this is a balanced, fiscally responsible budget resolution. We are going to have more spending for education. Everybody knows that; that is part of the package. I am for that. I think further investment in education is a good investment. I am prepared to support the final product. I know Senator 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 Assistant legislative clerk proceeded 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 moment to comment on the budget resolution and respond, in part, to some of the comments made by the distinguished 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 colleagues than this one. There are three concerns we have with this budget resolution. I want to address each of them briefly and accommodate other Senators, if they wish to speak.

The first is process. This process was an abomination. I have great respect for the distinguished chairman of the Budget Committee. I admire him for a lot of reasons. I know that he isn’t the one who wrote the numbers. But I think this process is inexplicable. As we profess the desire and a need for bipartisanship, I don’t know why we have a process that is so highly partisan on an issue that is so important.

Sure, it is fair to say—and I don’t know that any Republicans would ever dispute it—that the Democrats were virtually locked out from the beginning on this issue. No Democrats participated. There was no input 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 created this budget process nearly 30 years ago and enacted it into law, as well intended as they were, they did not envision decisions as these being made in some closed room, locking out one party, denying the opportunity for Democrats to be involved. 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. There are more answers than there are questions. Don’t like the numbers? Come up with other ones. Locking out one party, denying the opportunity for Democrats to be involved. I don’t think that they even imagined that something like this could happen.

But here we are. I am angered and frustrated that we even have to begin this debate with this reality. It is an outrage.

The second concern I have is this budget is a fabrication. This isn’t a budget. This is a make-believe document with more holes, more gaps, more missing pages, and more questions than there are answers. Don’t like the numbers? Create a new set of numbers. Like the numbers? Come up with other ones you like better. Don’t know what the President wants to do on the defense budget? Give him an opportunity to put that number in later.

This isn’t even close to a budget. In fact, because this is such a fabrication, we have virtually destroyed the budget process as it was originally designed by excluding Democrats and by making up things as we have gone along in all cases. Let me rephrase that. Democrats haven’t made it up because we weren’t involved. Republicans made it up.

The third concern is that this budget resolution lacks the details that are necessary to appropriately budgetary for the coming fiscal year. This is not an adequate amount. I as-
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 process into the Senate chamber.

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 is already known, we are 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 funds.

When this resolution passes, we will dramatically hasten the date when the Social Security trust fund becomes insolvent. I guarantee you that we are the policy implications contained within this budget fabrication.

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 coverage—a benefit—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 care about. Is 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 our side, including this Senator from North Dakota. I thank him for that. This has to have been a frustrating experience for him. But there will be another day.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, fellow Senators, and anyone listening, I am very sorry that my facts and my 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 coverage—a benefit—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 care about. Is 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 our side, including this Senator from North Dakota. I thank him for that. This has to have been a frustrating experience for him. But there will be another day.

I yield the floor.

Mr. DOMENICI. Madam President, fellow Senators, and anyone listening, I am very sorry that the minority leader has used his 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 coverage—a benefit—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 care about. Is 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 our side, including this Senator from North Dakota. I thank him for that. This has to have been a frustrating experience for him. But there will be another day.

I yield the floor.

Mr. DOMENICI. Madam President, fellow Senators, and anyone listening, I am very sorry that the minority leader has used his 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 coverage—a benefit—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 care about. Is 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 our side, including this Senator from North Dakota. I thank him for that. This has to have been a frustrating experience for him. But there will be another day.

I yield the floor.

Mr. DOMENICI. Madam President, fellow Senators, and anyone listening, I am very sorry that the minority leader has used his 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 coverage—a benefit—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 care about. Is 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 our side, including this Senator from North Dakota. I thank him for that. This has to have been a frustrating experience for him. But there will be another day.

I yield the floor.
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 taxpayers.

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: Why don’t we talk about the tax cuts? Our side of the aisle wants 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 that is right. 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 in the 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 a hard sell. So 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. I am trying to tell all of you and 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, from $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 percentages, and 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.

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 education problem, 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 three months. Are we supposed to let it all go, just as the Senate had voted.

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—was that $1.25 trillion?—will be in 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 I am going to spend it. But I want you to tell the American people what this budget means.

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 authorities are just as the Appropriations has dropped. 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 6 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 146. 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 in three 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 this budget 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 ticket—money to be a blank check 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 went our way.

In addition, we had a program in here to make sure that the farmers this year, 2002, and for the decade—we had unanimous support that we ought to increase the authorization and allocation and use some of the contingency fund for that. Guess what. The House had nothing for that in their budget, and before we finished, they said, we think we should do a little more than the Senate—I assume because that is what our Members wanted to see. We did it. We took it out of the contingency fund and fund agriculture even more.

Here on the Senate floor, Senator KENNEDY was going to propose a very large amount which had to do with uninsured—health uninsureds. Senator SMITH of Oregon, joined by his friend, Senator WYDEN, proposed an add-on to the health uninsured fund of...
$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 for.

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 President's work 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 try 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, or worse of which there is no worse. 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 about them 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 sides—who will say it didn't go up at all. There is still money around if you want to do that, still money around over the decade, without violating the balanced budget, Medicare, or Social Security. I guess I could close just like the minority leader I think I am, a kind of worked up, first of all, that is the way I am all the time. However, I am just slightly worked up more than I normally am. While he is infuriated about certain things, I am infuriated about some things said by a number of people about this budget. I won't say who.

I close by saying to everybody, there is no doubt in this Senator's mind that the President deserves to have a significant amount of this surplus given back to them now. There is no doubt in my mind that it is fair; it will help the American economy; it won't hurt it. I close by saying, if we can do anything to stimulate the economy through tax changes, this resolution will permit that to happen. It will permit money to be spent from the hands of our people, encouraging them to spend money and keep the economy going, and pay some of the money for expenditures for gasoline and related fuel prices.

I anxiously await hearing from my friend, who I have just indicated, right in the middle of my speech, has done a great job becoming very learned and an expert. He knows I was here a lot longer and, probably today, he is willing to stand up on the floor and say in all ways I know more than Domenici about the budget because I have really learned. I do not doubt that. I think I have just enough to get it done. It has been a lot of years.

The charge of partisanship could be leveled more times than not, as budgets have been done in this place. I didn't go through each one to find out how partisan they were, but I can vividly remember the budget resolution ran through here with no Republican support, no votes in the Senate, when President Bill Clinton was given what he requested.

Whether that was the right thing to do, who knows? Whether this is the right thing to do, some say no on the other side; some say yes. I believe the American people are watching us. We had a big chart that said: $5.6 trillion overpayment to Government, $1.25 trillion to the people in taxes, and $100 billion to stimulate the economy by giving people back some money to spend. We will let them judge whether that is too much.

Let me close by saying those are simple numbers. They already take into account a 4-percent growth in Government. That still yields those numbers. How much more should Government grow? I don't know. I surely think there ought to be enough to give people tax cuts. It seems to me it is rather basic and simple. Nonetheless, because we are a different body than the House, we have more allocated than 4 percent, for which the President asked. Repeating, for the domestic side, it is more like 5.5 percent they are going to have to take.

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, the gentleman from New Mexico this afternoon. I am Scandinavian, and we Scandinavians 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 to do with the 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 is what left out. What 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. The consequences of this omission 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 its 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 fiscal 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 what 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 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 $290 billion budget deficit the year before. We put in place a package that reduced deficits each and every year for the 5 years of that 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 are the same critical two pages. You know what. They did not just lose two pages; they lost dozens more because this budget does not contain all the spending that is going to be done, and all of us know it. It is not in this budget because it is the only way they could make this budget add up.

If they put in what we all know is going to happen, it does not add up, and they take us back to the bad old days of deficits and expanding debt.

That is the harsh reality about this budget. First of all, we ought to deal with the uncertainty of the projections that surround this budget. All of this is based on a 10-year projection that we will enjoy a surplus of $5.6 trillion over the next 10 years. That is not money in the bank; that is a forecast, that is a projection, and the people who made the forecasts themselves have warmed up to it over time. What did they tell us? They said there is only a 10-percent chance that number is going to come true. $5.6 trillion. There is a 45-percent chance there will be more money. There is a 45-percent chance there will be less money. That is not money in the bank. That is not money in the bank. That is not money in the bank. That is not money in the bank.

Just one statistic. Yesterday, the productivity numbers were released for the first quarter of this year. They were estimating that productivity would be up 1 full percentage point. Instead, it went down by one-tenth of a point.

That difference makes a profound change over time. That would wipe out hundreds of billions of dollars of this forecasted surplus over time.

The budget resolution we received from the President provided us this chart. It shows in the fifth year alone, we could expect a range of anywhere from a $50 billion deficit to more than a $1 trillion surplus 5 years later.

How did they come up with that forecast? How do they come up with that projection? They looked at their previous forecasts. They looked at what they said in the past and they looked at the difference between what they predicted and what actually occurred. Then they applied it to this forecast. As I say, in the fifth year alone, they said it could be anywhere from a $50 billion deficit to more than a $1 trillion deficit. That is how uncertain this forecast is.

What does that tell us? I believe it says we ought to be cautious. We ought to be careful. This budget throws caution to the winds. This budget reminds me very much of what happened in 1981. A new President, big tax cut proposal, big defense buildup proposal, rosy economic forecast, and what happened. The deficits and the debt of this country multiplied geometrically, and they put this country in a deep hole which we added, and they dug through the snow and 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 household 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 count on it. 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 have been seeking?

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. It 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, then they could get that money. If the committee believes it, they can put it in with no vote in this Chamber, no opportunity to review their decision. They make the decision alone.

It does not resemble representative democracy to me. It resembles a handful of people in a back room making a decision that has a profound impact on the budget of the United States without ever being considered by the full Senate or the full House of Representatives. That is what is in this budget: the authority to do precisely that. That is the wrong way to do business.

The President has said education is the top priority. Those have been the
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 $500 billion. It gave $225 billion to education. It gave $325 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.

We have a reduction in SEC matters. They have kept the promise. We adopted an amendment when 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 to keep the promise. They have increased it by inflation, but there is no new money for education.

The same is true of Social Security. The President has 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 goal of 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 not affect the rate of the tax until 2010. 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 you’re in an emergency 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 compilation of 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 the numbers into the plan and you put 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.” It is not come up 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. That has been 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 $7 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 SEC 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 cut by what is needed to fix the alternative minimum tax, which now affects 2 million taxpayers. They say the tax cut itself, 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 fix the costs created by the 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 23 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 that 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 costs between $3 billion and $5 billion. They have cut it 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 even 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...
Those deficits start at the end of the President's budget request and 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 over 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 the 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: $131 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, fund the 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 estimated 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 $14 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 Democratic alternative was, what the Senate passed, and what with 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 $13 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 $500 billion of the trust fund to strengthen Social Security for the long term. We proposed that $500 billion not 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.
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 guard it with 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 total 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. We are going to prepare for the 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 over spent, 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. It is a clear priority in this bill that we would try to make sure every young person in this country will have the ability to go to college if that is his or her desire. If that is a goal of a young person in this country, through Pell grants, low-interest loans, we want to make it possible for those children to have that opportunity.

We have increased Pell grants every year I have been in the Senate. In fact, we have subordinated that for the first time and made sure Pell grants went to needy students first rather than being poked off by other interests.

New reading program: That is the basis of the increase in spending in the education area. We want to keep 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 school or high school, of course, the child is lost. Of course, the child is frustrated. In fact, that is exactly the case 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 at these 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 areas. 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 prudence 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 to be careful stewards of taxpayer dollars. That is what this budget does. And I think that 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 believe 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 to spend as they wish on their families. 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 large majority because I think they have done a good job.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico, Mr. DOMENICI.

Mr. 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 minutes, and then the other side can have two in a row. If we have another speaker, we 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.

Mr. CONRAD. 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. I have no objection. The PRESIDING OFFICER. Without objection, it is so ordered.
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. Anyone who thinks they have not had an impact, they have had an impact. They had an impact to permit us to get a budget, to go to conference, and get a conference report that included tax cuts. How the tax cuts could be 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 just as the Budget Committee did; it produced the conference report for the Senate and final wrap-up of the language that went to conference. But essentially I assume they will be big participants in the kind of tax reductions that people are going to get. I thank them for that.

I am going to summarize on education because I am sure there will be many speakers speaking to what they thought should have been the numbers on education. I just want to point that whatever the President assumed as education increases are assumed in this budget. IDEA is assumed to increase to $7.6 billion. That is up $1.25 billion. That is a 20-percent increase in special education.

For those who are wondering about funding cut, I look at last year alone. We had $6.2 billion that could be, if the appropriators see fit, part of it—they could use all of it, half of it. It could go to education if they choose to do that. That is what is in the budget resolution.

I want to wrap up and say, I understand my worthy opposition talks about the assumptions in this budget, the 10-year totals. I can only say to everyone, if you believe that we have assumptions for growth, inflation, and the like, that are optimistic, then go ask those who are not optimistic what their assumptions are. You will find this one the most set of assumptions. It is not extraordinarily high. If some President in the past and some Budget Director in the past used rosy scenarios in economics, we did not. It is not in this budget. It was not done by CBO.

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 wish to 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 enough and, who knows, maybe they will 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.

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 chairmen of the Budget Committee or the Senator from Texas—about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about this budget to protect education. Well, it does not.

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 written in, the Senate Finance Committee shall do it. And it says: “It is the sense of the Senate” that the budget makes available “up to $6.2 billion.” “Up to.” It is not there. And then we have the arithmetic. Does not distort the facts. No new budget will change that. No new budget will change that.

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 written in, “It is the sense of the Senate” that the budget makes available “up to $6.2 billion.” “Up to.” It is not there. And then we have the arithmetic. Does not distort the facts. No new budget will change that. No new budget will change that.

We wait to have it clarified. We wait to find out where it is. If it is, answer where it is, because it isn’t there. We have given you the references. We await the answers. We await the answers from the members of the Budget Committee.

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 chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not. We Democrats challenge the chairmen of the Budget Committee or the Senator from Texas about how this budget protects education. Well, it does not.
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 hold up a chart that talked about the Bush increase, or is it? I think that was the administration’s proposal. 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 so 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. As the Senator from North Dakota has pointed out, the language is what is guiding. It isn’t what we think might be in here. It isn’t what might be in here at some time. It is what is in here. It is what is written down for all to see.

The Senator has pointed out the controlling language which shows that there is no increase in education. Education is funded at current services, adjusted for inflation. That is against a background of an administration that has said “Education is the No. 1 priority. We are not going to leave a child behind.”

Well, we know that two-thirds of the children are being left behind with the current expenditures in title I—two-thirds of them. And 50 percent of the children are being left behind in the Head Start Program. And 95 percent of the children are being left behind in Early Head Start. And we know we are only funding about 15 percent of the eligible children in terms of the childcare funding programs. We are leaving no child behind? We are leaving them all behind, a whole generation behind. That is what this budget does.

Mr. CONRAD. Will the Senator yield for another question?

Mr. KENNEDY. I am glad to. I hope the Senator will give me 5 more minutes at the end.

Mr. CONRAD. I would be happy to do that.

It is interesting, our friends on the other side, first of all, they hold up the Bush budget, which has nothing to do with what we are voting on here. We are voting on the conference report that has no increase in education. They also tried to misrepresent what the Bush increase was by claiming credit for money that was advance funded last year when he was Governor of Texas. He didn’t have a thing to do with it. They tried to misrepresent what the so-called 11-percent increase he has proposed. Of course, none of that is relevant to what we are doing here because we are dealing with the conference report.

I hope if I am wrong because I look at discretionary spending, the total pot of money that education comes out of, and just to keep pace with inflation it requires $663 billion for 2002. The conference report says they have $661 billion available. So they have cut $2 billion in the total pool of money from which education funding comes. On top of that, defense is about half, and they have increased defense by $3.3 billion. So other non-defense programs have to be cut by $5.5 billion to make this budget.

Will the Senator from Massachusetts indicate whether that is a correct conclusion or not?

(Mr. BROWNBACK assumed the Chair.)

Mr. KENNEDY. Well, just in answering—and I intend to—I was looking at page H1867 of the budget that Republicans filed before they lost their two pages last Friday, which contains the exact same numbers for education, Function 500, as the budget they filed today, if you look at page H1960. I don’t know whether the Senator is looking at this particular passage. It has in here education training employment and social services. Then it has the budget authority, the outlays for 2001; from 2002 with $76 billion; for 2003, $81 billion; 2004, $83 billion; 2005, $85 billion—you get the drift—then $87 billion. It goes up about $2 billion a year. That looks like flat funding to me, adjusted only for inflation, which describes what is going happen if Republicans have their way. Flat funding on education all the way to the year 2011.

Let me ask the Senator this. In this budget proposal, they include figures in the tax program, don’t they—for example, for all of the out years; am I correct? Maybe the Senator can inform me. As I understand it, the budgeteers exact same argument for education, or returned to taxpayers all the way through to 2011, but we can’t do it with regard to education.

Mr. CONRAD. The Senator makes a powerful point. What they have done—when they want to reserve money for something, they know how to do it. When they want to reserve money for the tax cut, it is in a reconciliation instruction that goes to the Finance Committee, and they have to report it. When they want to save money for defense, they know how to do it. They create a special fund, and the chairman of the committee will decide how much we spend on defense. It is a remarkable
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 budget cuts education.

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 inflation, would it not. Because the student populations are growing. It isn’t enough to just offset inflation. The school population is growing. So the truth of the matter is, in real terms, education is being cut under this budget.

Mr. KENNEDY. Well, the Senator is correct. The fact is, the poorest students—yes, poorest students—in America over the last few years have increased in terms of poverty, yet the budget includes nothing to address their needs. We expect a doubling in the number of students who speak foreign languages, yet we have nothing in this budget but current services; no increase. The total numbers of students are increasing, and we’ll have a million more kids in school by 2009. We will have a million more students that 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 bell.

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 1 percent of Americans. How very Republican!

That is the bottom line proposed by this Republican budget—nothing new for education, and over a 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 wealthy. It is a budget for all, but clearly a budget for the wealthy. 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 hobby in addition to investing 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 facts 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 off non-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. In 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 an increase in interest subsidies to 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’ priorities. Republicans in the 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 proposal has 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, 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 estimated 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 $5.8 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: a 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 Federal title I 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-meaning but underqualified teachers are working in classrooms across America today.

Nearly one in five first through third graders are attempting to learn in overcrowded classes of 26 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 teacher time. Entire classrooms suffer as well. Ask any teacher or student.

In addition, over 7 million latchkey children are left alone to fend for themselves after school each day, without constructive after school activities to keep them off the streets, out of gangs, and away from drugs and other dangerous behavior.

Even though Head Start ranks as the public’s favorite Government program, inadequate funding continues to deny Head Start half of 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 inattention. 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 under Federal programs. 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 does money do? It may 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 to hold this Republican leadership accountable. We can do the job that needs to be done and do it right.

I yield the floor.

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

Ms. STABENOW. Absolutely.

Mr. CONRAD. Will the Senator yield?

Ms. STABENOW. Absolutely.

Mr. CONRAD. The Senator from West Virginia is here seeking time on an amendment.

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 was 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 Budget Committee has been to serve with Senator BYRD and to learn from him, as well, about the processes of budget and appropriations.

We all, today, stand in opposition to this conference report that puts the United States on a risky fiscal path and threatens the longest peacetime economic expansion in our history.

I had an opportunity as a member of the Senate Budget Committee to sit through 16 different hearings. Secretary after Secretary came forward—the General Accounting Office, the CBO, Chairman Greenspan. In every case, people came forward and said what was driving this economy and these projected surpluses was increased labor productivity.

I echo what Senator KENNEDY has discussed in terms of education. If in every case before the Budget Committee the discussion was about increased labor productivity, doesn’t that mean education? It means research and technology development. But if we don’t have the skilled workforce to be able to use that technology, to do the research, to be able to work in these new economy jobs, we will not be able to keep this economy rolling.

When we look at this budget and we see zero being guaranteed for education, it makes no sense. It makes no
sens 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 debate about a deficit or a tax cut. It 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 that is true of middle-class families, folks working hard every day, having to make those choices for their families—their 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 are important to 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.

There is more than one 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 into a fund and making 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 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 they will pass through surpluses to pay down our national debt and to pay down the national debt, in the end analysis those things are taken out. We are back where we started. 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 kids with special needs 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 it would help just keep 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 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 there. We don't know it. 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 of the budget. It can be done 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 economic engine running. We are not saying 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 Paygo 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 to speak out of order for not to exceed 15 minutes.

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 say to Senator Byrd, I was not here but I would not have agreed to that just because we have plenty of time, 5 hours on each side. But I will not object.

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 before becoming Parliamentarian. The fourth Parliamentarian, Alan Frumin, served as an assistant parliamentarian for 14 1/2 years before becoming Senate Parliamentarian. The third Parliamentarian, Murray Zweben, who I believe 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 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 fifth 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 fourth Parliamentarian, Bob Dove, served as an assistant parliamentarian for 14% years before becoming Parliamentarian. The fifth Parliamentarian, Alan Frumin, served as an assistant parliamentarian for 14 1/2 years before becoming Senate 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. Treasons 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 body really rests.

The Parliamentarian is the keeper of the rules. He guards the precedents. He keeps the game fair. His advice about complicated procedural matters must be above suspicion. Both sides must view him as having no personal agenda—no goal but the goal of the best interests of the institution; no calling but the calling of doing his utmost to see that the Senate remains true to its constitutional mandate. He must be trusted by both sides.

Such an individual must be steeped in the Senate's history and traditions. He or she must understand intuitively not only the rules and precedents but also the underlying principles which they seek to protect and the pitfalls they seek to avoid. His must be a call-ing of doing his utmost to see that the Senate remains true to its constitutional mandate. He must be a labor of love.

It is heavy, heavy lifting—not a job for a faint heart or a faint intellect.

Benjamin Disraeli once observed that "Individuals are the soul of a community, but it is institutions alone that can create a nation." The Senate 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 ensures that these rights will be heard, and will have the opportunity to alter the course of events.

In the Senate, when we speak of the minority of the membership, we also speak of the minority of the States. These parliamentary proceedings 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 Parliamentarian as 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 such 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. If we do, it will be the end of the Senate as an institution, but it is institutions alone that can create a nation. This Senate 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 ensures that these rights will be heard, and will have the opportunity to alter the course of events.

In the Senate, when we speak of the minority of the membership, we also speak of the minority of the States. These parliamentary proceedings 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 Parliamentarian as 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 such 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. If we do, it will be the end of the Senate as an institution, but it is institutions alone that can create a nation. This Senate 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 ensures that these rights will be heard, and will have the opportunity to alter the course of events.

In the Senate, when we speak of the minority of the membership, we also speak of the minority of the States. These parliamentary proceedings 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 Parliamentarian as 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 such 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. If we do, it will be the end of the Senate as an institution, but it is institutions alone that can create a nation. This Senate 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 ensures that these rights will be heard, and will have the opportunity to alter the course of events.

In the Senate, when we speak of the minority of the membership, we also speak of the minority of the States. These parliamentary proceedings 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 Parliamentarian as 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 such 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. If we do, it will be the end of the Senate as an institution, but it is institutions alone that can create a nation. This Senate 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 ensures that these rights will be heard, and will have the opportunity to alter the course of events.
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 a 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 involves making sure that a tax cut 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 tax reduction, 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 tax to raise. 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 some of them individually. I do not want them to agree. 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 in what some would say.

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 FRANK MUKROWSKI is a Republican; and Senator TOM DASCHLE, the minority leader, is a Democrat. Senate DON NICKLES is a Republican; Senator JOHN BREAUX is a Democrat. Senator PHIL GRAMM is a Republican; Senator KENT CONRAD, who has been speaking here about the budget, is a Democrat; Senator TRENT LOTT, a Republican, was also here speaking about the budget; Senator BOB GRAHAM of Florida; Senator JAMES JEFFORDS of Vermont; Senator JEFF BINGHAMAN of New Mexico; Senator FRED THOMPSON of Tennessee; Senator JOHN KERRY of Massachusetts; Senator OLYMPIA JORVINE of Maine; Senator ROBERT TORISEN 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 10 years and how 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 decisions based upon very 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 consensus of 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 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 refer to 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 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, $30 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—we will prepare for the next budget, a separate chart about it, but I want to repeat, the special ed program of the United States is going up $1.25 billion year over year.
know that is not enough for some, but it is a pretty good sum of money for others. The rest of the programs in education, those within the control of the appropriators, surely some that are not real education will come down, but essentially the rest of education will go up 11 percent.

People can say that isn’t enough and there are other programs in there that should go up, but let me suggest, as I started today, when might it be right to give the taxpayers back some of this surplus? I think now. I think that is what the vote is going to be about: Do we want to really seriously give back to the American taxpayers some of this surplus tax money? And if not now, with a $3.6 trillion surplus, then when? That is what we are trying to do.

We are very grateful we had bipartisan support, albeit it reduced the tax number from $1.6 trillion, which the President wanted, to $1.25 trillion, plus $100 billion in stimulus this year and next year, which would go into the pockets of American working men and women, those who invest, small businesspeople, and the like.

The President did not get all he wanted or did not get all they wanted. We came to the floor with a budget resolution with $1.6 trillion. I just told you what we ended up with.

Let me also say that when it comes to defense, some have contempt to speak about this as if we gave a blank check to the military. I want to repeat, what should we have done when there was almost bipartisan concurrence that the President’s top-to-bottom review, if it were going to be credible, should ask us to do some things differently but we did not know what they were, and we could not have them for 4 or 5 months. Would we have said, let’s wait around and do another budget resolution for defense? I do not think so. So what the President’s number for this year, which is a low number, I acknowledge. Then let us say, subject to appropriations when the President is finished, we can put his number in and see what the appropriators want to do but not more than the number he recommends.

I guess we could have done it differently. There are a number of ways to do it, but I do not think it is a blank check because I think Congress has to vote on it, on any additions above his request, which is a very meager request for this year.

I want to also close by saying that I think, because some Senators from both sides of the aisle insisted we do something in the field of health care for the uninsured, we did something. We have an additional $28 billion over and above the current programs for the uninsured, thanks to Senator SMITH and Senator WYDEN, on which the House has voted. They conceded and said OK. We also have a couple of health care which one of our Senators championed, Senator COLLINS, with support. 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 2002 budget resolution, H. Con. Res. 83. The agreement’s reserve fund for agriculture, Section 213, provides the Agriculture Committee with mandatory spending authority totaling $66.15 billion over fiscal year 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 and understanding as to 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, 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 be divided among two budget functions—$53 billion for agriculture (budget function 350) and $3.15 billion for natural resources and environment (budget function 300). It is my understanding the conference agreement permits the Agriculture Committee to spend more or less in each of these functional areas when it reports out a new farm bill as long as the $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 reserve that 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, I 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, 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 bipartisanship; we are not going to do things like we used to do them”?

Mr. LUGAR. I thank the Senator. 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 it. They may say: That we have a representative democracy where one person in the Senate, one person in the House of Representatives. They come here, they vote, and they decide. But in this circumstance, with the Republicans in control of the House and in nominal control of the Senate, because they have the Vice President prepared to break a tie, they are in complete control. They are in total control. This is their document.

Mr. DORGAN. Without using all of my time, let me further propound a question on the subject of debt. I have here the conference report, and it says the following with respect to (5), under title I, recommended levels and amounts: (5), public debt, the appropriate levels and amounts as follows: Fiscal year 2001, $5.660 trillion; 10 years later, $6.720 trillion.

It looks to me as if we have gross Federal debt increasing by $1.1 trillion with this conference report. Would that be accurate?

Mr. CONRAD. The Senator would be correct, if he is on page H1958 of the CONGRESSIONAL RECORD.

Mr. DORGAN. That is correct.

Mr. CONRAD. I don't know of any Senator 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. In the Senate, the Budget Committee chairman for 1 year will be able to decide what number goes in, and in the House, the chairman of the Budget Committee that can decide for 10 years what the defense budget is going to be. It is fairly breathtaking.

Think about what we read in the textbooks: That we have a representative democracy, that every State has two Senators and they have Members of Congress that are supposed to represent the population of their States. They come here, they vote, and they decide. But in this circumstance, with the Republicans in control of the House and in nominal control of the Senate, because they have the Vice President prepared to break a tie, they are in complete control. They are in total control. This is their document.

Mr. DORGAN. It sounds like the old way, sounds like the way it was brought to us is kind of a virtual budget, that is fine because we are paying down the debt at the same time. The President has 11 minutes remaining.

Mr. CONRAD. It certainly is not a virtual budget. 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. See you later. We are going to write this. It is true that you have 50 percent of the membership on the Budget Committee, but 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 this 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 to pay for the improvement of those schools. We know most of the funding for schools comes from Federal, State 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 to going to pay for it. 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 representation 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 was 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 the Senator from Delaware 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 has 50 votes in the Senate and we 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 to us: We want 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 underline the most important things that exist in this country's future—educating our children.

We underline 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 cuts aren't a magic elixir 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 30 years. I think 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 don't accept that. My colleague, Mr. CARPER. Mr. President, I yield him his 2 minutes.

The PRESIDING OFFICER. The Senator from Delaware 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.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. SARBANES. I yield him 2 minutes out of my time.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

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 increased Federal funding for education. We are in the throes, last week and this week, of redefining 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 high 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 don't accept that. My colleague, Senator CONRAD, describes it very accurately. This issue about added money for education is a mirage, just a myth. I will give you one example.

We have a huge energy problem in this country and we have folks cutting research for renewable energy by 40, 50 percent. That is a small example but an important one. It represents all of the wrong priorities.

We can do much better than this. I hope we will turn this conference report down and say, look, we have a Budget Committee that has half Democrats, half Republicans. Let's get the best ideas that each has to offer. Policies don't have to produce the worst of both. You can get the best of each, and it seems to me that we could go back and do this in a week or 2 and come up with an approach that, yes, has a tax cut—I support a tax cut—but not one that crowds out all other opportunities for increases in the areas of importance to the country; one that makes the right investments in education; one that says schools for our children are important and we intend to hold them accountable. But we also do intend to help them and to meet our promises to those kids. We need one 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 galaxy of opportunities. We ought not to be wringing our hands and gnashing our teeth and wiping 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 if we are able to move 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 PRESIDING OFFICER. 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.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. SARBANES. I yield him 2 minutes out of my time.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

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 increased Federal funding for education. We are in the throes, last week and this week, of redefining 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 marks, making progress along the achievement path toward being able to read well and doing math well.

If States, school districts, and schools don't measure up, under the accountability provisions of the education bill on which we are working, there is real accountability and real
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. We have an opportunity in our Nation's future, and to show the 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, leaving Finland 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 comments 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 calculation of 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 chairman of the committee to work together to deal with these difficult problems.

The Budget Committee, the only committee in the Senate that is uniquely focused on the Federal budget, never held a markup. It never held a markup. Thus, the committee was prevented from fulfilling its primary duty of developing a responsible Federal budget. That is what the committee is there for. It was not allowed to do its job.

The budget resolution was debated for the first time in this Chamber before we had even seen the President's detailed budget submission.

Of course, others have spoken about how the conference functioned. We were clearly closed out of the conference. In fact, the chairman, at the one meeting they had, said there was going to be a meeting over the weekend. I said: "Mr. Chairman, I didn't quite catch that; when will the meeting be and where," preparing myself, of course, to attend the meeting the chairman indicated we were going to have over the weekend.

He was very blunt in his response. He said: "You all are not going to be at the meeting. This is not a meeting for you. This is all going to be done by the Republican side."

I regret that. I thought the ranking member of the House Budget Committee, Congressman SPRATT of South Carolina, a very able Member, made a very eloquent statement about how the product of the conference would be better if it went through a proper conference deliberation. We at least would have had the opportunity to get the benefit of thinking on both sides.

That was really brought home when the House last week had to suspend its consideration of the budget because they left a couple of pages out of the budget document. So much for handling it all on one side. I surely if there had been a consultative process, it would have been pointed out that these pages were missing. But instead, they tried to rush this through, staying in until a wee hour in the morning 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 called "Moral Hazard." I asked 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 major. 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 left out. 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.

Krugman, in this column, goes on to talk about, in effect, other missing pages in the budget document. I know he has a chance to look at the details, and I want to ask the ranking member, my good friend from North Dakota, a couple of questions. First, on defense, am I correct in understanding that the way this document is drawn, there is a blank check for defense figures that will be filled in later? Is there a defense number coming later that will simply be plugged into the budget?

Mr. CONRAD. The Senator is correct. This is a budget with many missing pages. Not only do we have missing pages, we have missing numbers. The defense buildup that the administration will ask for next week, after we

consequences 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.

For Head Start, we come one-third of what we promised to fund. We are supposed to be providing 40 percent. We do about 13 percent. We are pretty good at thirds.

I had hoped the budget resolution that came back to us would meet some of those shortcomings. It does not. Regrettably, there is not more money for Head Start, 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 a budget where 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 is 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 calling 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 and I thought 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 of all sad words of tongue or pen,
The saddest are these: "It might have been."
Mr. SARBANES. Defense is a missing piece; education is a missing piece. And the Savior story is like a missing piece. And the additional stress and strain that this will put on the Federal Reserve, which is a new piece, and 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, while there is some adjustment 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 this budget 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 filled with difficulty. 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 resolution. That is exactly what we have. It is a phantom 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, 2.2 percent of a plan, is realizable. I think that is correct? There is no adjustment for population growth, which we know will happen?

Mr. CONRAD. Unfortunately, the Senate 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 over the 10-year-period; is that correct?

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 the Federal Reserve 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, possible full 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 10-year period. 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, while there is some adjustment 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?
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 paying in 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. He is one of the key reasons that we restored fiscal sanity in 1993 and put us on a program to reduce the deficits, ultimately eliminate them and start running surpluses.

I thank the Senator from Maryland who was named as a conference 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 on the conference committee on the budget, and there was nothing 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 something like 1 percent. If we were 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 one makes. 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. The Senator from Minnesota?

Mr. WELLSTONE. I ask the Senator from Illinois, just for 10 minutes.

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

The Senator from Illinois.

Mr. DURBIN. I thank 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 thank 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 to get on the other side of the rules of the Senate and the House, in spending. So once you put that blueprint in place, when the Appropriations Committee sits down to put the spending bills in place, they look to this blueprint. That is what the Finance Committee does 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 debate with Senator CONRAD when there is a row of numbers up on a page because I am going to lose. 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 always keep identifying education as our biggest issue? I think the reason is fairly obvious. Education really defines who we are. It is uniquely American, but we believe in this country—if you give kids the right opportunity to prove and improve themselves, they will succeed. You are looking at one. My mother was an immigrant to this country. Neither my mother or father went beyond the eighth grade. I stand here on the floor of the U.S. Senate. That is because when I brought home a report card, it was an event in my house. We stopped everything and they pored over the numbers and the letters. They gave me a frown or a smile.

You look at it and say, How can this be? President Bush came to office. He invited Senator Kassebaum and Congressman Miller 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
Mr. CONRAD. Yes.

Mr. SARBANES. 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 together 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 the box 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 we in fact agree to test students as we have debated for a long time, and don't provide any resources once we have identified the problems those kids are running into so they can improve their reading and math scores, what is the point—grades 1, 2, and 3? When we talk about education reform? We will have the standards and the testing, but with this budget resolution we will not have the money to provide good teachers, good resources, and good classroom to improve the kids' education. 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 Minnesota is saying. 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 what is happening here. 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 hire the teachers, 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. I have the same problem. I say to 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 don't 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. We are 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—grades 1, 2 and 3, then also when we talk about education reform? We will have the standards and the testing, but with this budget resolution we will not have the money to provide good teachers, good resources, and good classroom to improve the kids' education. Is that how the Senator from Minnesota sees it?

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 there and say if this 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 would do—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—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.

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 all 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 fix it—so he could hear this debate because I can remember so 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 one 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 tax cuts, the tax decrease 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. It did stimulate 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 $661 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 current.
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 Senators, 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 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. They came 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 so violently opposed, that 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 aid. I think my amendment would do more 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 system, 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 these 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 Senate at that time. Jimmmy, who is now in his forties, was 7 years old or something like that. He came up to me and he had a smile across his face. I said: Jimmy, you look like something good happened.

He said: Do you know, daddy, I am in the fourth grade.

I said: Yes, Jimmy. I know that. He said: Did you know that in reading and in arithmetic I am in the fifth grade?

I said: No, how does that work?

He said: Well, it is something that is brand new and innovative. What they do is, if you excel in one particular area, they move you up a grade so you can compete with those who are at your level, and you are not down there competing with someone who is at a lower level. He said: It is brand new and innovative.

I said: That is really great, Jimmy. Then I remembered back. I always remember this because it was during the bombing of Pearl Harbor. I happened to be going to a country school. It was called Hazel Dell. And in this school there were eight grades in one room. There was a big potbellied, wood-burning stove. The school master’s name was Harvey Bean, a giant of a man, I thought. Probably he wasn’t all that big after all, if I were to meet him again today, he was in the eighth row at this country schoolhouse called Hazel Dell. Every time you missed a spelling word, you would have to go up in front of the class and Harvey Bean and you would have to bend over. He had a big wooden paddle and he would swat you.

I tell my colleagues, I was the best speller in the first row. And so I was moved up to the second row so I could spell with the second graders, with my brother and some of the rest of them. So that program that my son called brand new and innovative was alive and well back in the early 1940s.

I understand in the State of Texas some of these things that they have tried that deviate from what we are trying to do now is just going back and getting things that worked in the past. I have to say that this President is going to do things that are new and innovative. He is going to try things that haven’t been tried before. Our system hasn’t worked. Our system has not gone up. Rather than just pour more money on a failed system, we need to try these things that worked in Texas. I think they are going to work in our Nation.

It is high time we try something new and that we get in a position where we can actually compete now with some of these other industrial nations.

I yield the floor.

EXHIBIT 1

GARRISON PUBLIC SCHOOL,

Hon. James M. Inhofe,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

Dear Senator Inhofe: On behalf of the Garrison 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 bipartisan support in the Senate, because of your role Impact Aid has been taken to a new level.

All of us working with Impact Aid realize that much work still remains if the $1.293 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 we serve to 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,

Mike Klabo
Superintendent

MINOT PUBLIC SCHOOLS

D minimise, 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 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 because of your role 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,

Richard Larson
Superintendent of Schools

CASS SCHOOL DISTRICT 63


Mr. HARKIN. Fifteen minutes, please.

Mr. Domenici. Let me say to the Senator from Iowa, you have been a leader. It is good to have somebody who understands the overarching activities that this budget resolution provides, and his constant concern about overspending and his concern about the taxpayers has been evident from the day he arrived. I am very pleased because we need to get this finished so we can start down the path of finishing the year, working with a President who is going to try to help us get a tax bill that is representative of the Senate.

People keep talking about a rich man’s bill. Before you arrived, I read the names of the members of the Finance Committee. You know it has had a lot of changes of late, but clearly they will produce a tax bill. It is going to be representative of this Senate. It is not going to be one little fact of fiction from the tax bill. So that is going to be a good thing. That will prove out the contentions in the Chamber about rich versus poor and what kind of tax cuts we do.

Clearly, it has a marriage penalty. Clearly, it will have some rate reductions. Clearly, it is going to have child care credits. However they do that, they are going to be there for American families with children. Obviously, there is going to be some estate tax reform of significance because we have already voted on that.

Mr. INHOFE. If the Senator will yield, particularly in western Oklahoma and the Oklahomans who we 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 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 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 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 because of your role 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.

Sincerely,

Kelley M. Kalinch
Superintendent

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Let me say to the Senator from Iowa, you have been a leader. It is good to have somebody who understands the overarching activities that this budget resolution provides, and his constant concern about overspending and his concern about the taxpayers has been evident from the day he arrived. I am very pleased because we need to get this finished so we can start down the path of finishing the year, working with a President who is going to try to help us get a tax bill that is representative of the Senate.

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

Mr. HARKIN. That is fine.

Mr. CONRAD. I yield the Senator from Florida a few minutes and yield the Senator from Florida 12 1⁄2%. And can we lock that in at this point?

Mr. DOMENICI. 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 PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I understand I have been yielded 12 1⁄2 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 ails 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.

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 parent, perhaps, who needs some help because you are in the lower socioeconomic strata of America, if you are poor, sick, elderly, if you are one of the baby boomers getting ready to go on Social Security, well, there you go, 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 to far 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 Republicans who are here 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
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 $225 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.

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 goes 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]

IF HE’S NOT GOING TO TALK TO ME, SHOULDN’T HE STOP TALKING ABOUT ME?

(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: Social Security 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 help you. Because of his disability, a severe cerebral palsy 18 years ago. He received Medicaid because of his disability. Fortunately, Medicare has paid for what would have been tens of thousands of dollars of medical bills. Ironically, the largest out-of-pocket expenses he had to pay were for prescription drugs.

That’s my story, and when I hear Bush talk about families who would benefit from his tax plan, I know he’s not talking about me. He might think he is talking about a waitress mom. But I know better. We pay payroll taxes, sales taxes and other taxes. I make more in tips on a bad day than I would ever get back from his tax cut.

I don’t think most of the customers who come to the cafe here mostly working people and seniors—would make out any better.

I am afraid that we’d lose out because Bush would have to cut programs that help our families survive. That he has plans to cut $17 billion from Medicare over 10 years and “borrow” from the Medicare surplus, it makes me scared and angry. What would happen to my son if he lost Med- icare? What would happen to my dad, and many of the seniors I care about, if they cut Medicare?

Bush likes to say that the money the government gets from income taxes is the people’s money. Some of the money in the Medicare surplus came from my payroll taxes and the taxes of workers in situations similar to mine. I’d just as soon see that money help people like my dad who worked hard and paid taxes all their lives.

Worst of all, I’m afraid Bush’s tax plan would make the future less hopeful for working families like mine. This is a good country, with a big heart and supposedly a helping hand. Now that we finally have a surplus, we should use some of it to help seniors buy prescription drugs by adding a comprehensive, prescription-drug benefit to Medicare. We should provide health care for the uninsured and invest in education for all students. It makes more sense to help millions of people than to give millionaires a tax cut.

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’s not likely to talk with a waitress in a small town in northwest Iowa. But if he’s not going to talk to me, then shouldn’t he stop talking about me?

Deb said:

President Bush has said his tax plan would be great for a waitress with two kids and an income of $26,000. 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.

I am a waitress who has worked in the same local cafe for 13 years, and my husband and I have been married for 16 years. We don’t have private health insurance so, like lots of working families, we have to rely on Med- icaid. It has been a lifeline for one family member.

Our youngest son, Jonathan, was born with severe cerebral palsy 18 years ago. He requires Medicaid because, a program that has covered his extensive health-care needs over the years. For now, it also covers the necessary support services that enable us to keep him at home. He will need Medicaid to help him become independent.

We’re part of the “sandwich generation”—baby boomers who care for aging parents as well as our kids. For the past year, my dad has been treated for a rare cancer. Fortunately, Medicare has paid for what would have been tens of thousands of dollars of medical bills. Ironically, the largest out-of-pocket expenses he had to pay were for prescription drugs.

The Senate. Senator JEFFORDS and Senator BREAUX offered an amendment that also put $70 billion into deficit 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 $225 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 $225 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? Also last week in the Senate passed, on a bipartisanship 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 those with disabilities 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 obligations.

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 with a wall 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 of all 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.
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 defect who has play 18 years ago. He receives Medicaid because of his disability. Medicaid helps him to be independent. She has an elderly parent who has cancer, and he relies upon Medicare.

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 northern California, 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 our 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 programs that everyone 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 suburbs 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 a meager average 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 reducing 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 looking down by paying down 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. The Senator from Florida is recognized for 12½ minutes.

Mr. GRAHAM. I thank the Chair.

Mr. President, a week ago today on March 22, 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 an annual basis in 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 projection 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 at that horizon, 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 is a dollar we cannot spend 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 the work we have started toward funding 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 prescription drug coverage 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.

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 means of being able to finance this enormous tax cut.

This violates the fundamental spirit of the agreement that we have with Medicare taxpayers, with Medicare beneficiaries, and with our Social Security beneficiaries.

Congress, instead of spending those trust funds or making them vulnerable to being spent, should use this opportunity to place the Medicare trust fund in a protected status and to recommit ourselves to do the same for the Social Security trust fund.

Senator STABENOW and I will be offering legislation, to be introduced shortly, which will do just that by providing a point of order against any attempt to use the Medicare trust funds for any purposes other than for paying current Medicare Part A benefits. So part of this game is zero-sum minus, minus the proposal of using the Medicare trust fund and the Social Security trust fund to pay for the tax cut.

Another part is zero-sum plus, and that is we are looking at the world as if it ends in the year 2011. Taking such a narrow focus prevents us from addressing the longer-term budget challenges facing this country.

I understand that under 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. Indeed, if we look more than the next 10 years, it would be a fairly smooth ride because the expenses from 6 to 16 are not that daunting.
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 in fact 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 2039 before we will go into a deficit position. 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 to be the dangerous one 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 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, 36 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. We 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 going up, and this week we have 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 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. That was 6 percent of our gross domestic product. Now we are facing a substantial amount of surplus. 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 on our budget now.

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 12½ 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 numbers 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 am opposed to abandoning 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 tax payers 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 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-
or 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.

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 to give a $500 per year, 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.

Yet this budget doesn't provide any of that money. This is one of the most inconsistent, legislative decision-making times that we have ever seen. On the one hand, we are considering a budget resolution that strips out all of the additional money we promised the American people last year in the election that was going to be invested in education reform. At the same time, we are voting on an educational bill that adds all of this additional investment into education.

There is no money here for the public school improvements we all agreed must be critically needed. This budget conveniently overlooks anticipated costs for such big ticket items as the President's plans for overhauling the military and the President's plans for building a missile defense system. It is based on distant revenue projections that are uncertain in the best of times and, increasingly, revenue projections of surplus that are very unlikely in our slowing economy.

My senior Senator from Florida, who is kind enough to be my friend, knows that I made promises to our people in Florida. I promised to fight any raids on Medicare and Social Security trust funds. Instead of strengthening Medicare and Social Security, which we must do, this unconscionable budget would raid them.

Look at the chart referred to in an earlier speech. With everything in this present budget at the end of 10 years, there isn't enough left in the present budget projections, to the tune of $1 trillion. At the end of 10 years where will we get it? We will get it by raiding the Medicare trust fund, $326 billion over 10 years. I promised I wasn't going to do that.

We are going to get it by raiding the Social Security trust fund, $225 billion over 10 years. I promised I would not 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 educational reform.

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 sound promises to all of the people of Florida 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 economic growth 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 this 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 year 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. SESSIONS will be glad to do so.

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 sound thinkers who 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 PRESIDENT pro tempore. 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 PRESIDENT pro tempore. 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 12½ minutes for Senator MURRAY, and then Senator CORZINE on our side, 12½ minutes also.

Mr. DOMENICI. We will do that following the Senator from Alabama, and if any other Republicans want to speak, we are open to that also.

Mr. CONRAD. We are ready on our side with Senator MURRAY.

Mr. DOMENICI. 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 knew that there was a lockbox 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 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 for everybody.

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. Whatever 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 going to do that, if we do not even have them 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 want? Low tax rates. That is what America’s economy expects. So you do the right thing, 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 next year. That is going to go right into the pockets of Americans.

Mr. CONRAD. I yield 12½ minutes for Senator MURRAY.

Mr. DOMENICI. Senator MURRAY, and then Senator CORZINE on our side, 12½ minutes also.

Mr. MURRAY. I am glad to give you the numbers.

Those numbers are invented. Since they use all kinds of invective here on the floor about our budget resolution, they are invented numbers. That is not accusing anyone. They just borrowed them from somewhere. They are not in the budget.

I will be pleased to yield the remainder of my 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.

Mr. DOMENICI. How long would she like?

Mr. CONRAD. I say to the chairman of our committee, my senior Senator, the distinguished Senator from the State of New Jersey. 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 sound thinkers who 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 PRESIDENT pro tempore. The Senator from Alabama.

Mr. DOMENICI. How much time did the Senator ask for?
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.

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 battling 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 Treasury 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 with its stagnation and its diminished economy and its free enterprise? It is a fundamental question. There are Members of this body who either have not thought about it 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 on this program, this program, 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. That 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 Washington, with more and more Federal programs all for the greatest sounding good that seldom produces the results they set out to do. 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 to 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 go 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 spend 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 said you all for 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. But the President said if the House is not to allow that to happen. We are not going to allow that to happen. That would be wrong. We have done
The Senator from Alabama said the Democrats defeated the lockbox. You bet we defeated the lockbox they proposed because the lockbox they proposed would have prevented us from honoring our national debt. The Secretary of the Treasury wrote us and said that would endanger the ability of the United States to meet its financial obligations. I was the author on this side of the lockbox legislation that passed, with the strongest vote in the Senate on a bipartisan basis. That lockbox passed.

So when they say the Democrats opposed the lockbox, we opposed a fiscally irresponsible lockbox, and we supported the lockbox that with bipartisan support passed in the Senate. Facts are stubborn things. Senator DOMENICI said, in answer to Senator NELSON, that Senator Nelson put up a chart that had things that were not in their budget. That is exactly the point. The defense buildup they are calling for. The infrastructure is calling for is not in the budget. The strengthening of Social Security that this President is calling for are not in the budget. The additional resources for education this President is calling for are not in the budget.

That is the problem with this budget: It is not a true accounting of what is going to happen here. The result is precisely what Senator NELSON described: We are going to be deep into the Medicare trust fund, deep into the Social Security trust fund. Whatever 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.

Mr. President, I thank the Chair and yield the floor.

The PRESIDING OFFICER: The Senator from North Dakota.

Mr. CONRAD. Mr. President, the Senate from North Dakota used 3 1/2 minutes. The Senator from Washington.

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 a 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 and the containment of spending which has helped produce this surplus.

The budget is pretty much the same. The President wants it 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 necessary that we have the money 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, DC. How do we handle taxes?

I think the President wants the Senate on a bipartisan basis. That is the key. It is not a true accounting of what is going to happen. We have a surplus of $5.3 trillion in debt that has accumulated over the past 20 years.

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 budget deficits. 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, we can transform the surplus into 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 there are new economic challenges 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 to throw away the handbook we 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 puts all its faith in 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 benefitting 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 major 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 tax cuts? Is that fair, is it just 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.

Despite this 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 serve a Government that stops corporate polluters, that supports the hiring of more police officers and good teachers, and that strengthens Medicare care 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 communities the tools they rely on to prepare for natural disasters and limit their damage. In fact, President Bush’s budget eliminated a program called Project Impact, which is a predisaster program that saved lives and prevented damage during the February 28 earthquake that occurred in my home State of Washington.

The President’s budget also cut the Federal share of a program that helps communities rebuild after disasters strike. The Senate passed my amendment to restore those vital programs, but this budget resolution took them out.

This budget eliminates the successful community-oriented COPS Program and other law enforcement 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, but it is not the only thing. We also 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. We ought 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 were not needed. 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 work to be ended.

I am really disappointed in the decision to ignore many of the bipartisan amendments that were adopted in the Senate. As a member of the Senate Appropriations Committee, I fear this kind of partisan tone will make past budget battles pretty mild.

We have learned a lot about responsible budgeting over the last 8 years. I
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. CONRAD. Mr. President, I thank the Senator from Washington 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 committee. I believe she could have made a significant contribution in the conference committee but, of course, we were excluded from the conference committee.

Mr. DOMENICI. Would the Senator permit me to talk to Senator MURRAY about mutual problems?

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 leaders, I have an 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.

Further, I make specific comments on the resolution, the use or yielding back of the time as described in this unanimous consent agreement.

Mr. CONRAD. 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 South 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—overreaching, 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 intellective, honest and straightforward approach to the budget.

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 do we know, is that its numbers are based on surplus projections that are little more than guesses based on assumptions with incredibly real world variability. What do we know, that the resolution puts no new money into education, the environment or other priorities. What do we know, is that the resolution raids the Medicare Trust Fund.

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 if 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, if I ever produced 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 to protect.

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 that unfunded mandated education to be paid for by those who create the mandates.

Unfortunately, the conferees rejected the Harkin amendment, a bipartisan effort to base 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 backs 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 flat out 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 in what we said was going to be used 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 thesevariations in 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 new around here. I admit it. I am reluctant to cast aspersions based on a point of order a series of tax cuts that has already been ignored. This conference report is the result of pushing beyond the resolution’s limits. This conference report says we should have $1.35 trillion of tax cuts over the next 11 years. I believe that is more than we can afford. Yet many assume that Congress will soon do 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 speaker. How long did 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 208-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 offers a 10-year projection at 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 the payroll tax but get no tax cut at all under the Bush proposal.

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 reports indicate, $250 billion. But that for defense is likely to be requested by the administration following the strategic review which is going to be completed.
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 and businesses 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 and expand the economy, 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 tax cut is thus 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 are fully considered. Before 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 a single thing 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 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 Tuesday, 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 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.

The favorable surpluses that we enjoy today did not come quickly or easily. Many of our citizens experienced unprecedented cuts in their benefits, and many of our citizens are going to be added to the tax cut? Does anyone doubt that the tax-writing committees are going to avoid paying additional millions of people into paying alternative minimum taxes? Does anyone here really doubt that there is 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 to pay new and higher 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 budget resolution 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 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

<table>
<thead>
<tr>
<th>Source: CBO.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIVE-YEAR PROJECTED V. ACTUAL SURPLUS OR DEFICIT</strong></td>
</tr>
<tr>
<td><strong>Projected</strong></td>
</tr>
<tr>
<td>1990</td>
</tr>
<tr>
<td>1991</td>
</tr>
<tr>
<td>1992</td>
</tr>
<tr>
<td>1993</td>
</tr>
<tr>
<td>1994</td>
</tr>
</tbody>
</table>

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 unprecedented cuts in their benefits, and many of our citizens 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 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 to pay new and higher 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 budget resolution 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.
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 the year 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 $921 billion.

Excessive 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 the year 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 words, 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 surplus materializes.

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 2018. 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 in order to achieve solvency through 2075.”

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 report 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, among others, 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 giant 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.

(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 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 resolution be agreed to, the preamble be agreed to, the motion 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 (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 29th 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.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 80) authoring the use of the Capitol Grounds for the 29th annual National Peace Officers’ Memorial Service.

There being no objection, the Senate proceeded to consider the resolution.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the resolution and preamble 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.

HONORING THE “WHIDBEEY 24”

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.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 86) honoring the “Whidbey 24” for their professionalism, bravery, and courage.

There being no objection, the Senate proceeded to consider the resolution.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the resolution and preamble 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. 80) 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 on 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.

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. BOSWELL. Mr. President, it has been the tradition for the past 38 years, the President of the United States has issued a proclamation calling for the celebration of Small Business Week. Today, we are in the middle of Small Business Week, a time that is being sponsored by the Small Business Administration. The purpose of this week’s celebration is to honor over 25 million businesses that make up the U.S. small business community. It is very appropriate for us, today, to recognize the importance of America’s small businesses, and the significant role played by the Small Business Administration, SBA, in our Nation’s economic growth.

Congress established the SBA in 1953 to provide financial and management assistance to start-up and growing small businesses. Over the past 48 years, the success of SBA in meeting its missions is legend. It maintains a portfolio of guaranteed small business loans and disaster loans totaling more than $45 billion. And the Agency has guaranteed another $13 billion in venture capital investments to small businesses. To compliment its successful credit programs, the SBA’s management assistance programs delivered over to more than one million small businesses during the past fiscal year.

Over the past decade of record economic growth and prosperity, U.S. small businesses have been the engine driving our economy. More than 90% of all employers in the United States are small businesses, providing nearly 75% of the net new jobs added to our work force. Small businesses have proven, year-in and year-out, that they are a potent force in the economy, accounting for 65% of all new economic output. And their sights are not set just at home; leading the way toward a global economy, the small business community represents 96% of all U.S. exporters.

Over the past 6 years I have been the chairman of the Committee on Small Business, and I have witnessed the enormous potential of America’s 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 ensure future successes.

I urge each of my colleagues to vote for the Small Business resolution as a way to thank the SBA and the small business community for its contributions to our Nation.

Mr. KERRY. Mr. President, this legislation reauthorizes the Small Business Administration’s Small Business 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 capabilities. For those of us who were here 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 make it easier to keep 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 large enterprises 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 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. Whether 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 slide down 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.

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. 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 projects. 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 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. Our experience in 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 sets 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 involved 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 agreed that 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 the higher percentage to 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.

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 technology from the lab to market through the STTR program. Less than a quarter of one percent to help strengthen this country’s technology progress is; in fact, it is not adequate support for this important segment of the economy.

Nevertheless, we are very conscious 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 the realities of 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, and 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. As 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 get a portion of the STTR 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 the money spent. Rather, it ultimately, after six years, redirects one half of the money spent. Rather, it ultimately, after six years, redirects one half of the money spent. Rather, it ultimately, after six years, redirects one half of the money spent.

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.

Mr. President, I want to encourage my colleagues to learn about this program. I point out the benefits to our 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.

Mr. President, I ask that my statement 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 11, 2001, two fighter aircraft of the People's Republic of China intercepted a United States Navy EP-3E ARIES II maritime patrol aircraft on a routine reconnaissance 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 "MAYDAY" emergency landing at a Chinese airfield on Hainan Island;

Whereas, in violation of international norms, the Government of the People's Republic of China detained the United States aircraftcrew for 11 days, initially refusing the requests of United States consular and military officials for access to the crew; and

Whereas the persistence and devotion to duty of the members of the United States mission in the People's Republic of China resulted in the release of all members of the United States aircrewon 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 Department of State and Defense, for their standing 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 consent that the Foreign Relations Committee be discharged from further consideration of H.R. 428 and that the Senate then proceed to its immediate 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 numbered 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 following findings:

(1) Good health is important to every citizen of the world and access to the highest standards of health information and services is necessary to improve public health.

(2) Direct and obstructed participation in international health cooperation forums and programs is beneficial for all parts of the world, especially with the threat of 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 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, maternal and infant mortality rates comparable to those of western countries, the eradication of such infectious diseases as cholera, smallpox, and the plague, and the first to eradicate polio and provide children with hepatitis B vaccinations.

(5) The United States Centers for Disease Control and Prevention and its Taiwan counterpart agencies have enjoyed close collaboration on a wide range of public health issues.

(6) In recent years Taiwan has expressed a willingness to assist financially and technically in international aid and health activities supported by the WHO.

(7) On January 14, 2001, an earthquake, registering 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 $20,000 for relief aid to the Salvadoran 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 support Taiwan's participation in appropriate international organizations.

(10) Public Law 106-137 requires the Secretary of State to submit a report to the Congress on efforts by the executive branch to support Taiwan's participation in international organizations, in particular the WHO.

(11) In light of all benefits that Taiwan's participation in the WHO can bring to the
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 Project 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 1986, 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 people 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 families. 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 Appropriations 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 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 into place, 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 important in the first 90 days on the battlefield can only be airlifted on a C-5 or a C-17. And, by the way, this is 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. Our support also involves a minimal role 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. What I was seeing was 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 ‘service queens’ or ‘shell queens’. 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, costs 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 aircraft. This process also increases the risk that something else on the cannibal 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 then Secretary of Defense Bill Cohen to Dover to make him aware of the problem.

While I believe that visit was helpful, it was clear to me that continued attention to these issues 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 fact that Congress and the Pentagon have had on the fleet and those who work on the C-5, and to describe the failures in 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.

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 fight 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 risk the safety 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. The attack happened at sea, beyond the reach of state and local laws, police have been unable to pursue the case as a bias-motivated, 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 a generation 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 can fall into 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 is in elected officials’ hands, 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 direstraits, unemployment is high, and the future, particularly for those who live outside of Moscow, continues to look grim. I’m certain that many of my colleagues will express my sense of mutual 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, including chemical, biological, and nuclear weapons, number in the tens of thousands, and materials that go into making those weapons are widely distributed, and poorly guarded, around Russia. If countries of concern pose a serious threat to the United States, it is likely that the tools underlying those threats have been or could most easily be gained from the hands of semigovernments, a cash-strapped, antagonistic Russia.

Senior advisors to the Secretary of Energy, including former Senators Howard Baker and Sam Nunn, recently released a report that stated, “The most urgent unmet national security threat to the United States today is the danger that weapons of mass destruction or weapons-usable material in Russia could be sold to terrorists or hostile nation states . . .” 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 2001 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.” In light of the imposing costs of a robust missile defense system, it appears that the Administration has underestimated the potential programs are of secondary importance.

Listening to the President’s speech, I’m concerned that his vision of missile defense has all the characteristics of the文化的 dike. The President sees it as a strong 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 a partner. The danger that weapons of mass destruction might be stolen and sold to terrorists or hostile nation states is far greater than the threat that Russia is posing. The President’s view of Russia misrepresents the reality of the threat to the United States today.

The President’s view of Russia misrepresents the reality of the threat to the United States today. The President’s view of Russia misrepresents the reality of the threat to the United States today.
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 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 away from our legal 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 adequately 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.

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. One is by setting an example. 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 programs, in addition to the important confidence-building progress in cooperative approaches regarding early warning of missile attacks through the establishment of a data center and research being conducted on the Russian American Observation Satellite program. I am deeply concerned that such confidence-building programs will be at risk should confrontational relations with Russia continue to increase. If that occurs, the ultimate loser could be our allies in a less secure world of our own making.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, May 8, 2001, the Federal debt stood at $5,647,861,033,420.09, five trillion, six hundred forty-seven billion, eight hundred ninety-three million dollars, which reflects a debt increase of more than $3.5 trillion, $3,632,876,033,420.09, three trillion, six hundred sixty-two billion, eight hundred ninety-seven million. Ten years ago, May 8, 1991, the Federal debt stood at $2,015,014,000,000, two trillion, fifteen billion, fourteen million, which reflects a debt increase of more than $3.5 trillion, five trillion, six hundred ninety-seven million. Fifteen years ago, May 8, 1986, the Federal debt stood at $2,015,014,000,000, two trillion, fifteen billion, fourteen million, which reflects a debt increase of more than $3.5 trillion, five trillion, six hundred ninety-seven million. Fifteen years ago, May 8, 1986, the Federal debt stood at $2,015,014,000,000, two trillion, fifteen billion, fourteen million, which reflects a debt increase of more than $3.5 trillion, five trillion, six hundred ninety-seven million. Fifteen years ago, May 8, 1986, the Federal debt stood at $2,015,014,000,000, two trillion, fifteen billion, fourteen million, which reflects a debt increase of more than $3.5 trillion, five trillion, six hundred ninety-seven million.

ADDITIONAL STATEMENTS

NATIONAL PET WEEK

Mr. ALLARD. Mr. President, I often rise on the floor of the Senate and put on my “veterinarian hat” when talking about food safety, animal science or even small business issues. Today, I rise to recognize this week as National Pet Week and say a brief word about the role of pets in our lives. Events taking place all over the Nation this week are designed to remind us of the value of pets.

Sponsored by several leading veterinary organizations, principally the American Veterinary Medical Association (AVMA), National Pet Week gives those of us in the animal health field an opportunity to celebrate the bond between pets and their owners and address the importance of responsible pet ownership. Pets are important members of over half the households in America. They can be many different things to many different people. A pet can be a hunting companion, someone to play catch with, something warm to snuggle, a cuddly ranch hand, a guide, a guardian, or a child’s best friend. Indeed, companionship is often the most important aspect in the relationship between pet and owner.

In the past 25 years, we have come to accept the human-animal bond as an important force. We understand that the bond exists, but it is hard to define. The AVMA gives us this definition: The human-animal bond is a mutually beneficial and dynamic relationship between people and animals that is influenced by behaviors that are essential to the health and well-being of both. This includes but is not limited to, emotional, psychological and physical interaction of people, animals and the environment.

The fact is, the addition of a pet to someone’s life can do amazing things. Studies have shown that the recovery time and survival rate of people with serious illnesses can be improved when a pet is part of the equation. The benefits of pets to the blind and disabled are also well known. All over the world, dogs are trained to complete a variety of tasks to assist the disabled in living their lives. Programs to train dogs and place them with disabled owners thrive in every State. The work that they do and the good that results should not go unnoticed. These organizations build bridges using the human-animal bond formula and enrich lives in so many ways.

Connections between pets and children are well known. Pets can help teach children responsibility, respect and compassion. They can add to a child’s growth and development in so many ways. Most of us can certainly remember our first family pet with fond memories. The other part of National Pet Week is pet health. It is certainly true that a healthy pet is a happy pet. Regular veterinarian visits are indeed important and are part of the responsibility as an owner and as a family member. Nutritional care, adequate exercise and proper attention to general health concerns are all necessary in the ownership of a pet and can go a long way in increasing the quality of an animal’s life.

So I would like to ask my colleagues to join me in recognizing National Pet Week, and if you have a pet at home, give it an extra hug, a pat on the head or a good scratch in that favorite spot when you get home.

NATIONAL DANCE INSTITUTE IN NEW MEXICO

Mr. BINGAMAN. Mr. President, I rise today to commend a friend, Val Diker, for her unflagging efforts in support of the National Dance Institute in New Mexico. As many of my colleagues know, the NDI was founded by the renowned dancer, Jacques d’Amboise, to introduce school children to dance. His dream has been extremely successful in New Mexico in the eight years since it was started here. This year alone there are 2400 students in 32 schools involved in the program.

This weekend, five hundred of these students will appear on the stage of the newly-refurbished, historic Lensic Theatre to honor the program and Val Diker, the Pounding Chairman. Making our state her “second home,” Val is a leading contributor with her time, talent and treasure to institutions New Mexicans love. Her leadership in NDI, however, is particularly appreciated by a New Mexican who is no one else and who has such a deep love for New Mexico. Ms. Diker, the Founding Chairman. Making our state her “second home,” Val is a leading contributor with her time, talent and treasure to institutions New Mexicans love. Her leadership in NDI, however, is particularly appreciated by this native New Mexican who is no one else and who has such a deep love for New Mexico.

IN RECOGNITION OF JOE B. MURRAY

Mr. DOMENICI. Mr. President, I received a copy of the book as Brave, a collection of memoirs of Joe B. “Bob” Murray. This fine book tells the story of a great American, who evolved from an East Texas farm boy
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 as a paratrooper and fought 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 Da-Chau 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, Dulcia, 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 patriotic American, Mr. Joe B. Murray. I thank Joe for my copy of his book and salute his exceptional service to our Nation.

GOODBYE TO ARCHBISHOP FRANCIS T. HURLERY

- 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 at his list of accomplishments. Senator Garamendi, a Roman Catholic Archbishop 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, 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 B. 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.
REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT—PM 18

The PRESIDING OFFICER 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 Iraq 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 following concurrent resolution 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 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 106–544), 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. 2422, the Speaker reappoints the following Members of the United States Interparliamentary Group, in addition to Mr. KOLBE of Arizona, Chairman, appointed March 28, 2001: Mr. BALL ENGER of North Carolina, Vice Chairman; Mr. LEONARD of California; Mr. DURBIN of Illinois; Mr. LIEBERMAN, Mr. LEVIN, Mr. WELLSTONE, Mrs. BOXER, Mr. AKAKA, Mr. FEINGOLD, Mr. KENNEDY, Mrs. BURRINGTON, Mr. TORRICELLI; 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. KOHL, Mr. Voinovich, Ms. LEVIN, Mr. THURMOND, Ms. COLLINS, and Mr. FITZGERALD):

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, Mrs. FEINSTEIN, Mr. KIRBY, Mr. LEVIN, Ms. LANDRIEU, Mr. JOHNSON, and Mr. DURBIN):

S. 853. A bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty and provide a new earned-income credit and adjustment to the earned-income credit; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRAHAM, 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 without amendment, and referred as indicated:

By Mr. DAYTON (for himself, Mr. FEINGOLD, Mr. KOHL, Mr. WELLSTONE, and Mr. LHARY):

S. 847. A bill to impose tariff-rate quotas on certain casemate 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. G RAMM, 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. LEVIN, Mr. LEVINE, Mr. LANDRIEU, Mr. JOHNSON, and Mr. DURBIN):

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, Mrs. FEINSTEIN, Mr. KIRBY, Mr. LEVIN, Ms. LANDRIEU, Mr. JOHNSON, and Mr. DURBIN):

S. 853. A bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty and provide a new earned-income credit and adjustment to the earned-income credit; to the Committee on Finance.
CONGRESSIONAL RECORD — SENATE
May 9, 2001

S. 284. 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 from exposure to pesticides in schools, and to provide parents with information concerning toxic chemicals that pose risks to children from exposure to pesticides in schools.

By Mr. KERRY (for himself, Mr. BOND, Mr. CLELAND, Ms. LANDREI. Ms. BENNETT, Mr. LEVIN, Mr. LIEBERMAN, Mr. HARKIN, Mr. BINGAMAN, Mr. ENZ1, and Ms. CANTWELL):

S. 866. 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. MURkowski, Mr. LOTT, Mr. WARNER, Mr. HATCH, Mr. SHELBY, and Mr. MURKOWSKI):

S. 876. 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. 878. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to improve access and choice for entrepreneurs with small businesses with respect to medical care for their employees; to the Committee on Health, Education, Labor, and Pensions.

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. Hutch, Mr. SHELBY, and Mr. MURkowski):

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. WELSTONE, Mr. CRAPO, Mr. CLELAND, Mr. ENSIGN, Ms. LANDREI, Mr. EDWARDS, Ms. CANTWELL, and Mr. DASCHLE):

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 the design and 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 unlawful.

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. THOMAS), 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. 482

At the request of Mr. FRIST, the name of the Senator from Tennessee (Mr. THOMPSON) was added as a cosponsor of S. 482, a bill to amend the Appalachian Regional 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 systems.

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. LANDREI) 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. 540, 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. 571

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. 571, 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 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. Hutchison, 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. Bond, the name of the Senator from Montana (Mr. Burns) 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.J. Res. 13

At the request of Mr. HATCH, the name of the Senator from Montana (Mr. Buresh) was added as a cosponsor of S.J. Res. 13, a joint resolution declaring that the American people retain and reserve all rights in no way affected by the adoption of the Constitution of the United States, also known as the Marquis de Lafayette.

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. Hutchinson, 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 (Mrs. Carnahan) was added as a cosponsor of S. Res. 80, a resolution honoring the “Whidbey 21” 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 Ms. 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. Voinovich, 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. 348. 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.
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. A representative of the State Attorney General testified that 46,839 identity theft complaints the FTC received this 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 factor 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 have 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 bus driver’s 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 bought her Social Security number off the Internet for $45, and then used it to locate her home address. Michelle Brown of Los Angeles, California, had her Social Security number stolen in 1999, and it was used to charge $50,000 including a $32,000 truck, a $5,000 liposuction operation, and a year-long residential lease. While assuming the victim’s name, the perpetrator also became the object of an arrest warrant for drug smuggling in Texas.

This bill proposes concrete measures to get Social Security numbers beyond the reach of identity thieves.

The bill prohibits anyone from selling or displaying a Social Security number to the general public without the Social Security number holder’s consent. No longer will identity thieves or stalkers, like the man who killed Amy Boyer, be able to log anonymously onto a website and obtain another person’s Social Security number. Information brokers will no longer be able to sell Social Security numbers to anyone who asks for a nominal fee.

The bill also requires Federal, State, and local governments to take affirmative steps to protect Social Security numbers. Before giving out records such as bankruptcy filings, liens, or birth certificates to the general public, government entities will need to redact the Social Security number.

Thus, identity thieves can no longer mine Social Security numbers from county clerks’ offices or state records offices.

In addition, the bill prohibits States from using Social Security numbers as identifying numbers on drivers licenses or printing Social Security numbers on checks.

Privacy advocates contend half of all identity theft cases stem from lost or stolen wallets. Public entities should not put individuals at risk by requiring them to contain Social Security numbers on them.

In addition, the bill will empower individuals who wish to keep their Social Security numbers confidential and out of the public domain. Companies will be prohibited from denying an individual a good or service if he refuses to give out his Social Security number.

In recognition of the needs of the business community, this legislation permits businesses to use Social Security numbers with appropriate safeguards for internal uses or in transactions with other businesses.

I want to state up front that the business-to-business exception is an area of significant compromise. As a member of the Finance Committee, I believe that a Social Security number, like other sensitive elements of personal information, should be under the control of the person to whom it belongs.

I also understand that many businesses, unfortunately, rely extensively on Social Security numbers to conduct a range of transactions. Some of these transactions include checking databases to ensure the identity of a customer or purchaser.

The cost of changing to other identifying numbers can be significant. One California health care company, for example, conducted an internal study on how much it would cost to switch from Social Security numbers to another customer identifier. The price tag was over $35 million.

The bill directs the Attorney General to implement rules to prevent legitimate business-to-business transactions, but prevent abuse. The Attorney General must consider the following factors in setting rules: (1) The need for appropriate safeguards so that employees cannot misappropriate Social Security numbers, and (2) The need 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 Grasso 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 of California, the Coalition of 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 disclosure, 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 such 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 those 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, reveal, or disclose any publicly significant information or concern any public issue. The display, sale, or purchase of such numbers in no way facilitates uninhibited, robust, and wide-open public debate, and it does 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. It does not affect 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) In general.—Except as provided in this section, no person may display, sell, or purchase any individual’s social security number without the affirmatively expressed consent of the individual.

‘‘(b) Exceptions.—

‘‘(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) in the case of a violation that was willful and resulted in profit or monetary gain, liquidated damages of $10,000.

‘‘(2) Statute of limitations.—Any 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.

‘‘(c) Civil Penalties.—

‘‘(1) In general.—Any person who the Attorney General determines has violated this subsection 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 such frequency as to constitute a general business practice.

‘‘(2) Determination of Violations.—Any willful violation committed contemporaneously with respect to two or more social security numbers of 2 or more individuals by means of mail, telecommunication, or otherwise, shall be treated as a separate violation with respect to such individual.

‘‘(3) Enforcement Procedures.—The provisions of section 1128A of the Social Security Act (42 U.S.C. 1320a–7a), other than subsection (a), (b), (c), (e), (f), and (g) of such section and the first sentence of subsection (c) of such section, and the provisions of subsection (e) and (f) of section 205 of such Act (42 U.S.C. 405) 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), 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.’’.

(2) 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—

(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 defraud or to damage such individual or to use the identity of that individual for an illegal purpose.’’.

(c) Legal Reforms.—The provisions of section 6(b) of the Privacy Act of 1974 (5 U.S.C. 552a note), section 3a(a)(3), and 1320b–11(c), section 7(a)(2) of the Privacy Act of 1971 (5 U.S.C. 552a note), section 6109(d) of the Internal Revenue Code of 1986, or section 6(i)(1) or 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 91–586 (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) in the protection of the health or safety of an individual in an emergency situation;

‘‘(ii) in the case of a violation that was willful and resulted in profit or monetary gain, liquidated damages of $10,000.

‘‘(2) In general.—Except as provided in this section, no person may display, sell, or purchase any individual’s social security number without the affirmatively expressed consent of the individual.

‘‘(3) Nonexclusive remedy.—The remedy provided under this subsection shall be in addition to any other remedy available to the individual.

‘‘(b) Civil Penalties.—

‘‘(1) In general.—Any person who the Attorney General determines has violated this subsection 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 such frequency as to constitute a general business practice.

‘‘(2) Determination of Violations.—Any willful violation committed contemporaneously with respect to two or more social security numbers of 2 or more individuals by means of mail, telecommunication, or otherwise, shall be treated as a separate violation with respect to such individual.

‘‘(3) Enforcement Procedures.—The provisions of section 1128A of the Social Security Act (42 U.S.C. 1320a–7a), other than subsection (a), (b), (c), (e), (f), and (g) of such section and the first sentence of subsection (c) of such section, and the provisions of subsection (e) and (f) of section 205 of such Act (42 U.S.C. 405) 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), 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.’’.
SEC. 4. NO PROHIBITION WITH RESPECT TO PUB- 
LIC RECORDS.

(a) PUBLIC RECORDS EXCEPTION.—

(1) IN GENERAL.—Chapter 47 of title 18, United States Code (as amended by section 3(a)(2)), shall be interpreted to provide that no prohibition of the display, sale, or purchase of social security numbers included in public records is applied to records contained in Federal, State, or local government entities maintained by a Federal, State, or local government entity, such as on the face of a driver's license or motor vehicle registration law within its jurisdiction, from using a social security account number for an internal use or to link this database of an agency of another State that is responsible for the administration of any driver’s license or motor vehicle reg- 

istration law.

(b) BUSINESS-TO-BUSINESS COMMER- 
CIAL 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: on the basis of such rule- 

making procedures in accordance with subchapter II of chapter 5 of title 5, United States Code, as are necessary to promulgate regulations to implement and clarify the business-to-busi-

ness provisions pertaining to section 1028A(1)(E) of title 18, United States Code (as added by section 3(a)(1)), the Attorney General shall consult with other agencies to ensure, where possible, that these provisions are consistent with other privacy laws, 


(2) FACTORS TO BE CONSIDERED.—In promul-

gating the regulations required under para-

graph (1), the Attorney General shall, at a minimum, consider the following factors:

(A) The benefit to a particular business practice and to the general public of the sale 
or purchase of an individual’s social security number.

(B) The risk that a particular business practice will promote the use of the social security number to commit fraud, deception, 
or criminal offense.

(C) The presence of adequate safeguards to prevent the misappropriation of social secu-

rity numbers by the general public, while permitting internal business uses of such numbers.

(D) The implementation of procedures to prevent identity thieves, stalkers, and others with ill intent from posing as legitimate businesses to obtain social security numbers.

SEC. 5. RULEMAKING AUTHORITY OF THE ATTOR- 
NEY GENERAL.

(a) IN GENERAL.—Except as provided in subsection (b), 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 con-

tained in section 1028A(f);

‘(3) is intended to be purchased, sold, or displayed pursuant to the consent provisions of sections (b), (c), and (e) of section 1028A;

‘(4) includes a redaction of the noninci-

dental occurrences of the social security number which was sold or displayed to members of the general public.

(b) AGENCY REQUIREMENTS.—Each agency in 

possession of documents that contain so-

cial security numbers which are noninci-

dental, shall, with respect to such docu-

ments—

‘(1) ensure that access to such numbers is restricted to those who may obtain them in accordance with applicable law;

‘(2) require an individual who is not ex-

empt 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;

‘(3) readact 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 num-

ber 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 per-

mitting State or local government en-

terprise or other repository of public documents to expand or to limit access to documents containing social security num-

bers to entities covered by the exception in 

section 1028A(f).

(d) DEFINITIONS.—In this section:

‘(1) INCIDENTAL.—The term ‘incidental’ means a social security number which is not routinely displayed in a consistent and pre-

dictable 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 group-

ing of information about an individual that is maintained by a Federal, State, or local government entity and that is made available to the public.

(2) 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 relat-

ing to section 1028A the following:

‘1023B. No prohibition of the display, sale, or 

purchase of social security numbers included in public records.”

SEC. 6. TREATMENT OF SOCIAL SECURITY NUM- 
BERS ON GOVERNMENT DOCU-

MENTS.

(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 apply with re-

spect to employment of prisoners, or entry into contract with prisoners, after the date that is 1 year after the date of enactment of this Act.

SEC. 7. LIMITS ON PERSONAL DISCLOSURE OF A 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 deny an individual the good or service for refusing to provide that number except—

‘(1) for any purpose permitted by section 1028A(f);”

‘(2) if the social security number is nec-

essary to verify identity and to prevent 

fraud with respect to the specific transaction requested by the consumer and no other form of identification can provide comparable information;

‘(3) 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) if the social security number is neces-

sary to verify identity and to prevent 

fraud with respect to the specific transaction requested by the consumer and no other form of identification can provide comparable information;

‘(b) OTHER FORMS OF IDENTIFICATION.— 

Nothing in this section shall be construed to prohibit a commercial entity from—

‘(1) requiring an individual to provide 2 forms of identification that do not contain the social security number of the individual;”

‘(2) denying an individual a good or service for refusing to provide 2 forms of identification that do not contain such number.

May 9, 2001

CONGRESSIONAL RECORD — SENATE
“(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).”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to those applications, 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 or Representation 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 monthly 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; or

(B) makes such a statement or representation for such use with knowing disregard for the truth; or

(C) omits from a statement or representation for 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 monthly insurance benefits under title II or benefits or payments under title VIII or XVI and the individual knows or should know that such number is not the social security account number assigned by the Commissioner of Social Security to any individual to which the person knows or should know is false or misleading;

shall be subject to:

(C) by inserting “or each receipt of such benefits while withholding disclosure of such fact” after each such statement or representation;

(D) by inserting “or because of such withholding of disclosure of a material fact, after because of such statement or representation”; and

(E) by inserting “or such a withholding of disclosure” after such a statement or representation; and

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—The first sentence of section 1129A(a) of the Social Security Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking “who” and inserting “who—”;

and 

(B) by striking “makes” and all that follows through “shall be subject to” and inserting the following:

“(1) 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 monthly 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;

“(2) makes such a statement or representation for such use with knowing disregard for the truth; or

“(3) omits from a statement or representation for 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 monthly insurance benefits under title II or benefits or payments under title VIII or XVI and the individual knows or should know that such number is not the social security account number assigned by the Commissioner of Social Security, or possesses such a card with intent to alter it;

“(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 display, sell, or purchase it;

“(E) counterfeits a social security card, or possesses a counterfeit social security card with intent to display, sell, or purchase it;

“(F) displays, 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) causes to be purposed false information to the Commissioner with respect to any information required by the Commissioner in connection with the establishment 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)(I) or (X)(I) of section 208(a)(7) of the United States resulting from such violation, of not more than twice the amount of any monetary payments paid as a result of such violation.

“(c) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of the Social Security Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking “in the case of amounts recovered arising out of a determination made after the date of enactment of title XVI” and inserting “in the case of any other amounts recovered under this section.”.

(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 statement”.

(2) Section 1129(c)(1) of the Social Security Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking “and representations” and inserting “or representations”.

(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” and inserting “representation or statement”.

(4) Any person (including an organization, agency, or other entity) who—

(B) 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)(I) or (X)(I) of section 208(a)(7) of the United States resulting from such violation, of not more than twice the amount of any monetary payments paid as a result of such violation.

(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. 1320a–8 and 1320a–8a), as added by this Act, and set to take effect in July—would work dramatic changes in the way businesses rely upon the credit bureaus’ databases for everything from updating junk-mail lists to locating lawbreakers.

“It’s going to set a higher barrier for the privacy of this kind of information,” said Robert Gelman, 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.

“These 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.

“Where 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,” which 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 than consumer credit history information, the new privacy law, which called for new privacy
protects for consumers' financial information.

The Individual Reference Services Group, a trade group of information companies, argued that the rules violated their constitutional right to free speech.

The FTC countered that any personally identifiable information provided to financial institutions, even if available from other public sources, should be covered by the law.

The Social Security Security Council also raised the hackles of privacy advocates, who say the practice has led to an increase in identity theft and other fraud.

In her 62-page ruling, dated April 30, Huvelle said the regulations were lawful and constitutional. “This gives consumer more control over how their information is used," said Jack Daly, assistant general counsel at the FTC.

The decision marks the latest defeat for credit bureaus and information brokers, whose operating environment is increasingly hostile.

A federal appeals court ruled last month that Trans Union may no longer sell marketing lists based upon consumers with three or more credit cards, culled from credit it reporting.

The FTC banned the practice in 1992, saying it violated federal laws prohibiting the use of credit information for marketing purposes. The other two major credit bureaus halted the practice, but Trans Union continued to sell such lists.

If credit bureaus are prohibited from selling credit header data, businesses will probably turn other sources, such as the change-of-address database at the U.S. Postal Service or voter registration records.

Mr. GREGG. Mr. President, on October 15, 1999, Amy Boyer, a young woman from Nashua, NH, was killed by a man who went on the Internet, purchased her social security number for $45, used it to find her place of work and kill her.

As a result of that tragic event, and countless others I have subsequently become aware of, it became clear to me that the sale of social security numbers on the Internet was dangerous and needed to be stopped.

Last year, I introduced Amy Boyer's law to do just that. The purpose of that legislation was twofold. First, to ensure that people like Amy Boyer's killer would not be able to purchase social security numbers and second, to prevent companies like Dogpile, and Docurum.com from being able to sell social security numbers without an individual's consent.

Amy Boyer's law accomplished both of these objectives but became mired in controversy, frankly from both sides, over how to strike a balance between legitimate business and other lawful uses of the social security number which are necessary in many instances to prevent fraud and identity theft and a desire on the part of the privacy organizations to significantly limit public access to social security numbers.

Let's face it, like it or not, the Social Security Number has become a national identifier of sorts and in many instances, is the only way to ensure accurate identification of people. Health care providers use the social security number to maintain our health records to ensure we are receiving the services we need; banks and financial institutions use it—social security number tells them that a loan applicant is exactly who he says he is. The National Center for Missing and Exploited Children and the Association for Children for Enforcement of Child Support Obligations—when a social security number to track down kidnappers and deadbeat dads. Big Brothers/Big Sisters of America use social security numbers to do background checks on volunteers to make sure they are not felons or child molesters. A truly blanket prohibition that did not include any exceptions whatsoever would close-out the above uses. In reality, nobody wants this.

Unfortunately, we were unable to reach a suitable compromise before adjourning last session, but I am pleased today to introduce, with Senator FEINSTEIN, after many months of very hard work, the Social Security Number Misuse Prevention Act of 2001.

This is a compromise proposal. Both Senator FEINSTEIN and myself have had countless meetings with parties interested in this issue and have produced, what I believe to be, a good product. It is not a perfect product, but it is a good first step toward balancing significant diverging interests. We will, of course, continue to work with interested parties to perfect this legislation, but we have agreed in concept to certain key principles.

First, the public access to the social security number must be limited because of the significant risk of invasions of privacy and the potential for misuse, not the least of which is identity theft. And second, that there are certain legitimate purposes for which the social security number is essential—and we must protect those legitimate uses.

Let me summarize the bill's main provisions:

First, the legislation contains a prohibition against obtaining social security number with wrongful intent. Persons are prohibited from obtaining a social security number for the purpose of locating or identifying an individual with the intent to cause harm, or use the identity of the individual for any illegal purpose.

Second, the legislation prohibits the display, sale and purchase of social security numbers to and by the general public without the individual's consent, except for certain limited purposes. Those purposes include: For purposes permitted, required or excepted under the Social Security Act, section 7 (a)(2) of the Privacy Act of 1974, section 606(d) of the Internal Revenue Code of 1986 or section 6(h)(1) of the Professional Boxing Safety Act of 1996 for a public health purpose, including the protection of the health and safety of an individual or in an emergency situation; for a national security purpose; for a law enforcement purpose, including the investigation of fraud and the enforcement of child support obligations; for business-to-business use, including, but not limited to the prevention of fraud, the credit checks or background checks of employees, prospective employees, and volunteers, compliance with any requirement related to the social security program, or the retrieval of other information from other government or commercial enterprises; except that no business may sell or display a social security number to the general public. For data matching programs under the Computer Matching and Privacy Protection Act of 1986 or any similar data matching program involving a Federal, State or local agency; or 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 privilege.

Third, an individual may not be required to provide their social security number when purchasing a commercial good or service unless the social security number is necessary: For purposes permitted, required or excepted under the Fair Credit Reporting Act, for a background check of the individual conducted by a landlord, lessor, employer, volunteer service agency, or other entity determined by the Attorney General, for law enforcement, or pursuant to a Federal or State law requirement; or if the social security number is necessary to verify identity and prevent fraud with respect to the specific transaction requested by the consumer and no other form of identification can produce comparable information.

Fourth, within 3 years after the date of enactment of this legislation, Social Security numbers may not appear on checks issued for payment by Federal, State, or local government agencies.

Fifth, within 1 year after the date of enactment of this legislation, Social Security numbers may not appear on any driver's license, motor vehicle registration or any other document issued to an individual for purposes of identification of such individual. However, the Department of Motor Vehicles may continue to use social security numbers internally and for purposes of sharing information about driving records with other jurisdictions.

Sixth, the legislation prohibits prisoners from gaining access to social security numbers.

Finally, on the issue of Public Records, which was and remains a very difficult issue. In fact, last year, it was one of the issues that resulted in our inability to pass Amy Boyer's Law. Amy Boyer's law allowed Social Security Numbers to continue to appear in public records with no limitation on access. It did so in recognition of the difference between other businesses, governments, and other governmental entities use Social Security Numbers in the same way that many businesses
I thank Senator Feinstein and look forward to continuing to work with her throughout the legislative process.

By Mr. BOND:

S. 489. 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 provides most of the new jobs that are created. 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 lives of our workers and the customers of those small businesses.

I think it is unnecessary 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.

I have been working with my colleagues on Small Business. My ranking member, Senator Kerry, and I, and 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 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 to them, too often only to larger businesses.

Last year I hosted a national women’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 overcome 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 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 much small business activity is disallowed. 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 100% deduction is a tremendous advantage. 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 100% deduction is a tremendous advantage. 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 100% deduction is a tremendous advantage. 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 100% deduction is a tremendous advantage. 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.
One of the things we must do, as we reform the Tax Code, is make it simpler. There is no more complex, uninterpretable, undefinable, unreasonable provision in the law than the current independent contractor provision, or that.

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 comply with tax codes 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 business from excessive redtape 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 administration 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.

The purpose of the Red Tape Reduction Act was to ensure that small businesses would be given a voice in the regulatory process at the time when it could add the most value to the process before the regulation was published. The act has proven to be a regulatory process more attentive to the impact on small business and, consequently, is more fair and more efficient.

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 could 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 out that jurisdictions 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 go to the members of Congress to provide some relief for 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 all 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 small business. "Regulatory flexibility" analysis is the technical term—to figure out how it is going to hurt small business.

We now realize that the Internal Revenue Service should also be required to conduct small business review panels so that their regulations will impose 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, Mr. 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 earliest possible time, and have an 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 Red Tape 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, curbs a number of additional problems that 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 that by saying it didn't have any 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 pocket, or hat. You have to have an analysis which shows how 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 see what impact on 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 Red Tape Reduction Act.

Fourth, the measure directs the Chief Counsel for Advocacy of the Small
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," "substantial number of small entities." We found that a number of agencies like to juggle around with those terms and skew the facts so that they can sneek out the back door without having to do what the bill requires. This gives the advocacy counsel the ability to say that what we mean and this is how you have to abide by it. If they don't follow that, then they are ducking their responsibilities under SREFA 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 businesses 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 are 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 listen 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 Redtape 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 the small business input in 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 somehow here in Washington has a lot better idea how they ought to be run and the agencies that regulate.

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 an hour by 98.96 percent. 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 Redtape Production Reduction 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 that type of arrogance and abject avoidance of their responsibilities to small businesses. This shoddy economic analysis exposes a loophole through which EPA should no longer be able to drive their trucks, and it will be closed by the Agency Accountability Act.

I submitted previously, when I introduced the measure this morning, the GAO testimony presented at the hearing. Now I know there will be moans and groans by those who claim that this bill will make the regulatory process more difficult and force agencies to jump through hoops and will make it harder to issue new regulations. Let me respond as follows: Had the agencies agreed to comply with the intent and spirit of SREFA, rather than defy SREFA, the Redtape Reduction Act, the Agency Accountability Act would not be needed.

Frankly, if it were clear that agencies were doing what Congress intended for them to do, then this bill would be unnecessary. If they are doing adequate analysis in reaching out to small business now, then this act will have no impact on how they promulgate their regulation.

I have very simple views on this subject. I want an agency that intends to regulate how a business conducts its affairs, to do so carefully and only after it has listened to the small businesses that will be affected to see if there are ways in which to lessen the burden and still achieve the objective.

Unfortunately, as I said, there is overwhelming evidence that agencies are not treating this obligation seriously, and we must tell them in forceful terms that we really meant it when we said 5 years ago: You have to pay attention to small business.

I was very pleased we did so in a tremendous bipartisan, unanimous vote. 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 less problems in the long run.

Had EPA done what it should have done in the lead TRI rulemaking, there would not have been the litigation we are seeing now, and it would have saved business and the Government 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 take a 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 in terms 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 Rezendes of the General Accounting Office before the Committee on Small Business and a Summary of Provisions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF HUBERT POTTER, A COMMERCIAL FISHERMAN FROM HOBUCKEN, NC, BEFORE THE SENATE SMALL BUSINESS COMMITTEE, APRIL 24, 2001

Thank you Mr. Chairman and Members of the Committee.

My name is Hubert Potter. I am a 4th generation commercial fisherman from Hobucken, North Carolina, a fishing community in Pamlico County. I'll be 67 years old this August, and I've been commercial fishing for a living since I was 15.
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 watch 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 crew and I have owned trawlers for the better part of our lifetime, ranging in size from 32 to 75 ft in length. We sold our last one this past September.

Like just about everything else, there have been a lot of things that stay the same in our way of life. Things like the weather, fish prices, and the age of our equipment. But like any other middle-class American, we fishermen like it when prices are high, fish are plentiful, and the good Lord provides us with fair weather. We might like all these things, but we also know that just it doesn’t work that way all the time, or even most of the time.

Although we can accept whatever bad weather the Lord gives us, or the natural peaks and valleys of fish cycles put on us by mother nature, it is hard to accept or even understand the lack of sensitivity and sometimes the callousness of our own government. At first it seems funny when we read about that some of the bureaucrats say about the effects of proposed regulations. But, whether you’ve been around long enough to see the government fail to do any significant analysis that there was a significant economic impact, or that there was a significant economic impact. In my wildest dreams, it’s hard for me to figure how they think.

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 do expect, however, 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 Mother Nature and used part of the proceeds to start up a new plant on their property. They now have 20 employees, receive monthly rental income for their holdings, and have proposed to accelerate the dates for not only the manufacture, but also the use of certain ozone-depleting substances. For example, under the plan developed by EPA and industry in the early 1990’s, HCFC-22 may be produced and imported until 2010. Use may continue after that date until stocks are depleted. In this recent SNAP proposal EPA has ignored the current production and manufacturing dead-line for not only the manufacture, but also the use of these substitutes to 2005. This new deadline would hit small businesses extremely hard because it changes the rules midstream and gives us less time to develop new products and also absorb the costs of research and development. In addition to finding this new deadline unacceptable, it is our position that this action is not within the scope of the SNAP program.

While this particular issue is extremely important to my small business and concern that I bring before this committee has more to do with how the EPA approached this proposal-making, I would agree that regulation works best when all concerned parties work together to consider all the issues. When the regulatory process is broken and rules that are resulting regulation can be both harmful and ineffective. Sadly, EPA did not follow the rules when it proposed the SNAP program last year.

In late June, 2000 during an unrelated call to EPA, I was informed that EPA was about to publish this proposed SNAP rule in the Federal Register. When questioning why the EPA had not contacted manufacturers or end users that this proposal was being considered, I was told that there was a success that they were able to keep this proposal quiet, prior to publication. This would have been less of a concern if EPA understood our industry.

In the NPRM EPA stated that: (1) “EPA believes that today’s proposal will not result in a significant cost to appliance man- 
ufacturers or consumers”; (2) “This rule would not have a significant impact on a substantial number of small entities because the cost of the contemplated regulations 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 manufac-
turers across the country. The only eco-
nomically feasible way for SNAP to be imple-
mented is to produce the HCFC-22 and let SNAP users purchase it. But what if SNAP users purchase it? This rule would cost my small business and they did not know how many small busi-
nesses will be affected and that EPA was a significant economic im-
pact.

...This Court will not stand by and allow the Secretary to at-
tempt to by-pass and by using the legal means. Granted, administrative agen-
cies have a substantial amount of discretion in determining how they will follow Congressional regulations, but that discretion does not include rewriting or ignoring stat-
utes.”
Mr. Chairman, last year you asked us to review the methodology that EPA used in this economic analysis and lead rule and describe key aspects of that methodology that may have contributed to the agency’s conclusion that the rule would not have a significant impact. We did not examine whether EPA’s program offices substantial discretion with regard to the statutes’ requirements. In particular, Congress may need to clearly delineate—or have some other systematic approach—that is meant by the terms “significant economic impact” and “substantial number of small entities.” The EPA certified that the rule would not have a significant impact, and therefore did not trigger certain information and procedural requirements of the RFA. The RFA requires federal agencies to examine the impact of their rules on small entities, including small businesses. The questions that remain unanswered are numerous and varied. For example, does Congress believe that the economic impact of a rule should be measured in terms of compliance costs as a percentage of revenues or work hours available to the firms? If so, is 3 percent (or 1 percent) of revenues or work hours the appropriate definition of “significant”? Should agencies take into account the cumulative impact of their rules on small entities, even within a particular program area? Should agencies review rules with a significant impact within 10 years of their promulgation? Should agencies review rules that had a significant impact but were originally published, or only those that currently have that effect?

The implications of the current lack of clarity with regard to the term “significant impact” and the discretion that agencies have to define it were clearly illustrated in a report that we prepared for this committee last year. One part of our report focused on a proposed rule that EPA published in August 1999 that would, upon implementation, lower certain reporting thresholds for lead and lead compounds under the Toxics Release Inventory program from as high as 25,000 pounds to 10 pounds. EPA estimated that approximately 5,600 small businesses would have been affected by the proposed rule. The first-year costs of the rule for each of these small businesses would be between $5,200 and $7,500. EPA said that the total cost of the rule to all small entities would be about $31 million. However, EPA certified that the rule would not have a significant impact, and therefore did not trigger certain information and procedural requirements of the RFA.
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. The question then is: does the guidance take into account the cumulative impact of the agency’s rules on small businesses. Therefore, if EPA issued 100 rules in a given year, the annual costs amounting to one-half of 1 percent of annual sales on 10,000 businesses, the agency could certify each of the rules as not having a significant economic impact. However, if the cumulative impact amounted to 50 percent of the affected businesses’ revenues. Consideration of cumulative effects and the impact on small entities is required within a particular area like the Toxics Release Inventory program. Each toxic substance added to the approximately 600 companies listed in the program, or each change in the reporting threshold for a listed toxin, constitutes a separate regulatory action under the RFA.

An agency’s conclusions about the impact of a rule on small entities can also be driven by the agency’s analytical approach. In its original economic analysis for the proposed lead rule, EPA’s estimate of the number of companies affected by the rule was 13,600. EPA’s assumptions and methods, and revised its estimates of the rule’s impact on small businesses. Therefore, EPA certified that the proposed lead rule would not have a significant impact. EPA’s revised estimate of the number of companies affected by the rule was 13,600. However, just as it did for the proposed rule, EPA concluded that the final rule would not have a significant impact. EPA said that it reached this conclusion because the rule would have a significant economic impact (defined as annual costs between 1 and 3 percent of annual revenues) on more than 250 of the 6,100 smallest manufacturers 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 employees, EPA estimated that employees times 50 hours per week) times 40 hours per week). EPA said that the 110 hours required to fill out the Toxics Release Inventory form in the first year resulted in a 1 percent only of the total amount of time the firm has available in that year.

EPA 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 ½ years before SBEA took effect in 1996 but certified 96 percent of the proposed rules published in the 2 ½ years after the adoption of SBEA. For the Office of Prevention, Pesticides and Toxic Substances and the Office of Solid Waste—certain all of the proposed SBEA 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 86 percent. EPA officials told us that the increased rate of certification after SBEA’s implementation was caused by a change in the agency’s RFA guidance and not a significant impact. Prior to SBEA, 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 SBEA requirement to convene an advocacy review panel for any proposed rule that would have a significant impact. The meeting revealed significant differences of opinion regarding key terms of the statute. Some agencies did not consider their rules to have a significant impact because they believed the underlying statutes, not the agency-developed regulations, caused the impact on small entities. There was also confusion regarding whether the agencies were supposed to consider a rule required to “rule” under RFA’s rule review requirements—the entire section of the Code of Federal Regulations that was affected by the statute. Therefore, the part of the RFA that was 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 entities, and that Congress consider amending the RFA to require the Small Business Administration (SBA) to develop criteria for assessing whether and how to conduct the requirements.

In 1994, we noted that the RFA required the SBA Chief Counsel for Advocacy to monitor agencies’ compliance with the RFA. However, we also said that one reason for agencies’ lack of compliance with the RFA’s requirements was that the act did not authorize SBA to promulgate rules in the statute and did not require SBA to develop criteria for agencies to follow. We recommended 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 provisions, and (2) require SBA, in consultation with OMB, to develop criteria as to whether and how federal agencies considered RFA’s implementation. In our 1998 report on the implementation of the small business advocacy review requirements, 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 any RFA or SBREFA guidance as to whether a rule has a significant impact. Nevertheless, we said that the panels that had been convened were generally well received by both the agencies and the business representatives. We also said that if Congress wished to clarify and strengthen the implementation of the RFA, it should consider (1) providing SBA or another entity with clearer authority and responsibility to interpret the RFA’s provisions and (2) requiring SBA or the EPA to develop criteria defining a “significant economic impact on a substantial number of small entities.” In 1999, we noted a similar argument regarding the requirement 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 the lead in ensuring that the implementation of these review requirements, some of which have been implemented.

In a letter at GAO on the rule review provision of the RFA, focusing on what 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 entities, 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 terms of the statute. Some agencies did not consider their rules to have a significant impact because they believed the underlying statutes, not the agency-developed regulations, caused the impact on small entities. There was also confusion regarding whether the agencies were supposed to consider a rule required to “rule” under RFA’s rule review requirements—the entire section of the Code of Federal Regulations that was affected by the statute. Therefore, the part of the RFA that was being amended. By the end of the meeting it was clear that, one congressional
staff member said, “determining compliance with the (RFA) is less obvious that we believed before.”

Mr. Chairman, this concludes my prepared statement, and 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 conducting of Business Advocacy Review Panels by requiring the agency to collaborate with the Chief Counsel for Advocacy of the Small Business Administration in selecting 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 to include the Internal Revenue Service of the Treasury Department, the National Marine Fisheries Service of the Commerce Department, the U.S. Forest Service of the Agriculture Department, and the U.S. Fish and Wildlife Service of the Interior Department. 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 of economic impacts and “substantial number of small entities” and to consider the indirect impacts regulations have on small businesses when promulgating those regulations.

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. If the IRS is promulgating a temporary regulation, the RFA requires certain actions, but it must inform the Chief Counsel for Advocacy at the time of the decision and include an explanation that a temporary regulation is required because using a notice and comment procedure would be impracticable, unnecessary, or contrary to the public interest, and an explanation of the reasons that circumstances warrant an exception from the panel review requirement. This notice and explanation must also be published in the Federal Register.

SECTION 6. INITIAL REGULATORY FLEXIBILITY ANALYSIS

This sections 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, to the extent practical, the cumulative cost of their regulations on small businesses and the effect of the proposed regulation on those small business 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 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 separate and distinct statements of their decision to certify a regulation as not having a significant economic impact on a substantial number of small entities instead of the current cumulative statement of decision with the proposed 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 judicially reviewable and specifies that the remedy shall be voiding of the certification and requiring the agency to conduct the Initial Regulatory Flexibility Analysis, and the small business advocacy review panel if required.

SECTION 10. EXCLUSION OF AGENCY OUTREACH TO SMALL ENTITIES FROM CERTIFICATION REQUIREMENTS

This section excludes outreach efforts to small entities 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 contribute to the support of his or her child. Of the $22 billion owed in 1999, only $12 billion has been collected. In 1998, only 23 percent of children entitled to child support through our public system received some form of payment, despite federal and state efforts. Similar shortfalls have pervaded the tax refund intercept program, with less than 30 percent of combined delinquency total to approximately $47 billion. We can fix this injustice in our federal tax refund offset program by helping some of our most needy constituents receive the financial assistance they so desperately need.

While previous administrations have been somewhat successful in using tax refunds as a tool to collect child support payments, more needs to be done. The IRS tax refund interception program has only collected one-third of tardy child support payments. The Child Support Fairness and Tax Refund Interception Act of 2001 will remove the current barrier to fulfilling an individual’s obligation 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 Representatives 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.
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 the 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 who are 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 would not have been 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 adults 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 under subsection (c))” and

(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. VONNOCH, Mr. LEVIN, Mr. THURMOND, Ms. COLINS, and Mr. FITZGERALD):

S. 651. A bill to establish a commission to conduct a study of government privacy issues related to the Internet, and for other purposes; to conduct Governmental Affairs.

Mr. THOMPSON. Mr. President, I rise today to introduce the “Citizens’ Privacy Commission Act of 2001.” This legislation would establish 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 consider how to map out government privacy protections, we 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 the private sector have been introduced 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 Federal, State, and local government Web sites, I requested that GAO investigate Federal agencies’ use of these information-collection devices on their own Web sites. GA0 only had time to investigate a small sample of Federal agency sites, but they found numerous “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 INSLEE 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 found that agency 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 ARMEX 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 their protective agency Web sites that were violating the privacy policies established by the last Administration by using information-collection devices called “cookies” without the required approval.

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 to access 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 KOHN and I sponsored the Senate companion bill to the Hutchinson-Moran Privacy Commission Act. This bill would have created a commission to study 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 privacy 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 or sharing. 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 American public thinks 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 the 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 658 of title 5, United States Code (commonly referred to as the Privacy Act of 1974) and section 352 of that title (commonly referred to as the Freedom of Information Act);

(B) privacy protection efforts undertaken by the Federal Government, State governments, foreign governments, and International governmental bodies;

(C) 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, the Commission shall submit a report to the Congress and the President:

(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;

(B) Analysis of purposes for which sharing of information is appropriate and beneficial to the public;

(C) Analysis of the effectiveness of existing statutes, 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 constitutional concerns, or 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 for balancing personal privacy and government needs, 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;

(J) ADDITIONAL REPORT.—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 an interim report approved by a majority of the members of the Commission.

SEC. 5. MEMBERSHIP. -

(a) NUMBERS. - 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;

(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.

(b) 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 businesses, the information technology industry, the health care industry, and the financial services industry).

SEC. 6. DIRECTOR; STAFF; EXPERTS AND CONSULTANTS. -

(a) DIRECTOR. -

(B) Analysis of purposes for which sharing of information is appropriate and beneficial to the public.

(C) Analysis of the effectiveness of existing statutes, 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 constitutional concerns, or 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 for balancing personal privacy and government needs, 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.

(2) PAY.—The Director shall be paid at the rate of pay for level III of the Executive Schedule established under section 5314 of title 5, United States Code, governing appointments to the competitive service.

(3) STAFF.—The Director may appoint as the Director determines appropriate.

(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, United States Code, 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 title 5, United States Code.
services under section 3109(b) of title 5, United States Code.
(e) STAFF OF FEDERAL AGENCIES.—
(1) IN GENERAL.—Upon request of the Director, the head of 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 in manner and form, 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.—The head of a department or agency to which the Commission is authorized to provide assistance under section 3709 of the Revised Acts shall furnish that assistance. The head of that department or agency shall furnish that information to the Commission.
(2) EXCEPTION FOR NATIONAL SECURITY.—If the head of that department or agency determines that it is necessary to guard that information from disclosure to protect the national security interests of the United States, the head shall not furnish that information.
(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, the Administrative Support Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its duties.
(g) GIFTS AND DONATIONS.—The Commission shall accept, use, and dispose of gifts or donations of services or property to carry out this Act, but only to the extent or in the amounts provided in advance in appropriation Acts.
(h) 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. 5).
(i) 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 refuses to obey a subpoena issued under paragraph (1), the Commission may apply to a United States district court for an order requiring that person to appear before the Commission or to produce evidence, or both, relating to the matter under investigation.

The measure we introduce today would create a Commission to examine how the various levels of government collect, use and share information about citizens. Although the recent privacy debate has been focused on online privacy and how the public sector protects and sells personally identifiable information, the government should not be overlooked. All levels of government have their own websites that are capable of collecting sensitive information. There is also concern that the Privacy Act of 1974, which regulates how the government can collect, use and share personal information, is not being enforced or properly adhered to by federal government agencies. Furthermore, there is evidence that some government websites continue to collect information through the use of "cookies" in direct violation of former President Clinton's June 2000 executive order forbidding them to do so absent a "compelling reason." Our proposal is simple, and its goals are modest and meaningful. Specifically, our measure creates an 11-member, bipartisan panel to study data collection practices, privacy protection standards, and the laws that apply to government collection and use of personal information. We also ask the Commission to examine pending privacy initiatives before Congress. Furthermore, the Commission will determine if federal legislation is needed, and what impact new privacy laws would be. Finally, we direct the Commission to detail its findings and recommendations in a Final Report to be issued 18 months after enactment.

There is ample precedent for this Commission. In the mid-1970's, the privacy debate focused on government collection and misuse of personal data. Ultimately, Congress enacted the Freedom of Information Act, the Privacy Act, and the Privacy Study Commission. Since that time, however, very little attention has been paid to genuine concerns about government use of sensitive personal information. Having passed critical legislation in the 1970's, many people felt satisfied that the issue was taken care of. Unfortunately, we have grown lax about policing ourselves in this area. This bill will right the course and change that. In fact, just yesterday, the Senate passed a bill that would give the Commission to determine if federal legislation is needed, and what impact new privacy laws would be. Finally, we direct the Commission to detail its findings and recommendations in a Final Report to be issued 18 months after enactment.

SEC. 8. PRIVACY PROTECTIONS.

Any new contract authority authorized by this Act shall be effective only to the extent that it is provided in advance in appropriation Acts.

SEC. 10. TERMINATION.

The Commission shall terminate 30 days after submitting its report to Congress. Any new contract authority authorized by this Act shall be effective only to the extent that it is provided in advance in appropriation Acts.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Commission $5,000,000 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 legislation, called the "Citizens' Privacy Commission Act" with my colleague, Senator FRED THOMPSON. Privacy has become an issue of paramount importance in this era of electronic commerce, advanced communications, and far-reaching new technologies. Our challenge is to clearly define privacy concerns and decide how best to protect privacy as technology and the economy move forward. However, even as we consider privacy guidelines for the future, we should follow the highest privacy standards and demonstrate not only that they are preferable, but that they work.

Mr. President, I hope that my colleagues will support this legislation. The goal of this Commission is to ensure that our government does not abuse the personal information that is collected. The Commission will have the opportunity to study the current state of privacy protection and to ensure that our laws reflect the changing needs of our society.

Mr. President, I urge my colleagues to support this legislation. It is in the best interest of our nation to ensure that our government respects the privacy of all Americans. Thank you.
LIEBERMAN, LEVIN, WELLSTONE, BOXER, is unfolding in Tibet and, alongside the rise today to address the tragedy that the Committee on Foreign Relations. 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. LENNIE, MR. WELLSTONE, MR. BOXER, Mr. AKAKA, Mr. FEINGOLD, Mr. KENNEDY, Mrs. MURRAY, and Mr. TORRICELLI):

S. 852. A bill to support the aspirations of the Tibetan people to safeguard their distinct identity; to the Commission on China, and other individuals and organizations through 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 some 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 self-governance. I am interested in is the quality of life today 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 an iron 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 do not want to debate 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 and 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
Point Agreement that incorporated Tibet into China. And, as I stated earlier, Beijing has never seriously moved itself to carry through on promises to find solutions to the Tibet problem, promises made at least twice by China’s paramount leaders. Deng Xiaoping in 1979 and Jiang Zemin in 1997. Tibet has been the scene of many grassroots movements protesting unwelcome Chinese intrusions and policies since 1956, when Beijing first began seriously disrupting Tibetan society by forcibly imposing so-called “democratic reforms” in the region. China’s response to Tibetan protests has typically been violent, excessive, and unrestrained. In 1959, Beijing viciously and brutally suppressed the massive popular protest known as the Lhasa Uprising. Indeed, it is estimated that nearly 1.2 million Tibetans died at the hands of Chinese forces during the worst years of violence, between 1956 and 1976. International commissions and third-party courts of opinion, notably the International Commission of Jurists and numerous United Nations resolutions, concluded that Beijing was the instigator of fundamental human rights and of the basic principles of international law.

According to the 2000 State Department Country Report on Human Rights Practices: China’s Government authorities continued to commit numerous serious human rights abuses in Tibet, including instances of torture, arbitrary arrest, detention without public trial, and lengthy detention of Tibetans for peacefully expressing political or religious views. Tight controls on religion and on other fundamental freedoms continued and intensified during the year.

And, as Human Rights Watch/Asia reports, China’s activities are targeting not just the present, but Tibet’s future as well: Children in the Tibetan capital, Lhasa, are being discouraged from expressing religious faith and practices. The authorities have recently shut down the authorities’ campaign in middle schools and some primary schools.

Children aged between seven and thirteen in schools targeted by the campaign are being told that Tibetan Buddhist practice is “backward behavior” and an obstacle to progress. In some schools, children are given detention of forced to pay fines when they fail to observe a ban on wearing traditional Buddhist “protection cords.”

Concerning the poisoning of children, Oppressive police tactics and midnight arrests, seizures and imprisonment without formal charges, beatings and unexplained deaths while in custody. The steady grinding down of Tibetan cultural and religious life, the poisoning of children, the torture of children in Tibet goes on and on. There is no need for me to repeat them here. I say all this as one who wants to work with China’s leadership to help find a solution to this, and other, problems. I want to see a positive relationship between the U.S. and China, and between the people of China and the people of Tibet.

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 are included in the annual State Department Country Report on Human Rights Practices on 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. Provides scholarships for Tibetan exiles, and human rights activities by Tibetan non-governmental organizations. Establishes U.S. policy goals for international economic assistance to and in Tibet to ensure that Tibetan benefits from development policies in Tibet. Calls on the Secretary of State to make best efforts to establish an office in Lhasa, the Capital of Tibet. Provides U.S. support for consideration of Tibet at the United Nations. Ensures that Tibetan language training is available for foreign service officers. Highlights concerns about the lack of religious freedom in Tibet by calling on China to cease activities which attack the fundamental characteristics of religious freedom in Tibet.

In addition, the Tibet Policy Act expresses the Sense of the Congress that: The President and the Secretary of State should initiate steps to encourage China to enter into negotiations with the Dalai Lama or his representatives on the question of Tibet and the cultural and religious autonomy of the Tibetan people. That the President and the Secretary of State should request the immediate release of political or religious prisoners in Tibet; seek access for international humanitarian organizations to prisons in Tibet; and seek the immediate medical parole of Ngawang Choephel and other Tibetan prisoners known to be in ill-health. The United States will seek all ways to support economic development, cultural preservation, health care, and education and environmental sustainability for Tibetans inside Tibet.

The Tibetan Policy Act does not aim to punish anyone. I do not believe that threats or force will sway Beijing from its present course.

But, I am convinced that passing the Tibetan Policy Act of 2001 will immediately change the situation in Tibet.

But am I under any illusion that changing current conditions in Tibet will be an easy process. It will be a long and difficult process requiring patience and perseverance.

But am I hopeful that better, more effective efforts on our part and better coordination with like-minded members of the international community will encourage China to change its thinking and modify its behavior towards Tibet.

To paraphrase an old Chinese proverb: you have to take a first step to start any journey. This legislation, I hope, is a first step in bringing together the Dalai Lama or his representative and the Chinese government to discuss the future of Tibet and to take action to safeguard the distinct cultural, religious, and social identity of the Tibetan people.

But I am hopeful that, better, more effective efforts on our part and better coordination with like-minded members of the international community will encourage China to change its thinking and modify its behavior towards Tibet.

To paraphrase an old Chinese proverb: you have to take a first step to start any journey. This legislation, I hope, is a first step in bringing together the Dalai Lama or his representative and the Chinese government to discuss the future of Tibet and to take action to safeguard the distinct cultural, religious, and social identity of the Tibetan people.

But I am hopeful that, better, more effective efforts on our part and better coordination with like-minded members of the international community will encourage China to change its thinking and modify its behavior towards Tibet.
true 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 our children may 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. CEPA would require EPA to explicitly consider the dangers that toxic and harmful substances pose to children when setting those standards. Finally, if EPA 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 of information. 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 with a federal funding agency’s toxic substances guide that would help schools adopt a least toxic pest management policy.

CEPA would also prohibit the use of dangerous pesticides—those containing known or probably carcinogenic, reproductive toxins, acute nerve toxins and endocrine disrupters—in those areas.

Under CEPA, parents would also receive advance notification before pesticide applications are used on school or day care center grounds.

Secondly, 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, persist in the environment or can accumulate in the human body over many years—all features that render them particularly dangerous to children. Lead, which will stunt 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 line 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 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, Mr. BOND, Mr. CLELAND, Ms. LANDRIEU, Mr. BENNETT, Mr. LEVIN, Mr. LIEBERMAN, 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 involved in developing 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 universities systems in the world, and we have outstanding National Laboratories. 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 results of military research 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 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 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 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 before September 30.

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 Massachusetts’ Research universities expressing what they like and dislike about the program, and why they use it, or don’t use it more. The meeting included the licensing managers from Boston University, Harvard, 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 what we have to apply for theprogram. Based on 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 countries 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 of 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. Agencies participate in 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. The STTR programs, they set aside .15 percent of their extramural R&D budget. The 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 raises 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 rights for companies and research institutions that conduct STTR projects. The goal is to collect better information about the companies doing the projects, as well as the research and development budgets. As the program matures, 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 the reality of 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 get a percentage of the 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, BINGMAN, 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. 6. STTR PROGRAM DATA COLLECTION.

(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:

"(1) Required expenditure amounts.—

"(A) In general.—With respect to each fiscal year through fiscal year 2010, each Federal agency that has an extramural budget for research, or research and development, in excess of $1,000,000,000 for that fiscal year, shall expend with small business concerns not less than the percentage of the extramural budget specified in subparagraph (B), specifically in connection with STTR programs that meet the requirements of this section and any policy directives and regulations issued under this section.

"(B) Expenditure amounts.—The percentage of the extramural budget required to be expended with small businesses in accordance with subparagraph (A) shall be:

"(i) 0.15 percent for each fiscal year through fiscal year 2003;

"(ii) 0.3 percent for each of fiscal years 2004 through 2006; and

"(iii) 0.5 percent for fiscal year 2007 and each fiscal year thereafter.

(b) Conforming Amendment.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended in subsections (b)(4) and (e)(6), by striking "pilot" each place it appears.

SEC. 3. INCREASE IN AUTHORIZED PHASE II AWARDS.

(a) In General.—Section 9(p)(2)(B)(ix) of the Small Business Act (15 U.S.C. 638(p)(2)(B)(ix)) is amended by striking "; and" and inserting ";, and shorter or longer periods of time to be approved at the discretion of the awarding agency where appropriate for a particular project.

(b) Conforming Amendment.—The amendments made by subsection (a) shall be effective beginning in fiscal year 2004.

SEC. 4. SIMPLIFIED REPORTING REQUIREMENTS.

Section 9(o) of the Small Business Act (15 U.S.C. 638(o)) is amended—

(1) in paragraph (12), by striking "and" at the end;

(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) implement an outreach program to research institutions and small business concerns for the purpose of enhancing its STTR program, in conjunction with any such outreach done for purposes of the SBIR program.

SEC. 5. POLICY DIRECTIVE MODIFICATIONS.

Section 9(p) of the Small Business Act (15 U.S.C. 638(p)) is amended by adding at the end the following:

"(3) Modifications.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policies and procedures pursuant to this subsection to clarify that the rights provided for under paragraph (2)(B)(v) apply to all Federal funding awards under this section, including awards made pursuant to this subsection (as described in subsection (e)(6)(A)), the second phase (as described in subsection (e)(6)(B)), and the third phase (as described in subsection (e)(6)(C))."

SEC. 6. STTR PROGRAM DATA COLLECTION.

(a) In General.—Section 9(o) of the Small Business Act (15 U.S.C. 638(o)), as amended by this Act, is amended by adding at the end the following:

"(15) collect, and maintain in a common database described in subsection (k), information necessary to maintain the database described in subsection (k)."

(b) DATABASE OF THE SMALL BUSINESS ACT (15 U.S.C. 638(k)) is amended—

(1) in paragraph (1)—

(A) by inserting "or STTR" after "SBIR" each place it appears;

(B) in subparagraph (C), by striking "; and" at the end;

(C) in subparagraph (D), by striking the period at the end and inserting "; and" and

(D) by adding at the end the following:

"(E) with respect to assistance under the STTR program only:

"(i) whether the small business concern or the research institution initiated their collaboration on each assisted STTR project;

"(ii) whether the small business concern or the research institution originated any technology relating to the assisted STTR project;

"(iii) the length of time it took to negotiate any licensing agreement between the small business concern and the research institution under each assisted STTR project; and

"(iv) how the proceeds from commercialization, marketing, or sale of technology resulting from each assisted STTR project were allocated between the small business concern and the research institution.";

(2) in paragraph (2)—

(A) by inserting after "SBIR" each place it appears;

(B) in subparagraph (A)(iii), by inserting "or STTR" after "SBIR"; and

(C) in subparagraph (D), by inserting "or STTR" after "SBIR".

(c) SIMPLIFIED REPORTING REQUIREMENTS.—

Section 9(v) of the Small Business Act (15 U.S.C. 638(v)) is amended by inserting "; or STTR" after "SBIR".

Mr. BOND. Mr. President, I am pleased to join with Senator JOHN KERRY, my colleague and ranking member on the Small Business Committee, in sponsoring legislation to reauthorize the Small Business Technology Transfer, STTR, Program. This program has proven itself to be highly effective. The bill we are introducing today acknowledges the success of the STTR Program by expanding it during the length of the reauthorization so that its benefits will increase in the coming years.

The STTR Program was created in 1992 to stimulate technology transfer from research institutions to small firms while, at the same time, accomplishing the Federal government’s research and development goals. The program is designed to convert the billions of dollars invested in research and development at our nation’s universities, federal laboratories and nonprofit research institutions into new commercial technologies. It does this by joining the ideas and resources of research institutions to the commercialization experience of small companies.

Each agency with an extramural research and development budget of more than $1 billion participates in the program. Currently, the Department of Defense, the National Institutes of Health, the National Aeronautics and Space Administration, NASA, the National Science Foundation, NSF, and the Department of Energy, DOE, have STTR Programs.

To receive an award under the STTR Program, a research institution and a small firm jointly submit a proposal to conduct research on a topic that reflects an agency’s mission and research and development needs. The proposals are then peer-reviewed and judged on their scientific, technical and commercial merit. Similar to the Small Business Innovation Research Program, awards are provided in three phases. Phase one awards are designed to determine the scientific and technical merit and feasibility of a proposed research idea, with funding for individual awards limited to $100,000. Phase two awards further expand research from phase one and emphasize the idea’s commercialization potential, with individual awards up to $500,000. Phase three awards consist of non-Federal funds for the commercial application of the technology. The non-STTR Federal funds for the commercialization of products or services intended for procurement by the Federal government, or non-STTR Federal funds for continued research and development of the technology.

The benefits of fostering collaboration between research institutions and small firms are numerous. Small firms have shown themselves to be excellent at commercializing research when they are provided the opportunity to take advantage of the expertise and resources that reside in our nation’s universities. A recent Small Business Administration Office of Advocacy report reviewed the rate of return for research and development by large and small firms with university partners. When these firms do not have university partners, their rate of return is 14 percent. When a collaboration is formed between universities and small firms, however, the rate of return jumps to 44 percent. By contrast, the rate of return only increases to 30 percent when large firms and universities collaborate.

Moreover, partnerships between small firms and universities have led to thousands of high-technology success stories. Numerous studies cite the emergence of Silicon Valley and the Route 128 corridor in Massachusetts as directly resulting from the partnerships and technology transfer that occurred, and are still occurring, among small firms. Stanford University and the Massachusetts Institute of Technology. The cooperation between industry and these universities has strengthened considerably our economic competitiveness in the world. The STTR Program reinforces this same type of economic development in the hundreds of communities around the country that contain universities.
and federal laboratories. And, the 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 had recovered from low-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 3 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 for the Federal Government. 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 quality of 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 of 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 $1.25 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 changes 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 and one that will ensure that our Federal research and development needs are well met in the next decade. When this bill is debated by the full Senate, I trust that it will receive the support of all of our colleagues.

Mr. Chairman, Mr. President, research and development has been a fundamental driver of the growth of our economy. It is critical that we continue significant investment in R&D and improve commercialization of the research undertaken at our non-profit institutions.

I thank the Small Business Committee ranking member JOHN KERRY and Chairman CHRISTOPHER BOND for taking a leadership role in reauthorizing the Small Business Technology Transfer program. The program is a companion to the very successful Small Business Innovation Research (SBIR) program which funds R&D projects undertaken by small businesses. Under the SBIR program, the U.S. Departments of Defense, Energy, and Health and Human Services, the National Aeronautics and Space Administration, and the National Science Foundation must set-aside .15 percent of their research dollars for award to small high technology firms that partner with non-profit research institutions.

The STTR program is scheduled to expire on September 30, 2001. The KERRY bill, entitled the Small Business Technology Transfer Program Reauthorization Act of 2001, extends the program until 2010. In addition to extending the STTR program it gradually increases the percentage of Federal R&D funding going to the program from 15 percent to 5 percent over 9 years. There is also a provision to encourage agencies to increase outreach to small business and universities to promote the STTR Program.

Many small firms and successful businesses in the changing economy were only recently small businesses. Going back only 25 years, one of my State's largest employers, Microsoft, was a small business. Even today, many of the innovators driving the rapid industrial evolution work in small businesses. But the risk and expense of conducting serious R&D efforts can be beyond the means of many of these businesses.

On the other side of the equation, the commercial value of non-profit research often remains unrealized because there are not adequate opportunities to bring researchers together with those who could best make the research into a marketable product.

This program fills a very important need by bringing together the capabilities of our non-profit research institutions with the entrepreneurial spirit of our small businesses. The program holds great promise as one way to meet the scientific and technological challenges of our changing economy. And this program has already been successful throughout the United States. In my state alone over the past 5 years, 52 projects 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.
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. At the same time, 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 our 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 this person 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 apropos 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 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 forget our teachers in this debate, we forget our education system—the teachers.

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 forget our teachers in this debate, we forget our education system—the teachers.

Our children will be left behind.

Quality, caring teachers, along with quality, caring parents, play the predominant roles in ensuring that no child is left behind.

I urge my colleagues to join me in recognizing 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.”

SENATE RESOLUTION 86—TO EXPRESS THE SENSE OF THE SENATE CONCERNING THE IMPORTANT ROLE PLAYED BY THE SMALL BUSINESS ADMINISTRATION ON BEHALF OF THE UNITED STATES SMALL BUSINESS COMMUNITY

Mr. BOND (for himself, Mr. KERRY, Mr. BURNS, Mr. LEVIN, Mr. BENNETT, Mr. HARKIN, Ms. SNOWE, Mr. LIEBERMAN, Mr. WELLSTONE, Mr. CRAPO, Mr. CLELAND, Mr. ENSIGN, 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;

Whereas small businesses 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 the self-employed, small business concerns, and entrepreneurs; and now, therefore, be it

Resolved, That—

(1) the Small Business Administration should continue to be the leading advocate in the Federal Government for small business concerns;

(2) the Senate strongly urges the President to strengthen and expand assistance to small business concerns in the Federal Government’s efforts to reauthorize the Small Business Act of 1958 to include the following:

(A) a growing number of small business concerns receive contracts for goods and services from the Federal Government;

(B) the Federal Government undertakes steps to increase the number of opportunities provided to women-owned and minority-owned small business concerns for contracting with the Federal Government for the provision of goods and services;

(C) guaranteed loans, including microloans and microloan technical assistance for start-up and growing small business concerns, and venture capital are made available to all qualified small business concerns;

(D) special assistance is provided to economically distressed urban and rural areas in order to create new business opportunities for small business concerns that will create meaningful jobs and economic growth; and

(E) the management assistance programs delivered by resource partners on behalf of the Small Business Administration, such as the Service Corps of Retired Executives (SCORE) and the Small Business Development Center and Women’s Business Center programs, are the Federal resources necessary to do their jobs;

(3) the Senate strongly urges the President to adopt a policy to achieve the applicable procurement goals for small business concerns, including the goals for women-owned small business concerns, HUBZone small business concerns, socially and economically disadvantaged business concerns, and small business concerns owned by service-disabled veterans;

(4) the President should hold the head of each Federal department and agency accountable to ensure that the small business procurement goals are achieved during the term of his Administration;

(5) the President should direct the heads of each Federal department and agency to comply fully with the requirements of the Small Business Regulatory Enforcement Fairness Act and the Small Business Fairness Act; and

(6) the Administrator of the Small Business Administration should have an active role as a member of the President’s Cabinet and the Domestic and National Economic Policy Councils.
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. 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 421. Mr. REID proposed an amendment to amendment SA 384 proposed by Mr. MCCONNELL to the amendment SA 358 proposed by Mr. JEFFORDS to the bill (S. 1) supra.
SA 422. 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 423. 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 424. Mr. HATCH (for himself, 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 425. Mr. REED (for himself, Ms. SNOWE, Mr. KENNEDY, Mr. CHAFEE, Mr. BINGAMAN, Mr. WATSON, Mrs. MURRAY, Mrs. CLINTON, Mr. SARBANS, Mr. JOHNSON, Mr. BAUCUS, Mr. LEVIN, Mr. REID, Mr. ROCKEFELLER, Mr. DURBIN, and Mr. DATTON) proposed an amendment to amendment SA 358 proposed by Mr. JEFFORDS 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. 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 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. TERRICELLI 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. CAMPBELL (for himself, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLEY, Mr. GRASSLE
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. RYAN 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, Ms. 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 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 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 byher 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. GLASSLEY, Mr. ENOS, Mr. DOMENICI, Mr. HATCH, Mr. STEVENS, Mr. SPECTER, 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. VOINIOVICH 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. TORRICELLI, Mr. MCCAiN, Mr. CORZINE, Mr. CAMPBELL, Mr. GRAHAM, Mr. SCHUMER, Mr. BENEDEN, Mr. BAYH, and Mrs. CINTON) submitted an amendment intended to be proposed by him 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. 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 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. 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 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. 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 558. 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 559. 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 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. 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 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. 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 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. 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 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.

SA 586. 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 587. 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 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. WELSTONE (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.

SA 600. 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 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. 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 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.

SA 611. 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 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. 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 620. 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 621. 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 622. 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 623. 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 624. 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.
(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 health-related agencies, to 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 16, and insert the following:

"(C) by adding at the end the following:

"(1) 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 "(vi) 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 "(viii)"; and insert "(vii)".

On page 63, line 23, strike "(ix)" and insert "(x)".

On page 64, line 1, strike "(x)" and insert "(ix)".

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 18 and 19, insert the following:

"(II) describe how the partnership will efficiently 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 62, between lines 22 and 23, insert the following:

"(x)''.

On page 62, line 1, strike "(x)" and insert "(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 "(viii)"; and insert "(vii)".

On page 63, line 23, strike "(ix)" and insert "(x)".

On page 64, line 1, strike "(x)" and insert "(ix)".

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 "2.5".

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) demonstrates parent involvement and parent support for the partnership's activities;"

"(ii) provides a comprehensive, school-based, search-based program that—

"(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;

"(B) a local educational agency;

"(C) a public agency, other than a local educational agency, such as a local or State department of health, mental health, or social services;

"(D) a nonprofit community-based organization, providing health, mental health, or social services;

"(E) a local child care resource and referral agency; and

"(F) a local organization representing parents; and

"(2) may contain—"

"(A) an institution of higher education; and

"(B) other public or private nonprofit entities with experience in providing services to disadvantaged families.

"(b) GRANTS.—"

"(1) IN GENERAL.—From funds reserved under section 1605(a)(2), the Secretary may award grants to eligible partnerships to pay the cost of the Federal share of the cost of establishing and expanding school-based or school-linked community service centers that provide targeted services and families, or link children and families with, comprehensive support services to improve the children's educational, health, and mental health outcomes and overall well-being.

"(2) DURATION.—The Secretary shall award grants under this section for periods of 5 years.

"(c) REQUIRED ACTIVITIES.—Each eligible partnership receiving a grant under this section shall use the grant funds—"

"(I) in accordance with the needs assessment described in section 1118(g) and utilize 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;"

"(II) coordinate the activities assisted under this section; and

"(3) LIMITATION ON USE OF FUNDS TO OFFSET OTHER PROGRAMS.—Notwithstanding any other provision of law, none of the funds received under a grant under this section may be used to pay for expenses related to any other Federal program, including treating such funds as an offset against such a Federal program.

"(d) EVALUATIONS AND REPORTS.—Each partnership receiving funds under this section shall conduct annual evaluations and submit to the Secretary reports containing the results of the evaluations. The reports shall include the results of an evaluation of the partnership's effectiveness in reducing and meeting the needs of families and children participating under the program, evaluated through performance measures, including performance measures assessing—"

"(1) improvements in areas such as student achievement, family participation in schools, and access to health care, mental health care, child care, and family support services, resulting from activities assisted under this section; and

"(2) reductions in such areas as violence among youth, truancy, suspension, and drop-out rates, resulting from activities assisted under this section.

"(e) REFERENCES.—References in this part (other than this section and section 1605(a)(2)) to activities or funding provided under this part shall not be considered to be references to activities or funding provided under this section.
SA 401. 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.

SA 402. 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 AS A SEPARATE SUBJECT.

"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 applying for 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.  

SA 403. 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:

"(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:

(K) enable itemized score analyses to be reported to schools and local educational agencies, teachers, students, schools, and local educational agencies can interpret and address the specific academic needs of individual students as indicated by the students' performance on assessment items."

On page 125, between lines 4 and 5, insert the following:

SEC. 117A. 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. 117A. 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 States or 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);

(2) characterize student achievement in terms of multiple aspects of proficiency;

(3) chart student progress over time;

(4) closely track curriculum and instruction; and

(5) 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.

SA 404. Mr. MURKOWSKI submitted an amendment to amendment SA 286 submitted by Mr. MURkowski to the bill (S. 1) to extend programs and activities under the Elementary and Secondary Education Act of 1965, as follows:

On page 67, between lines 7 and 8, insert the following:

"(c) Authorization.—The Secretary shall award grants and contracts for the following:

(1) developing and implementing suicide prevention programs; and

(2) providing training to school administrators, faculty, and staff with respect to identifying the warning signs of suicide and creating a plan of action for helping those at risk.

(c) Charter.—The Secretary shall disseminate to elementary schools and secondary schools any Department of Education policy guidance regarding the prevention of suicide.

(d) Use of Funds.—Funds provided under this section may be used for the following purposes:

(1) to provide training for elementary school and secondary school administrators, faculty, and staff with respect to identifying the warning signs of suicide and creating a plan of action for helping those at risk.

(2) to provide education programs for elementary school and secondary school students that are developmentally appropriate for the students’ grade levels and are designed to meet any unique cultural and language needs of the particular student populations.

(3) to conduct evaluations to assess the impact of programs and policies assisted under this section with the purpose of enhancing the development of the programs.

(4) confidentiality.—Policies, programs, training materials, and evaluations developed and implemented under subsection (b) shall address issues of safety and confidentiality for the victim and the victim's family in a manner consistent with applicable Federal and State laws.

(d) Application.—

(1) General.—To be eligible to be awarded a grant or contract under this section, any fiscal year, an elementary school or secondary school shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe.

(2) Contents.—Each application submitted under paragraph (1) shall—

(A) describe the need for funds provided under the grant or contract and the plan for implementation of any of the activities described in subsection (b); and

(B) incorporate appropriate remuneration for collaborating partners.

(e) Appropriability.—The provisions of this part (other than this section) shall not apply to this section."
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 7\88, strike line 2\1 and insert the following:

**PART C—STUDENT EDUCATION ENRICHMENT**

**SEC. 6301. SHORT TITLE.**

'This title 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 provide technical and financial assistance to 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 this section, the State educational agency shall—

1. submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require; 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; and

(c) Application.—

1. To be eligible to receive a grant under this section, a State educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

2. Contents.—Such application shall include—

(A) information describing specific measurable annual educational goals and objectives relating to—

(i) increased student academic achievement;

(ii) decreased student dropout rates; or

(iii) such other factors as the State educational agency may choose to measure; and

(B) information on criteria, established or adopted by the State, that—

(i) the State will use to select local educational agencies for participation in the summer academic enrichment programs carried out under this part; and

(ii) at a minimum, will assure that grants provided under this part are—

1. made on a competitive basis among local educational agencies in the State that have the highest percentage of students not achieving a proficient level of performance on State assessments required under section 1111;

2. made to local educational agencies that submit grant applications under section 6305 describing programs that the State determines would be both highly successful and replicable; and

3. an assortment of local educational agencies serving urban, suburban, and rural areas.

**SEC. 6305. GRANTS TO LOCAL EDUCATIONAL AGENCIES.**

'(a) In General.—

1. First year.—

(A) In general.—For the first year that a State educational agency receives a grant under this 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 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 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, in such manner, and containing by such information as the Secretary or the State may require.

2. Contents.—The State shall require that such an application shall include, to the greatest extent practicable—

(A) information that—

(i) demonstrates that the local educational agency will carry out a summer academic enrichment program funded under this section;

(ii) provides intensive high quality programs that are aligned with challenging State content and student performance standards and that are focused on reinforcing and building on 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 and incorporates best practices developed from, research-based enrichment methods and practices; and

(v) that has a proposed curriculum that is directly aligned with State content and student performance standards;

(vi) for which only teachers who are certified and licensed, and are otherwise fully certified teachers, provide academic instruction to students enrolled in the program;

(vii) that incorporates a parental involvement component that seeks to involve parents in the program’s topics and students’ daily activities; and

(viii) may include—

1. the proposed curriculum for the summer academic enrichment program;

2. the local educational agency’s plan for recruiting highly qualified and highly effective teachers to participate in the program; and

3. 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(c)(2)(A);

(B) an outline indicating how the local educational agency will utilize other applicable Federal, State, local, or other funds, other than funds made available through the grant, to support the program;

(C) an explanation of how the local educational agency will ensure that only highly qualified personnel who volunteer to work with the type of student targeted for the program will work with the program and that the instruction provided through the program will be provided by qualified teachers;

(D) an explanation of the types of intensive training or professional development, aligned with the curriculum of the program, that will be provided for staff of the program;

(E) an explanation of the facilities to be used for the program;

(F) an explanation regarding the duration of the periods of time that students and teachers in the program will have contact with one another, and the hours per day and days per week of that contact, and the total length of the program;

(G) a description of the cooperative 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) a description of specific measurable annual educational 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 give priority to applicants who demonstrate a high level of need for the summer academic enrichment programs.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the cost described in subsection (a) is 50 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the cost may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

"SEC. 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 educational grants 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 6305(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;

"(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 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 2006.

"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 UNLAWFULLY 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. 5652) 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 State 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 was ordered to lie on the table; as follows:

"SEC. 1001. SHORT TITLE.

"There are authorized to be appropriated.

"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:

On page 794, after line 7, add the following:

"SEC. 1505. NOTIFICATION.

"There is authorized to be appropriated.

"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:

"(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 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 was ordered to lie on the table; as follows:

"SEC. 1001. SHORT TITLE.

"There are authorized to be appropriated.

"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. 1505. NOTIFICATION.

"There is authorized to be appropriated.

"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 "Miscellaneous Juvenile Firearms Provisions of 2003".

"SEC. 1002. PENALTIES FOR UNLAWFUL ACTS BY JUVENILES.

"(a) JUVENILE FIREARMS 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: —

"(6) A person who violates section 922(x) shall be fined under this title, imprisoned not more than 1 year, or both, except that —

"(ii) 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 —

"(1) in 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

"(2) during the same course of conduct in violating section 922(x)(2), the juvenile violated section 922(q), 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)(2) —

"(i) shall be fined 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 in the commission of a violent felony, shall be fined under this title, imprisoned not more than 20 years, or both.

"(C) a semiautomatic assault weapon; or

"(D) a large capacity ammunition feeding device.

"(2) It shall be unlawful for any person who is a juvenile to knowingly possess—

"(A) a handgun;

"(B) ammunition that is suitable for use only in a handgun;

"(C) a semiautomatic assault weapon; or

"(D) a large capacity ammunition feeding device.

"(3) This subsection does not apply to—

"(A) a temporary transfer of a handgun, ammunition, a large capacity ammunition feeding device, or a semiautomatic assault weapon in the line of duty; or

"(B) a transfer by inheritance of title (but not possession) of a handgun, ammunition, a large capacity ammunition feeding device, or a semiautomatic assault weapon to a juvenile; or

"(C) the possession of a handgun, ammunition, a large capacity ammunition feeding device, or a semiautomatic assault weapon taken in lawful defense of the juvenile or a residence in which the juvenile is an invited guest.

"(4) 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 subsection, shall not be subject to permanent confiscation by the Government if its possession by the juvenile becomes necessary for the protection of the juvenile welfare or the safety of the juvenile, the juvenile shall be subject to the same penalties under clause (ii) of paragraph (A), chapter, in any case in which a juvenile is convicted of committing a violent felony.

"(5) For purposes of this subsection, the term 'violent juvenile' means a person who is less than 18 years of age.

"(6)(A) A person convicted of a violation of this subsection, shall not be subject to permanent confiscation by the Government if its possession by the juvenile of a handgun, ammunition, a large capacity ammunition feeding device, or a semiautomatic assault weapon is no longer required by the Government for the protection of the juvenile welfare or the safety of the juvenile.

"(B) For purposes of this subsection, the term 'juvenile' means a person who is less than 18 years of age.

"(C) The court may require proof of a parent or legal guardian of a juvenile defendant to a proceeding in a prosecution of a violation of this subsection for good cause shown.

"(D) For purposes of this subsection only, the term 'large capacity ammunition feeding device' has the same meaning as in section 922(a)(31) and includes similar devices manufactured before the effective date of the Violent Crime Control and Law Enforcement Act of 1994.

"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 clause (i); and

(B) in paragraph (9), by striking the period at the end and inserting "; or"; and

(C) by inserting after paragraph (9) the following:

"(10) has committed an act of violent juvenile delinquency;".

(2) in subsection (g), by striking "or" at the end; and

(A) in paragraph (8), by striking "or" at the end;

(B) in paragraph (9), by striking the comma at the end and inserting "; or"; and

(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 firearms 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.

SEC. 923. Handgun Safety.

(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; 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 subsection (c) the following:

"(z) SECURE GUN STORAGE OR SAFETY DEVICE.—Section 922 of title 18, United States Code, is amended—

(1) in subsection (a)(1), by striking "or (f)" and inserting "(f), (p), or (r)"; and

(2) by adding at the end the following:

"(p) Penalties Relating to Secure Gun Storage or Safety Device.—

"(1) IN GENERAL.—

"(A) SUSPENSION OR REVOCATION OF LICENSE; CIVIL PENALTIES.—With respect to each violation of section 922(z)(1)(b) by a 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 transferred is provided with a secure gun storage or safety device, as described in section 922(a)(34) of this chapter, for that handgun.

"(B) ADMINISTRATIVE REMEDIES.—The suspension or revocation of the license or the imposition of a civil penalty under paragraph (1) does not preclude any administrative remedy that is otherwise available to the Secretary under this section.

"(C) LIABILITY; EVIDENCE.—

"(1) LIABILITY.—Nothing in this section shall be construed to—

(i) create a cause of action against any Federal firearms licensee or any other person for any civil liability; or

(ii) establish any standard of care.

"(2) Evidence.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible in any court, administrative agency, board, or other entity, except with respect to an action to enforce paragraphs (1) and (2) of section 922(z), or to give effect to paragraphs (3) and (4) of section 922(z).

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to bar a government action to impose a penalty under section 924(p) of title 18, United States Code, for a failure to comply with section 922(z) of that title.

Effective Date.—This section and the amendments made by this section shall take effect 180 days after the date of enactment of this title.

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 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 412. Mr. GRAHAM (for himself and 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:

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 15, 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 1111(b)(8) as impacting student achievement; and

"(D) if a school in the State is identified for corrective action, encourage appropriate State and local agencies and community groups to mitigate any factors that were determined by the State educational agency under section 1111(b)(8) as impacting student achievement.

On page 119, line 19, strike the end quotation mark and the second period.
the State educational agency under section 111(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 883, 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 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 local educational agencies; and

(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 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) APPLICATION.—

(1) REQUIREMENT.—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 or agencies, and evaluation and dis-
(E) faculty and administration involvement;  
(F) student and staff morale; and  
(G) overall improvements in school climate for 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) 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 a process that is open, eligible entities to receive grants under this section on the basis of the quality of the applications submitted under subsection (b), taking into consideration the following:  

(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 parental, 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 approve 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.  

(g) PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.—Grantees under this section shall provide, to the extent feasible and practical, for the participation of students and teachers in private elementary and secondary schools in programs and activities authorized by this section.  

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 2003 and such sums as may be necessary for each of the 6 succeeding fiscal years.”.  

SA 415. Mr. DOMENICI (for himself and Mr. HAYAKAWA and Mr. SMITH of California) 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 as follows:  

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 local educational agencies, local educational agencies, or Indian tribes, for the purpose of increasing student access to quality mental health care by developing innovative school-based systems with the local mental health system.  

(b) DURATION.—With respect to a grant, contract, or cooperative agreement awarded under this subsection during which payments under such award are made to the recipient may not exceed 5 years.  

(c) INTERAGENCY AGREEMENTS.—  

(1) DESIGNATION OF LEAD AGENCY.—The recipient of each grant, contract, or cooperative agreement shall designate a lead agency to direct the establishment of an interagency agreement among local educational agencies, juvenile justice authorities, mental health agencies, and other relevant entities in the State, in collaboration with local entities and parents of students.  

(2) CONTENTS.—The interagency agreement shall ensure the provision of the services to a student described in subsection (e) specifying with respect to each agency, authority or entity—  

(A) the financial responsibility for the services;  
(B) the conditions and terms of responsibility for the services, including quality, accountability, and coordination of the services; and  
(C) the conditions and terms of reimbursement among the agencies, authorities or entities that are parties to the interagency agreement, including procedures for dispute resolution.  

(d) APPLICATION.—  

(1) IN GENERAL.—To be eligible to receive a grant, contract, or cooperative agreement under this section, a State educational agency, local educational agency, or Indian tribe 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) CONTENT.—An application submitted under this section—  

(A) describe the program to be funded under the grant, contract, or cooperative agreement;  
(B) explain how such program will increase access to quality mental health services for students;  
(C) explain how the applicant will establish a crisis intervention program to provide immediate mental health services to the school community when necessary;  
(D) provide assurances that—  

(i) persons provided services under the grant, contract or cooperative agreement are adequately trained to provide such services;  
(ii) the services will be provided in accordance with the standards;  
(iii) teachers, principal administrators, and other school personnel are aware of the program;  
(E) explain how the applicant will support and integrate existing school-based services with the program to provide appropriate mental health services for students; and  
(F) explain how the applicant will establish a program that will support students and the school in maintaining an environment conducive to learning.  

(e) USE OF FUNDS.—The State educational agency, local educational agency, or Indian tribe, that receives a grant, contract, or cooperative agreement under this section shall use amounts made available through such grant, contract or cooperative agreement to—  

(1) enhance, improve, or develop collaborative efforts between school-based service systems and mental health service systems to provide, enhance, or improve prevention, diagnosis, and treatment services to students;  
(2) enhance the availability of crisis intervention services, appropriate referrals for students potentially in need of mental health services and on going mental health services;  
(3) provide training for the school personnel and mental health workers who will participate in the program carried out under this section;  
(4) provide technical assistance and consultation to school systems and mental health agencies and families participating in the program carried out under this section;  
(5) provide linguistically appropriate and culturally competent services; and  
(6) evaluate the effectiveness of the program carried out under this section in increasing student access to quality mental health services, and report the results to the Secretary about sustainability of the program.  

(f) DISTRIBUTION OF AWARDS.—The Secretary shall ensure that grants, contracts, and cooperative agreements awarded under subsection (a) are equitable distributed among the geographical regions of the United States and between urban and rural populations.  

(g) OTHER SERVICES.—Any services provided through programs established under this section must supplement and not supplant existing Mental Health Services, including any services required to be provided under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).  

(h) EVALUATION.—The Secretary shall evaluate each program carried out by a State educational agency, local educational agency, or Indian tribe, under this section and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.  

(i) REPORTING.—Nothing in Federal law shall be construed—  

(1) to prohibit an entity involved with the program from reporting a crime that is committed by a student, to appropriate authorities; or  
(2) to prevent State law enforcement and judicial authorities from exercising their responsibilities with regard to the application of Federal and State law to crimes committed by a student.  

(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $50,000,000 for fiscal years 2003 and such sums as may be necessary for fiscal years 2004 through 2005.
SA 417. Mr. SANTORUM 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. 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 “GREAT IDEA Act”.

(b) **PURPOSE.**—It is the purpose of this section to enable the Federal Government to be authorized for 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.**—

(1) **ASSISTANCE FOR EDUCATION OF ALL CHILDREN WITH DISABILITIES.**—Section 611(c) of the Individuals with Disabilities Education Act (20 U.S.C. 1411(j)) is amended to read as follows:

"(j) AUTHORIZATION OF APPROPRIATIONS.—For fiscal year 2005 at least at a level equal to not less than such State for fiscal year 2000.

(2) **GENERAL PROVISIONS.—Part A of the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.) is amended by adding at the end the following:

**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 at a level equal to not less than the level of such expenditures maintained by such State for fiscal year 2001."

SA 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:

Open page 64, between lines 2 and 3, insert the following

(F) **PROTECTION OF PUPIL RIGHTS.**—Notwithstanding any other provision in law, Section 445 of the Elementary and Secondary Education Act (20 U.S.C. 1232h) is applicable to all activities undertaken by a State in order to provide the information allowable in this section.

SA 419. 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:

On page 233, strike lines 9 through 14, and insert the following:

"(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:

(1) projects that facilitate the transition of children and youth from State-operated institutions to local educational agencies; and

(2) the successful reentry of youth offenders; or

"(b) **OUTSTANDING DEBT SERVICE.**—In the case of a State that in the previous fiscal year received a secondary school diploma or its recognized equivalent, into postsecondary education and vocational training programs through strategies designed to expose the youth to, and prepare the youth for, postsecondary education and vocational training programs, such as:

(A) preplacement programs that allow adjudicated or incarcerated students to audit or attend courses on college, university, or community college campuses, or through programs provided in institutional settings;

(B) worksite schools, in which institutions of higher education and private or public employers or partner to create programs to help students make a successful transition to postsecondary education and employment; and

(C) essential support services to ensure the success of the student, such as—

(i) personal, vocational, and academic counseling;

(ii) placement services designed to place the youth in a university, college, or junior college program;

(iii) health services;

(iv) information concerning, and assistance in obtaining, available student financial aid;

(v) exposure to cultural events; and

(vi) job placement services.

"(c) **EVALUATION, TECHNICAL ASSISTANCE, AND MODEL PROGRAM.**—

"(1) **EVALUATION.**—The Secretary shall evaluate the effectiveness of programs assisted under this chapter;

(2) to provide technical assistance to and support the capacity building of State agency programs assisted under this chapter; and

(3) to create an annual model correctional youthful offender program event under which an award is given to programs assisted under this chapter which demonstrate program excellence in—

(A) transition services for reentry in and completion of regular or other programs operated by a local educational agency;

(B) transition services to job training programs and employment, utilizing existing support programs such as One Stop Career Centers;

(C) transition services for participation in postsecondary education programs;

(D) the successful reentry into the community; and

(E) the impact on recidivism reduction for juvenile and adult programs.

On page 242, line 19, strike "and".

On page 242, line 22, strike the period and insert "."

On page 242, between lines 22 and 23, insert the following:

"(5) participate in postsecondary education and job training programs.

On page 243, line 9, strike "and" and insert "the Secretary after "agency".

SA 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:

On page 893, after line 14, add the following:

**SEC. 903. MICROBIOLOGICAL PERFORMANCE STANDARDS FOR MEAT AND POULTRY FOR SCHOOL NUTRITION PROGRAMS.**

Section 9(c) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(c)) is amended by adding at the end the following:

"(4) **MICROBIOLOGICAL PERFORMANCE STANDARDS FOR MEAT AND POULTRY FOR SCHOOL NUTRITION PROGRAMS.**—

(A) **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. 1701 et seq.) meets performance standards for microbiological hazards, as determined by the Secretary.

(B) **EXEMPTION.**—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 and establish, or modify, as necessary, 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. 2124. PART A—TEACHER AND PRINCIPAL QUALITY.

"(2) in section 2101(1)—

(A) by striking "teacher quality" and inserting "teachers and principals"; and

(B) by inserting before the semicolon "and highly qualified principals in schools";"

in section 2122—

(A) in paragraph (4)—

(i) in subparagraph (B)(ii), by striking "and" and inserting "and";

(ii) in subparagraph (C), by striking the period and inserting "; and" and;

(iii) by adding at the end the following:

"(D) with respect to an elementary school or secondary school principal, a principal—"

"(I) with at least a master's degree in educational administration and at least 3 years of classroom teaching experience; or"

"(II) who has completed a 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" and inserting "teachers and principals"; and

(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

(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.";"

in section 2133(a)(1)—

(A) by striking ", paraprofessionals, and, if appropriate, principals" and inserting "and" and "principals"; and

(B) by striking the semicolon and inserting the following: "and that principals have the instructional leadership skills that will help the principals work most effectively with teachers to help students master core academic subjects;";"

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

(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.";"
“(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] NATIONAL AGENCY.—Each local educational agency desiring assistance under this section shall submit to the State educational agency the following 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 the 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 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 curricular materials 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 and after school, during weekends, 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 funding for a second or subsequent fiscal year only if the local educational agency demonstrates to the State educational agency that the local educational agency has—

“(1) the availability of, and the access to, up-to-date school library media resources in the elementary 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 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 1222(c)(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.

On page 303, line 21, strike ‘‘1228’’ 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:


(a) IN GENERAL.—Section 117 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 3237d) is amended—

“(1) EDUCATION COUNCIL.—The term ‘education council’ means a partnership that—

“(A) preparing paraprofessionals to become fully qualified teachers in areas served by high need local educational agencies;

“(B) 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

“(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—

“(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 need local educational agencies;

“(C) 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) 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, line 11, strike ‘‘; and’’ and in-sert a semicolon.

On page 329, line 13, strike the period and insert ‘‘; and’’.

On page 329, between lines 13 and 14, insert the following:

“(1) preparing paraprofessionals to become fully qualified teachers in areas served by high need local educational agencies;

“(2) 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

“(3) 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) 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.

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:

At the end of title VII, add the following:

SEC. 39. 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. 3237d) is amended—

“(1) EDUCATION COUNCIL.—The term ‘education council’ means a partnership that—

“(A) is established between—

“(i) 1 or more local educational agencies; and

“(ii) 1 or more institutions of higher education, including community colleges, that are the principal providers of preparation and professional development for teachers while improving the education of 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 turnover or absenteeism.

“(3) PROFESSIONAL DEVELOPMENT SCHOOL.—

The term ‘professional development school’ means a partnership that—

“(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; 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 at institutions of higher education described in subparagraph (A) and new and experienced teachers, principals, and other administrators at elementary schools or secondary schools; and

“(iii) 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:

“(8) 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.”

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 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 5-year period.

“(v) The Secretary shall conduct a review of the activities carried out by each local educational agency 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 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 2012, 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:

“(1) A description of how the local educational agency will provide training to enabling 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 329, 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;

“(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:

“(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:

“(3) 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 paragraph 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 90, line 5, after “problems” insert the following:

“including problems, if any, in implementing the parental involvement requirements described in section 1118, the professional development requirements described in section 1119, and the responsibilities of the school and local educational agency under the school plan.”

SA 437. 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—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:

“(n) 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 (including expel or suspend) a child with a disability in the same manner in which such personnel may discipline a child without a disability if the child with a disability—

“(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 a local educational agency;

“(B) threatens to carry, possess, or use a weapon to or at a school, on school premises, or to or at a school function, with respect to the jurisdiction of a State or a local educational agency;

“(C) possesses or uses illegal drugs or sells or offers to sell a controlled substance while at school, on school premises, or at 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) DETERMINATION.—Notwithstanding paragraph (1), school personnel may discipline 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.

“SEC. 413. SCHOOL SAFETY AND VIOLENCE PREVENTION

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. 4151. SCHOOL SAFETY AND VIOLENCE PREVENTION

“Notwithstanding any other provision of this Act and V幕 funding available under such titles may be 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; and

“(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;
enforcement agencies, that have demonstrated expertise in providing effective, research-based violence prevention and intervention programs to school-aged children;

(7) AN educational agency that assists to States, local educational agencies, and schools to establish school uniform policies;

(8) school resource officers, including community policing officers;

(9) other innovative, local responses that are consistent with reducing incidents of school violence and improving the educational atmosphere 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 law enforcement and education 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-based violence; and

(6) current school violence prevention programs.

(b) REPORT.—The Comptroller General shall submit to 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.

On page 794, after line 7, add the following:

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. 196x, 196y) as sections 34 and 35, respectively; and

(2) by inserting after section 32 (7 U.S.C. 196w-1) 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) appointed 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 cracks or crevices, using a wetting agent or adhesive.

(4) EMERGENCY.—The term ‘emergency’ means an urgent need to mitigate or eliminate a pest threat 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 (b).

(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; and

(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 and biological controls, other nonchemical methods, and if non toxic options are unreasonable and have been exhausted1 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) a subacute or subchronic pesticide that is noncarcinogenic, nonmutagenic, nonteratogenic, not an endocrine disrupter, or immune system toxic; and

(ii) any and all pesticides described in clause (i) using a broadcast spray, dust, tenting, fogging, or baseboard spray application.

(B) LIST.—The term ‘list’ means the list of least toxic pesticides established under subsection (d).

(8) 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).

(9) ADMINISTRATOR.—The term ‘Administrator’ means an individual hired by a school, local educational agency, or State to apply a pesticide.

(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 adhesives used for cleaning products.

(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.—

(A) IN GENERAL.—The term ‘school grounds’ means the area inside or outside of the school buildings controlled, managed, or owned by the school or school district.

(B) EXCLUSION.—The term ‘school grounds’ includes a lawn, playground, sports field, and any other property or facility controlled, managed, or owned by a school.

(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) INCLUSION.—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 crack and crevice treatment.

(16) STAFF MEMBER.—

(A) IN GENERAL.—The term ‘staff member’ means an employee of a school or local educational agency.

(B) EXCLUSION.—The term ‘staff member’ includes an administrator, teacher, and other person that is regularly employed by a school or local educational agency.

(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.

(19) INTEGRATED PEST MANAGEMENT SYSTEMS.—

(1) IN GENERAL.—The Administrator, in consultation with the State educational agency, 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 section, 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 subsection.

(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 a school’s 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—

(6) §4631
‘(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 with a less toxic pesticide, during the 24-hour period beginning at the end of the treatment.’

‘(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 to—

‘(A) establish uniform standards and criteria for developing integrated pest management systems and policies in schools;

‘(B) develop standards for the use of least toxic pesticides in schools; and

‘(C) advise the Administrator on any other aspects of the implementation of this section.

‘(2) COMPOSITION OF BOARD.—The Board shall be composed of 12 members and include 1 representative from each of the following groups:

‘(A) Parents.

‘(B) Public health care professionals.

‘(C) Medical professionals.

‘(D) State integrated pest management systems of the State.

‘(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) Local 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) TERM.—

‘(A) In General.—A member of the Board shall serve for a term of 5 years, except that the Administrator may, by notice, extend the term of the original members of the Board in order to provide for a staggered term of appointment for all members of the Board.

‘(B) Subject to subparagraph (C), a member of the Board shall not serve consecutive terms unless the term of the member has been reduced by the Administrator.

‘(C) MAXIMUM TERM.—In no event may a member of the Board serve for more than 6 consecutive years.

‘(5) PETITIONS.—The Administrator shall convene—

‘(A) an initial meeting of the Board not later than 60 days after the appointment of the members; and may shorten the terms of the original members of the Board in order to provide for a staggered term of appointment for all members of the Board.

‘(B) subsequent meetings on a periodic basis, but not less often 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 of the 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 subsection, 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 proposed list.

‘(ii) COMPOSITION.—A panel described in clause (i) shall include experts on integrated pest management, children’s health, entomology, health sciences, and other relevant disciplines.

‘(D) SPECIAL REVIEW.—

‘(1) IN GENERAL.—Not later than 2 years after the initial meeting of the Board, the Board shall review, with the assistance of a technical advisory panel, pesticides used in school buildings and on school grounds for their acute toxicity and chronic effects, including cancer, mutations, birth defects, reproductive dysfunction, neurological and immune system effects, and endocrine disruption.

‘(ii) DETERMINATION.—The Board—

‘(A) shall determine whether the use of pesticides described in clause (i) may endanger the health of children; and

‘(B) may recommend to the Administrator restrictions on pesticide use in school buildings and on school grounds.

‘(12) REQUIREMENTS.—In establishing the proposed list, the Board shall—

‘(A) revize the list described in section (d) of title 42 of the United States Code or the Environmental Protection Agency, the National Institute of Environmental Health Sciences, medical and scientific literature, and scientific appropriate, concerning the potential for adverse human and environmental effects of substances considered for inclusion in the proposed list; and

‘(B) develop a list of substances considered for inclusion in the proposed list to obtain a complete list of ingredients and determine that such substances contain inert ingredients that are generally recognized as safe.

‘(13) PETITIONS.—The Board shall establish procedures under which individuals may petition the Board for the purpose of evaluating substances for inclusion on the list.

‘(14) PERIODIC REVIEW.—

‘(A) IN GENERAL.—The Board shall review each substance included on the list at least once during each 5-year period beginning on—

‘(i) the date that the substance was initially included on the list; and

‘(ii) the date of the last review of the substance under this subsection.

‘(B) SUBMISSION TO ADMINISTRATOR.—The Board shall submit a review under subparagraph (A) to the Administrator with a recommendation as to whether the substance should continue to be included on the list.

‘(15) CONFIDENTIALITY.—Any business sensitive material obtained by the Board in carrying out this section shall be treated as confidential business information by the Board and shall not be released to the public.

‘(16) LIST OF LEAST TOXIC PESTICIDES; PESTICIDE REVIEW.—

‘(1) IN GENERAL.—The Board shall recommend to the Administrator a list of least toxic pesticides (including the date treated as described in subsection (a)(7) that may be used as least toxic pesticides, any restrictions on the use of the listed pesticides, and any recommendations regarding restrictions on all other pesticides, in accordance with this section.

‘(2) PROCEDURE FOR EVALUATING PESTICIDE USE.—

‘(A) LIST OF LEAST TOXIC PESTICIDES.—

‘(i) 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.

‘(ii) REGULATORY REVIEW.—The Administrator shall initiate regulatory review of all other pesticides recommended for restriction by the Board.

‘(B) RECOMMENDATIONS.—Not later than 1 year after receiving the proposed list and restrictions, and recommended restrictions on all other pesticides from the Board, the Administrator shall—

‘(i) publish the proposed list and restrictions and all other proposed restriction on the Register; seek public comment on the proposed proposals; and

‘(ii) after evaluating all comments received concerning the proposed list and restrictions, but not later than 1 year after the close of the period during which public comments are accepted, publish the final list and restrictions in the Federal Register.

‘(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.

‘(D) NOTICE AND COMMENT.—

‘(i) IN GENERAL.—Prior to establishing or making amendments to the list, the Administrator shall publish the proposed list or any proposed amendments to the list in the Register and seek public comment on the proposed proposals.

‘(ii) RECOMMENDATIONS.—The Administrator shall include in any publication described in clause (i) any changes or amendments to the proposed list that are recommended to and by the Administrator.

‘(E) PUBLICATION OF LIST.—After evaluating all comments received concerning the proposed list or proposed amendments to the list, the Administrator shall publish the final list in the Federal Register, together with a description of comments received.

‘(F) OFFICE OF PESTICIDE PROGRAMS.—

‘(1) ESTABLISHMENT.—The Administrator shall appoint an official for school pest management within the Office of Pesticide Programs of the Environmental Protection Agency to coordinate the development and implementation of integrated pest management systems in schools.

‘(2) OFFICE.—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;
‘‘(i) the use of least toxic pesticides; and
‘‘(ii) the registration of pesticides, and amendments to the registrations, as the registrants 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 integrated 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 within 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 scheduling of all pesticide usage for schools in the school district;
‘‘(F) maintain contact with Federal and State integrated pest management system experts.
‘‘(G) obtain periodic updates and training from State integrated pest management system experts.

‘‘(2) IN GENERAL.—Each local educational 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 Management 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 system of the school district in school calendars or other forms of universal notification.

‘‘(2) CONTENTS.—The notice shall include a description of—

‘‘(A) the integrated pest management system of the school district;

‘‘(B) any pesticide (including any least toxic pesticide) or bait station that may be used in a school building or on school grounds as part of the integrated pest management 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 product 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 information 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 educational agency or school may use a pesticide during a school year only if the use of the pesticide has been disclosed in the notice required under paragraph (1) at the beginning of the school year.

‘‘(4) Agency and Students.—After the beginning of each school year, a local educational agency or school of a school district shall provide the notice required under this subsection to—

‘‘(A) each new staff member who is employed during the school year; and

‘‘(B) the parents, guardians, and staff members for 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 to control the pest in accordance with subsection (g)(4))

‘‘(2) Prior Notification of Parents, Guardians, and Staff Members.—

‘‘(A) IN GENERAL.—Subject to paragraphs (4) and (5), if the school district and least toxic pesticides is used by a school, the school shall provide to a parent or guardian of each student enrolled at the school, and each staff member of the school, notice that includes—

‘‘(i) the common name, trade name, and Environmental Protection Agency registration number of the pesticide;

‘‘(ii) a description of the location of the application of the pesticide;

‘‘(iii) a description of the date and time of application, except that, in the case of outdoor pesticide applications, notice shall include 3 dates, in chronological order, that the outdoor pesticide applications may take place if the preceding date is canceled.

‘‘(iv) a statement that ‘‘The Office of Pesticide Programs of the United States Environmental Protection Agency has stated: Where possible, persons who potentially are sensitive, such as pregnant women and infants (less than 2 years old), should avoid any unnecessary exposure.’

‘‘(v) a description of potential adverse effects of the pesticide based on the material safety data sheet of the pesticide.

‘‘(vi) a description of the reasons for the application of the pesticide.

‘‘(vii) the name and telephone number of the contact person of the school district; and

‘‘(viii) any additional warning information related to the pesticide.

‘‘(B) Method of Notification.—The school shall—

‘‘(i) written notice sent home with the student and provided to the staff member;

‘‘(ii) a telephone call;

‘‘(iii) direct contact; or

‘‘(iv) written notice mailed at least 1 week before the application.

‘‘(C) Administration.—If the date of the application of the pesticide needs to be extended beyond the period required for notice under this paragraph, the school shall reissue the notice under this paragraph for the new date of application.

‘‘(3) Posting of Signs.—

‘‘(A) IN GENERAL.—Subject to paragraphs (4) and (5), if the school district applies a pesticide (other than a least toxic pesticide) is used by a school, the school shall post a sign that provides notice of the application of the pesticide—

‘‘(i) in a prominent place that is in or adjacent to the location to be treated; and

‘‘(ii) at each entrance to the buildings or school grounds to be treated.

‘‘(B) Administration.—A sign required under subparagraph (A) for the application of a pesticide shall—

‘‘(i) remain posted for at least 72 hours after the end of the treatment;

‘‘(ii) be at least 8½ inches by 11 inches; and

‘‘(iii) state the same information as that required for the application of the pesticide described under paragraph (2).

‘‘(C) Outdoor Pesticide Applications.—

‘‘(i) IN GENERAL.—In the case of outdoor pesticide applications, each sign shall include 3 dates, in chronological order, that the outdoor pesticide application may take place if the preceding date is canceled due to weather.

‘‘(ii) Duration of Posting.—A sign described in clause (i) shall be posted after an emergency that threatened the health or safety of a student or staff member.

‘‘(iii) Time of Year.—(Paragaphs (2) and (3) shall apply to any person that applies a pesticide in a school or on school grounds, including a custodian, staff member, or commercial applicator.

‘‘(B) Time of Year.—Paragraphs (2) and (3) shall apply to a school—

‘‘(i) during the school year; and

‘‘(ii) during holidays in 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.

‘‘(e) Emergencies.—

‘‘(A) In General.—A school may apply a pesticide (other than a least toxic pesticide) in a 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) DUTIES.—The school shall—

‘‘(A) submitt a report to the Board within 7 days after an emergency; and

‘‘(B) during the school year; and

‘‘(ii) within 7 days after an emergency that threatened the health or safety of a student or staff member; and

‘‘(iii) a description of the steps the school will take in the future to avoid emergency application of a pesticide under this paragraph.

‘‘(C) Method of Notification.—The school may provide the notice required by subparagraph (B) by—

‘‘(i) written notice sent home with the student and provided to the staff member;

‘‘(ii) a telephone call; or

‘‘(iii) direct contact.

‘‘(D) Posting of Signs.—A school applying a pesticide under this paragraph shall post a warning sign of the pesticide application in accordance with paragraph (3).

‘‘(2) Modification of Integrated Pest Management Plans.—If a school in a school district applies a pesticide under this paragraph, 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 pesticides under this paragraph.

‘‘(3) Deposit of Pesticides onto School Grounds.—Each local educational agency, State pesticide lead agency, and the Administrator are encouraged to—

‘‘(A) identify sources of pesticides that drift from treated land to school grounds of the educational agency; and

‘‘(B) take steps necessary to create an indoor and outdoor school environment that is free from pesticides that are protected from pesticides described in subparagraph (A).

‘‘(4) Meetings.—

‘‘(A) IN GENERAL.—Before the beginning of a school year, at the beginning of each new calendar year, and at a regularly scheduled meeting of a school board, each local educational agency shall provide an opportunity for the contact person designated under subsection (d) to receive and address public
(2) EMERGENCY MEETINGS.—An emergency meeting of a school board to address a pesticide application may be called under locally appropriate procedures for convening emergency meetings.

(j) 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 complainant and the person alleged to have committed the violation of the findings of the Administrator.

(B) PRELIMINARY ORDER.—If the Administrator determines it is reasonable to believe a violation occurred, the Administrator shall issue a preliminary order (that includes findings) to impose the penalty described in subsection (l).

(C) OBJECTIONS TO PRELIMINARY ORDER.—

(i) A IN GENERAL.—Not later than 30 days after the preliminary order is issued under paragraph (2), the complainant and the person alleged to have committed the violation may—

(A) file objections to the preliminary order (including findings); and

(B) request a hearing on the record.

(ii) B FINAL ORDER.—If a hearing is not requested within the time period described in subparagraph (A) after the preliminary order is issued, the preliminary order shall be final and not subject to judicial review.

(4) HEARING.—A hearing under this subsection shall be conducted expeditiously.

(5) FINAL ORDER.—Not later than 120 days after the end of the hearing, the Administrator shall issue a final order.

(B) SETTLEMENT AGREEMENT.—Before the final order is issued, the proceeding may be terminated by a settlement agreement, which shall remain open, entered into by the Administrator, the complainant, and the person alleged to have committed the violation.

(C) JUDICIAL REVIEW AND VENUE.—

(A) 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.

(B) TIMING.—The review shall be heard and decided expeditiously.

(C) COLLECTIVE 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 (i), respectively, of not more than $10,000 for each offense.

(2) TRANSFER TO TRUST FUND.—Except as provided in section 37(m), the civil penalties collected under paragraph (1) shall be deposited in the Fund.

(1) INTEGRATED PEST MANAGEMENT TRUST FUND.—

(A) ESTABLISHMENT.—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—

(A) amounts deposited in the Fund under subsection (j)(2); and

(B) amounts transferred to the Secretary of the Treasury for deposit into the Fund under paragraph (5); and

(C) any interest earned on investment of amounts in the Fund under paragraph (5).

(2) EXPENDITURES FROM FUND.—

(A) IN GENERAL.—Subject to subparagraph (B), on request by the Administrator, the Secretary of the Treasury shall transfer amounts 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 each fiscal year for administrative expenses necessary to carry out this subsection.

(3) 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 financial needs, only 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.

(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 or redemption or 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 made on or before the dates specified in paragraph (3).

(B) AMOUNTS.—The amounts required to be transferred to the Fund under this section shall be made on or before the dates specified in paragraph (3).

(C) ACCEPTANCE AND USE OF DONATIONS.—The Secretary shall accept donations for the Fund.

(1) IN GENERAL.—The amounts required to be transferred to the Fund under this section shall be made on or before the dates specified in paragraph (3).

(m) EMPLOYEE PROTECTION.—

(A) APPOINTMENT.—The Administrator shall appoint a person to carry out this section $7,000,000 for each of fiscal years 2002 through 2006.

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2002 through 2006.

(2) COMPLAINTS.—Not later than 1 year after the date of enactment of this section, or another person at the request of the Administrator, may file a complaint with the Administrator.

(3) REMEDIAL ACTION.—If the Administrator decides, on the basis of a complaint, that a local educational agency, school, or person at the request of the Administrator, shall order the local educational agency, school, or person to—

(A) take affirmative action to abate the violation;

(B) reinstate the complainant to the former position with the same pay and terms and privileges of employment; and

(C) pay compensatory damages, including back pay.

(4) GRANTS.—

(A) IN GENERAL.—The Administrator, in consultation with the Secretary of Education, shall provide grants to local educational agencies to develop and implement integrated pest management systems in schools in the school districts of the local educational agencies.

(B) AMOUNT.—The amount of a grant provided to a local educational agency of a school district under paragraph (1) shall be based on the ratio that the number of students enrolled in schools in the school district bears to the total number of students enrolled in schools in all school districts in the United States.

(C) RELATIONSHIP TO STATE AND LOCAL REQUIREMENTS.—This section (including regulations promulgated under this section) shall not preempt requirements imposed on local educational agencies and schools related to the use of integrated pest management by State or local law (including regulations) that are more stringent than the requirements imposed under this section.

(5) REGULATIONS.—Subject to subsection (m), the Administrator shall promulgate such regulations as are necessary to carry out this section.

(6) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—The table of contents in section 3(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. prev. 121) is amended by striking the items relating to sections 30 through 32 and inserting the following:

"Sec. 30. Minimum requirements for training of maintenance applicators and service technicians.

Sec. 31. Environmental Protection Agency minor use program.

Sec. 32. Department of Agriculture minor use program.

a. In general.

b. 1 Minor use pesticide data.


Sec. 33. Integrated pest management systems for schools.

(a) Definitions.
CONGRESSIONAL RECORD — SENATE

S4635

May 9, 2001

On page 86, line 22, insert before the semicolon the following:

"(d) I NDIAN, N ATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION; P ROFESSIONAL DEVELOPMENT.—The second sentence of section 7122(a)(4) (as amended in section 701) is further amended—

(1) in paragraph (8), by striking the period and inserting ‘‘and’’; and

(3) by adding at the end the following:

‘‘(iv) programs that recognize and support the unique cultural and educational needs of Native Hawaiian children, and incorporate appropriately qualified Native Hawaiian elders and seniors.’’.

(c) SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES; GOVERNOR’S PROGRAMS.—Section 4114(d) (as amended in section 401) is further amended—

(1) in paragraph (14), by striking ‘‘and’’ after the semicolon;

(2) in paragraph (15), by striking the period and inserting ‘‘and’’; and

(3) by adding at the end the following:

‘‘(iv) drug and violence prevention activities that use the services of appropriately qualified seniors for activities that include mentoring, tutoring, and volunteering.’’.

(b) SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES; LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.—Section 4116(b) (as amended in section 401) is further amended—

(1) in clause (i), by striking ‘‘and’’ after the semicolon;

(2) in clause (ii), by inserting ‘‘and’’ after the period;

(3) by adding at the end the following:

‘‘(iii) programs that recognize and support the unique cultural and educational needs of Alaskan Native children, and incorporate appropriately qualified tribal elders and seniors.’’.

(b) SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES; FORMULA GRANTS.—Section 7205(a)(3)(H) (as amended in section 701) is further amended—

(1) in clause (i), by striking ‘‘and’’ after the semicolon;

(2) in clause (ii), by inserting ‘‘and’’ after the semicolon;

(3) by adding at the end the following:

‘‘(iii) may include activities that recognize and support the unique cultural and educational needs of Alaskan Native children, and incorporate appropriately qualified Alaskan Native elders and seniors.’’.

SA 441. Mr. LUGAR (for himself and 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 34, line 8, strike ‘‘$250,000,000’’ and insert ‘‘$500,000,000.’’.

On page 86, line 22, insert before the semicolon the following:

‘‘(iii) may include activities that recognize and support the unique cultural and educational needs of Alaskan Native children, and incorporate appropriately qualified Alaskan Native elders and seniors.’’.
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, 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 achievement of all students in core academic subjects 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 258, between lines 5 through 9, and insert the following:

“(2) how the State educational agency will ensure that funds under this part are limited to comprehensive school reform programs that—

“(A) include each of the components described in section 1706(a);

“(B) are developed to improve the academic achievement of all students in core academic subjects participating in school reform models that—

“(A) are supported by technical assistance providers that have a successful track record, financial stability and the capacity to deliver high quality services, professional development for school personnel and on-site support during the full implementation period of the reforms;

On page 260, line 15, insert “annually” before “evaluate”.

On page 261, line 7, insert before the period the following: “to support comprehensive school reforms in schools that are eligible for funds under part A.”

On page 261, line 11, strike “for the particular” and insert “of.”

On page 261, line 22, strike “shall” and all through “that on line 23.

On page 261, line 26, insert after “(1)” the following: “may give priority to local educational agencies or consortia that—

On page 266, between lines 14 and 15, insert the following:

“(c) Special Rule Relating to the Computation of Payments for Eligible Federally Connected Children.—Section 803(a) (20 U.S.C. 7703(a)) is amended—

“(1) by striking paragraph (3); and

“(2) by redesignating paragraph (4) as paragraph (3).

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 876, between lines 14 and 15, insert the following:

“(c) Direct Student Loan Forgiveness.—Section 426 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)”;

“(3) in subsection (g)(1)(A), by striking subsection “(b)(1)A)” and inserting “subsection “(b)(1)A)”;

“(4) in subsection (h), by inserting “except as part of the term “program year”, wherever those words appear.”

SA 443. Mr. VOÎNOVICH (for himself, Mrs. FEINSTEIN, Mr. COCHRAN, Mr. BUCUS, 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. 1. 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 Teachers.—Section 426J of the Higher Education Act of 1965 (20 U.S.C. 7770J) is amended—

“(1) in subsection (b), by adding paragraph (2) to read as follows:

“(A) has been employed—

“(i) as a full-time teacher for 5 consecutive complete school years in a school that qualifies under section 456(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school; or

“(ii) as a Head Start teacher for 5 consecutive complete program years under the Head Start Act; and

“(3) in subsection (g), by inserting “or fifth complete program year” after “fifth complete school year of teaching.”
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 9 through 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 semicolon the following: ‘‘including administrative incidents involving the disciplinary reports of students or teachers, and focus groups’’.

On page 535, line 21, strike ‘‘violation problem’’ and insert ‘‘and violence problems’’.

On page 537, line 15, by inserting ‘‘and violence’’ after ‘‘use,’’.

On page 538, line 22, strike ‘‘and peer mediation’’ and insert ‘‘and peer mediation, and anger management’’.

On page 539, between lines 17 and 18, insert the following:

"(2) Administrative approaches to promote school safety, including professional development for principals and administrators to promote effectiveness and innovation, implementation of a school disciplinary code, and effective communication of the school disciplinary code to both students and parents at the beginning of the school year’’.

On page 545, line 9, insert ‘‘, that is subject to independent review’’, after ‘‘data’’.

On page 545, lines 10 and 11, strike ‘‘social disapproval of’’.

On page 545, line 12, after the period add the following: ‘‘The collected data shall include incident reports by schools officials, anonymous student surveys, and anonymous teacher surveys’’.

On page 549, between lines 18 and 19, insert the following:

"(4) the provision of information on violence prevention and education and school safety to the Department of Justice, for dissemination by the National Resource Center for Safe Schools as a national clearinghouse on violence and school safety information;’’.

On page 550, line 14, insert ‘‘administrative approaches, security services, anger management, and other’’.

On page 553, line 2, insert ‘‘to’’ after ‘‘research’’.

On page 553, after line 24, add the following:

"(J) Researchers and expert practitioners.

On page 557, line 6, strike ‘‘or dispute resolution’’ and insert ‘‘, dispute resolution, or anger management’’.

SA 444. 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 13, line 12, insert ‘‘therapists,’’ before ‘‘and other’’.

On page 558, line 19, insert ‘‘therapists,’’ before ‘‘nurses’’.

SA 445. 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’’.

On page 516, line 15, insert ‘‘, mentoring programs’’ before the semicolon.

On page 517, line 15, insert ‘‘, mentoring programs’’ after ‘‘services’’.

On page 550, line 15, insert ‘‘mentoring’’ after ‘‘mediation’’.

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 504, between lines 5 and 6, insert 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 9 through 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’’.

On page 524, line 7, insert before the semicolon the following: ‘‘including administrative incidents involving the disciplinary reports of students or teachers, and focus groups’’.

On page 535, line 21, strike ‘‘violation problem’’ and insert ‘‘and violence problems’’.

On page 537, line 15, by inserting ‘‘and violence’’ after ‘‘use’’.

On page 538, line 22, strike ‘‘and peer mediation’’ and insert ‘‘and peer mediation, and anger management’’.

On page 539, between lines 17 and 18, insert the following:

"(2) Administrative approaches to promote school safety, including professional development for principals and administrators to promote effectiveness and innovation, implementation of a school disciplinary code, and effective communication of the school disciplinary code to both students and parents at the beginning of the school year’’.

On page 545, line 9, insert ‘‘, that is subject to independent review’’, after ‘‘data’’.

On page 545, lines 10 and 11, strike ‘‘social disapproval of’’.

On page 545, line 12, after the period add the following: ‘‘The collected data shall include incident reports by schools officials, anonymous student surveys, and anonymous teacher surveys’’.

On page 549, between lines 18 and 19, insert the following:

"(4) the provision of information on violence prevention and education and school safety to the Department of Justice, for dissemination by the National Resource Center for Safe Schools as a national clearinghouse on violence and school safety information;’’.

On page 550, line 14, insert ‘‘administrative approaches, security services, anger management, and other’’.

On page 553, line 2, insert ‘‘to’’ after ‘‘research’’.

On page 553, after line 24, add the following:

"(J) Researchers and expert practitioners.

On page 557, line 6, strike ‘‘or dispute resolution’’ and insert ‘‘, dispute resolution, or anger management’’.

SA 447. Mr. Rockefeller 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 subjects 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 personalized instruction to students served by the local educational agency participating in the eligible partnership after ‘‘qualified’’.

On page 317, line 18, strike ‘‘and’’.

On page 517, line 20, strike the period and insert ‘‘; and’’.

On page 517, between lines 20 and 21, insert the following:

"(1) alternative programs for the education and discipline of chronically violent and disruptive students as it relates to drug and violence 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:

"(15) alternative programs for the education and discipline of chronically violent and disruptive students as it relates to drug and violence prevention.

On page 539, line 10, strike ‘‘and’’.

On page 539, between lines 10 and 11, insert the following:

"(E) alternative programs for the education and discipline of chronically violent students.”
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, 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 teachers 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 semicolon.

On page 329, 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; and

"(B) prepares professional development for teachers to ensure that the teachers are prepared and meet high standards for teaching, particularly by educating and preparing prospective teachers in a classroom setting and enhancing the knowledge of in-service teachers while improving the education of 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, unmet basic standards, high rates of student absenteeism, high dropout rates, and high rates of staff turnover over one 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 and students of higher education described in subparagraph (A) and new and experienced teachers, principals, and other administrators at elementary schools or secondary schools;

"(iii) provides support, including preparation for, and assistance during, the teaching experience.

SA 450. Mr. WYDEN (for himself, Mr. SESSIONS, Mr. BREAUX, and Ms. LANDRIEU) 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, strike line 21 and insert the following:

"PART C—STUDENT EDUCATION ENRICHMENT ASSISTANCE

SEC. 6301. SHORT TITLE.

"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 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) information describing specific measurable goals and objectives to be achieved by the State through the summer academic enrichment programs carried out under this part, and

"(B) the State educational agency shall carry out under this part, and

"(C) such other factors as the State educational agency may choose to measure; and

"(D) information on criteria, established or adopted by the State, that—

"(i) the State will use to select local educational agencies for participation in the summer academic enrichment programs carried out under this part; and

"(ii) at a minimum will assure that grants provided under this part are provided to—

"(I) the local educational agencies in the State that have the highest percentage of students not achieving a proficient level of performance on State assessments required under section 1111;

"(II) the local educational agencies that submit applications under section 6305 describing programs that the State determines would be both highly successful and replicable; and

"(III) an assortment of local educational agencies serving urban, suburban, and rural areas.

SEC. 6305. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

"(a) IN GENERAL.—

"(1) FIRST YEAR.—

"(A) IN GENERAL.—For the first year that a State educational agency receives a grant under this 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 provide Federal assistance to low-performing schools or secondary schools; 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 provide Federal assistance to low-performing schools or secondary schools, and State educational agency 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.

"(C) APPLICATION.—To be eligible to receive a grant under this section, a local educational agency shall submit an application to the State educational agency at such time, in such manner, and containing by such information as the Secretary or the State may require.
“(2) CONTENTS.—The State shall require that such an application shall include, to the greatest extent practicable—

“(A) information that—

“(i) describes the method that the local educational agency will carry out a summer academic enrichment program funded under this section;

“(ii) 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 core academic skills and knowledge of students who are struggling academically, as determined by the State;

“(B) that focuses on accelerated learning, rather than remediation, so that students served through the program will master the high level skills and knowledge needed to meet the highest State standards or to perform at high levels on all State assessments required under section 1111;

“(III) that is based on, and incorporates best practices developed from, research-based enrichment methods and practices;

“(IV) that has a proposed curriculum that is directly aligned with State content and student performance standards;

“(V) that teachers who are certified and licensed, and are otherwise fully qualified teachers, provide academic instruction that is linked to the curriculum of 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 parent involvement component that seeks to involve parents in the program’s topics and students’ daily activities; and

“(II) may include—

“(I) the proposed curriculum for the summer academic enrichment program;

“(II) the local educational agency’s plan for recruiting highly qualified and highly effective teachers to participate in the program; and

“(III) a schedule for the program that indicates that the program is of sufficient duration and intensity to achieve the State’s goals and objectives described in section 6304(c)(1); 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 and licensed, and are otherwise fully qualified teachers 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 length of the periods of time that students and teachers in the program will have contact for instructional purposes (such as the hours per day and the number of weeks of that contact, and the total length of the program);

“(G) an explanation of the proposed student/teacher ratio for the program, analyzed by grade level;

“(H) an explanation of the grade levels that will be served by the program;

“(I) an explanation of the approximate cost per student level;

“(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 described in section 6304(c)(2)(A) for each academic subject in which the program will provide instruction, that are consistent with, or more rigorous than, the annual measurable objec- tives 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 in structured curriculum for the program, from the State educational agency or other entities with demonstrated success in using the curriculum.

“(g) PRIORITY.—In making grants under this section, the State educational agency shall give priority to applicants who demonstrate a high level of need for the summer academic enrichment programs.

“(d) FEDERAL SHARE.—

“(1) IN GENERAL.—The Federal share of the cost described in subsection (a) is 50 percent.

“(2) NON-FEDERAL SHARE.—The non-Federal share of the cost may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

“SEC. 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 each of the agencies 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 reprogramming the grant to such an agency and re-allocating 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

“(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).

“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 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:

“ar the appropriate place, add the following:

“SECTION 902. SENSE OF THE SENATE; AUTHORIZA-

“tion of Appropriations.

“(a) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should appro- priate $750,000,000 for fiscal year 2002 to carry out part A and part D of title III of the Ele-

“mentary and Secondary Education Act of 1965 as amended; and thereby—

“(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 ex- pected to meet in core academic subjects;

“(2) provide for the development and imple- mentation 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 pro-

“grams that strengthen and improve the pro-

“fessional training of educational personnel who work with limited English proficient students.

“(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) $1,900,000,000 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:
SEC. 900. ARTS IN EDUCATION; FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) music education enhances intellectual development and enriches the academic environment for children of all ages.

(2) music education grounded in rigorous academic instruction enables students to return to the regular classroom as soon as possible.

(3) education for chronically disruptive and violent students, either established within a school or separate and apart from an existing school, that address and improve the academic achievement, social, and behavioral needs of disruptive and violent students;

(4) comprehensive sequential music education instruction enhances early brain development and improves cognitive and communicative skills, self-discipline, and creativity.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) music education enhances intellectual development and improves the academic environment for children of all ages; and

(2) music educators greatly contribute to the artistic, intellectual, and social development of the children of our Nation, and play a key role in helping children to succeed in school.

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 semicolon 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. COCHRAN) 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 505, line 18, insert after ‘‘intervention,’’ the following: ‘‘high quality alternative education for chronically disruptive and violent students that includes drug and violence prevention programs.’’.

On page 528, line 11, strike ‘‘and’’.

On page 528, between lines 11 and 12, 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 enter 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;’’

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:

‘‘(10) the development of professional development programs necessary for teachers, other educators, and pupil services personnel to implement alternative education supports, services, and programs for chronically disruptive and violent students;’’

‘‘(11) 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 meet 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
SEC. 2501. PURPOSE.
In support of the national effort to attain the first of America’s Education Goals, the purpose of this part shall be awarded for not more than 4 years.

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)(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;
(2) 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; and
(3) 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) NUMBER.—No partnership may receive more than 1 grant under this part.

SEC. 2503. APPLICATIONS.
(a) APPLICATIONS REQUIRED.—Any partnership receiving a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary requires.
(b) CONTENTS.—Each such application shall include—
(1) a description of the high-need community to be served by the project, including such demographic and socioeconomic information as the Secretary may request;
(2) information on the quality of the early childhood education professional development programs currently conducted by the institution of higher education or other provider in the partnership;
(3) the results of the needs assessment that the entities in the partnership have undertaken to determine the most critical professional development needs of the early childhood educators to be served by the partnership and in the broader community, and a description of how the proposed project will address those needs;
(4) a description of how the proposed project will be carried out, including—
(A) how individuals will be selected to participate;
(B) the types of research-based professional development activities that will be carried out;
(C) how research on effective professional development and on adult learning will be used to design and deliver project activities; 
(D) how the project will coordinate with and build on existing and duplicative, early childhood education professional development activities that exist in the community;
(E) how the project will train early childhood educators to provide services that are based on developmentally appropriate practices and the best available research on childhood development and on early childhood pedagogy;
(F) how the program will train early childhood educators to meet the diverse educational, social, emotional and cognitive needs of the children in the community, including children who have limited English proficiency, disabilities, or other special needs; and
(G) how the project will train early childhood educators in identifying and preventing behavioral problems or working with children identified as or suspected to be victims of abuse;
(5) a description of—
(A) the specific objectives that the partnership will seek to attain through the project, and how the partnership will measure progress toward attainment of those objectives; and
(B) how the objectives and the measurement activities align with the performance indicators established by the Secretary under section 2506(a);
(6) a description of the partnership’s plan for institutionalizing the activities carried out under the project, so that the activities continue once Federal funding ceases;
(7) an assurance that, where applicable, the project will provide appropriate professional development to volunteers working directly with young children, as well as to paid staff; and
(8) an assurance that, in developing its application and in carrying out its project, the partnership has consulted with, and will consult with, relevant agencies, early childhood educator organizations, and early childhood providers that are not members of the partnership.

SEC. 2504. SELECTION OF GRANTEES.
(b) GRANT ELIGIBILITY.—In selecting partnerships to receive funding on the basis of the community’s need for assistance and the quality of the applications, the Secretary shall—
(1) the quality and accessibility of the early childhood educator professional development programs that make use of distance learning and other technologies;
(2) the extent to which the professional development programs are based on the best available research on child social, emotional, physical and cognitive development and parent involvement, so that the educators can prepare their children to succeed in school;
(3) the extent to which the professional development programs are likely to train early childhood educators who work with children who have limited English proficiency, disabilities, and other special needs; and
(4) professional development to train early childhood educators in identifying and preventing behavior problems in children or working with children identified or suspected to be victims of abuse;
(5) the extent to which the professional development programs are likely to assist and support early childhood educators during their first three years in the field;
(6) development and implementation of early childhood educator professional development programs related to the selection and use of screening and diagnostic assessments to improve teaching and learning; and
(7) data collection, evaluation, and reporting needed to meet the requirements of this part relating to accountability.

SEC. 2506. ACCOUNTABILITY.
(a) PERFORMANCE INDICATORS.—Simultaneously with the publication of any application notice for grants under this part, the Secretary shall announce performance indicators for this part, which shall be designed to measure—
(1) the performance and quality and accessibility of the professional development provided; and
(2) such other measures of program impact as the Secretary determines appropriate.
(b) ANNUAL REPORTS; TERMINATION.
(1) ANNUAL REPORTS.—Each partnership receiving a grant under this part shall report annually to the Secretary on the partnership’s progress against the performance indicators.
(2) TERMINATION.—The Secretary may terminate a grant under this part at any time if the Secretary determines that the partnership is not making satisfactory progress against the indicators.

SEC. 2507. COST-SHARING.
(a) IN GENERAL.—Each partnership shall provide, from other sources, which may include other Federal sources—
(1) at least 50 percent of the total cost of its project for the grant period; and
(2) at least 20 percent of the project cost in each year.
(b) EQUITABLE CONTRIBUTIONS.—A partnership may meet the requirement of subsection (a) through cash or in-kind contributions, fairly valued.
(c) WAIVER.—The Secretary may waive or modify the requirements of subsection (a) in cases of demonstrated financial hardship.

SEC. 2508. DEFINITIONS.
(a) IN GENERAL.—In this part:
(1) HIGH-NEED COMMUNITY.—
(A) IN GENERAL.—The term ‘high-need community’ means any community, or a portion of a municipality, in which at least 50 percent of the children are from low-income families; or
(B) a municipality that is one of the 10 largest 10 percent of municipalities within the State having the greatest numbers of such children.
(2) DETERMINATION.—In determining which communities are described in subparagraph (A), the Secretary shall use such data as the Secretary determines are most accurate and appropriate.
(b) LOW-INCOME FAMILY.—The term ‘low-income family’ means a family with an income below the poverty line (as defined by the Office of Management and Budget and applicable to a
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) compensation 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. SHEPHERD) 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. COMMERICALIZATION POLICIES AND PROTECTIONS FOR STUDENTS.

"(a) POLICY DEVELOPMENT.—A State educational agency or local educational agency that receives funds under this Act shall develop policy for the commercialization activities in consultation with parents and provide notice to parents regarding such policy and any changes to such policy. Individual locally developed exceptions under subsection (e).

(b) FUNDING PROHIBITION.—Except as provided in this part, 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) use or permit the use of or information gathered in the pursuit of the data or information for the purpose of benefiting the person or entity's commercial interests; or

(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)(1) if the agency, prior to the disclosure—

(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 change that will be made 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.

(2) GATHERING.—A State educational agency or local educational agency that is a recipient of funds under this Act may gather the data or information by contract, or assist, the gathering of data or information under subsection (b)(2) if the agency, prior to the gathering—

(A) explains to the student's parent, in writing, what data or information will be gathered including whether any of the information is personally identifiable, which persons will have access to 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 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 the student's parent) and the subsequent analysis and public release of—

(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 tests are conducted in accordance with applicable Federal, State, and local policies, if any.

(e) LOCALLY DEVELOPED EXCEPTIONS.—A local educational agency, in consultation with parents, may develop appropriate exceptions to the consent requirements contained in this part.

(f) FUNDING.—A State educational agency or local educational agency that receives funds under this Act may provide technical assistance to such an agency concerning compliance with this part.

(g) TECHNICAL ASSISTANCE.—Upon the request of a State educational agency or local educational agency, the Secretary shall provide technical assistance to such an agency concerning compliance with this part.

(h) RULE MAKING.—Nothing in this section shall be construed to supersedes the Family Educational Rights and Privacy Act (20 U.S.C. 1232g).

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 subsection 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 that are not receiving funds under this part.

"(A) A State shall meet the requirements of subparagraph (A) on a school-by-school basis.

"(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."

"(2) COMPARABILITY OF SERVICES.—

"(A) A State shall be considered to have met the requirement of paragraph (1) if each school has filed with the Secretary a written assurance that such State has established and implemented policies to ensure comparability among 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 offered (including the opportunity to participate in rigorous courses such as advanced placement courses), and instructional materials and instructional resources to ensure that participating children have the opportunity to achieve to the highest student performance levels under the State's challenging content and student performance standards;

(iii) accessibility to technology; and

(iv) the safety of school facilities.

"(B) A State need not include unpredictable changes in student enrollment or per-student costs (by category of assignment) and the beginning of a school year in determining comparability of services under this subsection.

"(3) CONSTRUCTION.—Nothing in this subsection shall be construed to require a jurisdiction to increase its property tax or other tax rates.

"(4) EFFECTIVE DATE.—A State shall comply with the requirements of this subsection by not later than the beginning of the 2003-2004 school year."
“(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:

“(2) DEFINITION.—In this part, the term ‘eligible local educational agency’ means a local educational agency—

“(A) with less than 800 total students in average daily attendance at the schools served by such agency; and

“(B) with respect to which all of the schools served by the agency have a School Locale Code of 7, as determined by the Secretary.”

SEC. 2503. GRANTS TO STATES.

Title II (20 U.S.C. 6801 et seq.), as amended by section 202, is further amended by adding at the end the following:

“PART E—RURAL TECHNOLOGY EDUCATION ACADEMIES

“SEC. 2501. SHORT TITLE.

“This part may be referred to as the ‘Rural Technology Education Academies Act’.

“SEC. 2502. FINDINGS AND PURPOSE.

“(a) FINDINGS.—Congress makes the following findings:

“(1) Rural areas offer technology programs in existing public schools, such as those in career and technical education programs, but they are limited in numbers and are not adequately funded. Further, rural areas often cannot support specialized schools, such as magnet or charter schools.

“(2) Technology can offer rural students educational and employment opportunities that they otherwise would not have.

“(3) Schools in rural and small towns receive a smaller share of Federal funding than their urban counterparts, necessitating that such schools receive additional assistance to implement technology curriculum.

“(4) In the future, employers without technology skills run the risk of being excluded from the new global, technological economy.

“(5) Teaching technology in rural schools is vitally important because it creates an employee pool for employers sorely in need of information technology specialists.

“(6) A qualified workforce can attract information technology employers to rural areas and help bridge the digital divide between rural and urban America that is evidenced by the out-migration and economic decline of rural areas.

“(b) PURPOSE.—It is the purpose of this part to give rural schools comprehensive assistance to train the technology literate workforce needed to bridge the rural-urban digital divide.

“SEC. 2503. GRANTS TO STATES.

“(a) IN GENERAL.—The Secretary shall use amounts made available under section 2501(a)(2) to award grants to eligible States for the development and implementation of technology curriculum.

“(b) STATE ELIGIBILITY.

“(1) IN GENERAL.—To be eligible for a grant under subsection (a), a State shall—

“(A) have in place a statewide educational technology plan developed in consultation with the State board of admin- istering programs under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.); and

“(B) include eligible local educational agencies (as defined in paragraph (2)) under the plan.

“(2) DEFINITION.—In this part, the term ‘eligible local educational agency’ means a local educational agency—

“(A) with less than 800 total students in average daily attendance at the schools served by such agency; and

“(B) with respect to which all of the schools served by the agency have a School Locale Code of 7, as determined by the Secretary.”

“(2) AMOUNT OF GRANT.—Of the amount made available under section 2301(a) to carry out this part for a fiscal year and reduced by amounts used under section 2501, the Secretary shall provide to each State an amount under subsection (a) an amount the bears that same ratio to such appropriated amount as the number of students in average daily attendance at the schools served by eligible local educational agencies in the State bears to the number of all such students at the schools served by eligible local educational agencies in all States in such fiscal year.

“(d) USES OF AMOUNTS.—

“(1) IN GENERAL.—A State that receives a grant under subsection (a) shall use—

“(A) not less than 85 percent of the amounts received under the grant to provide funds to eligible local educational agencies in the State for use as provided for in paragraph (2); and

“(B) not to exceed 15 percent of the amounts received under the grant to the activities identified in subparagraphs (i) and (ii) in subsection (b) of this part.

“(2) LOCAL USE OF FUNDS.—Amounts received under the grant to carry out this part to give rural schools comprehensive assistance to train the technology literate workforce needed to bridge the rural-urban digital divide.

“(A) the implementation of a technology curriculum that is based on standards developed by the State, if applicable; and

“(B) professional development in the area of technology, including the certification of teachers in information technology;

“(C) teacher-to-teacher technology mentoring programs;

“(D) the provision of incentives to teachers teaching in technology-related fields to persuade such teachers to remain in rural areas; and

“(E) the purchase of equipment needed to implement a technology curriculum; or

“(F) the development of, or entering into a, consortium with other local educational agencies, institutions of higher education, or for-profit businesses, nonprofit organizations, community-based organizations or other entities with the capacity to contribute to technology training for the purposes of subparagraphs (A) through (E).

“(3) AMOUNT OF ASSISTANCE.—In providing assistance to eligible local educational agencies under this section, a State shall ensure that the amount provided to any eligible agency reflects the size and financial need of the agency as evidenced by the number or percentage of children served by the agency who are in poverty.

“SEC. 2504. TECHNICAL ASSISTANCE.

“From amounts made available for a fiscal year under section 2301(a) to carry out this part, the Secretary may not to exceed 5 percent of such amounts to—

“(1) establish a position within the Office of Educational Technology of the Department of Education for a specialist in rural schools;

“(2) identify and disseminate throughout the United States information on best practices concerning technology and related training and support; and

“(3) conduct seminars in rural areas on technology education.”

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:

“(f) support for arrangements that provide for independent analysis to measure and report on school district achievement.”

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:

“On page 47, between lines 12 and 13, insert the following:

“(i) shall not be required to be considered in determining whether a school, school district, or the State is making adequate yearly progress with respect to the challenging State content and student performance standards; and

“(ii) may be used for diagnostic purposes at the discretion of the State.”

SA 464. 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 under this subparagraph 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 $92,688,000,000.";

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 each of the 3 through 8 grades that the State 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 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 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 883, 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. 670(d)(8)) is amended by striking "vocational educational training" and inserting "education on training decisions" (d)(8)(c).

(b) Clarification That Participation in a Federal Work-Study Program Is a Permissible Work Activity Under the TANF Program.—Paragraph (b) of section 407(d) of the Social Security Act (42 U.S.C. 670(d)) is each amended by inserting among the definitions of "program" in paragraph (a) of 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:—

"(1) ASSESSMENT.—The term ‘assessment’ means a 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 109, between lines 21 and 22, insert the following:

SEC. 111A. 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 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 assessments described in subsection (d) so that the basic requirements for assessment systems described in section 1111(b)(3);

"(2) provide targeted funding to States and local educational agencies to— (A) encourage States to develop assessment systems that are aligned with standards and curriculum, are valid and reliable for the purposes for which the assessments are to be used, and provide better information about the progress of individual students in terms of multiple aspects of proficiency; and (B) improve 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. 6106.

"(1) IN GENERAL.—For the purpose of carrying out part D, there are authorized to be appropriated $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) 15 percent of such excess to carry out section 6106; and

(ii) 15 percent of such excess to carry out part A, other than section 6106A.

On page 773, between lines 18 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, local nonprofit agencies 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)."

"(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 receiving a grant under this section shall—

(A) implement a State or local assessment system; 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) 15 percent of such excess to carry out section 6106; and

(ii) 15 percent of such excess to carry out part A, other than section 6106A.

On page 773, between lines 18 and 20, insert the following:
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 to meet challenging State standards.

"(b) DEFINITION OF LOCAL NONPROFIT PAR-

ENT ORGANIZATION.—In this section, the term ‘local nonprofit parent organization’ means a public or nonprofit private entity that—

(1) makes a commitment to lie on the table; and

(2) has a governing board that the majority of whom are parents of students in schools that are assisted under part A and are accessible to the families of students in those schools.

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, to extend programs and activities under the Elementary and Secondary Education Act of 1965, which have been authorized by law, to the following:

On page 344, line 9, insert “engineering,” before “mathematics.”

On page 344, line 17, strike “and” and insert “an engineering.”

On page 344, line 22, insert “engineering,” before “mathematics.”

On page 345, line 7, insert “or high-impact public sector research universities” after “business, kindergarten through grade 12 education, institutions of higher education, and public policy organizations” before the period.

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 “to include high need local education agency.”

SEC. 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 was ordered to lie on the table; as follows:

The appropriate place, add the following:

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 was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. 6. MENTAL HEALTH SERVICES DELIV-

ERED VIA TELEHEALTH.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the Office for the Advancement of Telehealth of the Health Resources and Services Administration, shall award grants to eligible entities to establish demonstration projects for the provision of mental health services to special populations as described in subsection (d)(3) and that provide mental health services using telehealth; and fees for the special population described in subsection (d)(3) may also use funds from the Special Needs grant to—

(A) purchase or install telecommunication equipment (other than such equipment used by qualified mental health professionals using telehealth; and

(B) pay qualified mental health professionals and qualified mental health education professionals on a reasonable cost basis as determined by the Secretary for services rendered.

(2) NUMBER OF DEMONSTRATION PROJECTS.—Twenty grants provided under paragraph (1) to provide services for children and adolescents as described in subsection (d)(1). Not less than 10 such grants shall be for services rendered to individuals in rural areas.

(b) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a public or nonprofit private entity that—

(A) has a governing board that the majority of whom are parents of students in schools that are assisted under part A and are accessible to the families of students in those schools.

(2) ELIGIBLE INCENTIVES.—The term ‘eligible incentive’ means a monetary award or incentive for the purpose of—

(A) recruiting individuals with demonstrated professional experience in special populations as defined in subsection (d)(3) in the delivery of telehealth services to special populations as described in subsection (d)(3); and

(B) pay qualified mental health professionals and qualified mental health education professionals on a reasonable cost basis as determined by the Secretary for services rendered.

(e) EQUIVALENT DISTRIBUTION.—In awarding grants under this section, the Secretary shall ensure, to the greatest extent possible, that such grants are equitably distributed among geographic regions of the United States.
SA 474. 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. 7. SENSE OF THE SENATE CONCERNING POSTAL RATES FOR EDUCATIONAL MATERIALS.

(a) FINDINGS.—The Senate finds that—

(1) the President and Congress both agree that education is of the highest domestic priority;

(2) access to education is a basic right for all Americans regardless of age, race, economic status or geographic boundary;

(3) reading is the foundation of all educational pursuits;

(4) the objective of schools, libraries, literacy programs, and early childhood development programs is to promote reading skills and prepare individuals for a productive role in our society;

(5) individuals involved in the activities described in paragraph (4) are less likely to be drawn into negative social behavior such as alcohol and drug abuse and criminal activity;

(6) a highly educated workforce in America is directly tied to a strong economy and our national security;

(7) the increase in postal rates by the United States Postal Service in the year 2000 for such reading materials is substantially more than the increase for any other class of mail and threatens the affordability and future distribution of such materials;

(8) failure to provide affordable access to reading materials would seriously limit the fair and universal distribution of books and classroom publications to schools, libraries, literacy programs and early childhood development programs; and

(9) the Postal Service has the discretionary authority to set postal rates.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(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 (20 U.S.C. 6311 et seq.) often does not provide funds for the economically disadvantaged students for which such funds are targeted.

(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 Targeted Grant Allocation Formula. Fiscal 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.

(c) LIMITATION ON ADEQUATE FUNDING OF TARGETED GRANTS.—Notwithstanding any other provision of law, the total amount allocated in fiscal year 2001 for programs and activities under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) must not exceed the amount allocated in fiscal year 2000 for such programs and activities unless the amount available for targeted grants to local educational agencies under section 1125 of the Act (20 U.S.C. 6825) in the applicable fiscal year is sufficient to meet the purposes of grants under that section.

SA 476. 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:

At the end of part A of title I, add the following:

SEC. 120D. 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
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 age 5)".

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. 1, to extend programs and accounts 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. 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 preceding 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 passed 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 of 2001, ordered to lie on the table.

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:

I. Short title; 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 authorization 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. 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. 123. Prohibition of interference with certain medical communications.

Sec. 124. Prohibition of discrimination against providers based on licensure.

Sec. 125. Prohibition against improper influence of medical arrangements.

Sec. 126. Payment of claims.

Sec. 127. Payment for services.

Sec. 128. Protection for patient advocacy.

Sec. 129. Protection of Me Too Act.

Sec. 130. Protection of health care providers.

Sec. 131. Protection of health care providers.

Sec. 132. Protection of health care providers.

Sec. 133. Protection of health care providers.

Sec. 134. Protection of health care providers.

Sec. 135. Protection of health care providers.

Sec. 136. Protection of health care providers.

Sec. 137. Protection of health care providers.

Sec. 138. Protection of health care providers.

Sec. 139. Protection of health care providers.

Sec. 140. Protection of health care providers.

Sec. 141. Protection of health care providers.

Sec. 142. Protection of health care providers.

Sec. 143. Protection of health care providers.

Sec. 144. Protection of health care providers.

Sec. 145. Protection of health care providers.

Sec. 146. Protection of health care providers.

Sec. 147. Protection of health care providers.

Sec. 148. Protection of health care providers.

Sec. 149. Protection of health care providers.

Sec. 150. Protection of health care providers.

Sec. 151. Protection of health care providers.

Sec. 152. Protection of health care providers.

Sec. 153. Protection of health care providers.

Sec. 154. Protection of health care providers.

Sec. 155. Protection of health care providers.

Sec. 156. Protection of health care providers.

Title II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

Sec. 201. Application to group health plans and group health insurance coverage.

Sec. 202. Application to individual health insurance coverage.

Title III—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Sec. 301. Application of patient protection standards to group health plans and group health insurance coverage under the Employee Retirement Income Security Act of 1974.

Sec. 302. Availability of civil remedies.

Sec. 303. Limitations on actions.

TITLE IV—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Sec. 401. Application of requirements to group health plan. Title VII—EFFECTIVE DATES; COORDINATION IN IMPLEMENTATION

Sec. 501. Effective dates.

Sec. 502. Coordination implementation.

Title VII—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

SEC. 1. 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) UTILIZATION REVIEW DEFINED.—For purposes of this section, the terms ‘‘utilization review’’ and ‘‘utilization review activities’’ mean procedures used to monitor or 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) WRITTEN POLICIES AND CRITERIA.—

(1) GENERAL.—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 developed with input from health care professionals, to appropriately practice health care professionals, as determined by the plan, pursuant to the program. Such criteria shall include written clinical criteria that are based on valid clinical evidence where available and that are directed specifically at meeting the needs of at-risk populations and covered individuals with chronic conditions or 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 has been specifically pre-authorized or approved for a participant, beneficiary, or enrollee under such a program, the program shall not, pursuant to retrospective review, revise or modify the specific standards, criteria, or procedures used for the utilization review for procedures, treatment, or services delivered to the enrollee during the same course of treatment.

(C) REVIEW OF SAMPLE OF CLAIMS DENIALS.—Such a program shall conduct 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 AGREEMENTS.—Such a program shall not, with respect to utilization review activities, permit or provide compensation or anything of value to its employees, agents, or contractors in a manner that encourages denials 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 with respect to the 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 the 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 appeal such determination under section 103.

(2) 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 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 received by the plan or issuer to allow for an appeal under section 103(b)(3) to be completed before the termination or reduction takes effect.

(3) PROHIBITION OF 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 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.

(b) NOTICE OF A DENIAL OF A CLAIM FOR BENEFITS.—(A) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage, shall—

(1) make a prior authorization determination 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 request for prior authorization and in no case later than 28 days after the date of the claim for benefits is received.

(B) EXPEDITED DETERMINATION.—Notwithstanding subparagraph (A), a group health plan, or health insurance issuer offering health insurance coverage, shall—

(1) 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 not 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 and a health care professional involved regarding a determination on an initial claim for benefits described in such subparagraph when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or authorized representative) at any time during the process for making a determination and a health care professional involved regarding a determination that a determination under the procedures described in subparagraph (A) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made 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) 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 knowledge and consent with respect to both the claim for benefits and the provider of health care services to the individual.

(2) CLAIM FOR BENEFITS.—The term ‘‘claim for benefits’’ means an application 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 payment in whole or in part, based upon the claim for benefits and includes a failure to provide benefits (including items and services) required to be provided under the terms of the plan or coverage.
means, with respect to services to be provided to a participant, beneficiary, or enrollee, a health care professional who is primarily responsible for delivering those services to the participant, beneficiary, or enrollee.

SEC. 103. INTERNAL APPEALS OF CLAIMS DENIALS.

(a) RIGHT TO INTERNAL APPEAL.—

(1) IN GENERAL.—A participant, beneficiary, or enrollee (or authorized representative) has a period of not less than 180 days beginning on the date of a denial of a claim for benefits under section 102 unless the procedures described in this section.

(2) TIME FOR APPEAL.—

(A) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage, shall ensure that a participant, beneficiary, or enrollee (or authorized representative) may appeal any denial of a claim for benefits under section 102 in which to appeal such denial under this section.

(B) DATE OF DENIAL.—For purposes of subparagraph (A), the date of the denial shall be deemed to be the date as of which the participant, beneficiary, or enrollee (or authorized representative) knew of the denial of the claim for benefits.

(3) FAILURE TO ACT.—The failure of a plan or issuing group health plan, or health insurance issuer offering health insurance coverage, to make a determination on the appeal and in no case later than 60 days after the date on which the plan or issuer receives necessary information that is reasonably necessary to enable the plan or issuer to make a determination within 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 soon as possible, but in no case later than 28 days after the date the request for the appeal is received.

(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 shall be made a determination on an appeal of a denial of a claim for benefits under section 102 in which to appeal such denial under this section.

(2) WRITTEN REQUESTS.—In the case of an appeal of a denial of a claim for benefits under section 102 in which to appeal such denial under this section.

(c) ONGOING CARE DETERMINATIONS.—

(A) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage, shall expedite a determination on an appeal of a denial of a claim for benefits under this 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 on such an oral request for an appeal of a denial of a claim for benefits.

(B) EXPEDITED DETERMINATION.—Notwithstanding subsection (a), a group health plan, or health insurance issuer offering health insurance coverage, shall expedite a determination on an appeal of a denial of a claim for benefits under this 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 the request for such appeal is received by the plan or issuer under this subparagraph.

(d) NOTICE OF DETERMINATION.—

(1) IN GENERAL.—Written notice of a determination made under an internal appeal of a claim for benefits for purposes of proceeding under section 104, or 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);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

SEC. 104. INDEPENDENT EXTERNAL APPEALS PROCEDURES.

(a) RIGHT TO EXTERNAL APPEAL.—A group health plan, and a health insurance issuer offering health insurance coverage, shall provide in accordance with this section participations, beneficiaries and enrollees (or authorized representatives) with access to an independent external review for any denial of coverage for benefits.

(b) INITIATION OF THE INDEPENDENT EXTERNAL REVIEW PROCESS.—

(1) TIME TO FILE.—A request for an independent external review 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) provides access to an independent external review for any denial of coverage for benefits.

(2) REVIEW OF MEDICAL DECISIONS BY PHYSICIANS.—A request of an appeal of a denial of a claim for benefits that is based on a lack of medical necessity or a claim for benefits based on an experimental or investigational treatment, or requires an evaluation of medical facts, shall be made by a physician (surgical or osteopathic) with appropriate expertise (including, in the case of a child, appropriate pediatric expertise) who was not involved in the initial determination.

(3) NOTICE OF DETERMINATION.—

(1) IN GENERAL.—A review of an appeal under an internal appeal of a claim for benefits shall be made by a 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 completion of the review (or, in the case of the proper procedures and timelines for access to an independent external review, in accordance with the proper procedures and timelines for access to an independent external review).

(4) PLAN WAIVER OF INTERNAL REVIEW.—A plan, or health insurance issuer offering health insurance coverage, may provide that the plan or issuer to comply with the requirements of subparagraph (A) or (B) or (C) of subsection (a) for no denial of a claim for benefits for purposes of proceeding to external review under section 104. This subsection shall be read 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);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

(5) IN GENERAL.—A review of an appeal under an internal appeal of a claim for benefits shall be made by a 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 completion of the review (or, in the case of the proper procedures and timelines for access to an independent external review, in accordance with the proper procedures and timelines for access to an independent external review).

(6) PLAN WAIVER OF INTERNAL REVIEW.—A plan, or health insurance issuer offering health insurance coverage, may provide that the plan or issuer to comply with the requirements of subparagraph (A) or (B) or (C) of subsection (a) for no denial of a claim for benefits for purposes of proceeding to external review under section 104. This subsection shall be read 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);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

(7) IN GENERAL.—A review of an appeal under an internal appeal of a claim for benefits shall be made by a 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 completion of the review (or, in the case of the proper procedures and timelines for access to an independent external review, in accordance with the proper procedures and timelines for access to an independent external review).

(8) PLAN WAIVER OF INTERNAL REVIEW.—A plan, or health insurance issuer offering health insurance coverage, may provide that the plan or issuer to comply with the requirements of subparagraph (A) or (B) or (C) of subsection (a) for no denial of a claim for benefits for purposes of proceeding to external review under section 104. This subsection shall be read 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);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

(9) IN GENERAL.—A review of an appeal under an internal appeal of a claim for benefits shall be made by a 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 completion of the review (or, in the case of the proper procedures and timelines for access to an independent external review, in accordance with the proper procedures and timelines for access to an independent external review).

(10) PLAN WAIVER OF INTERNAL REVIEW.—A plan, or health insurance issuer offering health insurance coverage, may provide that the plan or issuer to comply with the requirements of subparagraph (A) or (B) or (C) of subsection (a) for no denial of a claim for benefits for purposes of proceeding to external review under section 104. This subsection shall be read 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);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

(11) IN GENERAL.—A review of an appeal under an internal appeal of a claim for benefits shall be made by a 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 completion of the review (or, in the case of the proper procedures and timelines for access to an independent external review, in accordance with the proper procedures and timelines for access to an independent external review).

(12) PLAN WAIVER OF INTERNAL REVIEW.—A plan, or health insurance issuer offering health insurance coverage, may provide that the plan or issuer to comply with the requirements of subparagraph (A) or (B) or (C) of subsection (a) for no denial of a claim for benefits for purposes of proceeding to external review under section 104. This subsection shall be read 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);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

(13) IN GENERAL.—A review of an appeal under an internal appeal of a claim for benefits shall be made by a 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 completion of the review (or, in the case of the proper procedures and timelines for access to an independent external review, in accordance with the proper procedures and timelines for access to an independent external review).

(14) PLAN WAIVER OF INTERNAL REVIEW.—A plan, or health insurance issuer offering health insurance coverage, may provide that the plan or issuer to comply with the requirements of subparagraph (A) or (B) or (C) of subsection (a) for no denial of a claim for benefits for purposes of proceeding to external review under section 104. This subsection shall be read 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);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.
(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—
(i) except as provided in subparagraph (B)(ii), 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 subparagraph (B)(iv), require notice of such a request to an independent external review entity under this section upon a final determination of a denial of a claim for benefits under the section, as determined and requested by the entity. Such information shall be provided not later than 5 days after the date the request for review is received (or, in a case described in clause (ii) or (iii) of subsection (e)(1)(A), by such earlier time as may be necessary to comply with the applicable timeline under such clause.

(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) none of the conditions described in clauses (I) or (ii) of subsection (b)(2)(A) have been met; or
(ii) the denial of the claim for benefits does not involve a medically reviewable decision under subsection (d).

(C) NOTICES AND GENERAL TIMELINES FOR INDEPENDENT MEDICAL REVIEW.—
(I) IN GENERAL.—An independent medical reviewer under this section shall make a new determination as to the application of cost-sharing requirements or the application of a specific exclusion or express limitation on the amount, duration, or scope of coverage of items or services under the terms and conditions of the plan or coverage unless the decision is a denial described in subsection (d)(2).

(D) PROCESS FOR MAKING DETERMINATIONS.—
(I) NO DEFERENCE TO PRIOR DETERMINATIONS.—In making determinations under paragraph (A), there shall be no deference to, or reliance on, any prior determination of the plan or issuer or the recommendation of a treating health care professional (if any).

(II) USE OF APPROPRIATE PERSONNEL.—A qualified external review entity shall use appropriately qualified personnel to make determinations under this section.

(NOTICE AND GENERAL TIMELINES FOR DETERMINATIONS.—
(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 (or authorized representative) filing the request, and the treating health care professional (if any) that the denial is not subject to independent medical review.

(II) DETERMINATION.—A determination shall be written (and, in addition, may be provided orally) by appropriately qualified personnel to make determinations under this section.

(III) INCLUDE ANY APPROPRIATE TERMS.—A determination shall include the reasons for the determination, and

(IV) INCLUDE A DESCRIPTION OF ANY FURTHER REVIEW AVAILABLE TO THE INDIVIDUAL.

(L) GENERAL TIMELINE FOR DETERMINATIONS.—Upon receipt of information under clause (II), the qualified external review entity, and if required the independent medical reviewer, shall make a determination within the overall timeline that is applicable to independent medical review under subsection (e), except that if the entity determines that a referral to an independent medical reviewer is not required, the entity shall provide notice to the participant, beneficiary, or enrollee (or authorized representative) within such timeline and within 2 days of the date of such determination.

(3) INDEPENDENT MEDICAL REVIEW.—
(A) IN GENERAL.—If a qualified external review entity determines (c) that a denial of a claim for benefits is eligible for independent medical review, the entity shall refer the denial involved to an independent medical reviewer for the conduct of an independent medical review under this subsection.

(B) MEDICALLY REVIEWABLE DECISIONS.—A denial of a plan for benefits is eligible for independent medical review if the benefit for the item or service for which the claim is made would be a covered benefit under the terms and conditions of the plan or coverage but for one (or more) of the following determinations:

(I) DENIALS OTHERWISE BASED ON AN EVALUATION OF MEDICAL FACTS.—A determination that the item or service or condition is not covered because it is experimental or investigational or based on the application of substantially equivalent terms.

(II) DENIALS BASED ON EXPERIMENTAL OR INVESTIGATIONAL TREATMENT.—A determination that the item or service or condition is not covered because it is experimental or investigational or based on the application of substantially equivalent terms.

(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 issuer offering health insurance coverage, provide coverage for items or services for which benefits are specifically excluded or expressly limited under 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 in reaching such determination.

(iii) Information relevant evidence or information obtained by the reviewer or submitted by the plan, issuer, participant, beneficiary, or enrollee (or authorized representative), or treating health care professional.

(iv) The plan or coverage document.

(E) INDEPENDENT DETERMINATION.—In making a determination under this subsection, the qualified external review entity and an independent medical reviewer shall—

(i) consider the claim under review without deference to determinations 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 substantively equivalent terms that are used by the plan or issuer to describe medical necessity and appropriateness or experimental or investigational utilization.

(F) DETERMINATION OF INDEPENDENT MEDICAL REVIEWER.—An independent medical reviewer shall, in accordance with the deadlines described in subsection (c)(3), 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’s 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 independent medical reviewer—

(i) may submit to the qualified external review entity any 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;

(ii) submit to the qualified external review entity 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) 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 21 days after the date the refusal to provide the benefit is first provided to the participant, beneficiary, or enrollee.

(ii) EXCEPTED DETERMINATION.—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 participating provider or enrollee (as defined in paragraph (1)(A)(i)), or the participant, beneficiary, or enrollee (as defined in paragraph (1)(A)(i)) receives a copy of the written determination, at any time during the timeframe established by the medical reviewer.

(B) RETROSPECTIVE DETERMINATION.—The independent medical reviewer (or reviewers) shall complete in a 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 50 days after the date of a request for a copy of the written determination of an external review entity.

(C) COMPLIANCE.—

(i) IN GENERAL.—The plan or coverage document must comply with such determinations within the timeframe established by the medical reviewer.

(ii) Cease and Desist.—The plan or issuer shall—

(A) immediately cease and desist from the alleged action or failure to act; and

(B) take steps reasonably calculated to prevent similar actions in the future.

(iii) DETERMINATION OF INDEPENDENT MEDICAL REVIEWER.—The independent medical reviewer under this section shall be binding upon the plan or issuer involved.

(D) NONBINDING NATURE OF ADDITIONAL RECOMMENDATIONS.—In addition to the determination made by the plan or issuer, the participant, beneficiary, or enrollee (or authorized representative) may submit to the qualified external review entity any 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 involved.

(E) COMPLIANCE WITH DETERMINATION.—If the plan or issuer fails to comply with such determinations within the timeframe established by the medical reviewer, such person is responsible under the plan or coverage for authorizing coverage, for such refusal may, in the discretion of a court of competent jurisdiction, be liable to an aggrieved participant, beneficiary, or enrollee involved.

(F) Be liable to an aggrieved participant, beneficiary, or enrollee involved.

(G) BE LIABLE TO AN AGGRIEVED PARTICIPANT, BENEFICIARY, OR ENROLLEE.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee against a provider or a provider’s insurer, any person who, acting in the capacity of authorizing the benefit, causes such refusal to provide the benefit to an aggrieved participant, beneficiary, or enrollee involved.

(H) BE LIABLE TO AN AGGRIEVED PARTICIPANT, BENEFICIARY, OR ENROLLEE.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee against a provider or a provider’s insurer, any person who, acting in the capacity of authorizing the benefit, causes such refusal to provide the benefit to an aggrieved participant, beneficiary, or enrollee involved.

(I) MONETARY PENALTIES.—

(i) IN GENERAL.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee against a provider or a provider’s insurer, any person who, acting in the capacity of authorizing the benefit, causes such refusal to provide the benefit to an aggrieved participant, beneficiary, or enrollee involved.

(ii) Pay a monetary penalty of not more than $500 per violation to the aggrieved participant, beneficiary, or enrollee involved.

(iii) Pay a monetary penalty of not more than $500 per violation to the aggrieved participant, beneficiary, or enrollee involved.

(J) ADDITIONAL PENALTY FOR FAILING TO FOLLOW TIMELINE.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee against a provider or a provider’s insurer, any person who, acting in the capacity of authorizing the benefit, causes such refusal to provide the benefit to an aggrieved participant, beneficiary, or enrollee involved.

(K) BE LIABLE TO AN AGGRIEVED PARTICIPANT, BENEFICIARY, OR ENROLLEE.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee against a provider or a provider’s insurer, any person who, acting in the capacity of authorizing the benefit, causes such refusal to provide the benefit to an aggrieved participant, beneficiary, or enrollee involved.

(L) BE LIABLE TO AN AGGRIEVED PARTICIPANT, BENEFICIARY, OR ENROLLEE.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee against a provider or a provider’s insurer, any person who, acting in the capacity of authorizing the benefit, causes such refusal to provide the benefit to an aggrieved participant, beneficiary, or enrollee involved.
(i) IN GENERAL.—In addition to any penalty imposed under paragraph (A) or (B), the appropriate Secretary may assess a civil penalty against a person acting in the capacity of a benefit determiner for an external review entity for one or more group health plans, or health insurance issuers offering health insurance coverage, for—

(A) the practice of requesting or accepting refusal to authorize a benefit determined by an external appeal entity to be covered; or

(B) any pattern or practice of repeated violations of the requirements of this section with respect to such plan or coverage.

(ii) STANDARD OF PROOF AND AMOUNT OF PENALTY.—Such penalty shall be payable only upon proof by clear and convincing evidence of such pattern or practice and shall be in an amount not to exceed the lesser of—

(A) 25 percent of the aggregate value of benefits shown by the appropriate Secretary to have not been provided, or unlawfully delayed, in violation of this section under such pattern or practice; or

(B) $500,000.

(3) REMOVAL AND DISQUALIFICATION.—Any person acting in the capacity of authorizing benefits shown by such pattern or practice described in subparagraph (ii) with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, may be precluded from returning to any such pattern or practice described in subparagraph (ii) with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, for a period determined by the court.

(4) PROTECTION OF LEGAL RIGHTS.—Nothing in this subsection or subtitle shall be construed as altering or eliminating any cause of action or legal rights or remedies of participants, beneficiaries, enrollees, and other individuals under a plan or issuer under a plan or coverage, and such individuals may be precluded from returning to any such pattern or practice described in subparagraph (ii) with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, and any other person involved, with respect to such a plan or coverage, for a period determined by the court.

(5) LICENSURE AND EXPERIENCE.—Each independent medical reviewer shall be a physician (allopathic or osteopathic) of the same or similar specialty, as a health care professional (other than such a physician), a reviewer shall be a practicing physician (allopathic or osteopathic) or, if determined appropriate by the qualified external review entity, a nonphysician health care professional (other than such a physician), of the same or similar specialty as the health care professional who typically treats the condition, makes the diagnosis, or provides the type of treatment under review; or

(ii) by a health care professional (other than a physician), a reviewer shall be a practicing physician (allopathic or osteopathic) or, if determined appropriate by the qualified external review entity, a nonphysician health care professional (other than such a physician), of the same or similar specialty as the health care professional who typically treats the condition, makes the diagnosis, or provides 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 that the individual provides health care services to individual patients on average at least 2 days per week.

(6) LIMITATIONS ON REVIEWER COMPENSATION.—Compensation provided by a qualified external review entity to an independent medical reviewer in connection with a review under this section shall—

(A) not exceed a reasonable level; and

(B) not influence the decision rendered by the reviewer.

(7) RELATED PARTY DEFINED.—For purposes of this section, the term “related party” means, with respect to an individual who is a participant, beneficiary, or enrollee under a plan or coverage relating to a participant, beneficiary, or enrollee, any of the following:

(A) The plan, plan sponsor, or issuer involved, or any fiduciary, officer, director, or employee of such plan, plan sponsor, or issuer.

(B) The participant, beneficiary, or enrollee (or authorized representative).

(C) The health care professional that provides the services or services involved in the denial.

(D) The institution at which the services or services involved in the denial are provided.

(E) The manufacturer of any drug or other item that is included in the items or services involved in the denial.

(F) Any other party determined under any regulations to have a substantial interest in the denial involved.

(8) QUALIFIED EXTERNAL REVIEW ENTITIES.—

(A) SELECTION OF QUALIFIED EXTERNAL REVIEW ENTITIES.—The appropriate Secretary shall implement procedures—

(i) to assure that the selection process among qualified external review entities will not create any incentives for external review entities to make a decision in a biased manner; and

(ii) for auditing a sample of decisions by such entities to assure that no such decisions are made in a biased manner.

(B) STATE AUTHORITY WITH RESPECT TO QUALIFIED EXTERNAL REVIEW ENTITIES FOR HEALTH INSURANCE ISSUERS.—With respect to health insurance issuers offering health insurance coverage in a State, the State may provide for external review activities to be conducted by a qualified external appeal entity designated by the State that is selected by the State in a manner determined by the State to assure an unbiased determination.

(9) CONTRACT WITH QUALIFIED EXTERNAL REVIEW ENTITY.—Except as provided in 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)).

(10) 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.

(11) SUBPARAGRAPHS.—Subparagraph (B) shall not be construed as applying to the imposition of a filing fee under subsection (b)(2)(A) or costs incurred by the participant, beneficiary, or enrollee (or authorized representative) or treating health care professional (if any) incurred under a plan or coverage under a plan or issuer.

(12) RECERTIFICATION.—

(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 recertified 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 of a subsidiary of a plan or issuer, and is not an affiliate of any professional or trade association of plans or issuers of health care providers.

(iii) the entity has provided assurances that it will conduct external review activities consistent with the applicable requirements of this section and standards specified
that meet at least the standards required for the certification (or recertification) of external review entities under clause (ii).

(IV) USE OF INFORMATION.—Information provided under this subparagraph may be used by the appropriate Secretary and qualified private standard-setting organizations to conduct oversight of qualified external review entities, including recertification of such entities, and shall be made available to the public in an appropriate manner.

(E) LIMITATION ON LIABILITY.—No qualified external review entity having a contract with a plan or issuer, and no person who is employed by any such entity or who furnishes professional services to such entity (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 no actual malice or gross misconduct in the performance of such duty, function, or activity.

Subtitle B—Access to Care

SEC. 112. CHOICE OF HEALTH CARE PROFESSIONALS AND PROVIDERS.

(a) PRIMARY CARE.—If a group health plan, or a health insurance issuer that offers health insurance coverage, requires or procures professional services to such entity as a condition of certification or recertification of such an entity, that entity shall provide such services, if requested, by a participating primary care provider who is available to accept such individual.
(b) SPECIALISTS.—
(1) IN GENERAL.—Subject to paragraph (2), a group health plan and a health insurance issuer that offers health insurance coverage shall provide specialty care if the plan or issuer clearly informs participants, beneficiaries, and enrollees of the limitations on choice of participating health care professionals with respect to specialty care.
(2) LIMITATION.—Paragraph (1) shall not apply if the health insurance issuer, provides any benefits with respect to services in an emergency department of a hospital, the plan or issuer shall cover emergency services (as defined in paragraph (2)(B))—
(A) without the need for any prior authorization determination; and
(B) to a participating health care provider furnishing such services is a participating provider with respect to such services;
(D) the plan or issuer clearly informs participants, beneficiaries, and enrollees of the limitations on choice of participating health care professionals with respect to specialty care.

(3) CONSTRUCTION.—Nothing in this subsection 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—
(A) cover emergency services (as defined for purposes of section 1867(e)(3) of the Social Security Act) if the treatment plan—
(i) was provided in a manner consistent with subsection (a)(1)(A) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified health care professional who is available to accept such individual for such care.
(ii) was provided in a manner consistent with subsection (a)(1)(A) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee that the emergency department to evaluate such condition.
(ii) was provided in a manner consistent with subsection (a)(1)(A), and in a manner so that, if such services are provided to a participating health care provider with respect to such services;
(C) 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 223 of the Employee Retirement Income Security Act of 1974, or section 9801 of the Internal Revenue Code of 1986, and other than applying an actuarial loading).
(D) the participant, beneficiary, or enrollee is not liable for amounts that exceed the applicable cost-sharing.
(E) the participant, beneficiary, or enrollee, when such specialty care is a covered benefit under the plan or issuer receives care from a nonparticipating specialist (described in subsection (a)(3)) with respect to an emergency medical condition (as defined in subsection (a)(2)(B)) in the case of a female participant, beneficiary, or enrollee, when such specialty care is a covered benefit under the plan or issuer provides reimbursement for maintenance care and post-stabilization care in accordance with paragraph (3) of section 1852(d)(2) of the Social Security Act (42 U.S.C. 1395w-22(d)(2)).

(2) LICENSING.—A health insurance issuer, provides any benefits with respect to services in an emergency department of a hospital, the plan or issuer shall cover emergency services (as defined in paragraph (2)(B)) furnished under the plan or coverage under the same terms and conditions under subparagraphs (A) through (D) of subsection (a)(1) under which coverage is provided for emergency services.

(b) EMERGENCY AMBULANCE SERVICES.—For purposes of this subsection, the term “emergency ambulance services (as defined for purposes of section 1861(s)(7) of the Social Security Act) furnished to transport an individual who has an emergency medical condition (as defined in subsection (a)(2)(A)) to a hospital for the receipt of emergency services (as defined in subsection (a)(2)(B)) in a case in which the emergency services are covered under the plan or coverage pursuant to subsection (a)(1) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified health care professional who is available to accept such individual for such care.

(c) COVERAGE OF EMERGENCY AMBULANCE SERVICES.—
(1) IN GENERAL.—If a group health plan, or health insurance coverage offered by a health insurance issuer, provides any benefits with respect to ambulance services and emergency services, the plan or issuer shall cover emergency ambulance services (as defined in paragraph (2)) furnished under the plan or coverage under the same terms and conditions under subparagraphs (A) through (D) of subsection (a)(1) under which coverage is provided for emergency services.
(2) EMERGENCY AMBULANCE SERVICES.—
(A) for purposes of this subsection, the term “emergency ambulance services (as defined for purposes of section 1861(s)(7) of the Social Security Act) furnished to transport an individual who has an emergency medical condition (as defined in subsection (a)(2)(A)) to a hospital for the receipt of emergency services (as defined in subsection (a)(2)(B)) in a case in which the emergency services are covered under the plan or coverage pursuant to subsection (a)(1) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified health care professional who is available to accept such individual for such care.
(B) E MERGENCY AMBULANCE SERVICES.—For purposes of this subsection, the term “emergency ambulance services (as defined for purposes of section 1861(s)(7) of the Social Security Act) furnished to transport an individual who has an emergency medical condition (as defined in subsection (a)(2)(A)) to a hospital for the receipt of emergency services (as defined in subsection (a)(2)(B)) in a case in which the emergency services are covered under the plan or coverage pursuant to subsection (a)(1) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified health care professional who is available to accept such individual for such care.

SEC. 114. TIMELY ACCESS TO SPECIALISTS.

(a) TIMELY ACCESS.—
(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—
(A) cover emergency services (as defined for purposes of section 1861(s)(7) of the Social Security Act) if the treatment plan—
(i) was provided in a manner consistent with subsection (a)(1)(A) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified health care professional who is available to accept such individual for such care.
(ii) was provided in a manner consistent with subsection (a)(1)(A) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified health care professional who is available to accept such individual for such care.
(B) E MERGENCY AMBULANCE SERVICES.—For purposes of this subsection, the term “emergency ambulance services (as defined for purposes of section 1861(s)(7) of the Social Security Act) furnished to transport an individual who has an emergency medical condition (as defined in subsection (a)(2)(A)) to a hospital for the receipt of emergency services (as defined in subsection (a)(2)(B)) in a case in which the emergency services are covered under the plan or coverage pursuant to subsection (a)(1) and a prudent layperson, with an average knowledge of health and medicine, could reasonably inform the participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified health care professional who is available to accept such individual for such care.

(b) REFERRALS FOR ONGOING SPECIAL CONDITIONS.—
(1) IN GENERAL.—A group health plan or health insurance issuer shall permit a participating health care provider with prior authorization to refer a patient, beneficiary, or enrollee to a specialty care if and when the plan or issuer determines that the treatment plan—
(A) shall be for an appropriate duration of time or number of referrals; and
(B) may not be refused solely because the authorization involves services of a non-participating specialist (described in subsection (a)(3)).
(2) TIMELY ACCESS.—
(A) IN GENERAL.—If a group health plan or health insurance issuer shall permit a participating health care provider with prior authorization to refer a patient, beneficiary, or enrollee to a specialty care if and when the plan or issuer determines that the treatment plan—
(B) ONGOING SPECIAL CONDITION DEFINED.—
In this subsection, the term “ongoing special condition” means a condition or disease that—
(i) is life-threatening, degenerative, potentially disabling, or could result in death; and
(ii) requires specialized medical care over a prolonged period of time.
(c) TREATMENT PLANS.—
(1) IN GENERAL.—A group health plan or health insurance coverage provided by a health insurance issuer may require an authorization for referral to a specialist for the treatment of such condition and such specialist may authorize such referrals, procedures, tests, and other medical services with respect to such condition, or coordinate the care for such condition, 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 RULE.—
(1) DIRECT ACCESS.—A group health plan, or health insurance issuer offering health insurance coverage, described in subsection (b)(2), may not require authorization or referral by the plan, issuer, or any person (including a primary care provider described in subsection (b)(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.
(2) OBSTETRICAL AND GYNECOLOGICAL CARE.—A group health plan or health insurance issuer described in subsection (b)(2) shall make provisions for 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 gynecologic care; and 

(2) requires the designation by a participant, beneficiary, or enrollee of a participating primary care provider.

(c) 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 issuer from requiring that the obstetrical or gynecological provider notify the primary care health care professional or the plan or issuer of treatment decisions of the termination described in paragraph (2) that—

(3) subject to subsection (c), permit the participant, beneficiary, or enrollee who—

(A) is undergoing a course of treatment for a serious and complex condition from the provider at the time the plan or issuer receives or provides notice of provider, benefit, or coverage termination described in paragraph (1) or (2), if applicable, 

(B) waives any exclusions of coverage under the terms and conditions of the plan or issuer or 

(C) subject to subsection (c), permit the participant, beneficiary, or enrollee who—

(A) is pregnant and undergoing a course of treatment for the pregnancy from the provider at the time the plan or issuer receives or provides notice of provider, benefit, or coverage termination described in paragraph (1) or (2), if applicable, 

(B) is undergoing a course of institutional or inpatient care from the provider at the time of such notice; 

(C) is scheduled to undergo non-elective surgery from the provider at the time of such notice; 

(D) is pregnant and undergoing a course of treatment for the pregnancy from the provider at the time of such notice; or 

(E) is or was determined to be terminally ill (as determined under section 1861(d)(3)(A) of the Social Security Act) at the time of treatment by such health care provider, and (in the case of such a contract) the contract between the plan or issuer and the primary care health care professional from which services are provided to such plan or issuer necessary medical information related to the care provided.

(d) 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—

(A) notify participants, beneficiaries, or enrollees of their rights under this section; or 

(B) provide the plan or issuer with the name of each participant, beneficiary, or enrollee who the provider believes is a continuing care patient.

(e) Definitions.—In this section:

(1) Contract.—The term ‘‘contract’’ includes with respect to a plan and a treating health care provider, a contract between such plan or issuer and an organized network of providers that includes the treating health care provider, and (in the case of such a contract) the contract between the treating health care provider and the organized network.

(2) Health care provider.—The term ‘‘health care provider’’ or ‘‘provider’’ means—

(A) any individual who is engaged in the delivery of health care services in a State and that, if it is required by State law or regulations to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed or certified; 

(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 regulations to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed or certified; 

(3) Serious and Complex Condition.—The term ‘‘serious and complex condition’’ means, with respect to a participant, beneficiary, or enrollee under such plan or issuer, coverage—

(A) in the case of an acute illness, a condition that is serious enough to require specialized medical treatment to avoid the reasonable possibility of death or permanent harm; or 

(B) in the case of a chronic illness or condition, an ongoing special condition (as defined in section 114(b)(2)(B)).

(4) Terminated.—The term ‘‘terminated’’ includes, with respect to a contract, the expiration or nonrenewal of the contract, but the term does not include a termination of the contract for failure to meet applicable quality standards or for fraud.
SEC. 118. ACCESS TO NEEDED PRESCRIPTION DRUGS.

(a) In General.—To the extent that a group health plan, or health insurance coverage under a group 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 the disclosure of the formulary to providers; and

(3) in accordance with the applicable quality assurance and utilization review standards under section 351 of the Public Health Service Act, without regard to any postmarketing requirements that may apply under such Act; or

(b) COVERAGE OF APPROVED DRUGS AND MEDICAL DEVICES.—

(1) In General.—A group health plan (or health insurance coverage offered in connection with such a plan) that provides coverage for prescription drugs or medical devices shall not deny coverage of such a drug or device on the basis that the use is investigational, if the following:

(A) in the case of a prescription drug—

(i) is included in the labeling authorized by the application in effect for the drug pursuant to subsection (b) or (j) of section 513 of the Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply pursuant to such section; or

(ii) is included in the labeling authorized by the application in effect for the drug under section 351 of the Public Health Service Act or in an approved clinical trial according to the trial protocol with respect to treatment of such illness;

(C) 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.

(2) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

(3) 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, 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).

(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 cover, to the extent that such costs 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).

(d) APPOINTMENT OF INVESTIGATIONAL DRUG.—

(1) IN GENERAL.—In this section, the term "approved clinical trial" means a clinical research study or clinical investigation approved by the applicable funders of the clinical trial (including through in-kind contributions) by one or more of the following:

(A) The National Institutes of Health.

(B) A coordinating center of the National Institutes of Health.

(C) The Food and Drug Administration.

(D) Either of the following if the conditions described in paragraph (b) are met:

(i) The Department of Veterans Affairs.

(ii) The Department of Defense.

(2) CONDITIONS FOR DEPARTMENTS.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the appropriate Secretary determines—

(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health and the National Cancer Institute.

(B) assures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.

(e) CONSTRUCTION.—Nothing in this section shall be construed to limit a plan's or issuer's coverage with respect to clinical trials.

SEC. 120. REQUIRED COVERAGE FOR MINIMUM STAYS FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

(a) INPATIENT CARE.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides medical and surgical benefits shall ensure that inpatient care with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

(A) a mastectomy;

(B) a lumpectomy; or

(C) a lymph node dissection for the treatment of breast cancer.

(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

(b) PROHIBITION OF CERTAIN MODIFICATIONS.—The plan or issuer's coverage with respect to medical and surgical 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 medical services necessary for such a secondary consultation are not reasonably available from specialists in the area, the plan or issuer shall provide for a reasonable alternative with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that full coverage is provided with respect to services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan or issuer.

(c) SECONDARY CONSIDERATIONS.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation. In determining whether to provide financial or other incentives to a physician or specialist provided by a participating provider or to a participant, beneficiary, or enrollee in accordance with this section, a group health plan, and a health insurance issuer providing health insurance coverage, may not modify the terms and conditions of coverage based on the determination by a participant, beneficiary, or enrollee to request less than the minimum coverage required under subsection (a).

(d) REQUIRED COVERAGE FOR SECONDARY CONSULTATIONS.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides medical and surgical benefits shall ensure that inpatient care with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

(A) a mastectomy;

(B) a lumpectomy; or

(C) a lymph node dissection for the treatment of breast cancer.
certain limits or to limit referrals for secondary consultations; or
(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refer a participant, beneficiary, or enrollee for a secondary consultation that would otherwise be covered by the plan or coverage involved under section 112.

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 of:
(i) 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) SPECIALTY CARE.—A description of the requirements and procedures to be used by participants, beneficiaries, and enrollees in selecting, accessing, using, or changing their primary care provider, including provisions for participating and nonparticipating providers, and enrollees with communication disabilities (including those required to participate in clinical trials is covered under a 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 maximum out-of-pocket expense for which the participant, beneficiary, or enrollee may be liable;
(C) any cost-sharing requirements for out-of-network providers, and enrollees receiving services 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 involved under section 112.

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 of:
(i) 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) SPECIALTY CARE.—A description of the requirements and procedures to be used by participants, beneficiaries, and enrollees in selecting, accessing, using, or changing their primary care provider, including provisions for participating and nonparticipating providers, and enrollees with communication disabilities (including those required to participate in clinical trials is covered under a 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 maximum out-of-pocket expense for which the participant, beneficiary, or enrollee may be liable;
(C) any cost-sharing requirements for out-of-network providers, and enrollees receiving services 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 involved under section 112.

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 of:
(i) 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) SPECIALTY CARE.—A description of the requirements and procedures to be used by participants, beneficiaries, and enrollees in selecting, accessing, using, or changing their primary care provider, including provisions for participating and nonparticipating providers, and enrollees with communication disabilities (including those required to participate in clinical trials is covered under a 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 maximum out-of-pocket expense for which the participant, beneficiary, or enrollee may be liable;
(C) any cost-sharing requirements for out-of-network providers, and enrollees receiving services 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 involved under section 112.
salary, bundled payments, per diem, or a combination thereof) used for compensating a health care professional because the professional is acting within the lawful scope of practice.

(b) PROTECTION FOR QUALITY ADOVACY BY HEALTH CARE PROFESSIONALS.—

(1) IN GENERAL.—A group health plan or health insurance issuer may not retaliate or discriminate against a health care professional because the professional is acting within the lawful scope of practice.

(2) RECIPROCITY.—Any contract provision or agreement that restricts or prohibits medical communications in violation of 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 with respect to health insurance coverage, shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of a provider's license or certification applicable State law, solely on the basis of such license or certification.

(b) CONSTRUCTION.—Subsection (a) shall not be construed—

(1) as requiring the coverage under a group health plan or health insurance coverage of a particular benefit or service or to prohibit a plan or issuer from including providers only to the extent necessary to meet the needs of the plan participants, beneficiaries, or enrollees or from establishing any standard or that a participant is in imminent danger of loss of life or serious injury to a participant, beneficiary, or enrollee with the plan or issuer, in a manner consistent with the provisions of section 1876(i)(8) of the Social Security Act unless the requirements described in clauses (i), (ii)(I), and (iii) of subparagraph (A) of such section are met with respect to such a plan.

(2) to override any State licensure or scope-of-practice law; or

(3) as requiring a plan or issuer that offers network coverage to include for participation every willing provider who meets the terms and conditions of the plan or issuer.

SEC. 133. PROHIBITION AGAINST IMPROPER INCLUSION OF A PROVIDER IN A PREFERRED PROVIDER ORGANIZATION NETWORK.

(a) IN GENERAL.—A group health plan and a health insurance issuer offering health insurance coverage may not operate any physician incentive plan (as defined in subparagraph (B) of section 1876(i)(8) of the Social Security Act) unless the requirements described in clauses (i), (ii)(I), and (iii) of subparagraph (A) of such section are met.

(b) APPLICABILITY.—For purposes of carrying out paragraph (1), any reference to the applicable Secretary may include for participation every willing provider who meets the terms and conditions of the plan or issuer.

(c) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan or issuer from including providers only to the extent necessary to meet the needs of the plan participants, beneficiaries, or enrollees or from establishing any standard or that a participant is in imminent danger of loss of life or serious injury to a participant, beneficiary, or enrollee with the plan or issuer, in a manner consistent with the provisions of section 1876(i)(8) of the Social Security Act unless the requirements described in clauses (i), (ii)(I), and (iii) of subparagraph (A) of such section are met.

(d) 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.

(e) 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 for employees of an employer.

(1) 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 group health plan or health insurance coverage; and

(2) complying with the provisions of this section by providing information in braille, 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) in connection with any such disclosure of information through the Internet or other electronic media—

(i) the recipient has affirmatively consented to the disclosure of such information in such form,

(ii) the recipient is capable of accessing the information so disclosed and provides the information in printed form if the information is not received.

Subtitle D—Protecting the Doctor-Patient Relationship

SEC. 131. PROHIBITION OF INTERFERENCE WITH CERTAIN MEDICAL COMMUNICATIONS.

(a) GENERAL RULE.—The provisions of any contract or agreement, or the operation of any contract or agreement, between a group health plan or health insurance issuer in relation to health insurance coverage including any partnership, association, or other organization that enters into or administers such a contract or agreement) and a health care provider (or group of health care providers) shall not prohibit or otherwise restrict a health care professional from advising such a participant, beneficiary, or enrollee who is a patient of the professional about the potential benefits of such care or treatment with the provision of health care under the plan or coverage.

(b) PROTECTION FOR QUALITY ADOVACY BY HEALTH CARE PROFESSIONALS.—

(1) IN GENERAL.—A group health plan or health insurance issuer may not retaliate or discriminate against a health care professional because the professional is acting within the lawful scope of practice.

(2) RECIPROCITY.—Any contract provision or agreement that restricts or prohibits medical communications in violation of subsection (a) shall be null and void.

(c) CONSTRUCTION.—Subsection (a) shall not be construed—

(1) as requiring the coverage under a group health plan or health insurance coverage of a particular benefit or service or to prohibit a plan or issuer from including providers only to the extent necessary to meet the needs of the plan participants, beneficiaries, or enrollees or from establishing any standard or that a participant is in imminent danger of loss of life or serious injury to a participant, beneficiary, or enrollee with the plan or issuer, in a manner consistent with the provisions of the Social Security Act; or

(2) to override any State licensure or scope-of-practice law; or

(3) as requiring a plan or issuer that offers network coverage to include for participation every willing provider who meets the terms and conditions of the plan or issuer.

(d) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan or issuer from including providers only to the extent necessary to meet the needs of the plan participants, beneficiaries, or enrollees or from establishing any standard or that a participant is in imminent danger of loss of life or serious injury to a participant, beneficiary, or enrollee with the plan or issuer, in a manner consistent with the provisions of section 1876(i)(8) of the Social Security Act unless the requirements described in clauses (i), (ii)(I), and (iii) of subparagraph (A) of such section are met with respect to such a plan.

(e) CONSTRUCTION.—Subsection (a) shall not be construed as prohibiting all capitalization and similar arrangements or all provider discount arrangements.

(a) GENERAL EXCEPTION.—Paragraph (1) does not protect disclosures that would violate Federal or State law or diminish or impair the rights of any person to the continuation of protection of confidentiality of communications provided by such law.

(b) NOTICE OF INTERNAL PROCEDURES.—Subparagraph (D) of paragraph (2) shall not apply unless the internal procedures involved are reasonably expected to be known to the health care professional involved. For purposes of this subparagraph, a health care professional is reasonably expected to know of internal procedures if those procedures have been made available to the professional through the distribution of the procedures to all participants, beneficiaries, or enrollees (including an internal or external review or appeal process under this title).

(c) INTERNAL PROCEDURE EXCEPTION.—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.

(ii) 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 subject of the 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 in the activities protected under such paragraph.

(5) NOTICE.—A group health plan, health insurance issuer, and institutional health care provider, to the extent permitted by law, shall provide notice, to be provided 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 PRIOR REVIEW PROTOCOLS AND INTERNAL PROCEDURES.—Nothing in this subsection shall be construed to prohibit a plan or issuer from establishing 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 any applicable Federal or State law.

(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 with the plan or issuer for provision of services for which benefits are available under the plan or issuer;

(B) with respect to an institutional health care provider, is an employee of the provider or has a contract or other arrangement with the provider reflecting 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 consultation with the Secretary of Labor and the term "appropriate Secretary" means the Secretary of Health and Human Services in relation to carrying out this title under sections 2706 and 2751 of such Act and the Secretary of Labor in relation to carrying out any part of 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 any provision of this title, the applicable State authority (as defined in section 2791(d) of such Act), or the Secretary of Health and Human Services with respect to the applicable State authority (as defined in section 2791(d) of such Act), or the Secretary of Labor in enforcing such provision under section 2722(a)(2) or 2761(a)(2) of such Act.

(2) ENROLLEE.—The term "enrollee" means an individual enrolled with the issuer to receive such coverage.

(3) GROUP HEALTH PLAN.—The term "group health plan" has the meaning given such term in section 733(a)(1) of the Employee Retirement Income Security Act of 1974, except that such term includes a group 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 to provide health care services and who is operating within the scope of such licensure, accreditation, or certification.

(5) HEALTH CARE 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 Federal or State law.

(6) NETWORK.—The term "network" means, with respect to a group health plan or health insurance issuer offering health insurance coverage, the health care professionals and providers from whom the plan or issuer provides health care items and services to participants, beneficiaries, or 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 items and services.

(b) 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 AND PROVIDERS.

(1) IN GENERAL.—Subject to paragraph (2), this title shall not be construed to supersede any provision of State law which establishes, modifies, or implements a 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 PROTECTION 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 standard and requirements 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 such requirement, under this title, the applicable State authority (as defined in section 2791(d) of such Act) shall, for purposes 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 are at least substantially equivalent to patient protection requirements otherwise applicable with respect to health insurance coverage and non-Federal governmental plans.

(2) REVIEW.—

(A) IN GENERAL.—The Secretary shall periodically review a certification submitted under paragraph (1) with respect to a State 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.—If an 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 certification has been disapproved (and 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 45 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)(A); or

(ii) the Secretary determines that the State’s laws, rules, or regulations do not provide for patient protections that are at least substantially equivalent to and as effective as the patient protection requirement (or requirements) with respect to such patient protections.

(B) STATE CHALLENGE.—A State that has a certification 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 of compliance with the standard described in subparagraph (A) 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 LAW.—The term “State law” includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

(2) SUBDIVISIONS.—The term “State” includes a State, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, 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 specific items and services under the terms, conditions, or coverage, other than those provided under the terms and conditions of such plan or coverage.

(b) EXCLUSION FROM ACCESS TO CARE MANAGED CARE PROVISIONS FOR PER-FOR-SERVICE COVERAGE.—

(1) IN GENERAL.—The provisions of sections 111 through 117 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 an agreement to contract terms and conditions or the utilization of health care items or services relating to such provider;

(C) allows access to any provider that is lawfully authorized to provide the covered services and that agrees to accept the terms and conditions of payment established under the plan or by the issuer; and

(D) 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 2735 of the Public Health Service Act and section 714 of the Employee Retirement Income Security Act of 1974, section 2791(c)(2)(A), and section 738(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 appropriate to carry out this title. Such regulations shall be issued consistent with section 104 of Health Insurance Portability and Accountability Act of 1996. The regulations may promulgate any interim final rules as the Secretaries determine are appropriate to carry out this title.

SEC. 156. INCORPORATION IN PL AN 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 applicable to, any plan, certificate, or contract providing such coverage and are enforceable under law as if directly included in the documentation of such plan, certificate, or contract.

TITLE II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE TO COVER THE PUBLIC HEALTH SERVICE ACT

PART B—APPLICATION TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE

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 incorporated into this subsection.

(b) CONFORMING AMENDMENT.—Section 2721(b)(2)(A) of such Act (42 U.S.C. 300gg–21(b)(2)(A)) is amended by inserting “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, policies, and contracts, and such requirements shall be incorporated into this subsection.

SEC. 203. 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 subtitle B of title I 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 form of 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 sponsor 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 pedi atric care);

(7) Section 117 (relating to continuity of care), but only insofar as a replacement issuer assumes the obligation for continuity of care.

(8) Section 118 (relating to access to needed prescription drugs).

(9) Section 119 (relating to coverage for individuals participating in approved clinical trials);

(10) 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);

(11) Section 134 (relating to payment of claims);

(12) 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 form of 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.

(13) INTERNAL APPEALS.—With respect to the internal appeals process required to be established under section 103 of such Act, in the case of a group health plan that provides benefits in the form of 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.

(14) 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 appeals 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 fail-
ure to meet any requirements under such
section.
"(5) APPLICATION TO PROHIBITIONS.—Pursu-
ant to paragraph (1) of this subsection, if a
health insurance issuer offers health insurance cov-
erage in connection with a group health plan and
takes an action in violation of any of the follow-
ing requirements imposed under 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 communi-
cations).
"(B) Section 133 (relating to prohibition
against improper incentive arrangements).
"(C) Section 135 (relating to protection
for patient advocacy).

"(6) CONSTRUCTION.—Nothing in this sub-
section 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 EQUIVA-
LENT STATE LAWS.—For purposes of applying this
section to the requirements of sections 135(b)(1)
of the Bipartisan Patient Protection Act of 2001
with respect to a group health plan, a health insur-
ance issuer is deemed to include
requirements imposed under title I of the
Employee Retirement Income Security Act of
1974 (29 U.S.C. 1132(b)(3)) is amended by inserting
"(other than section 135(b)(3)) after "part 7.

SEC. 302. AVAILABILITY OF CIVIL REMEDIES.
(a) AVAILABILITY OF FEDERAL CIVIL REMEDIES
IN CASES NOT INVOLVING MEDICALLY
REVIEWABLE DECISIONS.—
In general.—Section 502 of the
Employee Retirement Income Security Act of
1974 (29 U.S.C. 1132) is amended by adding at the
direct participation because
of any form of decisionmaking or other con-
duct constituting the failure.

(b) SATISFACTION OF ERISA CLAIMS
PROCEDURE REQUIREMENT.—Section 505 of such
Act (29 U.S.C. 1145) is amended by inserting a
subsection after "Sec. 505." and by adding at the end
the following new subsection:

"(b) In the case of a group health plan (as
defined in section 733) compliance with the
requirements of subsection (a) of title I of the
Bipartisan Patient Protection Act of 2001,
and compliance with regulations promul-
gated by the Secretary, in the case of a
claim 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
inserting "and other plan sponsor maintaining the
plan or coverage, unless there existed
direct participation by an employee
or other plan sponsor acting within the
scope of employment.

(2) CAUSE OF ACTION RELATING TO PROVI-
SION OF HEALTH BENEFITS.—
"(1) In general.—In any case in which
(A) a person or entity (or a fiduciary of a
group health plan, a health insurance issuer offer-
ing health insurance coverage in connection
with the plan, or an agent of the plan, issuer,
or plan sponsor, and
"(i) upon consideration of a claim for bene-
fits of a participant or beneficiary under sec-
tion 102 of the Bipartisan Patient Protection
Act of 2001 upon consideration of a claim for
benefits, or under section 103 of such Act, the
Secretary shall issue regulations to coordinate
the terms and conditions of the plan
with the requirements imposed under the
Employee Retirement Income Security Act of
1974.

(2) TREATMENT OF OTHER REQUIRE-
MENTS.—The provisions of sections
732(d) and 733 apply for purposes of this sub-
section in the same manner as they apply for
purposes of part 7, except that the term
'group health plan' includes a group health
plan (as defined in section 607(1)).

(3) EXCLUSION OF EMPLOYERS AND
PLAN SPONSORS.—
(A) CAUSES OF ACTION AGAINST
EMPLOYERS AND PLAN SPONSORS PRECLUDED.—Subject to
paragraph (b), paragraph (1)(A) does not authorize
a cause of action against an em-
ployer or other plan sponsor maintaining the
plan (or against an employee of such an em-
ployer or sponsor acting within the scope of
employment).

(B) CERTAIN CAUSES OF ACTION PER-
MITTED.—Notwithstanding subparagraph (A), a
cause of action may arise against an em-
ployer or other plan sponsor (or against an
employee of such an employer or plan sponsor
acting within the scope of employment).—
"(i) under clause (1) of paragraph (1)(A), to
the extent there was direct participation by
the employer or other plan sponsor (or em-
ployee) in the decision of the plan under sec-
tion 102 of the Bipartisan Patient Protection
Act of 2001 upon consideration of a claim for
bene-
fits or under section 103 of such Act
upon review of a denial of a claim for bene-
fits, or
"(ii) under clause (1) of paragraph (1)(A),
to the extent there was direct participation by
the employer or other plan sponsor (or employee)
in the failure described in such clause.

(C) DIRECT PARTICIPATION.—
"(1) DIRECT PARTICIPATION IN DECISIONS.—
For purposes of subparagraph (B), the term
'direct participation' means, in connection
with a decision described in clause (1) of
paragraph (2)(A) or a failure described in
clause (1) of such paragraph, the actual
making of such decision or the actual exer-
cise of control in making such decision or in
the conduct constituting the failure.

(2) ROLES OF CONSTRUCTION.—For pur-
purposes of clause (1) of paragraphs (1)(A)
or (B), the term 'plan sponsor (or employee) shall not be construed
to be engaged in direct participation because
of any form of decisionmaking or other con-
duct constituting the failure.

(3) CAUSE OF ACTION RELATING TO
PROVIDING HEALTH BENEFITS.—
"(1) In general.—In any case in which
(A) a person or entity (or a fiduciary of a
group health plan, a health insurance issuer offer-
ing health insurance coverage in connection
with the plan, or an agent of the plan, issuer,
or plan sponsor, and
"(i) upon consideration of a claim for bene-
fits of a participant or beneficiary under sec-
tion 102 of the Bipartisan Patient Protection
Act of 2001 upon consideration of a claim for
benefits, or under section 103 of such Act, the
Secretary shall issue regulations to coordinate
the terms and conditions of the plan
with the requirements imposed under the
Employee Retirement Income Security Act of
1974.

(2) TREATMENT OF OTHER REQUIRE-
MENTS.—The provisions of sections
732(d) and 733 apply for purposes of this sub-
section in the same manner as they apply for
purposes of part 7, except that the term
'group health plan' includes a group health
plan (as defined in section 607(1)).

(3) EXCLUSION OF EMPLOYERS AND
PLAN SPONSORS.—
(A) CAUSES OF ACTION AGAINST
EMPLOYERS AND PLAN SPONSORS PRECLUDED.—Subject to
paragraph (b), paragraph (1)(A) does not authorize
a cause of action against an em-
ployer or other plan sponsor (or against an
employee of such an employer or plan sponsor
acting within the scope of
employment).

(B) CERTAIN CAUSES OF ACTION PER-
MITTED.—Notwithstanding subparagraph (A), a
cause of action may arise against an em-
ployer or other plan sponsor (or against an
employee of such an employer or plan sponsor
acting within the scope of
employment).—
"(i) under clause (1) of paragraph (1)(A), to
the extent there was direct participation by
the employer or other plan sponsor (or em-
ployee) in the decision of the plan under sec-
tion 102 of the Bipartisan Patient Protection
Act of 2001 upon consideration of a claim for
bene-
fits or under section 103 of such Act
upon review of a denial of a claim for bene-
fits, or
"(ii) under clause (1) of paragraph (1)(A),
to the extent there was direct participation by
the employer or other plan sponsor (or employee)
in the failure described in such clause. 
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)—

(i) any participation by the employer or other plan sponsor (or employee) in the selection of a group health plan or health insurance coverage involved or the third party administrator or other agent;

(ii) 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, any benefit involved;

(iii) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating any benefit or any benefits under the plan, if such process was not substantively focused solely on the particular situation of the participant or beneficiary referred to in in paragraph (1)(A); and

(iv) any participation by the employer or other plan sponsor (or employee) in the design of any benefit under the plan, including the amount of any benefit and limits connected with such benefit.

(iv) IRRELEVANCE OF CERTAIN COLLATERAL EFFORTS MADE BY EMPLOYER OR PLAN SPONSOR.—This subsection shall not apply if the action commenced after 3 years after the later of—

(A) the date as of which the requirements of section 104(d)(2) of the Patient Protection and Affordable Care Act were satisfied with respect to the plan involved;

(B) the date as of which the requirements of section 104(d)(1) of the Patient Protection and Affordable Care Act were satisfied with respect to the plan involved; or

(C) the date as of which the requirements of section 104(d)(3) of the Patient Protection and Affordable Care Act were satisfied with respect to the plan involved;

(ii) EXCEPTION FOR CERTAIN ACTIONS FOR WRONGFUL DEATH.—Subparagraph (A) does not apply to any action brought in Federal court under this subsection with respect to a directed recordkeeper in connection with such claim.

(iii) DEFINITION.—In clause (i), the term ‘irreparable harm’, with respect to an individual, means an injury or condition that, regardless of whether the individual receives appropriate medical treatment in connection with the individual’s pre-existing condition, cannot be repaired in a manner that would restore the individual to the individual’s pre-existing condition.

(iii) ELECTRONIC RECORDKEEPING DURING APPEALS PROCESS.—Receipt by the participant or beneficiary of the benefits involved in the claim for benefits during the pendency of any administrative or judicial proceeding in subparagraph (A) or of any action commenced under this subsection—

(i) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and

(ii) shall not preclude any liability under subsection (a)(1)(C) and this subsection in connection with such claim.

The court in any action commenced under this subsection shall take into account any receipt of benefits during such administrative processes or such action in determining the amount of the damages awarded.

(h) STATUTORY DAMAGES.—

(A) IN GENERAL.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under this subsection.

(B) AMOUNT.—The remedies set forth in this subsection (n) shall be—

(i) at least $1,000,000, payable to the claimant, or

(ii) $500,000, payable to the claimant, except that the remedies provided by subparagraph (i) shall not be doubled except in the case of a defendant found to have committed fraud.

(C) RECEIPT OF BENEFITS DURING APPEALS PROCESS.—Receipt by the participant or beneficiary to the extent that the directed recordkeeper fails to follow the specific instruction of the plan or the employer or other plan sponsor.

(D) RECEIPT OF BENEFITS DURING APPEALS PROCESS.—Receipt by the participant or beneficiary, or by any agent contacted by such participant or beneficiary, in connection with such an action, subject to making decisions on claims for benefits.

(E) LIMITATION.—Subparagraph (A) does not apply in connection with any directed recordkeeper to the extent that the directed recordkeeper fails to follow the specific instruction of the plan or the employer or other plan sponsor.

(ii) EXCEPTION FOR CERTAIN ACTIONS FOR WRONGFUL DEATH.—Clause (i) shall not apply with respect to an action for wrongful death if the applicable State law provides any punitive, exemplary, or similar damages and the punitive, exemplary, or similar damages are expressly provided for in the applicable State law.

(2) C ONFORMING AMENDMENT.—Section 502(a)(1) of such Act (29 U.S.C. 1132(a)(1)) is amended—

(A) by striking ‘‘or’’ at the end of subparagraph (B) and substituting ‘‘and’’ for ‘‘or’’; and

(B) in subparagraph (B), by striking ‘‘plan,’’ and inserting ‘‘plan, or’’;

(3) OTHER CONFORMING AMENDMENTS.—The Patient Protection and Affordable Care Act (as modified by this section) shall be construed to preclude—

(A) the purchase of insurance to cover liabilities, or losses arising from a cause of action, under any State law involving medically reviewable decision.

(B) the purchase by 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.

(ii) IN GENERAL.—Except as provided in this subsection, no title in this title including section 104(d)(2) of the Bipartisan Patient Protection and Affordable Care Act provides any punitive, exemplary, or similar damages and the punitive, exemplary, or similar damages are expressly provided for in the applicable State law.

(2) PURCHASE OF INSURANCE TO COVER LIABILITIES.—The remedies set forth in this subsection (n) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and shall not preclude any liability under subsection (a)(1)(C) and this subsection in connection with such claim.

The court in any action commenced under this subsection shall take into account any receipt of benefits during such administrative processes or such action in determining the amount of the damages awarded.

The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under this subsection.

The remedies set forth in this subsection (n) shall be—

(i) at least $1,000,000, payable to the claimant, or

(ii) $500,000, payable to the claimant, except that the remedies provided by subparagraph (i) shall not be doubled except in the case of a defendant found to have committed fraud.

FOR Purposes of subparagraph (A), the term ‘claimant’ means an individual, as defined in section 104(d)(2) of the Bipartisan Patient Protection and Affordable Care Act of 2001 and whose duties under this Act or title I of the Bipartisan Patient Protection and Affordable Care Act or title I of the Patient Protection and Affordable Care Act include making decisions on claims for benefits.

(ii) LIMITATION ON PUNITIVE DAMAGES.—Subparagraph (A) does not apply to any action brought with respect to a participant or beneficiary.

(iii) PURCHASE OF INSURANCE TO COVER LIABILITIES.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under any State law involving medically reviewable decision.

(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.

(ii) PURCHASE OF INSURANCE TO COVER LIABILITIES.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under any State law involving medically reviewable decision.

(iii) PURCHASE OF INSURANCE TO COVER LIABILITIES.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under any State law involving medically reviewable decision.

(iv) PURCHASE OF INSURANCE TO COVER LIABILITIES.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under any State law involving medically reviewable decision.

(F) LIMITATION FOR MEDICALLY REVIEWABLE DECISION.—

(ii) PURCHASE OF INSURANCE TO COVER LIABILITIES.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under any State law involving medically reviewable decisions.
there was direct participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit 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),

(b) Certain causes of action permitted.—Notwithstanding subparagraph (A), 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 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 any such employee) for damages assessed against the person pursuant to a cause of action to which paragraph (1) applies.

(c) Direct participation.—

(i) Direct participation in decisions.—For purposes of subparagraph (B), the term ‘direct participation’ means, in the case of a decision described in subparagraph (B)(i) on a particular claim for benefits of a participant or beneficiary, to the extent there was direct participation by the employer or other plan sponsor (or employee) in the decision, or

(ii) Rules of construction.—For purposes of clause (i), the employer or other plan sponsor (or employee) shall not be construed to be engaged in direct participation because of any form of decisionmaking or other conduct that is merely collateral or precedent to the decision described in subparagraph (B)(i) on a particular claim for benefits of a participant or beneficiary, or that is merely collateral or precedent to the conduct constituting a failure described in subparagraph (B)(ii) with respect to a particular claim for benefits under the plan, including (but not limited to)—

(I) any participation by the employer or other plan sponsor (or employee) in the selection of a treatment or item or service that is the subject or is merely collateral or precedent to the conduct constituting a failure described in subparagraph (B)(ii) with respect to a particular claim for benefits under the plan of a participant or beneficiary, including (but not limited to)—

(1) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit 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),

(2) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit under the plan of a participant or beneficiary, including (but not limited to)—

(I) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit 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),

(II) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit under the plan of a participant or beneficiary, including (but not limited to)—

(1) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit 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),

(2) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit under the plan of a participant or beneficiary, including (but not limited to)—

(I) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit 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),

(ii) a right of recovery, indemnity, or contribution by a person against an employer or other plan sponsor (or any such employee) for damages assessed against the person pursuant to a cause of action to which paragraph (1) applies.

(d) Requirement of exhaustion.—

(i) In general.—The requirements of subparagraph (A) shall not apply if the action involves an allegation that immediate and irreparable harm or death was, or would be, caused by the denial of a claim for benefits, to the extent that the denial, cannot be repaired in a manner that would restore the individual to the individual’s pre-injured condition.

(ii) Exception of benefits during appeals process.—Receipt by the participant or beneficiary of the benefits involved in the claim, under any administrative processes referred to in subparagraph (A) or of any action commenced under this subsection—

(1) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and

(2) shall not preclude any liability under subsection (a)(1)(C) and this subsection in connection with such claim.

(e) Tolling provision.—The statute of limitations for any cause of action arising under section 502(c) relating to a denial of a claim for benefits that is the subject of an action brought in State court shall be tolled until such time as the State court makes a disposition, including a dismissal, of whether such claim should properly be within the jurisdiction of the State court. The tolling period shall be determined by the applicable State law, whichever period is greater.

(f) Exclusion of direct 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, a person engaged in directed recordkeeping activities pursuant to the specific instructions of the plan or the employer or other plan sponsor, including the distribution of enrollment information and distribution of disclosure materials under this Act or title I of the Bipartisan Patient Protection Act of 2001 and whose duties do not include making decisions on claims for benefits.

(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 specific instructions of the plan or the employer or other plan sponsor, including the distribution of enrollment information and distribution of disclosure materials under this Act or title I of the Bipartisan Patient Protection Act of 2001 and whose duties do not include making decisions on claims for benefits.

(C) Limitation.—Subparagraph (A) does not apply with respect to an employee of a person engaged in directed recordkeeping activities pursuant to the specific instructions of the plan or the employer or other plan sponsor.

(g) Construction.—Nothing in this subsection 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—

(i) any person described in section 733(c)(2)(A); or

(ii) a failure described in subsection (a)(1)(C) and this subsection in connection with such claim.

(B) affecting a cause of action or remedy under State law which requires an affidavit or certificate of merit in a civil action.

(C) affecting a cause of action or remedy under State law which requires an affidavit or certificate of merit in a civil action.
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, 305, and 401 and 402 (and title I insofar as it relates to such sections) shall apply with respect to group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning on or after January 1, 2002 (in this section referred to as the “general effective date”).

(2) TREATMENT OF COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements relating to the provision of employee representatives and one or more employers ratified before the date of the enactment of this division, the amendments made by such sections shall apply to plan years beginning before the later of—

(A) the date of ratification of such agreement; 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 the same matters over which such Secretaries have responsibility under the provisions of this division, and the amendments made thereby to such plans, shall be treated as having 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. 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 thereof) shall be treated as having 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 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:

(1) utilize medically based eligibility standards or criteria in deciding provider status of religious nonmedical providers;

(i) use medical professionals or criteria to deciding patient access to religious nonmedical providers;

(ii) provide medical or other required data, if such data is inconsistent with the religious nonmedical treatment or nursing care provided by the provider.

(2) RELIGIOUS NONMEDICAL PROVIDER.—For purposes of this chapter, the term “religious nonmedical provider” means a provider who who provides only religious nonmedical treatment or religious nonmedical nursing care.

(d) TRANSITION FOR NOTICE REQUIREMENT.—The disclosure of information required under section 121 of this division shall be 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 title I 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 thereof) shall be treated as having 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 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:

(1) utilize medically based eligibility standards or criteria in deciding provider status of religious nonmedical providers;

(i) use medical professionals or criteria to deciding patient access to religious nonmedical providers;

(ii) provide medical or other required data, if such data is inconsistent with the religious nonmedical treatment or nursing care provided by the provider.

(2) RELIGIOUS NONMEDICAL PROVIDER.—For purposes of this chapter, the term “religious nonmedical provider” means a provider who who provides only religious nonmedical treatment or religious nonmedical nursing care.

(d) TRANSITION FOR NOTICE REQUIREMENT.—The disclosure of information required under section 121 of this division shall be 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 title I applies to the coverage under such subsection.
TITLE —EDUCATIONAL CHOICES FOR DISADVANTAGED CHILDREN.

SEC. 01. PURPOSES. The purposes of this title are—

(1) to assist States to—

(A) provide, in public schools and other elementary and secondary schools and other academic programs as children from wealthier families already do,

(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 education; 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. 02. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There is authorized to be appropriated to carry out this title an amount of $1,800,000,000 each for fiscal years 2002 through 2005.

(b) Allocation.—There is authorized to be appropriated to carry out section 10 $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 04 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 section 05(b), with 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.

(2) DETERMINATION.—Not later than 180 days after the date 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.

(b) PERFORMANCE.—The State 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 appropriated to carry out this title, each State awarded a grant under this title shall provide scholarships to the parents of eligible children, in accordance with subsections (b) and (c). The Secretary shall ensure that the scholarships may be redeemed for elementary or secondary education for the eligible children at any of a broad variety of public and private schools, including religious schools, in the State.

(2) SCHOLARSHIP AMOUNT.—The amount of each scholarship shall be $2,000 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 to carry out an educational choice program shall provide a scholarship for 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;

(D) the child is expelled; or

(E) the child is convicted of possession of a weapon on school grounds, convicted of a violent crime, 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 awarded; and

(B) the reasonable costs of the child's transportation to and from the school;

(2) second, if the parents so choose, to—

(A) provide the child with services that the parents determine best fit the needs of the child; and

(B) provide special educational services that the parents determine are appropriate for the child.

(3) finally, for educational programs that help the 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—

(a) establish a mode of performance under which the State shall ensure that the scholarships may be used to further the purposes or for determining eligibility for any other Federal program.

(b) provide scholarships, in accordance with section 06(b), to those children in low-income families who parents determine best fit the needs of their children; and

(c) ensure that the scholarships may be used to further the purposes or for determining eligibility for any other Federal program.

SEC. 09. EFFECT OF PROGRAMS.

(a) TITLE I.—Notwithstanding any other provision of law, if a local educational agency or 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 provide such 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.

For purposes of determining Federal assistance under Federal law, a parent or guardian of an eligible child shall be considered to provide Federal assistance under this title if the parent or guardian is the legal provider of supplementary academic services.

(2) SUPPLEMENTARY ACADEMIC SERVICES.—

(A) IN GENERAL.—Notwithstanding paragraph (1), a school or local educational agency that gives parents in low-income families the option to choose among public, private, and religious schools for their children shall be considered to provide Federal assistance under this title if the parent or guardian is the legal provider of supplementary academic services that receives Federal financial aid or assistance for the child.

(B) REGULATIONS.—The Secretary shall promulgate regulations to implement the provisions of paragraph (A), taking into account the purposes of this title and the nature, variety, and mission of schools and providers that may participate in providing services to children under this title.

(d) 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 Federal, State, or local financial assistance, or in determining the amount of such assistance, to such State or to a school attended by such child.

(e) NO 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 educational choice programs assisted under this title and their effect on participants, schools, and communities in the school district served, including parental involvement in, and satisfaction with, the program and their children's education;

(2) compare the educational achievement of participating eligible children in the educational achievement of similar non-participating 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 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. FUNDING.

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 (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” means the term given the term in section 5120 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 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.

(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:

May 9, 2001

TITLES — EDUCATIONAL CHOICES FOR DISADVANTAGED CHILDREN

SEC. 01. PURPOSES.

The purposes 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 and activities 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. 02. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for fiscal years 2002 to 2005—

(A) $1,800,000,000 for each of fiscal years 2002 through 2005.

(b) EVALUATION.—There is authorized to be appropriated to carry out section 107(a) for fiscal years 2002 through 2005.

SEC. 03. PROGRAM AUTHORITY.

(a) IN GENERAL.—The Secretary shall make grants to States, from allotments made under section 04 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 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 in accordance with subsection (b).

(b) FORMULA.—Not later than 90 days after the date the Secretary issues regulations 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.

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.

(2) DETERMINATION.—Not later than 180 days after the date the Secretary issues regulations under section 04(b), each State shall identify the public elementary schools and secondary schools that are at or below the 25th percentile for academic performance of schools in the State.

(b) PERFORMANCE.—The State 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 awarded a grant under this title shall provide scholarships to eligible elementary and secondary school children, in accordance with subsections (b) and (c).

(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 not the child’s school of choice, or

(2) a member of a family with a family income that is not more than 200 percent of the poverty line.

(c) SCHOLARSHIP AMOUNT.—The amount of each scholarship shall be $2000 per year.

(d) TAX EXEMPTION.—Scholarships awarded under this title shall not be considered income to the parents of the child that is used for Federal income tax purposes or for determining eligibility for any other Federal program.

(e) USE OF FUNDS.—Any scholarship awarded under this title 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 admitted in the absence of a program under this title;

(2) second, if the parents so choose, to—

(A) provide the child with a curriculum of programs and activities 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;

(3) third, 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. 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 programs.

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. 6311 et seq.), the State shall ensure the provision of such services to such child.

(b) SCHOLARSHIPS FOR INDIVIDUALS WITH DISABILITIES.—Nothing in this title shall be construed to affect the requirements of part B of the Individuals
with Disabilities Education Act (30 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 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 provides scholarship funds under this title shall, as a condition of participation under this title, agree to participate in a program under this title and their effect on participants, their children's education, and their effect on students participating in, and satisfaction with, the program, and their children's education;
(B) OTHER FEDERAL FUNDS.—No Federal, State, or local funds provided to a school that provides scholarship funds 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 304 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 missions of schools and providers of supplementary academic services that provide scholarship funds under this title, shall, as a condition of participation under this title, compel with the provisions of title VI of the Civil Rights Act of 1964 (22 U.S.C. 2000d et seq.) and section 304 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 missions of schools and providers of supplementary academic services that provide scholarship funds under this title, as a condition of participation under this title.

SA 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. 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 educational choice programs assisted under this title and their effect on participants, schools, and communities in the school districts served, including parental involvement in, and satisfaction with, the program and their children's education;
(2) compare the educational achievement of participating eligible children with the educational achievement of similar non-participating 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 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. FUNDING.
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 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 spending identified under such sentence.

SEC. 52. 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.

SEC. 502. 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 for an individual in our competitive, high-tech economy;
(2) nearly 60 percent of today’s jobs require some college education;
(3) over the last 30 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 $22,154;
(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. Eligibility for higher education expenses eligible for the 20 percent tax credit will rise to $10,000 in 2003.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Congress should adopt legislation that would expand—
(1) the favorable tax treatment of higher education expenses to provide greater assistance to families with the costs of sending their children to college; and
(2) the number of families eligible for the tax relief described in paragraph (1).

SA 482. 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. 102. SENSE OF CONGRESS ON ENHANCING AWARENESS OF THE CONTRIBUTIONS OF VETERANS TO THE NATION.
(a) FINDINGS.—Congress makes the following findings:
(1) Tens of millions of Americans have served in the Armed Forces of the United States during the past century.
(2) Hundreds of thousands of Americans have given their lives while serving in the Armed Forces during the past century.
(3) The contributions and sacrifices of the men and women who served in the Armed Forces have been vital in maintaining our freedoms and way of life.
(4) The advent of the all-volunteer Armed Forces has resulted in a marked decrease in the awareness by young people of the nature and importance of the accomplishments of those who served in our Armed Forces, despite the current educational efforts of the Department of Veterans Affairs and the veterans service organizations.
(5) This reduction in familiarity with the Armed Forces has resulted in a marked decrease in the awareness by young people of the nature and importance of the accomplishments of those who served in our Armed Forces, despite the current educational efforts of the Department of Veterans Affairs and the veterans service organizations.

(b) SENSE OF CONGRESS.—It is the sense of the Congress 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 the 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:

END OF CONGRESSIONAL RECORD—SENATE
SA 484. 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 16, line 4, insert “servers and storage devices,” before “video.”

On page 16, line 5, insert “and other digital,” after “permit.”

On page 16, line 7, strike “environments for problem-solving” and insert “learning environments,” as follows:

On page 37, line 14, insert “and technology literacy” after “skilled.”

On page 52, line 21, insert “, including how it will use technology or 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 “;”.

On page 56, between lines 6 and 7, insert the following:

“(1) 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 such as for professional development, curricula and instruction, data collection and assessment, and parental involvement.”

On page 57, line 21, strike the period and insert “and.”

On page 72, line 3, strike the period and insert “and “after the semi colon.”

On page 72, between lines 3 and 4, insert the following:

“(1) 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, data collection and assessment, and parental involvement.”

On page 88, line 22, strike “and”.

On page 88, line 24, strike the period and insert “;”.

On page 88, after line 24, insert the following:

“(IV) describe how the school will use and integrate technology, as appropriate, to address the elements of this paragraph.”

On page 131, line 6, strike “including education technology such as software and other digital curricula,” after “materials.”

On page 316, between lines 20 and 21, insert the following:

“(12) 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 curricula; 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 371, line 16, insert “through a grant or contract with a for-profit or nonprofit entity” after “activities.”

On page 371, line 26, insert “;” after “technology literacy.”

On page 319, between lines 19 and 20, insert the following:

“(12) Encouraging and supporting the training of teachers and administrators to effectively integrate technology into curricula and instruction, including the ability to collect, manage, and analyze data to improve decision making and school improvement efforts and accountability.

“(13) Developing or supporting programs that encourage or expand the use of technology and distance education, including through Internet-based distance education and peer networks.

On page 324, line 8, insert “;” after “permit.”

On page 324, line 18, insert “;” after “the executive branch.

On page 325, line 18, insert “;” after “activities.”

On page 325, line 25, insert “;” after “technology literacy.”

On page 326, line 2, insert “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 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 326, line 11, insert “;” after “other for profit or nonprofit entities, and through distance education” after “education.”

On page 344, line 8, insert “;” after “and.”

On page 344, line 10, strike the period and insert “;”.

On page 344, between lines 10 and 11, insert the following:

“(5) 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 “;”.

On page 348, between lines 15 and 16, insert the following:

“(E) 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 “;” after “and”. 

On page 356, line 21, strike the period and insert “;”, and to improve the ability of institutions of higher education to carry out such purposes.

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 one participating institution of higher education as described in section 2232(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 depth to which curriculums and instruction are engaging, individualized and self-paced, include real-time and real-world content and exploration, promote student collaboration and communication, and help 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:

“(16) to section 2332(c)(2), acquiring technology equipment, networking capabilities, infrastructure software and digital curriculum to carry out the project.”

On page 365, line 10, insert “and teacher training in technology under section 3122 before”.

On page 367, line 24, strike the period and insert “a local educational agency, for the benefit of school and family involvement and support communities between parents, teachers, and students.”

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; and

“(2) outlines long-term strategies for financing technology education in the State to ensure all students, teachers, and classroom support personnel will acquire training in technology under section 3122.”

On page 375, strike line 4 through line 19, and insert the following:

“Beginning on page 374, strike line 19 through line 2, page 375, and insert the following:

“(1) increased professional development and increased effective use of technology in educating students; (2) increased student academic achievement, performance, and technology literacy and related 21st century skills; (3) a description of the type of technology to be acquired, including services, software, and digital curricula, including specific provisions for interoperability among components of such technologies; (4) a description of how the local educational agency will coordinate the technology provided pursuant to this part with other grant funds available for technology from other Federal, State, and local sources; (5) a description of a process for the ongoing evaluation of how technologies acquired under this part will be integrated into the school curriculum; and will affect student academic achievement, performance, technology literacy, and related 21st century skills; and (6) a description of how the technology provided pursuant to this part will be integrated into the school curriculum; and will affect student academic achievement, performance, technology literacy, and related 21st century skills;”

On page 379, strike line 4 through line 19, and insert the following:

“(1) increased professional development and increased effective use of technology in educating students; (2) increased student academic achievement, performance, and technology literacy and related 21st century skills; (3) a description of the type of technology to be acquired, including services, software, and digital curricula, including specific provisions for interoperability among components of such technologies; (4) a description of how the local educational agency will coordinate the technology provided pursuant to this part with other grant funds available for technology from other Federal, State, and local sources; (5) a description of a process for the ongoing evaluation of how technologies acquired under this part will be integrated into the school curriculum; and will affect student academic achievement, performance, technology literacy, and related 21st century skills;”

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 page references.

On page 349, between lines 18 and 19, insert the following:

“SEC. 2311. NATIONAL TECHNOLOGY INITIATIVES.

(1) SEC. 2311. NATIONAL TECHNOLOGY INITIATIVES.—The Secretary shall establish a program to identify and disseminate the practices under which technology is enhanced.”
effectively integrated into education to enhance teaching and learning and to improve student achievement, performance and technology literacy.

"(6) 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;

"(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, or research-based and integrate technology into teaching and learning;

"(5) develop tools and provide resources, including technical assistance, to support the activities described in this section; and

"(6) make widely available, including through dissemination on the Internet and to all States 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 goals of this section.

"(c) non-Federal share.—

"(1) In general.—The Secretary may require any recipient of a grant or contract under this section 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, and may be made in accordance with subsection (d).

"(2) increase.—The Secretary may increase the non-Federal share required of a recipient of a grant or contract under this section after the first year such recipient receives funds under such grant or contract.

"(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.

"(d) notice.—The Secretary shall publish in the Federal Register the non-Federal share required under this section.

"(e) 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 386, between lines 18 and 19, insert the following:

"PART E—SMALLER LEARNING COMMUNITIES

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 in such form 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 and to other local educational agencies, the findings identified through the project; and

"(D) as appropriate, a detailed plan for making widely available, including to other local educational agencies in the State, the opportunity to directly participate in or benefit from the activities carried out by the project.

"(b) Technical assistance.—The Secretary may provide technical assistance to States, local educational agencies, and other grantees under this section (directly or through the competitive award of grants or contracts) to assist such States, local educational agencies, and other grantees to achieve the goals of this section.

"(c) Permissive use.—

"(1) in general.—In carrying out the program established under subsection (a), the Secretary may award grants, pursuant to a peer review process, to fund independent evaluations of programs that are comprehensive, or research-based and integrate technology into teaching and learning;

"(2) conducted by a local educational agency or partnership desiring a grant under this section, the findings from such evaluations to States, local educational agencies, and other grantee under this section after the first year such recipient receives funds under such grant or contract.

"(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.

"(f) 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.

"(g) Authorized activities.—Funds under this section may be used—

"(1) 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;

"(2) to research, develop and implement strategies for creating the smaller learning community or communities, as well as effective and innovative changes in curriculum and instruction, geared to high State content standards and State student performance standards;

"(3) to provide professional development for school staff in innovative teaching methods that challenge and engage students to be used in 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 and 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;

"(6) the goals and objectives of the activities assisted under this part, including a description of how such activities will better enable all students to reach challenging State content standards and State student performance standards;

"(7) the methods by which the applicant will assess progress in meeting such goals and objectives;

"(8) if the smaller learning community or communities exist as a school-within-a-school, the relationship, including governance and managerial relationship between the local educational agency and the smaller learning community or communities, including how such agency will demonstrate a commitment to the continuity of the smaller learning community or communities, including the continuity of student and teacher assignment to a particular learning community;

"(9) how the applicant will coordinate or use funds provided under this part with other funds provided under this Act or other Federal laws; and

"(10) grade levels or ages of students who will participate in the smaller learning community or communities; and

"(11) the method of placing students in the smaller learning community or communities, such that students are not placed accorded ability, performance or any other measure, so that students are placed at random or by their own choice, not pursuant to transfer or other judgments of the smaller learning community or communities; and

"(12) to provide professional development for school staff in innovative teaching methods that challenge and engage students to be used in the smaller learning community or communities. 
that enable teachers to participate in professional development activities, as well as to provide links between students and their community.

(c) 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 6 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 giving each child attention.

(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 educational programs and administration efforts are associated with those Federal funds.

(5) According to the Department of Education, in 1996, 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 remaining of the funds allocated by the Department for Education for elementary and secondary education in 1996 was allocated to States to assist localities in the development of comprehensive, innovative and skills based teacher professional development activities, as well as to State and local governments, a report concerning the study conducted under this subsection, including recommendations and legislative remedies for the problem of sexual abuse in schools.

(b) SENSE 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 less than 95 percent of all Federal funds appropriated for carrying out elementary and secondary educational 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 889, after line 14, add the following:

SEC. 4. 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 our educational institutions and mandates should be refined, consolidated or removed so that school districts can devote more resources to educating children in classrooms.

(2) America’s children deserve an educational system that provides them with numerous opportunities to excel.

(3) According to the Department of Education, the States, and local educational agencies to work together to ensure that not less than 95 percent of all Federal funds appropriated for carrying out elementary and secondary educational programs administered by the Department be spent to improve the academic achievement of our children in their classrooms.

(b) SENSE OF THE SENATE.—It is the sense of the Senate 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 our educational institutions and mandates should be refined, consolidated or removed so that school districts can devote more resources to educating children in classrooms.

(2) America’s children deserve an educational system that provides them with numerous opportunities to excel.

(3) According to the Department of Education, the States, and local educational agencies to work together to ensure that not less than 95 percent of all Federal funds appropriated for carrying out elementary and secondary educational programs administered by the Department be spent to improve the academic achievement of our children in their classrooms.

(c) STUDY AND RECOMMENDATION.—The Secretary in conjunction with the Attorney General shall provide for the conduct of 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 to State and local governments, a report concerning the study conducted under this subsection, including recommendations and legislative remedies for the problem of sexual abuse in schools.
SEC. 1. 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 shall report to Congress on the extent and severity of child poverty, as determined under subsection (C).

(2) Legislative Proposal.—If the Secretary determines that during the period since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105) the severity of child poverty, as determined under paragraph (1), has increased, the Secretary shall report to Congress that a legislative proposal should be introduced to address child poverty. Such report shall, at a minimum:

(A) describe the extent and severity of child poverty in the United States; and

(B) include the percentages of individuals in poor families who were living in poverty in the United States; and

(C) include the percentage of individuals in poor families who were living in poverty in the United States; and

(D) the amount of child poverty that is based on the percentage of individuals in poor families who were living in poverty in the United States.

(3) 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.

(b) Addition of Poverty Reduction Bonus to TANF.—Section 409(a) of the Social Security Act (42 U.S.C. 603(a)), is amended by adding at the end the following:

"(6) the factors that influence the attitudes or levels of awareness of administrators, professionals, and students, including student-teacher, of illegal gambling on college sports;

(7) the effectiveness of new counter-measures to reduce illegal gambling on college sports;

(8) the effectiveness of new counter-measures to reduce illegal gambling on college sports; and

(9) the effectiveness of new counter-measures to reduce illegal gambling on college sports, as determined by the Attorney General.

(c) Report to Congress.—Not later than 120 days after the date of enactment of 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; and

(2) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.

SEC. 2. STUDY OF GAMBLING ON COLLEGE AND SECONDARY SCHOOLS.

(a) Establishing Panel.—Not later than 90 days after the date of enactment of this Act, the Secretary shall establish a panel, which shall be composed of Fed- eral, State, and local government officials, as well as representatives of professional and amateur sports organizations, to conduct a study of illegal gambling on college and secondary schools.

(b) Contents of Study.—The study conducted by the panel shall include, at a minimum:

(1) recommendations for actions colleges, universities, and the National Collegiate Athletic Association should implement to address the issue of illegal gambling on college sports; and

(2) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.

SEC. 3. TECHNICAL AMENDMENT TO THE KIDS 2000 ACT.

Section 12(f)(1) of the Kids 2000 Act (42 U.S.C. 13751 et seq.), is amended by adding at the end the following:

"(6) the factors that influence the attitudes or levels of awareness of administrators, professionals, and students, including student-teacher, of illegal gambling on college sports.

(7) the effectiveness of new counter-measures to reduce illegal gambling on college sports;

(8) the effectiveness of new counter-measures to reduce illegal gambling on college sports; and

(9) the effectiveness of new counter-measures to reduce illegal gambling on college sports, as determined by the Attorney General.

(c) Report to Congress.—Not later than 120 days after the date of enactment of 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; and

(2) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.

SEC. 4. INCREASED PENALTIES FOR ILLEGAL GAMBLING.

(a) Interstate Transmission of Bets or Information Assisting in Placing Bets on Sporting Events.—Section 108(a) of title 18, United States Code, is amended by striking "two" and inserting "five" and adding at the end the following:

"(c) Interstate Transmission of Wagering Paraphernalia.—Section 1855(a) of title 18, United States Code, is amended by adding at the end the following:

"(5) the effectiveness of new counter-measures to reduce illegal gambling on college sports; and

(6) the effectiveness of new counter-measures to reduce illegal gambling on college sports, as determined by the Attorney General.

(c) Report to Congress.—Not later than 120 days after the date of enactment of 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; and

(2) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.

SEC. 5. STUDY OF GAMBLING ON COLLEGE AND SECONDARY SCHOOLS.

(a) Establishing Panel.—Not later than 90 days after the date of enactment of this Act, the Secretary shall establish a panel, which shall be composed of Fed- eral, State, and local government officials, as well as representatives of professional and amateur sports organizations, to conduct a study of illegal gambling on college and secondary schools.

(b) Contents of Study.—The study conducted by the panel established under sub- section (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 Protec- tion Act of 1992, including whether it has been effectively 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 sports;

(6) the factors that influence the attitudes or levels of awareness of administrators, professionals, and students, including student-teacher, of illegal gambling on college sports; and

(7) the effectiveness of new counter-measures to reduce illegal gambling on college sports; and

(8) the effectiveness of new counter-measures to reduce illegal gambling on college sports, as determined by the Attorney General.

(c) Report to Congress.—Not later than 120 days after the date of enactment of 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; and

(2) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.
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. 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 1953(a) of title 18, United States Code, is amended by adding at the end the following: "If the matter carried or sent for or on a commercial establishment 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 1965(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 event or contest, the maximum term of imprisonment for the offense shall be 10 years."

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. 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 college sports gambling:

(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 Protections 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 sports; (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 related 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

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 college sports gambling:

(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 Protections 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 sports; (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 related 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

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 college sports gambling:

(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 Protections 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 sports; (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 related requirements for institutions of higher education and persons receiving Federal education funds; and

May 9, 2001

CONGRESSIONAL RECORD — SENATE S4673
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. 499. 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 the Attorney General of the United States.

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. 500. 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 the Attorney General of the United States.

SA 500. 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 863, after line 14, add the following:

(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:

(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 subparagraph (A).

(C) FEDERAL STATUTORY OPTION.—The State may receive the funding according to the provisions of law described in paragraph (2).

Notwithstanding any other provision of law, each State 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 (B).

(D) Recipients.—Funds awarded under subparagraph (B)—

(i) in the case of a public school student, including a charter school student, shall be made 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) USES.—Each State selecting the State block grant option or the local block grant option shall—

(i) use the funds to supplement and not supplant State and local funds; and

(ii) distribute the funds available to the State pursuant to a local allotment described in subsection (a)(1)(B) in an amount that bears the same relation to such total applicable funding as the number of individuals in the State who are aged 5 through 17 bears to the total number of such individuals in all school districts served by all local educational agencies in all States.

(F) ACCOUNTABILITY.—

(i) Each entity receiving assistance under this section—

(ii) in general.—Each entity receiving assistance under this section shall—

(A) use the funds to supplement and not supplant State and local funds; and

(B) involve parents and members of the public in planning for the use of funds provided under this section, such as through a representative advisory committee.

(ii) DISTRIBUTION OF ALLOTTED FUNDS.—

(i) State.—Each State that receives funds allotted under paragraph (1) may reserve not more than 1 percent of the funds for the costs of administration, evaluation, reporting, and other activities related to activities assisted under this section.

(ii) LOCAL EDUCATIONAL AGENCIES.—Each local educational agency that receives funds allotted under paragraph (1) may reserve not more than 2 percent of the funds for the costs of administration, overhead costs, or indirect costs.

(G) USES.—

(i) State.—In States selecting the State block grant option described in subsection (a)(1)(A), all funds allotted under paragraph (1)(A) that are not reserved under subparagraph (A)(i) shall be made available, in accordance with subparagraph (C), on behalf of each student who resides in the school district served by a local educational agency and is enrolled in a public elementary school or secondary school, or in a private or home elementary school or secondary school, respectively; and

(ii) in States selecting the State block grant option described in subsection (a)(1)(B), all funds allotted under paragraph (1)(B) that are not reserved under subparagraph (A)(ii) shall be made available, in accordance with subparagraph (C), on behalf of each student who resides in the school district served by a local educational agency and is enrolled in a public elementary school or secondary school, or in a private or home elementary school or secondary school, respectively.

(H) SPECIAL RULE.—Each State or local educational agency receiving an allotment...
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:

At the appropriate place, insert the following:

SEC. 1. THE EDUCATION OPPORTUNITY TAX RELIEF; 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 35A and by inserting after section 34 the following new section:

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 any taxable year a credit equal to the lesser of—

(1) $1,000 per qualifying student, or
(2) $2,000.

(b) 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.

(c) 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 170(e)(6)(B)(ii) and includes Internet access and related services.

SEC. 3. SCHOOL.—The term "school" means any public, charter, or parochial elementary or secondary school, as determined under State law.

SEC. 4. LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" means—

(1) each county in which a school operated by the local educational agency is located; and
(2) each independent school district in the United States to work in full cooperation with tribes toward the goal of assuring that programs of the Bureau of Indian Affairs funded school systems that have the highest quality and provide for the basic elementary and secondary educational needs of Indian children, including meeting the unique educational and cultural needs of these children.

SEC. 1121. ACCREDITATION FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN URBAN RECREATION OF INDIAN AFFAIRS SCHOOL SYSTEMS.
(a) PURPOSE.—Declarations of Purpose.—

(1) PURPOSE.—The purpose of the accreditations required under this section shall be to ensure that Indian students are being educated by a school funded by the Bureau of Indian Affairs are provided with educational opportunities equal to 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 may 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 respected by their parents and community;

(II) shape worthwhile and satisfying lives for themselves;

(III) exemplify the best values of the community and humankind; and

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:

TITLE
—NATIVE AMERICAN EDUCATION IMPROVEMENT

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 II—BUREAU OF INDIAN AFFAIRS PROGRAMS

SEC. 1120. FINDING AND POLICY.
(a) FINDING.—Congress finds and recognizes that—

(i) the Federal Government's unique and continuing trust relationship with and responsibility to the Indian people includes the education of Indian children; and

(ii) 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.

(b) 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 systems that have the highest quality and provide for the basic elementary and secondary educational needs of Indian children, including meeting the unique educational and cultural needs of these children.

SEC. 1121. ACCREDITATION FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN URBAN RECREATION OF INDIAN AFFAIRS SCHOOL SYSTEMS.
“(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 the Native American Education Improvement Act of 2001, the Secretary of the Interior and the Secretary of Education shall, in conjunction with the tribal education representative from the tribe, and the tribal education representative from the Department of Education, establish the Tribe Accreditation Agency that would serve as an accrediting body for Bureau funded schools. 

“(2) DETERMINATION OF ACCREDITATION TO BE APPLIED.—The accreditation type approved for each school shall be determined by the school board of the school, in consultation with the principal or other education director of the school, provided that in the case where the School Board and the Administrator fail to agree on the type of accreditation to apply, the decision of the school board with the approval of the tribal governing body shall be final.

“(3) ASSISTANCE TO SCHOOL BOARDS.—The Secretaries, through grants and contracts, shall provide technical and financial assistance to Bureau funded schools, to the extent that necessary amounts are made available, to enable the schools 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 directly through the Tribe Accreditation Agency or through the Department of Education, an institution of higher education, a private organization, 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 9385 of title 25, Source of Federal Funds 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 a report to the Committees on Appropriations and the Committee on the House of Representatives and the Committees on Appropriations and the Committee on the House of Representatives 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 such school is not accredited or a candidate for accreditation, specifies the applicable 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 funding 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.—The Secretary has proposed for inclusion 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 to include such school 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.

“(C) PUBLICATION OF ACCREDITATION STATUS.—Not later than 30 days after making an initial determination to include a school in an annual report under paragraph (5), the Secretary shall make public the final determination on the accreditation status of the school.

“(7) SCHOOL PLAN.—

“(A) IN GENERAL.—Not later than 120 days after the date of enactment of the Native American Education Improvement Act of 2001, each Bureau funded school shall, in consultation with the principal or other education director of the school, develop and submit to the appropriate committees of Congress a report on the desirability of developing a Tribal Accreditation Agency that would be a candidate for accreditation or be a candidate for accreditation if it is not accredited or a candidate for accreditation, and the Secretary may provide such assistance directly to the Secretary, through contracts and grants, to such accreditation agency, and a description of any possible way in which to remedy such non-accreditation; and 

“(C) DUTIES OF SECRETARY.—After providing assistance to a school under paragraph (3), the Secretary shall—

“(i) determine whether the school is meeting, or other programmatic problem in the school that contributed to the lack of accreditation; and

“(ii) is designed to increase substantially the likelihood that the school will be accredited.

“(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 part 36 of title 25, 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) 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)(ii), in lieu of providing 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 minor enrolled in the school of the option to transfer their child to another school; 

“(iv) provide or pay for the provision, transportation for each student described in clause (iv) to the school to which the student elects to be transferred, and 

“(D) FAILURE OF SCHOOL PLAN.—With respect to a Bureau operated school that fails to

May 9, 2001
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.

“(ii) Consult with the tribe involved to determine the lack of compliance and the deficiencies including potential staffing and administrative changes that are or may be necessary.

“(iii) Set aside a certain amount of funds that may only be used by the school to obtain accreditation.

“(iv) Permit 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 in section 5207 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 (2) of subsection (b).

“(2) PLAN.—On an annual basis, the Secretary shall transmit copies of the plan required by clause (1) to the appropriate committees of Congress, the affected tribal governing body, and the designated local school board, describing the process of the active consideration or review referred to in paragraph (4).

“(B) 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, identify those students at the school with particular educational and social needs, and ensure 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.

“(C) CLOSURE OR CONSOLIDATION OF SCHOOLS.—

“(1) IN GENERAL.—Except as provided in subsection (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 transmit copies of the plan required by clause (1) to the appropriate committees of Congress, the affected tribal governing body, and the designated local school board, describing the process of the active consideration or review referred to in paragraph (4).

“(D) IMPLEMENTATION.—The Secretary shall transmit copies of the plan required by clause (1) to the appropriate committees of Congress promptly to the appropriate committees of Congress, the affected 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.

“(E) LIMITATION ON CERTAIN ACTIONS.—No irreversible action may be taken to further any proposed school closure, transfer to another authority, consolidation, or substantial curtailment of a school program of the 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.

“(F) APPLICABILITY.—(A) In general.—The Secretary shall submit a report to the appropriate committees of Congress, the affected tribal governing body, and the designated local school board, describing the process of the active consideration or review referred to in paragraph (4).

“(B) 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, identify those students at the school with particular educational and social needs, and ensure 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.

“(1) IN GENERAL.—Except as specifically required by law, no Bureau funded school or dormitory operated on or after January 1, 1992, may be closed, consolidated, or transferred to another authority and no program of such a school may be substantially curtailed except in accordance with the requirements of this subsection.

“(2) EXCEPTIONS.—This subsection (other than this paragraph) shall not apply—

“(A) In those cases in which the tribal governing body of a school, or the local school board concerned (if designated by the tribal governing body to act under this paragraph), requests that the school be consolidated, or substantially curtailment; or

“(B) if a temporary closure, consolidation, or substantial curtailment is required by facility conditions that constitute an immediate hazard to health and safety.

“(3) REGULATIONS.—The Secretary shall, by regulation, promulgate standards and procedures to provide to any authority, consolidation, or substantial curtailment of school programs of Bureau schools, in accordance with the requirements of this subsection.

“(4) NOTIFICATION.—

“(A) CONSIDERATION.—Whenever closure, transfer to another authority, consolidation, or substantial curtailment of a school program of a Bureau school is under active consideration or review by any division of the Department of Interior, the head of the division or the Secretary shall ensure that the affected tribe, tribal governing body, and local school board, are promptly, written notice, fully and currently informed, and afforded an opportunity to comment with respect to such consideration or review.

“(B) FORMAL DECISION.—When the head of any division of the Bureau or the Secretary makes a formal decision to close, 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.

“(C) COPIES OF NOTIFICATIONS AND INFORMATION.—The Secretary shall transmit copies of the notifications described in paragraph (4) promptly to the appropriate committees of Congress and publish such notifications copies in the Federal Register.

“(D) REPORT.—

“(A) IN GENERAL.—The Secretary shall submit a report to the appropriate committees of Congress, the affected tribal governing body, and the designated local school board, describing the process of the active consideration or review referred to in paragraph (4).

“(B) 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, identify those students at the school with particular educational and social needs, and ensure 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.

“(E) LIMITATION ON CERTAIN ACTIONS.—No irreversible action may be taken to further any proposed school closure, transfer to another authority, consolidation, or substantial curtailment described in this subsection concerning a school (including any action that would prejudice the personnel or programs of such school) prior to the end of the first full academic year after the report described in paragraph (5) is submitted.

“(F) APPLICABILITY.—(A) In general.—The Secretary may terminate, contract, transfer to any other authority, consolidate, or substantially curtail the operation or facilities of any Bureau funded school that is operated on or after January 1, 1999.

“(B) any program of such a school that is operated on or after January 1, 1999; or

“(C) any school board of a school operated under a grant under the Tribally Controlled Schools Act of 1988, only if the tribal governing body for the school involved approves such action.

“(1) IN GENERAL.—

“(B) APPLICATIONS.—(A) GRANTS OR CONTRACTS FOR NON-BUREAU FUNDED SCHOOLS OR EXPANSION OF BUREAU FUNDED SCHOOLS.—

“(A) APPLICATIONS.—(B) SCHOOLS.—The Secretary shall only consider the factors described in subparagraph (B) in reviewing—
(1) applications from any tribe for the awarding of a contract or grant for a school that is not a Bureau funded school; and
(2) applications from any tribe or school board for the expansion of a Bureau funded school for the awarding of a contract or grant for the expansion of a Bureau funded school that would increase the amount of funds awarded by the tribe or school board under section 1128.

(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 comparable educationally acceptable facilities.

(B) FACTORS.—With respect to applications described in paragraph (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) Geographic 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 project 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) Specificity 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)(A) as described in subparagraph (B) within 180 days after the date such application is submitted to the Secretary.

(B) FAILURE TO MAKE DETERMINATION.—If the Secretary does not make the determination with respect to an application by the date described in paragraph (A), the application shall be treated as having been approved.

(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) by the tribe or school board 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 bringing the school into compliance with such standards.

(B) INFORMATION.—Each application described in paragraph (1)(A) shall contain information on each of the factors described in paragraph (1)(B).

(4) DENIAL OF APPLICATIONS.—If the Secretary denies an application described in paragraph (1)(A), the Secretary shall—

(A) state the objections to the application in writing to the applicant not later than 180 days after the date the application is submitted to the Secretary; and

(B) provide assistance to the applicant to overcome the stated objections;

(C) provide to the applicant a hearing on the record regarding the denial, under the same rules and regulations as apply under the Indian Self-Determination and Education Assistance Act, the Omnibus Budget Reconciliation Act of 1980, and the Indian Education Act.

(D) provide to the applicant a notice of the applicant’s appeals rights and an opportunity to appeal the decision resulting from the hearing under subparagraph (B).

(E) EFFECTIVE DATE OF A SUBJECT APPLICATION.—

(A) IN GENERAL.—Except as otherwise provided in this subparagraph, the action, decision, or determination that is the subject of any application described in paragraph (1)(B) 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 subparagraph (A) of this paragraph 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 or any other provision of law 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-Bureau 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 program of the schools for all Indian students.

(b) ESTABLISHMENT BY TRIBAL BODY.—In any case in which there is more than 1 Bureau funded school located within the boundaries of a tribe, at the direction of the tribal governing body, the relevant school boards of...
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. Any such boundaries so established shall be accepted by the Secretary.

"(c) BINDING RESOLUTIONS.—

"(1) IN GENERAL.—Effective on July 1, 1999, the Secretary may not establish or revise boundaries of a geographical attendance area with respect to any Bureau funded school unless 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) or revised boundaries of the geographical attendance area submitted under paragraph (2) unless the Secretary finds, after consultation with the affected tribe, that such alternative or revised boundaries do not provide for the safety of the Indian students to be served or do not provide adequate stability to all of the affected programs. On accepting the boundaries, the Secretary shall publish in the Federal Register describing the boundaries in the Federal Register.

"(4) TRIBAL RESOLUTION DETERMINATION.—

Nothing in this section shall be interpreted as depriving a tribal governing body of the authority, on a continuing basis, to adopt a tribal resolution allowing parents a choice of the Bureau funded school their child may attend, or a geographical attendance area 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 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 for any student to or from the school and a location outside the approved boundaries of the relevant geographical attendance area boundaries established under this section.

"(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 accepted by the tribe involved) of the reservation served, and those students residing near the reservation shall also receive services from such schools.

"(f) OFF-RESERVATION HOME-LIVING SCHOOLS.—Notwithstanding the boundaries of the geographical attendance area established under this section, each Bureau funded school that is an off-reservation home-living school shall implement special emphasis programs and permit the attendance of students from the geographical attendance area served. The special emphasis programs provided for such students shall be coordinated among education line officers, the families of the students, the schools, and the entities funding the programs that referred the students to the schools.

"SEC. 1124. FACILITIES CONSTRUCTION.

(a) NATIONAL SURVEY OF FACILITIES CON- DITIONS.—

"(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, collect, 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 schools that have been 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.

"(b) 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, after issuing a request for proposals, 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.

"(c) 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 and 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.

"(d) FEDERAL FUNDS FOR URBAN FACILITIES.—The Secretary shall not use funds appropriated under title I of this Act for the construction or maintenance of any Bureau funded school in an urban area unless—

"(1) the tribe responsible for the school has requested that the funds be used for the school;

"(2) the school is an eligible urban school under section 1136(a) of the Indian Education Improvement Act; and

"(3) the Secretary finds that the school is in need of major repairs or renovations.

"(e) 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 health and safety standards, whichever provides greater protection (except that the standards applicable to Bureau funded facilities that has previously been submitted to the Department of Defense and the Bureau of Indian Affairs and monitored by General Accounting Office, and shall be made available to all students and their respective Tribes.

"(f) COMPLIANCE WITH HEALTH AND SAFETY STANDARDS.—The Secretary shall immediately 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 health and safety standards, whichever provides greater protection (except that the standards applicable to Bureau funded facilities that has previously been submitted to the Department of Defense and the Bureau of Indian Affairs and monitored by General Accounting Office, and shall be made available to all students and their respective Tribes.

"(g) NEOTRRALIZED RULEMAKING COMMITTEE.—

"(1) IN GENERAL.—Not later than 6 months after the date on which the submission is made under paragraph (1) of 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 the following:

"(I) A catalogue of the condition of school facilities at all Bureau funded schools that—

"(i) includes findings from the General Accounting Office study evaluating and comparing school systems of the Department of Defense and the Bureau of Indian Affairs;

"(II) rates such facilities with respect to the rate of deterioration and useful life of structures and major systems;

"(III) includes a routine maintenance schedule for each facility;

"(IV) identifies the complementary educational facilities that do not exist but that are needed; and

"(V) makes projections on the amount of funds needed to keep each school viable, consistent with the accreditation standards required pursuant to paragraph (h);

"(II) a school replacement and new construction report that determines replacement and new construction need, and a formula for distributing the funds needed to address such need, for Bureau funded schools. Such formula shall utilize necessary factors in determining an equitable distribution of funds, including—

"(i) the size of school;

"(ii) school enrollment;

"(iii) the value of the physical condition of the school;

"(iv) the condition of the school; and

"(v) environmental factors at the school;

"(III) school isolation.

"(IV) A renovation repairs report that determines renovation need (major and minor), and a formula for the equitable distribution of funds to address such need, for Bureau funded schools. Such report shall identity needed repairs or renovations with respect to a facility, or a part of a facility, or the system of the facility, to be made based on disabilities access or health and safety changes to a facility. The formula developed shall utilize necessary factors in determining an equitable distribution of funds, including the factors described in subparagraph (B).

"(B) SUBMISSION OF REPORTS.—Not later than 12 months after the negotiated rulemaking committee is established under subparagraph (A), the reports described in clause (ii) and (iii) of subparagraph (A) shall be submitted to the appropriate congressional committees referred to in paragraph (4), the national and regional Indian education organizations, and all school boards of Bureau-funded schools and their respective Tribes.

"(g) FACILITIES INFORMATION SYSTEMS SUPPORT DATABASE.—The Secretary shall develop a Facilities Information Systems Support database to enable 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) of the American Education Improvement Act of 2001 shall be updated every 3 years by the Bureau of Indian Affairs and monitored by General Accounting Office, and shall be made available to all students and their respective Tribes.

"(h) COMPLIANCE WITH HEALTH AND SAFETY STANDARDS.—The Secretary shall immediately 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 health and safety standards, whichever provides greater protection (except that the standards applicable to Bureau funded facilities that has previously been submitted to the Department of Defense and the Bureau of Indian Affairs and monitored by General Accounting Office, and shall be made available to all students and their respective Tribes.

"(i) NEOTRRALIZED RULEMAKING COMMITTEE.—

"(1) IN GENERAL.—Not later than 6 months after the date on which the submission is made under paragraph (1) of 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 the following:

"(I) A catalogue of the condition of school facilities at all Bureau funded schools that—

"(i) includes findings from the General Accounting Office study evaluating and comparing school systems of the Department of Defense and the Bureau of Indian Affairs;

"(II) rates such facilities with respect to the rate of deterioration and useful life of structures and major systems;

"(III) includes a routine maintenance schedule for each facility;

"(IV) identifies the complementary educational facilities that do not exist but that are needed; and

"(V) makes projections on the amount of funds needed to keep each school viable, consistent with the accreditation standards required pursuant to paragraph (h);

"(II) a school replacement and new construction report that determines replacement and new construction need, and a formula for distributing the funds needed to address such need, for Bureau funded schools. Such formula shall utilize necessary
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 that the Secretary shall request a list of all of the Bureau funded school construction priorities, as described in paragraph (2).

(2) Bureau-funded construction and replacement list.—In addition to submitting the plan described in subsection (c), the Secretary shall—

(A) no later than 18 months after the date of enactment of the Native American Education Improvement Act of 2001, establish and publish a construction and replacement priority list for all Bureau funded schools;

(B) using the list prepared under subparagraph (A) for the order of 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; and

(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 of a Bureau funded school may be 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 substantially curtailed by reason of facility conditions described in this subsection constitute an immediate hazard to health and safety, or if the tribal governing body makes such a determination under subparagraph (E) then the facility involved shall be closed immediately.

(B) General closure report.—If a Bureau funded school is temporarily closed or consolidated for the conditions described in paragraph (A) the facility involved shall be closed immediately.

(C) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(D) Nonapplicability of certain standards for temporary facility use.—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.

(F) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(G) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(H) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(I) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(J) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(K) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(L) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(M) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(N) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(O) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(P) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(Q) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(R) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(S) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(T) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(U) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(V) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(W) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(X) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(Y) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(Z) General closure report.—If a Bureau funded school is temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, a report that the Secretary is taking to eliminate the conditions that constitute the hazard;

(a) Evaluation of programs; services and support functions; technical and coordination assistance.—Education programs that are under contract to the Bureau as an emergency facility improvement and repair project.

(b) 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 funds under paragraph (2) of section 1126, to abate the hazardous conditions without further action by Congress.

(c) Funding requirement.—

(1) In general.—If a Bureau funded school, involved may authorize the use of funds under this paragraph, the line officer shall be subject to contract under the Indian Self-Determination and Education Assistance Act, unless determined by the Secretary to be inherently Federal functions as defined in section 108 of such Act.

(d) Comprehensive evaluation of programs; services and support functions; technical and coordination assistance.—Education programs that are under contract to the Bureau as an emergency facility improvement and repair project.

(e) General report.—If a Bureau funded school, involved may authorize the use of funds under this paragraph, the line officer shall be subject to contract under the Indian Self-Determination and Education Assistance Act, unless determined by the Secretary to be inherently Federal functions as defined in section 108 of such Act.
“(1) monitor and evaluate Bureau education programs;

“(2) provide all services and support functions for education programs with respect to personnel matters involving staffing actions and functions; and

“(3) provide technical and coordination assistance in areas such as procurement, contract negotiations, personnel, curricula, and operation and maintenance of school facilities.

“(e) CONSTRUCTION, IMPROVEMENT, OPERATION, AND MAINTENANCE OF FACILITIES.—

“(1) PLAN FOR CONSTRUCTION.—The Assistant Secretary for Indian Affairs shall submit as part of the annual budget request for educational services (as contained in the President’s annual budget request under section 1106 of title 31, United States Code) a plan—

“(A) for the construction of school facilities in accordance with section 1124(d);

“(B) for the improvement and repair of education facilities and for establishing priorities of such 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 succeeding the year covered by the plan.

“(2) PROGRAM FOR OPERATION AND MAINTENANCE.—

“(A) IN GENERAL.—

“(i) PROGRAM.—The Assistant Secretary shall establish, by regulation, a program, including a schedule for the distribution of funds appropriated under this part, for the operation and maintenance of education facilities. Such program shall include—

“(I) a method of computing the amount necessary for the operation and maintenance of each education facility;

“(II) requirement of similar treatment of all Bureau funded schools;

“(III) a notice of an allocation of the appropriated funds from the Director of the Office 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 preventative maintenance activities.

“(ii) MEETINGS.—In making the determinations referred to in clause (i)(IV), the Assistant Secretary shall cause a series of meetings to be conducted at the area and agency level to review the effectiveness of the school funded schools in the corresponding areas and served by corresponding agencies, to receive comment on the projects described in clause (i)(IV) and prioritization of such projects.

“(B) MAINTENANCE.—The appropriate education line officers shall make arrangements for the maintenance of the education facilities with the local supervisors of the Bureau maintenance personnel. The local supervisors shall issue a list of maintenance personnel and the costs associated with greater lengths of service by education personnel;

“(VIII) the costs of therapeutic programs for students requiring such programs; and

“(ix) special costs for gifted and talented students;

“(C) the costs of providing academic services that are at least equivalent to the services provided in public schools in the State in which the school is located;

“(D) whether the available funding will enable the school involved to comply with the accreditation applicable to the school under section 1121; and

“(E) such other relevant factors as the Secretary determines are appropriate including the appropriate education line officers involved in the General Accounting Office study evaluating and comparing school systems of the Department of Defense and the Bureau of Indian Affairs.

“(2) REVISION OF FORMULA.—On the establishment of the standards required in section 1122, the Secretary shall—

“(A) revise the formula established under paragraph (1) to reflect the cost of compliance with such standards; and

“(B) after the formula has been established under paragraph (1), take such action as may be necessary to increase the availability of counseling and therapeutic programs for students in off-reservation home-living schools and other Bureau operated residential facilities.

“(ii) concurrently with any actions taken under clause (i), review the standards established under section 1122 to ensure that such standards adequately provide for parental notification regarding, and consent for, such counseling and therapeutic programs.

“(A) ANNUAL ADJUSTMENT.—

“(1) ANNUAL ADJUSTMENT.—

“(A) IN GENERAL.—For fiscal year 2002, and for each subsequent fiscal year, the Secretary shall adjust the formula established under subsection (a) to—

“(I) use a weighted factor of 1.2 for each eligible Indian student enrolled in the seventh through twelfth grades of the school in considering the number of eligible Indian students served by the school;

“(II) consider a school with an enrollment of fewer than 50 eligible Indian students as having an average daily attendance of 50 eligible Indian students for purposes of implementing the adjustment factor for small schools;

“(III) take into account the provision of residential services on less than a 9-month basis at a school in a case in which the school board and the supervisor of the school determine that the school will provide the services for fewer than 9 months for the academic year involved;

“(IV) use a weighted factor of 2.0 for each eligible Indian student that—

“(I) is gifted and talented; and

“(II) is enrolled in the school on a full-time basis, in considering the number of eligible Indian students served by the school; and

“(V) use a weighted factor of 0.25 for each eligible Indian student who is enrolled in a year long credit course leading to a Native language as part of the regular curriculum of a school, in considering the number of eligible Indian students served by such school.

“(B) TIMING.—The Secretary shall make the adjustment required under subparagraph (A)(IV) for such school after—

“(i) the school board of such school provides a certification of the Indian or Native language curriculum of the school to the Secretary; and

“(ii) the funds appropriated for allotments under this section are designated, in the appropriations Act appropriating such funds, as the funds necessary to implement such adjustment at such school without reducing an allotment made under this section to any school by virtue of such adjustment.

“(B) RESERVATION OF.—

“(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—

“(i) $8,000; or

“(ii) the lesser of—

“(A) $15,000; or

“(B) 1 percent of such allotted funds, for school board activities for such school, including (notwithstanding any other provision of law) meeting expenses and the cost of membership in, and support of, organizations engaged in activities on behalf of Indian education.

“(B) MANAGEMENT.—

“(1) TRAINING.—Each local school board, and any agency school board that serves as a local school board for any grant or contract

---

"S4681

May 9, 2001

CONGRESSIONAL RECORD — SENATE"
school shall ensure that each individual who is a new member of the school board receives, within 12 months after the individual becomes a member of the school board, 40 hours of training relevant to that individual's service on the board. Such training may include training concerning legal issues pertaining to Bureau funded schools, legal issues pertaining to school boards, ethics, and other topics determined to be appropriate by the school board. The training described in this subparagraph shall not be required for a tribal governing body that serves in the capacity of a school board.

(6) OBSERVATION OF AMOUNT FOR EMERGENCIES.—

(1) IN GENERAL.—The Secretary shall reserve 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 discretion of the Director of the Office, to meet emergencies and unforeseen contingencies affecting program functions operated under this section. Funds reserved under this subsection may only be expended for education services or programs, including emergency preparedness, facilities the local school board, or other provision of law, at the election of the Secretary.

(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 section for that fiscal year.

(4) REPORTS.—If the Secretary makes funds available under this subsection, the Secretary shall submit a report describing such action to the appropriate committees of Congress as part of the President's next annual budget request under section 1105 of title 31, United States Code.

(5) SUPPLEMENTAL APPROPRIATIONS.—Any funds provided in a supplemental appropriations Act to meet increased pay costs attributable to school level personnel of Bureau funded schools shall be allotted under this section.

(6) ELIGIBLE INDIAN STUDENT DEFINED.—In this section, the term 'eligible Indian student' means—

(1) is 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 Bureau off-reservation home-schooling program; and

(3) is enrolled in a Bureau funded school.

(7) TUITION.—

(1) IN GENERAL.—A Bureau school or contract or grant school may not charge an eligible Indian student tuition for attendance at the Bureau school or contract or grant school, except that the Secretary may charge a student attending the school under the circumstances described in paragraph (2)(B) tuition for attendance at the school.

(2) ATTENDANCE OF NON-INDIAN STUDENTS AT CONTRACT OR GRANT SCHOOLS.—The school board of a contract or grant school may permit students who are not eligible Indian students to attend the contract or grant school. Any tuition collected for those students shall be in addition to the amount the school received under this section.

(3) ASSISTANCE TO INDIAN STUDENTS ATTENDING AFFILIATED SCHOOLS.—The local school board of a Bureau school may provide financial assistance to eligible Indian students to attend a private school in another State. In providing such assistance, the Secretary shall establish guidelines to ensure that the amount of assistance provided to any Indian student attending an affiliated school does not exceed the cost of tuition for attendance at the Bureau school, or the cost of tuition for attendance at the school the student would attend if he or she had not been eligible for assistance under this section.

(4) ELIGIBLE INDIAN STUDENT DEADLINE.—The term 'eligible Indian student' means—

(1) attends the Bureau school in the fiscal year in which the student would have been eligible to attend; or

(2) attends the Bureau school in the fiscal year following the fiscal year in which the student would have been eligible to attend.

(8) ADMINISTRATIVE COSTS.—

(1) IN GENERAL.—The Secretary shall make such determinations and shall make such adjustments as may be necessary to implement this section.

(2) DEDUCTIONS.—The term 'administrative deduction' means any deduction permitted by law from Bureau school funds for facilities and government quarters or other programs of the Federal Government.

(3) COSTS.—Costs of necessary insurance, audit, and other administrative functions that would otherwise be provided by the Secretary or Bureau programs or portions of programs; and

(4) FUNDING.—

(1) ADMINISTRATIVE COST.—The term 'administrative costs' means—

(1) the local school board consents; and

(2) the student is a dependent of a Bureau, Indian Health Service, or tribal government employee who lives on or near the Bureau school site.

(2) TUITION.—

(1) The Secretary may establish requirements governing the tuition charged to eligible Indian students to attend private schools, and require such students to agree to pay such tuition.

(2) Tuition charged to eligible Indian students to attend private schools shall be in addition to the amount that the student would have paid tuition for attendance at the Bureau school, or the amount the student's local school board would have charged for his or her attendance at the Bureau school.

(3) FUTURES.—

(1) IN GENERAL.—The Secretary shall report describing such action to the appropriate committees of Congress as part of the President's next annual budget request under section 1105 of title 31, United States Code.

(2) USE OF FUNDS.—Amounts 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 not more than 15 percent of the funds allotted for the school under this section for the fiscal year shall remain available to the school for expenditure without fiscal year limitation. The Assistant Secretary for Indian Affairs shall take such steps as may be necessary to implement this subsection.

(4) STUDENTS AT RICHFIELD DORMITORY, RICHFIELD, UTAH.—Tuition for the instruction of each out-of-State Indian student in a home-living situation at the Richfield dormitory 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 in section 1129, at a rate not to exceed the weight amount provided for under subsection (b) for a student for that year. No additional administrative cost funds shall be provided under this part to pay for administrative costs relating to the instruction of the students.

(5) ADMINISTRATIVE COST GRANTS.—

(1) ADMINISTRATIVE COST.—The term 'administrative costs' means the cost of necessary administrative functions for the purpose of paying the administrative and indirect costs incurred in operating the contract or grant school, in order to enable the tribe or tribal organization operating the school, without reducing direct program services to the beneficiaries of the program, to provide all related administrative functions to be operated directly by a tribe or tribal organization under a contract or grant with the Bureau.

(2) AMOUNT.—The term 'administrative cost grant' means—

(1) the Secretary makes funds available for such purposes; and

(2) the Secretary provides any grants under this section, on the basis of the income and resources of the tribe, and the amount determined under section 1127 of this title.

(3) ADMINISTRATIVE COST GRANTS.—

(1) ADMINISTRATIVE COST.—The term 'administrative costs' means the cost of necessary administrative functions for the purpose of paying the administrative and indirect costs incurred in operating the contract or grant school, in order to enable the tribe or tribal organization operating the school, without reducing direct program services to the beneficiaries of the program, to provide all related administrative functions to be operated directly by a tribe or tribal organization under a contract or grant with the Bureau.

(2) AMOUNT.—The term 'administrative cost grant' means—

(1) the Secretary makes funds available for such purposes; and

(2) the Secretary provides any grants under this section, on the basis of the income and resources of the tribe, and the amount determined under section 1127 of this title.

(4) MAXIMUM BASE RATE.—The term 'maximum base rate' means 11 percent.

(5) MINIMUM BASE RATE.—The term 'minimum base rate' means 11 percent.

(6) STANDARD DIRECT COST BASE.—The term 'standard direct cost base rate' means 11 percent.

(7) TRIBAL ELEMENTARY OR 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 portions of programs (excluding funds for social services that are appropriated to agencies other than the Bureau and are expended through the Bureau, funds for major subcontracts, construction, and other major capital expenditures, and funds provided under prior years) which share common administrative costs, that are operated directly by a tribe or tribal organization under a contract or grant with the Bureau.

(8) GRANTS; EFFECT UPON APPROPRIATED AMOUNTS.—

(1) GRANTS.—

(1) ADMINISTRATIVE COST.—The term 'administrative costs' means the cost of necessary administrative functions for the purpose of paying the administrative and indirect costs incurred in operating the contract or grant school, in order to enable the tribe or tribal organization operating the school, without reducing direct program services to the beneficiaries of the program, to provide all related administrative functions to be operated directly by a tribe or tribal organization under a contract or grant with the Bureau.

(2) AMOUNT.—The term 'administrative cost grant' means—

(1) the Secretary makes funds available for such purposes; and

(2) the Secretary provides any grants under this section, on the basis of the income and resources of the tribe, and the amount determined under section 1127 of this title.

(3) ADMINISTRATIVE COST GRANTS.—

(1) ADMINISTRATIVE COST.—The term 'administrative costs' means the cost of necessary administrative functions for the purpose of paying the administrative and indirect costs incurred in operating the contract or grant school, in order to enable the tribe or tribal organization operating the school, without reducing direct program services to the beneficiaries of the program, to provide all related administrative functions to be operated directly by a tribe or tribal organization under a contract or grant with the Bureau.

(2) AMOUNT.—The term 'administrative cost grant' means—

(1) the Secretary makes funds available for such purposes; and

(2) the Secretary provides any grants under this section, on the basis of the income and resources of the tribe, and the amount determined under section 1127 of this title.
shall be in addition to, and shall not reduce, the amounts appropriated for the program being administered by the contract or grant school.

**Determination of Grant Amount.**—

(1) IN GENERAL.—The amount of the grant provided to each tribe or tribal organization under this section for each fiscal year shall be determined by applying the administrative cost percentage rate determined under subsection (d) of the tribe or tribal organization to the costs of the Bureau elementary and secondary functions operated by the tribe or tribal organization for which funds are received from or through the Bureau.

(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 or tribal organization; and

(B) take such actions as may be necessary to be reimbursed by any other department or agency (other than the Department of the Interior) for the portion of grants made under this section for the costs of administering any program for Indians that is funded 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 to carry out this section for such fiscal year, any portion of such total amount that bears the same relationship to such excess as the amount of such grants determined under this subsection bears to the total of all grants determined under this subsection for all tribes and tribal organizations for such fiscal year.

(4) ADMINISTRATIVE COST PERCENTAGE RATE.—

(A) 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—

(i) the sum of—

(I) the amount equal to—

(aa) the direct cost base of the tribe or tribal organization for the fiscal year, multiplied by

(bb) the minimum base rate; plus

(bb) the amount equal to—

(II) the standard direct cost base, multiplied by

(bb) the maximum base rate; by

(ii) the direct cost base of the tribe or tribal organization for the fiscal year; and

(ii) the standard direct cost base.

(B) TIMING FOR USE OF FUNDS.—

(1) APPLICABILITY TO SCHOOLS OPERATING UNDER TRIBALLY CONTROLLED SCHOOLS ACT.—

(i) PROJECTIONS, BASED ON THE INFORMATION GATHERED PERTAINING TO SUCH SCHOOLS.—The Secretary shall submit to the appropriate committees of Congress a report that shall contain—

(A) projections, based on the information gathered pursuant to subsection (b) and any other information necessary to report to Congress information and funding requests contained in the annual report required by subsection (c) in preparing their annual budget requests.

(2) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—Beginning with President’s annual budget request under section 1105 of title 31, United States Code for fiscal year 2002, and with respect to any succeeding budget request, the Secretary shall submit to the appropriate committees of Congress information and funding requests for the full funding of administrative costs granted required to be paid under this section.

(B) REQUIREMENTS.—

(1) 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 the next fiscal year, the administrative cost grant for such fiscal year funded by such annual budget request, the amount so required shall not be less than 10 percent of the amount required for subparagraph (A).

(2) FUNDING FOR CONTINUING 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 operating a contract or grant school with administrative cost grant funds supplied from the amount described in this section for the fiscal year for which the grant is provided.

(3) TREATMENT OF FUNDS.—Funds received by a tribe or tribal organization under this section for the fiscal year for which the grant is provided shall be used only to supply the amount of administrative costs incurred in operating a contract or grant school or a school operated under the Tribally Controlled Schools Act of 1988; and

(4) TREATMENT OF FUNDS.—Funds required to be provided under this section for the fiscal year for which the grant is provided shall be used only to supply the amount of administrative costs incurred in operating a contract or grant school or a school operated under the Tribally Controlled Schools Act of 1988; and

(5) INDIVIDUAL FUNDING.—In applying this section to a contract or grant school or a school operated under the Tribally Controlled Schools Act of 1988, the Secretary shall take such actions as may be necessary to be reimbursed by any other department or agency (other than the Department of the Interior) for the portion of grants made under this section for the costs of administering any program for Indians that is funded by appropriations made to such other department or agency.

(6) APPROPRIATIONS.—In applying this section to a contract or grant school or a school operated under the Tribally Controlled Schools Act of 1988, the Secretary shall ensure that the Indian tribe or tribal organization owning or operating the contract or grant school, and of the indirect administrative costs incurred in operating a Bureau-funded school, for each fiscal year determined under paragraph (1), the amount required to provide full funding for an administrative cost grant for each tribe or tribal organization operating a contract or grant school, and of the indirect administrative costs incurred in operating a Bureau-funded school, for each fiscal year.

(7) AVAILABILITY OF FUNDS.—With respect to such grants required to be provided under this section, the Secretary shall ensure that the Indian tribe or tribal organization owning or operating the contract or grant school, and of the indirect administrative costs incurred in operating a Bureau-funded school, the Secretary shall ensure that the Indian tribe or tribal organization owning or operating the contract or grant school, and of the indirect administrative costs incurred in operating a Bureau-funded school, for each fiscal year determined under paragraph (1), the amount required to provide full funding for an administrative cost grant for each tribe or tribal organization operating a contract or grant school, and of the indirect administrative costs incurred in operating a Bureau-funded school, the Secretary shall ensure that the Indian tribe or tribal organization owning or operating the contract or grant school, and of the indirect administrative costs incurred in operating a Bureau-funded school, for each fiscal year.
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 section 1126. The Secretary shall remain available for obligation through the succeeding fiscal year.

(b) **Publications.—** The Secretary shall, on the first publication of amounts appropriated as described in this section—

(i) publish, not later than July 1 of the fiscal year for which the amounts are appropriated, information indicating the amount of the allotments to be made to each affected school under section 1126, of 80 percent of such appropriated amounts; and

(ii) publish, not later than September 30 of such fiscal year, information indicating the amount of the allotments to be made under section 1126, from the remaining 20 percent of such appropriated amounts, adjusted to reflect the actual student attendance.

Any overpayments made to tribal schools shall be returned to the Secretary not later than 30 days after the final determination that the school was overpaid pursuant to this section.

(3) **Limitation.**—

(a) **Expenses.—** Notwithstanding any other provision of law (including a regulation), the supervisor of a Bureau school may expend, not more than $15,000, of the amount allotted to the school under section 1126 to acquire materials, supplies, equipment, operation services, maintenance services, and other services for the school, and amounts received as operations and maintenance funds, funds received from the Department of Education, or funds received from other Federal sources, without competitive bidding if—

(i) the cost for any single item acquired does not exceed $15,000;

(ii) the school board approves the acquisition;

(iii) the supervisor certifies that the cost is fair and reasonable;

(iv) the documents relating to the acquisition executed by the supervisor of the school or other school staff cite this paragraph as authority for the acquisition; and

(v) the transaction is documented in a journal maintained at the school that clearly identifies when the transaction occurred, the item that was acquired and from whom, the price paid, the quantities acquired, and any other information the supervisor or the school board considers to be relevant.

(b) **Notice.**—Not later than 6 months after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall send notice of the provisions of this paragraph to each supervisor of a Bureau school and associated school board chairperson, the education line officer of each agency and area, and the Bureau office of procurement, at both the local and national levels.

(c) **Application and Guidelines.**—The Director of the Office shall be responsible for—

(i) determining the application of this paragraph, including the authorization of specific individuals to carry out this paragraph;

(ii) ensuring that there is at least 1 such individual at each Bureau facility; and

(iii) the provision of guidelines on the use of this paragraph and adequate training on such capable of operation.

(b) **Local Financial Plans for Expeditation of Funds.**—

(1) **Plan Required.**—Each Bureau school that receives an allotment under section 1126 shall prepare a local financial plan that specifies the manner in which the school will expend the funds made available under the allotment and ensures that the school will meet the accreditation requirements or standards for the school pursuant to section 1121.

(2) **Requirement.**—A local financial plan under subparagraph (A) shall comply with all applicable provisions of this section (commonly known as the ‘Johnson-O’Malley Act’, 48 Stat. 596, chapter 147) and this Act for any fiscal year for such allotments provided in each summer program referred to in paragraph (1) at the option of the tribe or school receiving such funds. The augmented services shall be under the control of the tribe or school.

(3) **Technical Assistance and Program Coordination.**—The Secretary for Indian Affairs, acting through the Director of the Office, shall provide technical assistance and coordination of activities for any program described in paragraph (1) and 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.**—

(1) **In General.**—From funds allotted to a Bureau school under section 1126, the Secretary shall, if specifically requested by the appropriate tribal governing body, implement a cooperative agreement that is entered into between the tribe, the local school board, and a local public school district that meets the requirements of paragraph (2) and involves the school. The tribe, the Bureau, the school board, and the local public school district shall determine the terms of the agreement.

(2) **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:

(i) The academic program curriculum, unless the Bureau school is accredited by a State or regional accrediting entity and would not continue to be so accredited if the agreement encompassed the program and curriculum.

(ii) Support services, including procurement and facilities maintenance.

(iii) Transportation.

(3) **Equal Benefit and Burden.**—

(A) **In General.**—Each agreement entered into pursuant to the authority provided in paragraph (1) shall confer a benefit upon the Bureau school commensurate with the burden assumed by the school.

(B) **Limitation.**—(A) paragraph (1) shall not be construed to require equal expenditures, or an exchange of similar services, by the Bureau school and schools in the school district.

(4) **Product or Result of Student Projects.**—Notwithstanding any other provision of law, where there is agreement on action between the superintendent and the school board of a Bureau funded school, the product or result of a project conducted in whole or in major part by a student may be granted to that student upon the completion of such project.

(5) **Matching Fund Requirements.**—Notwithstanding any other provision of law, funds received by a Bureau funded school under this title for education-related activities (not included for construction, maintenance, and facilities improvement or repair) shall not be considered Federal funds for the purposes of a matching funds requirement.

(6) **Nonapplication of Requirements.**—

(A) **In General.**—Notwithstanding any other provision of law, no requirement relating to Federal funds for the provision of services or in-kind activity as a condition of participation in a program or

---

**CONGRESSIONAL RECORD — SENATE**

May 9, 2001
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 Government, 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 an opportunity to participate and discuss the options presented or to present alternatives, with the views and concerns of the interested parties given effect unless the Secretary determines, from information available from or presented by the interested parties during one or more of the discussions and deliberations, that it 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 or a statement explaining the decision made by the Secretary which is not 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 the duties and responsibilities of which—

(A) are performed on a school-year basis principally in a Bureau school and involve—

(i) the instruction, 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 from an accredited institution of higher education;

(iii) any activity in or related to the field of education, whether or not academic credits in the area of such activity are formally required for the conduct of such activity; or

(iv) provision of support services as, or associated with, the administration of the school; or

(B) are performed at the agency level of the Bureau and involve the implementation of education-related programs, other than the position of agency superintendent for education.

(2) EDUCATOR.—The term ‘educator’ means an individual who is required, or who is employed, in an education position.

(3) CIVIL SERVICE AUTHORITIES.—Chapter 51, subchapter III of chapter 53, and chapter 63 of title 5, United States Code, relating to classification, pay, and leave, respectively, and the sections of such chapters relating to promotions, hours of work, and removal of civil service employees, shall not apply to educators or to education positions.

(c) REGULATIONS.—Not later than 60 days after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall prescribe regulations to carry out this section. Such regulations shall include provisions relating to—

(1) the establishment of education positions;

(2) the establishment of qualifications for educators and education personnel;

(3) the fixing of basic compensation for educators and education positions;

(4) the determination of compensation;

(5) the discharge of educators;

(6) the entitlement of educators to compensation;

(7) the payment of compensation to educators;

(8) the conditions of employment of educators;

(9) the leave system for educators;

(10) the length of the school year applicable to education positions described in subsection (a)(1)(A); and

(11) such matters as may be appropriate.

(2) QUALIFICATIONS OF EDUCATORS.—

(1) REQUIREMENTS.—In prescribing regulations to govern the qualifications of educators, the Secretary shall require—

(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)(i) 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

(ii) that a determination by a local school board, as evidenced by school board records, that such individual should or should not be employed shall be instituted by the superintendent for education of the agency office;

(C)(i) that, before an individual is employed in an education position in a Bureau school by the supervisor of the school (or, with respect to the position of supervisor, by the appropriate agency education line officer), the local school board for the school shall be consulted; and

(ii) that a determination by such school board, as evidenced by school board records, that such individual should or should not be employed shall be instituted by the superintendent for education of the agency office; and

(3) STATUTORY CONSTRUCTION.—Except as expressly provided, nothing in this section shall be construed as authorizing any action or elimination of any position, or the authority to issue management decisions.

(4) APPEALS.—

(A) BY SUPERVISOR.—The supervisor of a school shall have the authority to appeal the decision of the agency education line officer any determination by the local school board for the school that an
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 that 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 statement to such board and to such supervisor identifying the reasons for overturning such determination.

"(B) BY EDUCATION LINE OFFICER.—The education line officer of an agency office of 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 to 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 statement to such board and to such education line officer identifying the reasons for overturning such determination.

"(6) 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 expeditious and equitable resolution of grievances of educators; and

"(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) DISCHARGE.—

"(A) DETERMINATIONS.—The supervisor of a Bureau school may discharge (subject to procedures established under paragraph (1)(B)) for cause, any educator employed in such school. Upon 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 the educator shall or shall not be discharged shall be followed by the supervisor.

"(B) APPEALS.—The supervisor shall have the right to appeal to the Director of the Bureau a local school board under subparagraph (A), as evidenced by school board records, not to discharge an educator to the education line officer of the appropriate agency office of the Bureau. Upon hearing such an appeal, the agency education line officer may, for good cause, issue a decision overturning the determination of the local school board with respect to the employment of such individual. The education line officer shall make the decision 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 appropriate agency office of the Bureau and to the Director of the Office, that the supervisor of the school be discharged.

"(7) 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 such tribal organization or fragmented tribe waives 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—

"(i) the recognized governing body of any Indian tribe, band, nation, pueblo, or other organized community, including a Native Village (as defined in section 3(c) of the Alaska Native Claims Settlement Act); or

"(ii) in connection with any personnel action referred to in this subsection, any local school board or recognized governing body has delegated the authority to grant a waiver under this subsection with respect to a personnel action.

"(B) 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.

"(B) COMPENSATION FOR ORGANIZATIONS.—

"(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 the positions of teachers and counselors, in 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 the local school district.

"(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 to the employees so that the reduction takes effect in 3 equal installments.

"(iv) DISCONTINUATION.—In an instance in which the establishment of such rates at a school causes an increase in compensation 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 school board may apply the new rates at the next contract renewal so that either—

"(I) the entire increase occurs on 1 date; or

"(II) the increase takes effect in 3 equal installments.

"(6) ESTABLISHED REGULATIONS, PROCEDURES, AND ARRANGEMENTS.—

"(1) 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.

"(2) EXEMPTIONS FROM CONTINUUM Employment or COMPENSATION.—The establishment of rates of compensation and annual salary rates under subparagraphs (B) and (C) shall not affect the treatment of an educator who was employed in an education position on October 31, 1979, and who
did not make an election under subsection (o), as in effect on January 1, 1980.

(2) Post differential rates.

(A) In general.—The Secretary may pay a post differential rate to an educator or education position, on the basis of conditions of environment or work that warrant an adjustment as a recruitment or retention incentive.

(B) Supervisor’s authority.—

(i) In general.—Except as provided in clause (ii), the Secretary or the supervisor of a Bureau school, the Secretary or the supervisor may grant the authority to provide 1 or more post differential rates under subparagraph (A).

(ii) Exception.—The Secretary shall disapprove, or approve with a modified 25 percent of the rate of compensation, for educators or education positions, on the basis of conditions of environment or work that warrant an adjustment as a recruitment or retention incentive.

(iii) Approval of requests.—A request made under paragraph (ii) 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 request is approved or disapproved with a modification, or disapproved by the Secretary.

(iv) Discontinuation or decrease in rates.—The Secretary or the supervisor of a Bureau school may discontinue or decrease 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 the rate should be disapproved or decreased because the disparity of compensation between the appropriate educators or positions in that school and the comparable educators or positions at the nearest public school is—

(a) at least 5 percent; or

(b) at least 5 percent, and

(ii) does not affect the recruitment or retention of employees at the school.

(2) Approvals of requests.—A request made under paragraph (c)(9)(I) 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 request is approved or disapproved with a modification, or disapproved by the Secretary.

(iii) Discontinuation or decrease in rates.—The Secretary or the supervisor of a Bureau school may discontinue or decrease 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 of employees at the school after the differential is discontinued or decreased.

(2) 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 the provisions 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 of an education position as described in subsection (c)(9) shall not be so liquidated.

(2) Transfer of remaining leave upon transfer from promotion, or reemployment.—In the case of any educator who—

(i) is transferred, promoted, or reappointed, without a break in service, to a position in the Federal Government under a different leave system than the system for leave described in subsection (c)(9); and

(ii) earned or was credited with leave under this section, if the educator was a participant under subsection (c)(9) and has such leave remaining to the credit of such educator; such leave shall be transferred to such educator’s credit in the employment agency for the position on an adjusted basis in accordance with regulations that shall be prescribed by the Director of the Office of Personnel Management.

(2) Ineligibility for employment of voluntarily terminated educators.—An educator who elects to terminate employment under an employment contract with the Bureau before the expiration of the employment contract shall not be eligible to be employed in another education position in the Bureau during the remainder of the term of such contract.

(i) Dual compensation.—In the case of any educator or education position described in subsection (a)(1)(A) who—

(I) is employed at the end of an academic year;

(ii) agrees in writing to serve in such position for the next academic year; and

(iii) is employed in another position during the recess period immediately preceding such next academic year, or during such recess period receives additional compensation referred to in section 5533 of title 5, United States Code, relating to dual compensation; such section 5533 shall not apply to such educator for the period during which the recess period with respect to any receipt of additional compensation.

(3) Voluntary services.—Notwithstanding section 3420 of title 31, United States Code, the Secretary may, subject to the approval of the local school boards concerned, accept voluntary services on behalf of Bureau schools. Nothing in this part shall be construed to require Federal employees to work without compensation or to allow the use of volunteer services in lieu of or to displace or to replace Federal employees. An individual providing volunteer services under this section shall be considered to be a Federal employee only for purposes of chapter 81 of title 5, United States Code, and chapter 171 of title 28, United States Code.

(2) PRORATION OF PAY.—

(I) Election of employee.—Notwithstanding any other provision of law, including laws relating to dual compensation, the Secretary, at the election of an educator, shall prorate the pay of the educator for an academic year over a 12-month period. Each educator employed for the academic year shall annually be paid to be paid on a 12-month basis when the school is in session. No educator shall suffer a loss of pay or benefits, including benefits under unemployment or other Federal or federally assisted programs, because of such election.

(2) Change of election.—During the course of such academic year, the employee may change the election made under paragraph (1) once.

(3) Lump-sum payment.—That portion of the employee’s pay that would have been paid between academies paid under clause (I) shall be paid at the election of the employee.

(3) Application.—This subsection applies to educators, whether employed under this section or title 5, United States Code.

(4) Extracurricular activities.—

(I) Stipend.—Notwithstanding any other provision of law, the Secretary may provide, for Bureau employees in each Bureau area, a stipend in lieu of overtime premium pay or compensatory time off for overtime work. Any employee of the Bureau who performs overtime work that consists of additional activities to provide services to students or otherwise support the school’s academic and social programs may elect to be compensated for the overtime work that consists of the stipend. Such stipend shall be paid as a supplement to the employee’s base pay.

(2) Election not to receive stipend.—If an employee elects not to be compensated through the stipend established by this subsection, the appropriate provisions of title 5, United States Code, shall apply with respect to the work involved.

(5) Application.—This subsection applies to Bureau employees, whether employed under this section or title 5, United States Code.

(6) Covered individuals.—This section shall apply with respect to an educator hired after November 1, 1979 (and to any educator who elected to be covered under this section or a corresponding provision of law prior to November 1, 1979) to a position in which such educator is employed. The enactment of this section shall not affect the continued employment of an individual employed by October 31, 1979, in an education position, or such person’s right to receive the compensation attached to such position.

(7) Federal United States employees.—

(I) In general.—An educator who was employed in an education position on October 31, 1979, who was eligible to make an election under subsection (p) at that time, and who did not make the election under such subsection, may not be placed on furlough (within the meaning of section 6306 of title 5, United States Code) without the consent of such educator for an aggregate of more than 4 weeks within the same calendar year, unless—

(A) the supervisor of the local school board (or of the education line officer upon appeal under paragraph (2)), of the Bureau school at which such educator provides services determines that a longer period of furlough is necessary due to an insufficient amount of funds available for personnel compensation at such school, as determined under the financial plan process as determined under section 1129(b); and

(B) all educators (other than principals and clerical employees) providing services at such Bureau school are placed on furloughs of equal length, except that the supervisor, with the approval of the local school board (or of the agency education line officer upon appeal under paragraph (2)), may continue 1 or more educators in pay status if—

(i) such educators are needed to operate summer programs, attend summer training sessions, or participate in activities including curriculum development committees; and

(ii) such educators are selected based upon such educator’s qualifications after public notice of the minimum qualifications reasonably necessary and without discrimination as to supervisory, nonsupervisory, or other status of the educators who apply.

(3) Appeals.—The supervisor of a Bureau school may appeal to the appropriate agency education line officer any refusal by the local school board to approve any determination of the supervisor that is described in paragraph (1)(A) by filling a written statement describing the determination and the reasons for the determination, which statement shall be considered approved. 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, approve the determination of the supervisor. The educational line officer shall transmit the determination of such appeal in the form of a written opinion to the local school board and to the supervisor identifying the reasons for approving such determination.

(4) Stipends.—The Secretary is authorized to provide annual stipends to teachers who become certified by the National Board of Professional Teaching Standards.
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) personnel;
(4) facilities;
(5) community demographics;
(6) student assessment information;
(7) information on the administrative and program costs attributable to each Bureau program, divided into discrete elements;
(8) relevant regulations.

(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 employing and retaining qualified Indian educators 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) IN GENERAL.—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 an analysis on the status of tribally controlled community colleges.

(b) BUDGET REQUEST.—The annual budget request for the Bureau’s education programs, as submitted as part of the President’s next request for the Bureau’s education programs, as submitted as part of the President’s budget for the next fiscal year, shall include—

(c) FINANCIAL AND COMPLIANCE AUDITS.—The Inspector General of the Department of the Interior shall establish a system to ensure that financial and compliance audits are conducted for each Bureau school at least once in every 3 years. Each audit of a Bureau school shall examine the extent to which such school is complying with the local financial plan prepared by the school under section 1128(b).

(d) ADMINISTRATIVE EVALUATION OF SCHOOLS.—The Director shall, at least once every 3 to 5 years, conduct a comprehensive evaluation of Bureau operated schools. Such evaluation shall be in addition to any other program review or evaluation that may be required under 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’ right to freedom of religion and expression, and such students’ right 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 section 1129(b) of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2510). In issuing such regulations, the Secretary shall authorize 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. Such meetings shall be held by Bureau funded schools to provide guidance to the Secretary on the content of regulations authorized to be promulgated by this part and the Tribally Controlled Schools Act of 1988.

(c) NEGOTIATED RULEMAKING.—

(1) IN GENERAL.—Notwithstanding sections 568(a) and 568(a) 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 part. If the Secretary determines that an extension of the deadline under appropriate regulations is necessary, 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—

(A) apply the procedures provided 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;

(B) ensure that the membership of the committee includes only representatives of the Federal Government and of tribes served by Bureau-funded schools;

(C) select the tribal representatives of the committee from among individuals nominated by the representatives of the tribal and tribally-operated schools;

(D) ensure, to the maximum extent possible, that the committee membership on the committee reflects the proportionate share of students from tribes served by the Bureau funded school system; and

(E) comply with the Federal Advisory Committee Act (5 U.S.C. App. 2).

(4) AUTHORIZATION OF APPROPRIATIONS.— There is authorized to be appropriated such sums as may be necessary to carry out this subparagraph.

SEC. 1137. EARLY CHILDHOOD DEVELOPMENT PROGRAM.

(a) GRANTS.—The Secretary shall make grants to tribes, tribal organizations, and consortia of tribes and tribal organizations to fund early childhood development programs that are operated by such tribes, organizations, or consortia.

(b) AMOUNT OF GRANTS.—

(1) IN GENERAL.—The amount of the grant made under subsection (a) to each eligible tribe, tribal organization, or consortium of tribes or tribal organizations for each fiscal year shall be equal to the amount that bears the same relationship to the total amount appropriated under this section (g) for such fiscal year (other than amounts reserved under subsection (f)) as—

(A) the total number of children under age 6 who are members of—

(i) such tribe;

(ii) the tribe that authorized such tribal organization; or

(iii) any tribe that—

(I) is a member of such consortium; or

(II) so authorizes any tribal organization that is a member of such consortium; bears to

(B) the total number of all children under age 6 who are members of any tribe that—

(i) is eligible to receive funds under subsection (a); or

(ii) is a member of a consortium that is eligible to receive such funds; or

(iii) is authorized by any tribal organization that is eligible to receive such funds.

(2) LIMITATION.—No grant may be made under subsection (a)—

(A) to any tribe that has fewer than 50 members;

(B) to any tribal organization that is authorized to act—

(i) on behalf of only 1 tribe that has fewer than 500 members; or

(ii) on behalf of 1 or more tribes that have a combined total membership of fewer than 500 members; or

(C) to any consortium composed of tribes, or tribal organizations authorized by tribes to act on behalf of the tribes, that have a combined total tribal membership of fewer than 500 members.

(c) APPLICATIONS.—

(1) IN GENERAL.—To be eligible to receive a grant under subsection (a), a tribe, tribal organization, or consortium of tribes shall submit to the Secretary an application for the grant at such time, in such manner, and containing such information as the Secretary shall prescribe.

(2) CONTENTS.—An application submitted under paragraph (1) shall describe the early childhood development program that is funded through the grant 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 served by the programs, including needs for—

(A) prenatal care;

(B) nutrition education; health, safety, and screening;

(D) family literacy services;

(E) educational testing; and

(F) other educational services;

(2) 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 involved with family literacy programs for Indian children carried out under part B of title I of the Elementary and Secondary Education Act of 1965 in order to avoid duplication and to encourage the dissemination of information on quality family literacy programs serving Indians.

(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 services relating to the tribe, tribal organization, or consortium involved in establishing and maintaining the early childhood development program.

(g) Authorization of Appropriations.—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 encouraging and facilitating the administrative support of all Bureau funded educational programs as well as encouraging tribal cooperation and coordination with other States and other educational programs receiving financial support from other Federal agencies, State agencies, or private entities; and

(3) to provide 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.

(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 funded schools; and

(B) assurances from the applicant that the tribal department of education to be funded under this section will provide coordinating, administrative, and technical assistance to all of such schools; and

(2) includes assurances that all education programs for which funds are provided by 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 over the term of the grant made under this section, except that, when mutually agreeable to the tribal governing body and the Assistant Secretary, the period in which such assumption is to occur may be modified, reduced, or extended after the initial year of the grant.

(f) Time Period of Grant.—Subject to the availability of appropriated funds, a grant provided under this section 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 or successive terms.

(g) Terms, Conditions, or Requirements.—A tribe that receives a grant under this section shall comply with regulations relating to grants made under section 110(a) of the Indian Self-Determination and Education Assistance Act that are in effect on the date that the tribal governing body submits the application for the grant under subsection (c). The Secretary shall not impose any terms, conditions, or requirements on the provision of services under this section that are not specified in this section.

(h) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated $2,000,000 for each of fiscal years 2002 and 2003 and such sums as may be necessary for each of fiscal years 2004, 2005, and 2006.

SEC. 113B. DEFINITIONS.

In this part, unless otherwise specified:

(1) Agency School Board.—

(A) In General.—Except as provided in subparagraph (B), the term ‘agency school board’ means a body, for which—

(i) the members are appointed by all of the governing bodies of the schools located within an agency, including schools operated under contracts or grants; and

(ii) the number of such members shall be determined by the Secretary in consultation with the affected tribes.

(B) Exceptions.—In the case of an agency serving a single school, the school board of such school shall be considered to be the agency school board. In the case of an agency serving schools operated under contracts or grants, a contract or grant, at least 1 member of the body described in subparagraph (A) shall be from such a school.

(C) Bureau.—The term ‘Bureau’ means the Bureau of Indian Affairs of the Department of the Interior.

(2) Bureau funded school.—The term ‘Bureau funded school’ means—

(A) a Bureau school;

(B) a contract or grant school; or

(C) a school for which financial assistance is provided under the Tribally Controlled Schools Act of 1988.

(D) Elementary and Secondary Education Program funded through the grant, instruction in the language, art, and culture of the tribe served by the program; and

(E) educational programs as well as encouraging tribal cooperation and coordination with other States and other educational programs receiving financial support from other Federal agencies, State agencies, or private entities; and

(F) other educational services;

(2) 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 involved with family literacy programs for Indian children carried out under part B of title I of the Elementary and Secondary Education Act of 1965 in order to avoid duplication and to encourage the dissemination of information on quality family literacy programs serving Indians.

(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 services relating to the tribe, tribal organization, or consortium involved in establishing and maintaining the early childhood development program.

(g) Authorization of Appropriations.—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 encouraging and facilitating the administrative support of all Bureau funded educational programs as well as encouraging tribal cooperation and coordination with other States and other educational programs receiving financial support from other Federal agencies, State agencies, or private entities; and

(3) to provide 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.

(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 funded schools; and

(B) assurances from the applicant that the tribal department of education to be funded under this section will provide coordinating, administrative, and technical assistance to all of such schools; and

(2) includes assurances that all education programs for which funds are provided by 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 over the term of the grant made under this section, except that, when mutually agreeable to the tribal governing body and the Assistant Secretary, the period in which such assumption is to occur may be modified, reduced, or extended after the initial year of the grant.

(f) Time Period of Grant.—Subject to the availability of appropriated funds, a grant provided under this section 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 or successive terms.

(g) Terms, Conditions, or Requirements.—A tribe that receives a grant under this section shall comply with regulations relating to grants made under section 110(a) of the Indian Self-Determination and Education Assistance Act that are in effect on the date that the tribal governing body submits the application for the grant under subsection (c). The Secretary shall not impose any terms, conditions, or requirements on the provision of services under this section that are not specified in this section.

(h) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated $2,000,000 for each of fiscal years 2002 and 2003 and such sums as may be necessary for each of fiscal years 2004, 2005, and 2006.

SEC. 113B. DEFINITIONS.

In this part, unless otherwise specified:

(1) Agency School Board.—

(A) In General.—Except as provided in subparagraph (B), the term ‘agency school board’ means a body, for which—

(i) the members are appointed by all of the governing bodies of the schools located within an agency, including schools operated under contracts or grants; and

(ii) the number of such members shall be determined by the Secretary in consultation with the affected tribes.

(B) Exceptions.—In the case of an agency serving a single school, the school board of such school shall be considered to be the agency school board. In the case of an agency serving schools operated under contracts or grants, a contract or grant, at least 1 member of the body described in subparagraph (A) shall be from such a school.

(C) Bureau.—The term ‘Bureau’ means the Bureau of Indian Affairs of the Department of the Interior.
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.

(12) TRIBES.—The term 'tribes' shall mean native American tribes as defined in Public Law 92-638, as amended, and the term 'tribal organization' shall mean an organization that is determined to be eligible for participation in the Tribal Educational Assistance Act of 1988—

"(A) the members of the tribe shall be appointed by the tribal governing bodies of the tribes affected; and

"(B) 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.

(15) REGULATION.—The term "regulation" means any part of a statement of general or particular applicability and force of any regulation, or as otherwise provided in this Act.

(16) SECRETARY.—The term 'Secretary' means the Secretary of the Interior.

(17) SUPERVISOR.—The term 'supervisor' means the individual in the position of ultimate authority at a Bureau school.

(18) TRIBAL GOVERNMENT.—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.

(20) TRIBAL BODY.—The term 'tribal body' means any part of a statement of general or particular applicability and force of any regulation, or as otherwise provided in this Act.

Subtitle B—Tribally Controlled Schools Act of 1988

SEC. 201. TRIBALLY CONTROLLED SCHOOLS.

Sections 5202 through 5213 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) are amended to read as follows:

"SEC. 5202. FINDINGS.

"Congress, after careful review of the Federal historical 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 an educational process that will ensure the development of qualified people to fulfill meaningful leadership roles;

"(5) the Federal administration of education for Indian children has 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 made manifest in the Indian Self-Determination and Education Assistance Act.

"SEC. 5203. 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 more 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 opportunities that will permit Indian children—

"(1) to compete and excel in the life areas of their choosing;

"(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 of bilingual and cultural aspirations of Indian tribes and communities; and

"(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 fullest 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.

"SEC. 5204. CONTRACTS 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 the 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) DISPOSITIVE OF FUNDS.—Funds made available through a grant provided under this part for the operation of an Indian tribe or tribal organization shall be used in accordance with Federal law for—

"(A) to require a tribe or tribal organization to apply for or accept, at the discretion of the school board of the tribally controlled school with respect to which the grant is made, at the discretion of the school board of the tribally controlled school with respect to which the grant is provided, any expenditure, or any expenditure, to which the grant may be used under the laws described in section 5209(a), or any similar activities, including expenditures for local transportation, educational, residential, guidance and counseling, and administrative purposes; and

"(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 tribe under the provisions of any of the laws described in section 5209(a).

"(g) WAIVER OF FEDERAL TORT CLAIMS ACT.—Notwithstanding section 314 of the Department of Interior and Related Agencies Appropriations Act, 1991 (Public Law 101-166), the Federal Tort Claims Act shall not apply to a program operated by a tribally controlled school if the program is not funded by the Federal agency.

"(h) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"SEC. 5205. RESPONSIBLE ADMINISTRATION.

"Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(c) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(d) NO REQUIREMENT TO ACCEPT GRANTS.—

"(1) 1 GRANT PER TRIBE OR ORGANIZATION PER FISCAL YEAR.—Not more than 1 tribe may be provided under this part with respect to any Indian tribe or tribal organization for any fiscal year.

"(e) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(f) RESPONSIBLE ADMINISTRATION.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(g) NO REQUIREMENT TO ACCEPT GRANTS.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(h) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(i) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(j) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(k) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(l) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(m) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(n) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(o) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(p) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(q) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(r) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(s) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(t) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(u) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(v) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(w) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(x) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(y) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.

"(z) NONSECURITY USE.—Funds made available through any grant provided under this part may not be used in connection with religious worship or sectarian instruction.
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 be subject to the provisions of the Federal Government to provide an educational program.

(e) No effect on Federal Responsibility.—Grants provided under this part shall not terminate, modify, suspend, or reduce the responsibility of the Federal Government to provide an educational program.

(f) Retrocession.—

(1) In General.—Whenever a tribal government, the Secretary shall—

(i) submits to the Secretary a request for reimbursement under this part to include in such school for such fiscal year under this part.

(ii) retrocede tribal operated schools for such school for such fiscal year, except that the Secretary shall, the Secretary shall—

(i) retrocede tribal operated schools for such school for such fiscal year, except that the Secretary shall—

(ii) give any Indian tribe or tribal organization, including funds provided under this part, all grants provided under this part, that are available for the purpose of allocation of funds under this part.

(iii) any Federal education law that is not subject to any requirements, obligations, restrictions, or limitations imposed by the Secretary.

(2) Status after retrocession.—The tribe requesting retrocession shall specify whether the retrocession relates to a tribal or a State school. The provisions of this part shall not apply to a program that is subject to any Federal education law other than section 12.67 of title 43, Code of Federal Regulations.

(3) Transfer of equipment and materials.—Except as otherwise determined by the Secretary, any equipment or materials that are subject to section 12.67 of title 43, Code of Federal Regulations, at the time that the grantee requests a temporary use, or any portion thereof, shall be subject to the provisions of such law.

(4) Accounts; Use of certain funds.—

(A) Separate account.—Notwithstanding section 5209(a)(2), this section, and section 5210(b)(2) of the Education Act of 1965, the Secretary shall—

(B) other Bureau requirements.—Indian tribes or tribal organizations to which grants are provided under this part, that are subject to any requirements, obligations, restrictions, or limitations imposed by the Secretary, shall not apply solely by reason of the receipt of funds under any law referred to in clause (i), (ii), or (iii) of subparagraph (A).

(C) funds provided under this part. The Secretary may use such funds for the purposes of allocation of funds provided under—

(i) title I of the Elementary and Secondary Education Act of 1965;

(ii) the Individuals with Disabilities Education Act; and

(iii) any other Federal education law, that are distributed through the Bureau.

(D) accounts; Use of certain funds.—

(A) separate account.—Notwithstanding section 5209(a)(2), this section, and section 5210(b)(2) of the Education Act of 1965, the Secretary shall—

(B) other Bureau requirements.—With respect to a grant to a tribe or tribal organization under this part for new construction or facilities improvements and repair in excess of $300,000, such grant shall be subject to 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 (i), grants described in such clause shall not be subject to section 12.61 of title 43, Code of Federal Regulations, 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 the adequacy of the plan for the work to be performed.

(iv) Disputes.—Any dispute 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).

(C) New construction.—Notwithstanding subparagraph (A), a school that is a Bureau funded school before receiving assistance under this part, that is a Bureau funded school at the time that the grantee requests a temporary use, or any portion thereof, shall be subject to the provisions of such law.

(D) Period.—Where the appropriations measure under which the funds described in subparagraph (A) are made available or the application submitted for the funds does not state a period for the work covered by the funds, the Secretary shall—

(i) deem to have approved such request; and

(ii) immediately upon the expiration of such 180-day period amend the grant accordingly.

(E) Rights.—A tribe or organization described in subparagraph (A) may enforce its rights under subsection (a)(2) and this paragraph against the Secretary.

(F) Appropriations.—The Secretary may use such funds for the purposes of allocation of funds provided under—

(i) title I of the Elementary and Secondary Education Act of 1965;

(ii) the Individuals with Disabilities Education Act; and

(iii) any other Federal education law, that are distributed through the Bureau.

(G) accounts; Use of certain funds.—

(A) separate account.—Notwithstanding section 5209(a)(2), this section, and section 5210(b)(2) of the Education Act of 1965, the Secretary shall—

(B) other Bureau requirements.—With respect to a grant to a tribe or tribal organization under this part for new construction or facilities improvements and repair in excess of $300,000, such grant shall be subject to 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 (i), grants described in such clause shall not be subject to section 12.61 of title 43, Code of Federal Regulations, 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 would be deficient in assuring that the construction projects under the proposed grant conform to applicable building standards and comply with applicable health and safety standards as required under section 1124 of the Education Amendments of 1978 (25 U.S.C. 180c(a)) with respect to organizational and financial management capabilities.

(1) In general.—Whenever a tribe or tribal organization to which grants are provided under this part, that is a Bureau funded school at the time that the grantee requests a temporary use, or any portion thereof, shall be subject to section 5209(a)(2), this section, and section 5210(b)(2) of the Education Act of 1965, the Secretary shall—

(2) Status after retrocession.—The tribe requesting retrocession shall specify whether the retrocession relates to the operation of a program to be retroceded, or if the program is to be treated as a contract school, the existing property and equipment that were acquired.

(i) with assistance under this part; or

(ii) upon assumption of operation of the program under this part if the school was a Bureau funded school before receiving assistance under this part.

(B) prohibition of termination for administrative convenience.—Grants provided under clause (i) shall not be terminated, modified, suspended, or reduced solely for the convenience of the administering agency.

SEC. 5205. COMPOSITION OF GRANTS.

(a) In general.—The funds made available under this part to an Indian tribe or tribal organization for any fiscal year shall consist of—

(1) the total amount of funds allocated for such fiscal year under sections 1126 and 1127 of the Education Amendments of 1978 with respect to tribally controlled schools; and

(2) to the extent requested by such Indian tribe or tribal organization, the total amount of funds provided for transportation costs for such school;

(3) the total amount of funds that are allocated to such school for such fiscal year under this part.

(A) title I of the Elementary and Secondary Education Act of 1965;
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 Indian tribe or tribal organization elects to have the application reviewed under the provisions of subsection (b).

(2) DEADLINE FOR DETERMINATION BY SECRETARY.—(A) DETERMINATION.—By not later than 180 days after the date on which an application is submitted to the Secretary under paragraph (1), the Secretary shall determine whether the school is eligible for assistance under this part.

(B) FACTORS.—In making the determination under subparagraph (A), the Secretary shall give equal consideration to each of the following factors:

(i) With respect to the applicant's proposal:

(I) the adequacy of facilities or the potential to obtain or provide adequate facilities; and

(II) the adequacy of the applicant's program plan;

(ii) geographic and demographic factors in the affected areas;

(iii) the needs that are 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;

(iv) the availability of available programs already available;

(v) geographic and demographic factors in the affected areas;

(vi) the history and success of those services for the proposed population to be served, as determined from all factors including, if relevant, standardized examination performance.

(3) EXCEPTION REGARDING PROXIMITY.—The Secretary may make a determination under this paragraph that is primarily based upon the geographic proximity of comparable public education.

(4) INFORMATION ON FACTORS.—An application submitted under paragraph (1)(A) shall include information on the factors described in subparagraph (B)(i), but the application may also provide the Secretary such information as described in subsection (B)(ii) as the applicant considers to be appropriate.

(E) 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 any earlier date, as determined by the Secretary.

(5) 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 supporting document 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) AUTHORIZATION ACTION.—The Secretary shall administer the requirement of subparagraph (A) in a manner so as to ensure that the tribe involved, through the official action of the tribal governing body, has approved the application. Such action, if not approved, may be reconsidered by the tribe involved, through the official action of the tribal governing body.

(4) RULE OF CONSTRUCTION.—Nothing in this subparagraph shall be construed as making a tribal governing body or tribe that makes an election described in subparagraph (A) 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 financially or programmatically responsible for the actions of the grantee.

(5) RULING OF CONSTRUCTION.—Nothing in this subsection shall be construed as making a tribe act as a surety for the performance of a grantee under a grant under this part.

(6) FILING OF APPLICATIONS AND REPORTS.—Except as provided in subsection (b), a grant 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.

(7) DENIAL OF APPLICATION.—(1) IN GENERAL.—If the Secretary disapproves a grant under this part, the Secretary shall—

(A) state the objections in writing to the tribe or tribal organization involved in the allotted time;

(B) provide assistance to the tribe or tribal organization to cure all stated objections;

(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 regulations 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.

(8) 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 determination of the Secretary within 30 days of such reconsideration to the tribe or the tribal organization.

(g) 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 105 of title II, United States Code.

SEC. 5207. 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 on the activities of the school involved, the contents of which shall be limited to—

**(A) an annual financial statement reporting revenues and expenditures as defined by the cost accounting standards established by the grant recipient;**

**(B) an annual financial audit conducted pursuant to the standards of chapter 71 of title 31, United States Code;**

**(C) a biennial compliance audit of the procurement of personal property during the period for which the report is being prepared that shall be in compliance with written procurement standards that are developed by the local school board;**

**(D) an annual submission to the Secretary containing information on the number of students served and a brief description of programs offered through the grant; and**

**(E) an evaluation conducted by an impartial evaluation review team, to be based on the standards established for purposes of subsection (c)(1)(A)(i).**

**(2) EVALUATION REVIEW TEAMS.—**In appropriate cases, representatives of other tribally controlled schools and representatives of tribally controlled community colleges shall be members of the evaluation review teams.

**(3) EVALUATIONS.—**In the case of a school that is accredited, the evaluations required under this subsection shall be conducted at intervals under the terms of the accreditation.

**(4) SUBMISSION OF REPORT.—**

**(A) TO TRIBAL GOVERNING BODY.—**Upon completion of the annual report required under paragraph (1), the recipient of the grant shall send (via first class mail, return receipt requested) a copy of such annual report to the tribal governing body.

**(B) TO SECRETARY.—**Not later than 30 days after receiving written confirmation that the tribal governing body has received the report, the grant recipient shall submit to the Secretary, the recipient of the grant shall send a copy of the report to the Secretary.

**(c) REVOCATION OF ELIGIBILITY.—**

**(1) The Secretary may not revoke a determination that a school is eligible for assistance under this part if—

**(A) the Indian tribe or tribal organization subject to subsection (b) with respect to such school; and**

**(B) at least 1 of the following conditions applies with respect to the school:**

**(i) the school is certified or accredited by a State certification or regional accrediting association or is a candidate in good standing for such certification or accreditation under section 5206(b)(1)(A), the recipient of the grant shall send a copy of the report to the Secretary;**

**(ii) the Indian tribe or tribal organization subject to subsection (b) with respect to such school; and**

**(iii) the Secretary determines that there is a reasonable expectation that the certification or accreditation explained in clause (i), or candidacy in good standing for such certification or accreditation, will be achieved by the school within 3 years. The school is not considered to be in compliance with criteria under the standards of the Bureau in effect on the date of enactment of the Native American Education Improvement Act of 2001 unless the school is accredited, except that if the Bureau standards are in conflict with the standards of the accrediting agency, the standards of such agency shall apply in such case.

**(ii) the school is accredited by a tribal governing body; or**

**(iii) the school is accredited by the Secretary.**

**(4) SUBMISSION OF REPORT.—**

**(A) TO TRIBAL GOVERNING BODY.—**Upon completion of the annual report required under paragraph (1), the recipient of the grant shall send (via first class mail, return receipt requested) a copy of such annual report to the tribal governing body and, if a grant recipient that is a tribal governing body shall choose the evaluator or agree on such an evaluator, the tribal governing body shall provide the evaluator a grant recipient conducts evaluations of the school, and the school receives a positive assessment of the school conducted under standards adopted by a contractor under a contract for the school entered into under the Indian Self-Determination and Education Assistance Act (or revisions of such standards agreed to by the Secretary and the grant recipient) prior to the date of enactment of the Native American Education Improvement Act of 2001.

**(B) TO SECRETARY.—**If the Secretary and a grant recipient other than a tribal governing body fail to agree on such an evaluator, the tribal governing body shall select the evaluator or perform the evaluation. If the Secretary and a grant recipient that is a tribal governing body fail to agree on such an evaluator, subsection (b) shall not apply.

**(C) A positive assessment by an impartial evaluator under this clause shall not affect the revocation of a determination of eligibility if the subpart is revocation is based on circumstances that were within the control of the school board.

**(2) NOTICE REQUIREMENTS FOR REVOCATION.—**

**(A) The Secretary shall give notice of a determination that a school is eligible for assistance under this part, or reassume control of a school that was a Bureau school prior to approval of a determination under section 5206(b)(1)(A), until the Secretary—

**(i) provides notice, to the triply controlled school involved and the appropriate tribal governing body (within the meaning of section 1139 of the Education Amendments of 1978) for the triply controlled school, which notice identifies—

**(I) the specific deficiencies that led to the revocation or reassumption determination; and**

**(II) the specific actions that are needed to remedy such deficiencies; and**

**(B) affords such school and governing body an opportunity to implement the remedial actions.**

**(3) TECHNICAL ASSISTANCE.—**The Secretary shall provide such technical assistance to enable the school and governing body to carry out such remedial actions.

**(4) HEARING AND APPEAL.—**In addition to notice and technical assistance under this subsection, the Secretary shall provide to the school and governing body—

**(A) a hearing on the record regarding the revocation or reassumption determination, including, to the extent practicable, the rules and regulations described in section 5206(f)(1)(C); and**

**(B) an opportunity to appeal the decision resulting from the hearing.

**(5) APPLICABILITY OF CERTAIN TITLE 31 PROVISIONS.—**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.

**(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.

**(6) 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.

**(i) 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 recipient is entitled to receive during the preceding academic year; and**

**(ii) the second payment shall be made not later than December 1 of each year.

**(B) EXCESS FUNDING.—**In a case in which the amount provided under subsection (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 final 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 following academic year.

**(3) LATE FUNDING.—**With regard to funds for grant recipients under this part that become available for obligation on October 1 of the fiscal year for which such funds are appropriated, the Secretary shall make payments to the grant recipients not later than December 1 of the fiscal year.

**(4) APPLICABILITY OF CERTAIN TITLE 31 PROVISIONS.—**The provisions of chapter 9 of title 31, United States Code, shall apply to the payments required to be made under paragraphs (1), (2), and (3).

**(6) INVESTMENT OF FUNDS.—**

**(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 purposes for which such funds were provided under this part shall be the property of the Indian tribe or tribal organization. The interest or income that is not taken into account by the Indian tribe or tribal organization, or the employee of the Federal Government in determining whether to provide assistance, or the amount of assistance to be provided, under any provision of law shall not be treated as income by the Indian tribe or tribal organization for purposes of determining whether to provide assistance, or the amount of assistance to be provided, under any provision of law.

**(2) PERMISSIBLE INVESTMENTS.—**Funds provided under this part may be invested by an Indian tribe or tribal organization, as approved by the Indian tribe or tribal organization, or the employee of the Federal Government in determining whether to provide assistance, or the amount of assistance to be provided, under any provision of law, in obligations or securities that are—

**(A) invested by the Indian tribe or tribal organization, and only—

**(i) in obligations of the United States; or**

**(ii) in obligations or securities that are guaranteed or insured by the United States; or**

**(iii) in mutual (or other) funds that are registered with the Securities and Exchange Commission and that only invest in obligations of the United States that are guaranteed or insured by the United States; or**

**(2) INVESTMENT OF FUNDS.—**

**(A) IN GENERAL.—**Except as otherwise provided in this subsection, the Secretary shall make payments to grant recipients under this part in 2 payments.

**(i) 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 recipient is entitled to receive during the preceding academic year; and**

**(ii) the second payment shall be made not later than December 1 of each year.

**(B) NEWLY FUNDED SCHOOLS.—**In a case in which the amount provided under subsection (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 final 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 following academic year.

**(3) LATE FUNDING.—**With regard to funds for grant recipients under this part that become available for obligation on October 1 of the fiscal year for which such funds are appropriated, the Secretary shall make payments to the grant recipients not later than December 1 of the fiscal year.

**(4) APPLICABILITY OF CERTAIN TITLE 31 PROVISIONS.—**The provisions of chapter 9 of title 31, United States Code, shall apply to the payments required to be made under paragraphs (1), (2), and (3).

**(6) 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.

**(7) INVESTMENT OF FUNDS.—**

**(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 purposes for which such funds were provided under this part shall be the property of the Indian tribe or tribal organization. The interest or income that is not taken into account by the Indian tribe or tribal organization, or the employee of the Federal Government in determining whether to provide assistance, or the amount of assistance to be provided, under any provision of law shall not be treated as income by the Indian tribe or tribal organization for purposes of determining whether to provide assistance, or the amount of assistance to be provided, under any provision of law.
"(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 if the bank fails.

"(c) RECOVERIES.—Funds received under this part shall not be taken into consideration by any Federal agency for the purposes of making underrecovery and overrecovery determinations for any other funds, from whatever source derived.

"(d) PAYMENTS BY STATES.—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, and in no case later than 90 days after 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 expedient 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 3864(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 shall fund:

"(1) Section 111 (relating to sovereign immunity and trusteedship rights 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 of intent, 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) EXCLUSION.—A State determined to 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 in providing programs or services if a grant has been made under this part to pay such expenses.

"(d) TRANSFERS AND CARRYOVERS.—

"(1) BUILDINGS, 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 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 buildings, equipment, supplies, and materials that were used in the operation of the contract school to the same extent as if the tribe or tribal organization were contracting under such Act.

"(2) FUNDS.—Any tribe or tribal organization that assumes operation of a Bureau school with assistance under this part and a 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 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 under this part shall be entitled to funds for the improvement, alteration, replacement, and repair of facilities to the same extent as a Bureau school.

"(4) 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 4121 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 to the applications, 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 disbursement of funds specifically authorized to be made by this part. For all other matters relating to the Indian Self-Determination and Education Improvement Act of 2001 and any amendments to such 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, at such school, a trust fund, a trust fund for the purposes of this section.

"(2) DEPOSITS AND USE.—The school may provide for deposit into the trust fund, only funds from non-Federal sources, except that the interest on funds received from grants provided under this part may be used for that purpose.

"(b) FOR DEPOSIT INTO THE TRUST FUND, any earnings on funds deposited in the fund; and

"(C) for the sole use of the school any non-Federal funds deposited in the fund;

"(d) INTEREST.—Interest from the fund established under subsection (a) may periodically be withdrawn and used, at the discretion of the school, to defray any expenses as are necessary to carry out this Act.

"(d) 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 (as established 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.

"(5) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State or such combination of school districts or counties as is recognized in a State as an administrative agency for the State's public elementary schools or secondary schools. Such term
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 any tribe that receives assistance under this Act, the recognized governing body of the Indian tribe involved.

(8) Tribal organization.—

(A) In general.—The term ‘tribal organization’ means—

(i) any recognized governing body of any local tribe or

(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 provided under this part to an organization 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 that—

(A) is operated by an Indian tribe or a tribal organization, enrolling students in kindergarten through grade 12, including a preschool;

(B) is not a local educational agency; and

(C) is 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. 2601 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) 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) includes 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 an 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 93-838); 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) of this section in the same manner as 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 93-638).

(d) Operation and maintenance funding.—The amounts 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 this section (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 an individual 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—’’;

and

(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 data from companies that develop student assessments described in such section;

(B) determine the aggregate cost for all States to administer the 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 the 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.—

(1) Additional authorization.—In addition to the funds authorized to be appropriated under paragraph (a) for the purpose of developing and implementing the standards and assessments required under section 1111, there are authorized to be appropriated—

(A) $20,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 5 succeeding fiscal years; and

(B) $5,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years.
TITLE—TEACHER SUPPORT

SEC. 01. 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 inserting after section 222 the following new section:

"(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)(1) 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) LIMITATION.—The amount that may be considered to be adjusted gross income under section 62 of the Internal Revenue Code of 1986 is reduced by the sum of the credits allowable under sections 22 and 222.

"(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 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) 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.

"(c) LIMITATION.—The amount that may be considered to be adjusted gross income under section 62 of the Internal Revenue Code of 1986 is reduced by the sum of the credits allowable under subsection (a) for any taxable year shall not exceed $100.

"(d) SPECIAL RULES.—

"(1) DENTAL OF DOUBLE BENEFIT.—No deduction shall be allowed under subsection (a) for qualified professional development expenses paid or incurred by any person to whom a deduction is allowed under section 199(a)(1). A deduction shall be allowed under subsection (a) for qualified professional development expenses paid or incurred by any person to whom a deduction is allowed under section 136, 529(c)(1), or 530(d)(2) for the taxable year.

"(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a) for qualified professional development expenses paid or incurred by any person to whom a deduction is allowed under section 136, 529(c)(1), or 530(d)(2) for the taxable year.

"(e) DETERMINATION OF 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 software and services, and equipment and supplementary materials used by a teacher in the classroom.

"(f) IN GENERAL.—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 software and services, and equipment and supplementary materials used by an eligible teacher in the classroom for the taxable year.

SEC. 03B. CREDIT TO ELEMENTARY AND SECONDARY SCHOOL TEACHERS WHO PROVIDE CLASSROOM MATERIALS.

(a) IN GENERAL.—Subpart B 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) 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.

"(c) LIMITATION.—The amount that may be considered to be adjusted gross income under section 62 of the Internal Revenue Code of 1986 is reduced by the sum of the credits allowable under subsection (a) for any taxable year shall not exceed $100.

"(d) SPECIAL RULES.—

"(1) DENTAL OF DOUBLE BENEFIT.—No deduction shall be allowed under subsection (a) for qualified professional development expenses paid or incurred by any person to whom a deduction is allowed under section 199(a)(1). A deduction shall be allowed under subsection (a) for qualified professional development expenses paid or incurred by any person to whom a deduction is allowed under section 136, 529(c)(1), or 530(d)(2) for the taxable year.

"(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a) for qualified professional development expenses paid or incurred by any person to whom a deduction is allowed under section 136, 529(c)(1), or 530(d)(2) for the taxable year.

"(e) DETERMINATION OF 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 software and services, and equipment and supplementary materials used by a teacher in the classroom.

"(f) IN GENERAL.—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 software and services, and equipment and supplementary materials used by an eligible teacher in the classroom.

SEC. 04. DETERMINATION OF QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.

"(a) IN GENERAL.—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 software and services, and equipment and supplementary materials used by an eligible teacher in the classroom.
under subpart A and the preceding sections of this subpart, over

"(B) the tentative minimum tax for the taxable year.

"(e) 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 IV 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. ENsign, 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:

TITLE I—EDUCATION PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 101. 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:

"TITLE X—EDUCATION PROGRAMS OF NATIONAL SIGNIFICANCE

"PART A—READING IS FUNDAMENTAL—INEXPENSIVE BOOK DISTRIBUTION PROGRAM

"SEC. 1010. 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 students, to motivate children 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 nonprofit 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 major consideration to those that will serve a substantial number or percentage of children with special needs, such as—

"(A) low-income children, particularly in high-poverty areas;

"(B) children at risk of school failure;

"(C) children with disabilities;

"(D) foster children;

"(E) ethnic minority children; and

"(F) migrant children;

"(4) provide that each contractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

"(5) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

"(c) RESTRICTION ON PAYMENTS.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contract under this section unless the Secretary determines that the contractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

"(d) DEFINITION OF FEDERAL SHARE.—For the purpose of this section, the term ‘Federal share’ means 75 percent of the cost to a subcontractor of purchasing books to be paid under this section, 75 percent of such costs to the contractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the subcontractor.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section there are authorized to be appropriated $23,000,000 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. 10152. 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 ‘grantee’) 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 shall—

"(A) low-income children, particularly in high-poverty areas;

"(B) children at risk of school failure;

"(C) children with disabilities;

"(D) foster children;

"(E) ethnic minority children;

"(F) migrant children;

"(G) children without access to libraries;

"(2) the writing problem has been magnified by the rapidly changing student population; in the past, the United States faced a continuing crisis in writing in schools and in the workplace.

"(3) the writing problem has been magnified by the rapidly changing student population; in the past, the United States faced a continuing crisis in writing in schools and in the workplace.

"(4) the National Writing Project is a national program that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

"(5) the National Writing Project is a national program that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

"(6) the National Writing Project is a national program that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

"(7) since 1973, the only national program to address the writing problem in the Nation’s schools has been the National Writing Project, a network of collaborative universities, through colleges of which are—

"(8) the National Writing Project is a national program that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

"(9) the National Writing Project is a national program that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

"(10) the National Writing Project is a national program that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

"(11) each year, over 150,000 participants benefit from National Writing Project programs in 1 of 156 United States sites located in 46 States and the Commonwealth of Puerto Rico; and

"(12) the National Writing Project is a national program that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

"(b) PURPOSE.—It is the purpose of this part—

"(1) to support and promote the expansion of the National Writing Project network of sites so that teachers in every region of the United States will have access to a National Writing Project program;

"(2) to ensure the consistent high quality of the sites through continuous 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 this Act.

"SEC. 10153. NATIONAL WRITING PROJECT.

"(a) AUTHORIZATION.—The Secretary is authorized to make grants to 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 ‘grantee’) 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 shall—

"(A) low-income children, particularly in high-poverty areas;

"(B) children at risk of school failure;

"(C) children with disabilities;

"(D) foster children;

"(E) ethnic minority children;

"(F) migrant children;

"(G) children without access to libraries;
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.

“(d) 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 the waiver is necessary for each of the 6 succeeding fiscal years, to carry out the provisions of this section.

“(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 states throughout the State.

“(e) 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) national 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 national issues related to student writing and the teaching of writing;

“(B) review the activities and programs of the National Writing Project; and

“(C) supervise the continued development of the National Writing Project.

“(f) 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 and each contractor receiving assistance under this section for administrative costs. The results of such evaluation shall be made available to the appropriate committees of Congress.

“(2) FUNDING LIMITATION.—The Secretary shall not make grants under this part to any entity for which the Secretary determines that the entity is unable to demonstrate a capacity for such programming.

“(g) APPLICATION REVIEW.—

“(1) REVIEW BOARD.—The National Writing Project shall establish and operate a National Review Board that shall consist of—

“(A) leaders in the field of research in writing; and

“(B) such other individuals as the National Writing Project determines necessary.

“(2) DUTIES.—The National Review Board shall—

“(A) review all applications for assistance under this subsection; and

“(B) recommend applications for assistance under this subsection for funding by the National Writing Project.

“(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the grant to the National Writing Project, $15,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years, to carry out the provisions of this section.

“PART C—READY TO LEARN; READY TO TEACH

“Subpart 1—Ready to Learn

“Sec. 10201. SHORT TITLE; FINDINGS.

“(a) SHORT TITLE.—This part may be cited as the ‘Ready to Learn, Ready to Teach Act of 2001.

“(b) FINDINGS.—Congress makes the following findings:

“(1) In 1994, Congress and the Department collaborated to make a long-term, meaningful and public investment in the principle that high quality preschool television programs are ready to learn by the time the children entered first grade.

“(2) The Ready to Learn Television Program through the Public Broadcasting Service (PBS) and local public television stations has proven to be an extremely cost-effective national response to improving early childhood cognitive development and helping parents, caregivers, and professional child care providers learn how to use television as a means to help children learn and develop social skills and values.

“(3) Independent research shows that parents who participate in Ready to Learn workshops are more selective of the programs that their children, limit the number of hours of television viewing of their children, and use the television programs as a teaching tool.

“(4) The Ready to Learn (RTL) Television Program is supporting and creating commercial-free broadcast programs for young children that are of the highest possible educational quality.

“(5) 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, location, or access to cable. Public television is a partner with Federal policy to make television an instrument of preschool children’s education and early development.

“(6) The Ready to Learn Television Program supports thousands of local workshops organized and run by local public television stations, child care service providers, Head Start classrooms, libraries, literacy centers and schools. These workshops have trained 630,587 parents and professionals who, in turn, serve and support over 6,312,000 children across the nation.

“(7) The Ready to Learn Television Program has published and distributed a periodic magazine entitled ‘PBS Families’ that contains educationally appropriate material to strengthen reading skills and enhance family literacy.

“(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 are now distributing 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 Broadcasting Service stations in 1996 to 94 stations in 5 years. This growth has put a strain on available resources resulting in an inability to meet the demand for the service and to reach all the children who require services.

“(10) Federal policy played a crucial role in the evolution of analog television by funding the television program entitled ‘Sesame Street’ as a catalyst for development, and federal policy continues to play an equally crucial role for children in the digital television age.

“Sec. 10202. READY TO LEARN.

“(a) IN GENERAL.—The Secretary is authorized to award grants to eligible entities described in section 10203(b) to develop, distribute, and distribute educational and instructional video programming for preschool and elementary school children and their parents in order to facilitate the achievement of the National Education Goals.

“(b) AVAILABILITY.—In making such grants, the Secretary shall ensure that eligible entities make programming 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.

“Sec. 10203. EDUCATIONAL PROGRAMMING.

“(a) AWARDS.—The Secretary shall award grants under section 10202 to eligible entities to—

“(1) facilitate the development directly, or through contracts with producers of children and family educational television programming, of—

“(A) educational programming for preschool and elementary school children; and

“(B) accompanying support materials and services that promote the effective use of such programming;

“(2) support the development of 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

“(3) enable eligible entities to contract with other entities (such as public telecommunications entities) so that programs developed under this section are disseminated and distributed.

“(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under subsection (a), an entity shall be—

“(1) 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;

“(2) able to demonstrate a capacity to contract with the producers of children’s television programming for the purpose of developing educational television programming of high quality for preschool and elementary school children; and

“(3) able to demonstrate a capacity to localize programming and materials to 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 needs of both boys and girls in preparing young children for success in school.

“Sec. 10204. DUTIES OF SECRETARY.

“The Secretary is authorized—

“(1) to award grants to eligible entities described in section 10203(b), local public television stations, or such public television stations, or such public television stations as are part of a consortium of one or more State educational agencies, local educational agencies, local schools, institutions of higher education, or community-based organizations that demonstrates effectiveness, for the purpose of—

“(A) addressing the learning needs of young children in limited English proficient families, 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 programs for schools and classrooms, and disseminating ideas, strategies, and resources that increase the availability of such materials.

“(D) developing and disseminating educational and training materials, including—

“(i) interactive programs and programs adapted for the learning technologies that are designed to enhance knowledge of children’s social and cognitive skill development.

“(ii) teacher training and professional development to ensure qualified caregivers; and

“(iii) support materials to promote the effective use of materials developed under this subpart (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.

“(E) distributing books to low-income individuals to leverage high-quality television programming;

“(F) establish within the Department a clearinghouse to compile and provide information, referrals, and model program materials and programming obtained or developed under this subpart, and

“(G) coordinate activities assisted under this subpart with the Secretary of Health and Human Services in order to—

“(1) to coordinate activities assisted under section 10203(a), including the Head Start Act and Even Start, and

“(2) expand the use of such technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies.

“(B) REPORT TO CONGRESS. The Secretary shall prepare a report to Congress to inform the relevant committees of Congress in a biennial report which includes—

“(1) a summary of activities assisted under section 10203.

“(2) a description of the training materials made available under section 10204(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 such section.

“SEC. 10207. ADMINISTRATIVE COSTS. 

“(a) In General.—There is authorized to be expended under 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 Eligibility.—Not less than 60 percent of the amounts appropriated under this section (a) for each fiscal year shall be used to carry out section 10203.

“Subpart 2—Ready to Teach

“SEC. 10251. FINDINGS.

“(a) Congress makes the following findings:

“(1) Since 1995, the Telecommunications Demonstration Project for Mathematics (as established under this part pursuant to section 10254(b)) 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 this grant.

“Congress finds that—

“(1) the funding for this demonstration program to improve teaching in core curriculum subjects will be available to early childhood through grade 12 teachers.

“(2) support materials to promote the effective use of materials developed under this subpart (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.

“(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies.

“(4) the initiatives undertaken by the eligible entity to develop public-private partnerships to secure non-Federal support for the development, distribution, and broadcast of educational and instructional programming.

“SEC. 10252. PROJECT AUTHORIZED.

“(a) Grants Authorized.—The Secretary is authorized to make grants to nonprofit telecommunications entities, or partnerships of such entities, for the purpose of carrying out a national telecommunications-based program to improve teaching in core curriculum areas. The program shall be designed to assist elementary school and secondary school teachers in preparing all students for achieving State and local content standards in core curriculum areas.

“(b) PROGRAM.—The Secretary is also authorized to award grants to eligible entities described in section 10254(b) to develop, produce, and distribute innovative educational and instructional video programming that is designed for use by kindergarten through grade 12 teachers.

“(A) GRANTS AUTHORIZED.—The Secretary shall make grants to nonprofit telecommunications entities or partnerships of such entities to develop a national telecommunications-based program to improve teaching in core curriculum areas.

“(1) eligible entities.

“(2) activities.

“(a) In General.—There is authorized to be expended under 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 Eligibility.—Not less than 60 percent of the amounts appropriated under this section (a) for each fiscal year shall be used to carry out section 10203.

“Subpart 2—Ready to Teach

“SEC. 10251. FINDINGS.

“(a) Congress makes the following findings:

“(1) Since 1995, the Telecommunications Demonstration Project for Mathematics (as established under this part pursuant to section 10254(b)) 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 this grant.

“Congress finds that—

“(1) the funding for this demonstration program to improve teaching in core curriculum subjects will be available to early childhood through grade 12 teachers.

“(2) support materials to promote the effective use of materials developed under this subpart (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.

“(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies.

“(4) the initiatives undertaken by the eligible entity to develop public-private partnerships to secure non-Federal support for the development, distribution, and broadcast of educational and instructional programming.

“SEC. 10252. PROJECT AUTHORIZED.

“(a) Grants Authorized.—The Secretary is authorized to make grants to nonprofit telecommunications entities, or partnerships of such entities, for the purpose of carrying out a national telecommunications-based program to improve teaching in core curriculum areas. The program shall be designed to assist elementary school and secondary school teachers in preparing all students for achieving State and local content standards in core curriculum areas.

“(b) PROGRAM.—The Secretary is also authorized to award grants to eligible entities described in section 10254(b) to develop, produce, and distribute innovative educational and instructional video programming that is designed for use by kindergarten through grade 12 teachers.

“(A) GRANTS AUTHORIZED.—The Secretary shall make grants to nonprofit telecommunications entities or partnerships of such entities to develop a national telecommunications-based program to improve teaching in core curriculum areas.

“(1) eligible entities.

“(2) activities.

“(a) In General.—There is authorized to be expended under 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 Eligibility.—Not less than 60 percent of the amounts appropriated under this section (a) for each fiscal year shall be used to carry out section 10203.

“Subpart 2—Ready to Teach

“SEC. 10251. FINDINGS.

“(a) Congress makes the following findings:

“(1) Since 1995, the Telecommunications Demonstration Project for Mathematics (as established under this part pursuant to section 10254(b)) 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 this grant.

“Congress finds that—

“(1) the funding for this demonstration program to improve teaching in core curriculum subjects will be available to early childhood through grade 12 teachers.

“(2) support materials to promote the effective use of materials developed under this subpart (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.

“(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies.

“(4) the initiatives undertaken by the eligible entity to develop public-private partnerships to secure non-Federal support for the development, distribution, and broadcast of educational and instructional programming.

“SEC. 10252. PROJECT AUTHORIZED.

“(a) Grants Authorized.—The Secretary is authorized to make grants to nonprofit telecommunications entities, or partnerships of such entities, for the purpose of carrying out a national telecommunications-based program to improve teaching in core curriculum areas. The program shall be designed to assist elementary school and secondary school teachers in preparing all students for achieving State and local content standards in core curriculum areas.

“(b) PROGRAM.—The Secretary is also authorized to award grants to eligible entities described in section 10254(b) to develop, produce, and distribute innovative educational and instructional video programming that is designed for use by kindergarten through grade 12 teachers.

“(A) GRANTS AUTHORIZED.—The Secretary shall make grants to nonprofit telecommunications entities or partnerships of such entities to develop a national telecommunications-based program to improve teaching in core curriculum areas.

“(1) eligible entities.

“(2) activities.
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 reasonably require.

(‘‘b.’’ STRS.—In applying applications under section 10252(a), the Secretary shall ensure that the program authorized by section 10252(a) 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) Awar ds.—The Secretary shall award grants under section 10252(b) to eligible entities to develop educational programming that shall—
(1) include student assessment tools to give feedback on student performance;
(2) include built-in teacher utilization and support components to ensure that teachers understand and can easily use the content of the programming with group instruction or for individual student use; and
(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 309J(12) of the Communications Act of 1934 that is able to demonstrate eligibility 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 100 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. LIMITATION OF APPROPRIATIONS; FUNDING RULES.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this part $45,000,000 for each fiscal year 2000 and 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 excess amount of such excess minus at least $500,000 to applicants under section 10252(b).

PART D—EDUCATION FOR DEMOCRACY

SEC. 10301. CITIZEN AND THE CONSTITUTION TITLE.

This part may be cited as the ‘‘Education for Democracy Act.’’

SEC. 10302. FINDINGS.

Congress finds that—

(1) college students surveyed in 1999 by the Higher Education Research Institute at the University of California at Los Angeles demonstrated higher levels of disagreement, 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;

(4) the 32d 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) Americans surveyed by the Organizational 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 a 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 democracies, particularly emerging democratic market economies;

(10) more than three-quarters of Americans surveyed by the National Constitution Center 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 to or enter into contracts with—

(2) 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 section 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 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 alcohol and tobacco;

(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 48 continental 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.

(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 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 the local government, the national government, and the federal system established by the Constitution of the United States;
“(D) shall provide a national annual showcase or competition; and

“(E) shall provide—

“(i) optional school and community simulated event opportunities;

“(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 subsection shall be made available to 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’ means the term ‘school’ as defined in 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 shall use funds awarded under section 10304(a)(1) to carry out Cooperative Education Exchange programs in accordance with the following:

“(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) provide training in 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

“(5) 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 improvement of an efficient market economy.

“(c) AVOIDANCE OF DUPLICATION.—The Secretary shall—

“(1) avoid duplicating the efforts of eligible countries;

“(2) avoid duplicating the efforts of other eligible countries;

“(3) avoid duplicating the efforts of other educational programs; and

“(4) avoid duplicating the efforts of other educational programs.

“(d) ACTIVITIES.—The Cooperative Education Exchange programs shall—

“(1) assist eligible countries with—

“(A) seminars on the basic principles of United States constitutional democracy and economics, including seminars on the major governmental and economic institutions and systems in the United States, and visits to such institutions;

“(B) visits to school systems, institutions of higher education, and nonprofit organizations conducting exemplary programs in civics and government education, and economic education in eligible countries; and

“(C) translations and adaptations regarding United States civic and government education, and economic education, curricular materials on the history, government, and economy of such states that are used in United States classrooms;

“(2) assistance from educators and scholars in eligible countries in the development of curricular materials on the history, government, and economy of the United States; and

“(3) assistance from educators and scholars in eligible countries in the development of curricular materials on the history, government, and economy of the United States to participate 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 assisted under this section shall be educational leaders in the areas of civics and government education, and economic education, including teachers, curriculum development, 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 an 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, and any developing country, 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 the services and personnel provided by public schools. Therefore, gifted education programs, provided by qualified professionals in the public schools, are needed to provide equal educational opportunities.

“(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 to ensure that all students have the 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) Inadequate services for gifted students generally are more advanced academically, are able to learn more quickly, and study in a more depth and complexity than others, and thus the educational needs of these students are often 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 before 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, characteristics, 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, they do not receive training on meeting the needs of students who are gifted and talented.

“SEC. 10403. CONDITIONS ON EFFECTIVENESS OF SUPPORT.

“(a) In General.—Subpart 2 shall be in effect only for—

“(1) the first fiscal year for which the amount is appropriated to carry out this part equals or exceeds $50,000,000; and

“(2) all succeeding fiscal years.
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."

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 9 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 that—(A) the Secretary has determined may reasonably require. Each such application shall describe—  
"(A) the general content of the proposed program that includes—(i) the 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; and  
"(B) the proposed programs can be evaluated.  
"(b) Use of Funds.—Programs and projects assisted under this subpart may include the following:  
"(1) Carrying out—(A) research on methods and techniques for identifying and teaching gifted and talented students, and for using gifted and talented programs and methods to serve all students; and  
"(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purpose of this subpart;  
"(2) Professional development (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students;  
"(3) Establishment and operation of model projects and exemplary programs for serving gifted and talented students, including innovative strategies or identifying and educating students who may not be served by traditional gifted and talented programs, including summer programs, mentoring programs, service learning programs, and cooperative programs involving business, industry, and education;  
"(4) Implementing innovative strategies, such as cooperative learning, peer tutoring, and service learning;  
"(5) Programs of technical assistance and information dissemination, including assistance with respect to how gifted and talented programs and methods, where appropriate, may be adapted for use by all students."
to local educational agencies through a competitive process that results in an equitable distribution by geographic area within the State.

SEC. 10424. GRANT COMPETITION.

(a) FUNDS AUTHORIZED.—From funds authorized under section 3, the Secretary is authorized to support nationally significant programs and projects to improve the quality of education, assist all students to meet challenging State content 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—

(1) 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;

(2) activities to promote and evaluate counseling and mentoring for students, including pre-existing, ongoing, and new activities; and

(3) activities to promote and evaluate coordinated student support services;

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 equal to not less than 20 percent of the grant funds to be received; and

(c) APPROVAL.—To the extent funds are made available for this subpart, the Secretary shall—

(i) have the meaning given the term under applicable State law; or

(ii) in the case of a State that does not have a State law that defines the term, have the meaning given such term by definition of the State educational agency or local educational agency involved.

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—

(1) an assurance that the funds received under this subpart will be used to support gifted and talented students;

(2) a description of the activities to be supported by the grant funds; and

(3) an assurance that funds received under this subpart will be used to supplement, not supplant, the local educational agency’s own programs.

SEC. 10427. ANNUAL REPORTING.

SEC. 10428. STATE APPLICATION.

(a) FUNDS AUTHORIZED.—From funds authorized under subsection (d), the Secretary is authorized to make grants to the States in a competitive process that results in an equitable distribution by geographic area within the State.
“(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) research and development of new and existing educational 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) programs for existing and new applications of technology to support the school reform effort;

“(13) programs to develop and implement connectivity resources, infrastructure, and services, including the acquisition of hardware and software, for use by teachers, students, and school library media personnel in the classroom or in school library facilities; and

“(14) providing ongoing professional development in the integration of quality educational technologies into school curriculum and 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 evaluation of the effectiveness of projects under which local educational agencies or local educational agencies through agreements with private management organizations to reform a school or schools; and

“(18) other programs and projects that meet the purposes of this section.

“SEC. 10553. PURPOSE.

“It is the purpose of this subpart to encourage improved instruction in mathematics, science, and other subjects, such as literacy skills and vocational education, and to serve 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 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 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 teaching transfer, and ongoing, in-class instruction;

“(4) the establishment of teleconferencing facilities and resources for making interactive training 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.

“SEC. 10555. ELIGIBLE ENTITIES.

“(a) ELIGIBLE ENTITIES.—Eligible entities 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 I.

“(b) 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 telecommunication partnership receives a grant under this subpart; and

“B. 60 percent for the third and fourth such years; and

“(2) REDUCTION OR WAIVER.—The Secretary may reduce or waive the requirement of the non-Federal share under paragraph (1) upon a showing of financial hardship.

“(c) AUTHORITY TO ACCEPT FUNDS FROM OTHER FEDERAL DEPARTMENTS OR 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.

“(d) COORDINATION.—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 authorized under this subpart with the activities of such department or agency relating to a telecommunications network for educational purposes.

“(e) 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) REQUIRED PARTICIPATION.—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 subsection, 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 agency 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 Interior eligible under section 1121(c)(1)(A);

(ii) a State educational agency;

(iii) adult and family education programs; or

(iv) higher education or a State higher education agency;

(v) a teacher training center or academy that—

(A) provides teacher preservice and inservice training; and

(B) receives Federal financial assistance or has been approved by a State agency;

(vi) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunication in space or in satellite, cable, telephone, or computer; or

(vii) a public broadcasting entity with such experience; or

(viii) 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 multischool basis.

SEC. 10556. APPLICATIONS.

(a) APPLICATIONS REQUIRED.—Each eligible entity established 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, how such project will assist all students, especially those with disabilities, 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 multisate educational telecommunications networks and technology resource centers;

(B) microwave, fiber optics, cable, and satellite communications 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) training of personnel (including training of teachers) to 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 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 incorporate, to the extent possible, the uses of interactive technology 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 their parents (or participating in the benefits of the telecommunications facilities, equipment, technical assistance, and programming assisted under this subpart);

(7) describe how existing telecommunications equipment, facilities, equipment, and services, wherever 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 assurance that a significant portion of any facilities and 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 number or percentage of children 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 provide significant and specific assistance to States and local educational agencies undertaking systemic education reform;

(12) provide assurance that applicants will—

(A) provide 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 and regional significance (such as professional development) or to provide information about employment opportunities, job training, or student and other social service programs;

(D) sharing curricular resources between networks and development of program guides which demonstrate cooperative, cross-net-
"(E) provide instruction for students, teachers, and parents;

"(F) serve a multistate area; and

"(G) give priority to the provision of equipment to isolated areas and

"(5) involve a telecommunications entity (such as a satellite, cable, telephone, computer, or public or private television stations) of the eligible entity and donating equipment or in-kind services for telecommunications linkages.

"(d) Geographic Distribution.—In approving applications for grants authorized under section 10554, the Secretary shall, to the extent feasible, ensure an equitable geographic distribution of services provided under this subpart.

"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.

"(c) Uses of Funds.—(1) Disseminating information, including lists and descriptions of services available from grant recipients under this subpart; and

"(2) 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 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.

"(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 authorized 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 a visual form on tape, disc, or other similar medium.

"(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) Authorization.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to develop and operate 1 or more programs which provide online access to instructional resources and to establish an electronic communications infrastructure to deliver information, including instructional resources, to and from students, parents, teachers, and other participants in the educational process; and to stay in school and become active participants in the educational process; and

"(b) Application.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary.

"(A) continue to provide services in the subject area or geographic areas assisted with funds received under this subpart for the previous 5-year grant period; and

"(B) use all grant funds received under this subpart for the second 3-year grant period to provide expanded services by—

"(i) increasing the number of students, schools, or school districts served by the course of instruction assisted under this part in the previous fiscal year;

"(ii) providing new courses of instruction; and

"(iii) serving new populations of underserved individuals, such as children or adults who are disadvantaged, have limited English proficiency, are illiterate, or lack secondary school diploma or their recognized equivalent.

"(2) Special Funds.—Funds received pursuant to paragraph (1) shall be used to supplement and not supplant services provided by the grant recipient under this subpart in the previous fiscal year.

"(b) Federal Activities.—The Secretary may assist grant recipients under section 1054 in acquiring satellite time, where appropriate, as economically as possible.

"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 if such network—

"(A) provides 2-way full motion interactive video and audio communications;

"(B) links together public colleges and universities and secondary schools throughout the State; and

"(C) meets any other requirements determined appropriate by the Secretary.

"(2) Programs.—A statewide telecommunications network assisted under paragraph (1) shall—

"(A) include 2-way full motion interactive video, audio, and text communications;

"(B) link together local educational agencies and local educational agencies; and

"(D) include a staff development program and

"(E) have a significant contribution and participation from business and industry.

"(3) Matching Requirement.—A State educational agency shall contribute, either directly or through private contributions, non-Federal funds to each grant the State accepts under this section if such network—

"(i) meets any other requirements determined appropriate by the Secretary.

"(b) Special Local Network.—

"(1) In General.—The Secretary may provide assistance, on a competitive basis, to a local educational agency or consortium thereof to enable such agency or consortium to establish a high technology demonstration program.

"(2) Program Requirements.—A high technology demonstration program assisted under paragraph (1) shall—

"(A) include full motion interactive video, audio, and text communications;

"(B) link together elementary schools and secondary schools, colleges, and universities;

"(C) provide parent participation and family programs;

"(D) include a staff development program; and

"(E) have a significant contribution and participation from business and industry.

"(3) Matching Requirement.—A local educational agency or consortium receiving a grant under paragraph (1) shall contribute, either directly or through private contributions, non-Federal matching funds equal to not less than 50 percent of the amount of the grant.

"(c) Telecommunications Programs for Continuing Education.—

"(1) Authority.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to develop and operate 1 or more programs which provide online access to instructional resources and to establish an electronic communications infrastructure to deliver information about, model arts education programs.

"(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 linkages to provide free access to high-quality multimedia 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 such materials are 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;

"(C) incorporate, to the extent feasible, materials developed in the Federal departments and agencies and under appropriate federal funded projects; and

"(D) assure that the applicant has the technological and substantive experience to carry out the program and

"(E) contain such additional assurances as the Secretary may reasonably require.

"Subpart 3—Arts in Education

"SEC. 10571. 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 participation in performing arts activities has proven to be an effective strategy for promoting the inclusion of persons with disabilities in mainstream settings;

"(6) persons of all ages with disabilities are persons who are disadvantaged and have limited English proficiency and are at risk of dropping out of school;

"(7) the arts can motivate at-risk students to stay in school and become active participants in the educational process; and

"(8) 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 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 achieve 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) institutions of higher education;

"(4) museums and other cultural institutions; and

"(5) 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) the development of, and dissemination of information about, model arts education programs;

"(3) the development of model arts education assessments designed on national and State standards; and

"(4) the development and implementation of curriculum frameworks for arts education;
“(5) the development of model preservice and inservice professional development programs for arts educators and other instructional staff;”

“(2) 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 the 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 which assure the participation in mainstream settings in arts and education, including museums, arts and education associations, libraries, and theaters;”

“(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.”

“(e) Coordination.—(1) IN GENERAL.—A recipient of funds under this section shall, to the extent possible, coordinate projects assisted under this section with appropriate activities of public and private cultural agencies, institutions, and organizations, including museums, arts and 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) Special Rule.—If the amount made available to the Secretary to carry out this subpart for any fiscal year is $15,000,000 or less, then such amount shall only be available to carry out the activities described in paragraphs (7) and (8) of subsection (d).

“Subpart 4—School Counseling

“SEC. 10601. ELEMENTARY SCHOOL AND SECONDARY SCHOOL COUNSELING DEMONSTRATION

“(a) Counseling Demonstration

“(1) 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 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 program 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 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.

“(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 reasonably require.

“(2) General Requirements.—In submitting an application for a grant under this section shall—

“(A) describe the school population to be targeted by the program, the particular counseling services, and career development needs of such population, and the current school counseling resources available for meeting such needs;

“(B) describe activities, services, and training to be provided by the program and the specific approaches to be used to meet the needs discussed in paragraph (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; and

“(E) describe collaborative efforts 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;

“(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; and

“(I) assure that the applicant will appoint an advisory board composed of parents, school counselors, school psychologists, school social workers, other pupil services 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 section, the Secretary shall be authorized to use grants to elementary and secondary schools and educational agencies to be used to initiate or expand elementary or secondary school counseling programs that comply with the requirements of paragraph (2).

“(2) Program Requirements.—Each program assisted 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) incorporate factors, including 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; and

“(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-defined, deliver small group and one-on-one counseling, and are available to every needy pupil with special emphasis for those pupils in need of counseling services; and

“(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.

“(d) Dissemination.—The Secretary shall issue a report evaluating the programs assisted pursuant to each grant under this subpart at the end of each grant period.

“(1) IN GENERAL.—The Secretary shall make the programs assisted under this section available for dissemination, either through the National Diffusion Network or other appropriate means.

“(2) 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.

“(3) Definitions.—For purposes of this section—

“(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.

“(b) School Psychologist.—The term ‘school psychologist’ means an individual who—

“(1) possesses a minimum of 60 graded 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 supervised practice.

“(2) possesses State licensure or certification in the State in which the individual works; or

“(3) in the absence of such State licensure or certification, possesses national certification by the National School Psychology Certification Board.

“(c) School Social Worker.—The term ‘school social worker’ means an individual who—

“(1) 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 the individual resides; or

“(b) possesses State licensure or certification in the State in which the individual resides; or

“(c) in the absence of such State licensure or certification, possesses national certification by the National School Psychology Certification Board.

“(4) Supervisor.—The term ‘supervisor’ means an individual who has the equivalent number of years of professional experience in an individual’s respective discipline 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.—

(i) 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).

(ii) 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—

(1) one or more local educational agencies; and

(2) 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 1 or more nonprofit organizations or entity, including institutions of higher education.

(ii) 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.

(d) 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.—

(i) 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.

(ii) 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—

(1) 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;

(2) curriculum and instructional practices that will be employed to achieve the goals and objectives of the program;

(3) methods of teacher training and parent education that will be used or developed; and

(4) 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—

(1) a description of how the State educational agency will provide technical and professional assistance to its local educational agency partners in the development and implementation of character education programs; and

(2) 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 the use of funds made available under this section to carry out 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 (d)(3);

(F) to provide technical assistance to State and local programs, particularly on matters of program evaluation; and

(G) any other information that the Secretary may require.

(c) EVALUATION AND PROGRAM DEVELOPMENT.

(i) Evaluation and reporting.—

(A) State and local reporting and evaluation.—Each eligible entity receiving grants 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—

(1) by the second year of the program; and

(2) 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.

(ii) 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, and nonprofit organizations, or other public or private agencies or organizations to carry out research, development, dissemination, technical assistance, and evaluation activities that support improved 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—

(1) to conduct research and development activities that focus on matters such as—

(II) models of professional development in character education; and

(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 development, dissemination, or 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 (including students with disabilities), and teachers.

(iii) Evaluation and program development activities shall be made available in such fiscal year to at least $60,000,000, then at least $60,000,000 shall be made available in such fiscal year to at least $60,000,000, then at least $60,000,000, then at least $60,000,000, then at least $60,000,000, then at least $60,000,000.

(iv) Disciplines.—

(A) student performance;

(B) student morale;

(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—

(i) caring;

(ii) civic virtue and citizenship;

(iii) justice and fairness;

(iv) respect;

(V) responsibility;

(VI) trustworthiness; and

(VII) any other elements deemed appropriate by the members of the eligible entity.

(e) Selection of Grantees.—Of the total funds received in any fiscal year under this section by an eligible entity that is a State educational agency—

(i) not more than 10 percent of such funds may be used for administrative purposes; and

(ii) the remaining 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.—

(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 approve applications under this section 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.

(18) PARTICIPATION BY PRIVATE SCHOOL CULP TIVITIES.—Grant applications under this section shall provide, to the extent feasible and appropriate, for the participation of students and teachers in private elementary and secondary schools led and operated by religious organizations.

‘SEC. 10703. PROGRAMS AUTHORIZED.

(a) In General.—The Secretary is authorized to—

(1) to promote, coordinate, and evaluate gender equity policies, programs, activities, and initiatives in all Federal education programs and agencies; and

(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—

(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 elementary school personnel, in more equitable teaching and learning practices;

(iii) leadership training for women and girls to develop professional and marketable skills to ensure equity in the global marketplace, improve self-esteem, and benefit from exposure to positive role models;

(iv) school-to-work transition programs, guidance and counseling activities, and other programs to increase opportunities for women and girls to enter a technologically demanding workplace and, in particular, to enter high-paying, 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, and age;

(vi) assisting pregnant students and students rearing children to remain in or to return to secondary school, graduate, and prepare themselves for admission to college or technical training; and

(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 use;

(xi) programs to increase educational opportunities, including higher education, vocational training, and other educational programs for low-income women, including unduplicated and uninsured 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 institutional 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; and

(III) innovative approaches to school-community partnerships for educational equity;

(xiv) 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 enhance 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 child-appropriate assessment instruments that are nondiscriminatory;

(III) the development and evaluation of model curricula, textbooks, software, and educational materials; and

(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 and previously awarded 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 the safety of students and personnel;

(viii) the development and improvement of programs and activities to increase opportunities for women, including continuing education activities, vocational education, and programs for low-income women, including underemployed and unemployed women, in the United States; and

(ix) educational agencies and institutions to meet the requirements of title IX of the Educational Amendments of 1972; and

(x) to promote equity in education for women and girls who suffer from multiple forms of discrimination, based on race, ethnic origin, limited English proficiency, disability, or age.

‘SEC. 10704. ASSISTANCE TO EDUCATIONAL AGENCIES AND INSTITUTIONS.

(a) Eligibility.—Educational agencies and institutions of 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 ability, and are prone to dropping out of school 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.

(2) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all students and girls.

(3) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies, research and development, but should also assist schools and local communities implement gender equitable practices;

(4) 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

(5) excellence in education under 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

(6) because of funding provided under the Women's Educational Equity Act, more curricula, training, and other educational materials are available in educational settings are gender equitable for women and girls are available for national dissemination;

(7) 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 ability, and are prone to dropping out of school 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.

(2) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all students and girls.

(3) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies, research and development, but should also assist schools and local communities implement gender equitable practices;

(4) 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

(5) excellence in education under 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

(6) because of funding provided under the Women's Educational Equity Act, more curricula, training, and other educational materials are available in educational settings are gender equitable for women and girls are available for national dissemination;

(7) 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 ability, and are prone to dropping out of school 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.

(2) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all students and girls.

(3) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies, research and development, but should also assist schools and local communities implement gender equitable practices;

(4) 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

(5) excellence in education under 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

(6) because of funding provided under the Women's Educational Equity Act, more curricula, training, and other educational materials are available in educational settings are gender equitable for women and girls are available for national dissemination;

(7) 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 ability, and are prone to dropping out of school 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.
"(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 under this subpart, 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 award period;

(2) demonstrate how the applicant will address perceptions of gender roles based on cultural stereotypes;

(3) for applications for assistance under section 10703(b)(1), demonstrate how the applicant will foster partnerships and, where applicable, share 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;

(4) for applications for assistance under section 10706(b)(1), demonstrate how parental involvement in the project will be encouraged; and

(5) for applications for assistance under section 10703(b)(1), describe plans for continuation of the activities assisted under this subpart following completion of the grant period and termination of Federal support under this subpart.

SEC. 10705. CRITERIA AND PRIORITIES.

(a) General. "(1) In General.—The Secretary shall establish separate criteria and priorities for awards under paragraphs (1) and (2) of section 10706(b) to ensure that funds under this subpart are administered within a time frame that effectively will achieve the purposes of this part.

(2) Criteria.—The criteria described in subsection (a) may include the extent to which the activities assisted under this part—

(A) address the needs of women and girls of color and women and girls with disabilities;

(B) meet locally defined and documented educational needs and educational priorities, including compliance with title IX of the Education Amendments of 1972;

(C) are a significant component of a comprehensive educational equity 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

(D) implement an institutional change strategy with long-term impact that will continue as a central activity of the applicant after the grant under this subpart has terminated.

(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—

(A) provide for a comprehensive approach to enhancing gender equity in educational institutions and community resources; and

(B) draw on a variety of resources, including the resources of local educational agencies, community-based organizations, institutions of higher education, and private organizations;

(C) implement a strategy with long-term impact that will continue after the grant under this subpart has terminated;

(D) address issues of national significance that can only be addressed by a central activity of the applicant after the grant under this subpart has terminated;

(E) address the educational needs of women and girls who suffer multiple or compounded discrimination based on sex and on race, ethnicity, or age;

(2) SPECIAL RULE.—To the extent feasible, the Secretary shall ensure that grants awarded under this subpart for each fiscal year shall—

(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

(2) all regions of the United States; and

(3) urban, rural, and suburban educational institutions.

(d) Coordination.—Research activities supported under this subpart—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office;

(2) may include collaborative research activities which are jointly funded and carried out with the Office of Educational Research and Improvement; and

(3) LIMITATION.—Nothing in this subpart shall be construed as prohibiting men and women from participating in any programs or activities assisted with funds under this subpart.

SEC. 10706. REPORT. "The Secretary, not later than January 1, 2007, shall submit to the President and Congress a report on the status of educational equity for girls and women in the Nation.

SEC. 10707. ADMINISTRATION.

(a) Evaluation and Dissemination.—The Secretary shall evaluate and disseminate materials and programs developed under this subpart and shall report to Congress regarding such evaluation materials and programs not later than January 1, 2006.

(b) Program Operations.—The Secretary shall ensure that the activities assisted under this subpart are administered within a time frame that effectively will achieve the purposes of this part.

(c) Limitation.—Nothing in this subpart shall be construed as prohibiting men and women from participating in any programs or activities assisted with funds under this subpart.

SEC. 10708. AMENDMENT. "(a) From amounts made available to carry out this subpart for a fiscal year, not less than 3% of such amount shall be used to carry out the activities described in section 10703(b)(1).

Subpart 7—Physical Education for Progress

SEC. 10751. SHORT TITLE. "This subpart may be cited as the ‘Physical Education for Progress Act.’

SEC. 10752. PURPOSE. "The purpose of this subpart is to award grants and contracts to local educational agencies to continue, expand and improve physical education programs for all kindergarten through grade 12 students.

SEC. 10753. GRANTS AND CONTRACTS. "(a) Applications.—Each local educational agency desiring a grant or contract under this subpart shall submit to the Secretary an application that contains a plan to initiate, expand, or improve physical education programs in the schools served by the agency in order to make progress toward meeting the standards for physical education set forth in section 10708.

(b) Program Elements.—A physical education program described in any application submitted under subsection (a) may provide—

(1) fitness education and assessment to help children understand, improve, or maintain physical well-being and positive social and cooperative skills through physical activity participation;

(2) instruction in a variety of motor skills and physical activities designed to enhance the physical, mental, and social development of every child;

(3) development of cognitive concepts about motor skill and physical fitness that support a lifelong healthy lifestyle; and

(4) opportunities to develop positive social and cooperative skills through physical activity participation.
"(5) instruction in healthy eating habits and good nutrition; and
"(6) teachers of physical education the opportunity for professional development to stay abreast of the latest research, issues, and trends in the field of physical education.

"(c) SPECIAL RULE.—For the purpose of this subpart, extracurricular activities such as team sports, Reserve Officers' Training Corps (ROTC) program activities shall not be considered as part of the curriculum of a physical education program assisted under this subpart.

"SEC. 10756. PROPORTIONALITY. The Secretary shall ensure that grants awarded under this subpart shall be equitably distributed between local educational agencies serving urban and rural areas, and between local educational agencies serving large and small numbers of students.

"SEC. 10757. PRIVATE SCHOOL STUDENTS AND HOME-Schooled STUDENTS. An application for funds under this subpart may provide for the participation, in the activities funded under this subpart, of—
"(1) home-schooled children, and their parents or teachers, or
"(2) children enrolled in private nonprofit elementary schools or secondary schools, and their parents or teachers.

"SEC. 10758. REPORT REQUIRED FOR CONTINUED FUNDING. As a condition to continue to receive grant funds under this subpart, the administrator of the grant or contract under this subpart shall submit to the Secretary an annual report that describes the activities conducted during the preceding year and demonstrates that progress has been made toward meeting State standards for physical education.

"SEC. 10759. REPORT TO CONGRESS. The Secretary shall submit a report to Congress not later than June 1, 2003, that describes the activities conducted under this subpart, the activities conducted for the first year for which the project received assistance under this subpart, and program design.

"SEC. 10760. ADMINISTRATIVE COSTS. "(a) FEDERAL SHARE.—The Federal share of the administrative costs shall not exceed—
"(i) 5 percent of the grant or contract funds made available to a local educational agency or
"(ii) 10 percent of the grant or contract funds made available to a local educational agency for each of the 6 succeeding fiscal years.

"(b) CONTENTS.—Each application for funds under this subpart, and each amendment to such application, shall include a statement that describes the participation, in the activities assisted under this subpart, of—
"(i) home-schooled children, and their parents or teachers, or
"(ii) children enrolled in private nonprofit schools, and their parents or teachers.

"(c) EFFECTIVE DATE.—This subpart shall take effect for fiscal years beginning on or after May 9, 2001.

"SEC. 10762. AVAILABILITY OF AMOUNTS. "(a) FEDERAL SHARE.—The Federal share of the grant or contract funds made available to a local educational agency under this subpart may not exceed—
"(1) FEDERAL SHARE.—The Federal share shall be—
"(i) 50 percent of the grant or contract funds made available to a local educational agency under this subpart for any fiscal year may be used for administrative costs.

"(b) FEDERAL SHARE.—The Federal share shall be used to supplement and not supplant other Federal, State and local funds available for physical education activities.

"SEC. 10761. FEDERAL SHARE; SUPPLEMENT NOT SUPPLANT. "(a) FEDERAL SHARE.—The Federal share under this subpart may not exceed—
"(1) 90 percent of the total cost of a project for a fiscal year for which the project receives assistance under this subpart; and
"(2) 75 percent of such cost for the second and each subsequent fiscal year.

"(b) SUPPLEMENT NOT SUPPLANT.—Funds made available under this subpart shall be used to supplement and not supplant other Federal, State and local funds available for physical education activities.

"SEC. 10801. AUTHORIZATION OF APPROPRIATIONS. "(a) APPROPRIATION. Appropriations shall be made for the fiscal year beginning on or after May 9, 2001 and each of the 6 succeeding fiscal years.

"(b) BASES.—The amounts appropriated for each fiscal year shall be used to support each of the succeeding fiscal years.

"SEC. 514. Mr. Voinovich 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. 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 award grants to eligible entities for the design and implementation of character education programs that incorporate the elements of character described in section (d).

"(2) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—
"(A) a State educational agency in partnership with 1 or more local educational agencies or
"(B) a State educational agency in partnership with
"(i) one or more local educational agencies; or
"(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 $500,000.

"(b) APPLICATIONS.—
"(1) REQUIREMENT.—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 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 provide technical and professional assistance to its local educational agency partners in the development and implementation of the character education programs; 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—
"(i) based on the goals and objectives described in subparagraph (B); and
(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 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, 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 as—

"(I) the effectiveness of instructional models for students and classrooms with physical and mental disabilities;

"(II) materials and curricula that can be used by programs in character education;

"(III) research findings in the area of character education and character development; and

"(iv) to develop 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 may 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 development, implementation, 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 schools, students (including students with disabilities), and teachers.

"(3) 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) civic virtue and citizenship;

"(3) justice and fairness;

"(4) respect;

"(5) responsibility;

"(6) trustworthiness; and

"(7) any other elements deemed appropriate by the Secretary 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 applications 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 parental, 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 approve 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.

"(g) PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.—Grantees under this subsection shall provide technical assistance suitable and appropriate, for the participation of students and teachers in private elementary and secondary schools in programs and activities under this section.

"(h) 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. 5. 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 or services when the students are suffering emotional distress, have suicidal thoughts and behaviors, use violence, or use drugs or alcohol, that may cause 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 support and 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, by which time providers need funding to plan, develop, and implement 2–1–1 hotlines.

(b) SENSE OF THE SENATE.—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. 1397 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. TORRICELLI, 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. 4. STUDY CONCERNING THE HEALTH AND LEARNING PROBLEMS OF DIILAPIDATED PUBLIC SCHOOL BUILDINGS ON AMERICAS CHILDREN.

Title IV, as amended by this title, is further amended by adding at the end the following:
SA 517. 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:

On page 309, lines 17 and 18, strike "subsection (f)" and insert "subsections (b) and (f)".

On page 339, line 6, strike "(b)" and insert "(c)".

On page 339, strike lines 7 through 16 and insert the following:

"(b) SCHOOL LEADERSHIP.—

(1) DEFINITIONS.—

(A) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' means a local educational agency for which more than 30 percent of the students served by the local educational agency are students in poverty.

(B) 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. 9662(2)) applicable to a family of the size involved.

(C) STUDENT IN POVERTY.—The term 'student in poverty' means a student from a family with an income below the poverty line.

(2) PROGRAM.—The Secretary shall establish and carry out a national principal recruitment program.

(B) GRANT.—

(A) IN GENERAL.—In carrying out the program, the Secretary shall make grants, on a competitive basis, to high-need local educational agencies that seek to recruit and train principals (including assistant principals).

(B) USE OF FUNDS.—An agency that receives a grant under subparagraph (A) may use the funds made available through the grant to carry out principal recruitment and training activities that may include—

(i) providing stipends for master principals who mentor new principals;

(ii) using funds innovatively to recruit new principals, including recruiting the principals by providing pay incentives or bonuses;

(iii) developing career mentorship and professional development ladders for teachers who want to become principals;

(iv) developing incentives, and professional development and instructional leadership training programs, to attract individuals from other fields, including business and law, to serve as principals.

(C) APPLICATION AND PLAN.—To be eligible to receive a grant under this subsection, a local educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The application shall include—

(i) a needs assessment concerning the shortage of qualified principals in the school district involved and an assessment of the potential of existing districts and retaining prospective and aspiring leaders, including teachers who are interested in becoming principals; and

(ii) a comprehensive plan for recruitment and training of principals, including plans for mentorship programs, ongoing professional development, and instructional leadership training for high-need schools served by the agency.

(D) PRIORITY.—In making grants under this subsection, the Secretary shall give priority to applications that demonstrate that the agencies will carry out the activities described in subparagraph (B) in partnership with nonprofit organizations and institutions of higher education.

(E) SUPPLEMENT NOT SUPLANT.—Funds appropriated to carry out this subsection shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide principal recruitment and retention activities.

SUPPLEMENTARY APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $50,000,000 for fiscal year 2002 and each subsequent fiscal year.

SA 518. Mr. CARPER (for himself, Mr. GREGG, Mr. FRIST, Mr. LIEBERMAN, Mr. BIDEN, Mr. BINGAMAN, Mr. KERRY, Mr. HUTCHINSON, Mr. CRAPO, and Mr. DUVALL) 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 45, between lines 20 and 21. Insert the following:

"(H) Each State plan shall provide an assurance that the State's accountability requirements established under the State's charter school law and overseen by the State's authorized chartering agencies for such schools, are at least as rigorous as the accountability requirements established under this Act, such as the requirements regarding standards, assessments, adequate yearly progress, school identification, receipt of technical assistance, and corrective action, that are applicable to other schools in the State under this Act."

On page 763, between lines 10 and 11. Insert the following:

"(2) L Owest PERFORMING SCHOOL.—The term "lowest performing school" means a school that—

(A) has been built on contaminated property;

(B) have poor indoor air quality;

(C) have water with a lead level of 0.5 ppm; or

(D) have ineffective ventilation, heating or cooling systems, inadequate lighting, drinking water that does not meet health-based standards, infestations 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 have radon or such other 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 children that have attended or are attending such schools.

(3) The health and learning impacts on students in poverty.

(4) The identification of the existing gaps and implementation of such standards and a monitoring of public school building health, and the overall structuring new public elementary and secondary school buildings, and the overall professional development, and instructional leadership and in-service training activities that may include—

(a) training new principals, including recruiting the principals who mentor new principals;

(b) using funds innovatively to recruit new principals, including recruiting the principals by providing pay incentives or bonuses;

(c) developing career mentorship and professional development ladders for teachers who want to become principals;

(d) developing incentives, and professional development and instructional leadership training programs, to attract individuals from other fields, including business and law, to serve as principals.

(2) PUBLIC SCHOOL CHOICE.—The term "public school choice" means the 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. 9662(2)) applicable to a family of the size involved.

"(D) APPLICATION AND PLAN.—To be eligible to receive a grant under this subsection, a local educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The application shall include—

(i) a needs assessment concerning the shortage of qualified principals in the school district involved and an assessment of the potential of existing districts and retaining prospective and aspiring leaders, including teachers who are interested in becoming principals; and

(ii) a comprehensive plan for recruitment and training of principals, including plans for mentorship programs, ongoing professional development, and instructional leadership training for high-need schools served by the agency.

(2) PRIORITY.—In making grants under this subsection $50,000,000 for fiscal year 2002 and each subsequent fiscal year.

"(2) PRIORITY.—In making grants under this subsection $50,000,000 for fiscal year 2002 and each subsequent fiscal year.

SEC. 502. EMPOWERING PARENTS.

(a) SHORT TITLE.—This section may be cited as the "Empowering Parents Act of 2001".

(b) PUBLIC SCHOOL CHOICE.—

(1) SHORT TITLE OF SUBSECTION.—This subsection may be referred to as the "Enhancing Public Education Through Choice Act".

(2) PURPOSES.—The purposes of this subsection are—

(A) to prevent children from being consigned to, or left trapped in, failing schools;

(B) to ensure that parents of children in failing public schools have the choice to send their children to other public schools, including charter schools, or other local educational agencies, for students in poverty.

(C) to support and stimulate improved public school performance through increased public school competition and increased Federal financial assistance;

(D) to provide parents with more choices among public school options;

(E) to assist local educational agencies with low-performing schools to implement district-wide public school choice programs or enter into partnerships with other local educational agencies to offer students inter-district or statewide public school choice programs.

(3) PUBLIC SCHOOL CHOICE PROGRAMS.—Part A of title V, as amended in section 501, is further amended by adding at the end the following:

"Subpart 4—Voluntary Public School Choice Programs"

SEC. 5161. DEFINITIONS.

"In this subpart:

(1) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given such term in section 5200.

(2) LOWEST PERFORMING SCHOOL.—The term ‘lowest performing school’ means a
SEC. 5163. USE OF FUNDS.

(a) In general.—An agency that receives a grant under this subsection 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:

(1) the expenses of providing transportation services or the cost of transportation to and from the public schools, including charter schools, that the students choose to attend under this program;

(2) nondiscrimination.—Notwithstanding subsection (a), no public school may discriminate on the basis of race, color, religion, sex, national origin, age, or disability in providing programs and activities under this subpart.

(3) parallel accountability.—Each State educational agency or local educational agency receiving a grant under this subpart for a program through which a charter school receives assistance shall hold the charter school accountable for adequate yearly progress in improving student performance as defined in title I and as established in the school’s charter, including the use of such standards and assessments established under title I.

SEC. 5165. APPLICATIONS.

(a) In general.—To be eligible to receive a grant under this subpart, a State educational agency or local educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(b) CONTENTS.—Each application for a grant under this subpart shall include:

(1) a description of the program for which the agency seeks funds and the goals for such program;

(2) a description of how the program will be coordinated with, and will complement and enhance, other Federal and non-Federal programs;

(3) if the program is carried out by a partnership, the names of each partner and a description of the partners’ responsibilities;

(4) a description of the policies and procedures the agency will use to ensure—

(A) accountability for results, including goals and performance indicators; and

(B) that the program is open and accessible to, and will promote high academic standards for, all students; and

(5) such other information as the Secretary may require.

SEC. 5166. PRIORITIES.

(a) In general.—In applying for a grant under this subpart, the Secretary shall give priority to—

(1) first, those State educational agencies and local educational agencies serving the lowest performing schools, as determined by the Secretary; 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.

(a) In general.—Upon the amount made available to carry out this subpart for any fiscal year, the Secretary may use the amount reserved under subsection (a) to carry out 1 or more evaluations of the programs, or any portion of the programs, serving the eligible students under this subpart, which shall, at a minimum, address:

(1) how, and the extent to which, the programs promote educational equity and excellence; and

(2) the extent to which public schools carrying out the programs are—

(A) held accountable to the public;
CHAPTER II—CREDIT ENHANCEMENT INITIATIVES TO PROMOTE CHARTER SCHOOL FACILITY ACQUISITION, CONSTRUCTION, AND RENOVATION

SEC. 5126. PURPOSE.

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 assisting charter schools to address the cost of acquiring, constructing, and renovating facilities.

SEC. 5126A. GRANTS TO ELIGIBLE ENTITIES.

(1) GRANTS FOR INITIATIVES.

(a) IN GENERAL.—To receive a grant under this section, an eligible entity shall submit to the Secretary an application that is not of sufficient quality to merit approval and which are not—

(i) how, and the extent to which, the programs promote educational equity and excellence; and

(ii) the extent to which charter schools supported through the programs are—

(A) open and accessible to all students.

(2) MINIMUM GRANTS.—The Secretary shall award at least—

(A) 1 grant to an eligible entity described in section 5126I(2)(A); and

(B) 1 grant to an eligible entity described in section 5126I(2)(B).

(3) APPLICATIONS.—To be eligible to receive a grant under this subsection, a grant shall be awarded in accordance with subsections (a)(2) and (b)(2) shall not apply; and

(4) SPECIAL RULE.—In the event the Secretary determines that the funds available to carry out this chapter are insufficient to permit the Secretary to award not fewer than 3 grants in accordance with subsections (a) through (c), the Secretary may determine the appropriate number of grants to be awarded in accordance with subsections (a)(1), (b)(1), and (c).

SEC. 5126B. APPLICATIONS.

(a) IN GENERAL.—To receive a grant under this chapter, an eligible entity shall submit to the Secretary an application in such form as the Secretary may require.

(b) CONTENTS. An application submitted under subsection (a) shall contain—

(1) a statement identifying the objectives described in section 5126E; and

(2) the description of the involvement of charter schools in the application’s development and the design of the proposed activities;

(3) a description of the applicant’s expertise in capital market financing; and

(4) a description of how the proposed activities will—

(A) leverage private sector financing capital, to obtain the maximum amount of private sector financing capital, relative to the amount of government funding used, to assist charter schools; and

(B) otherwise leverage credit available to charter schools.

(5) a description of the amount of assistance the applicant proposes to provide to the charter school for which facilities financing is sought;

(6) in the case of an application submitted by the governing board of a charter school, a description of the actions that the entity has taken, or will take, to ensure that charter schools within the State receive the funding the school needs to have adequate facilities; and

(7) such other information as the Secretary may reasonably require.

SEC. 5126C. CHARTER SCHOOL OBJECTIVES.

(a) ELIGIBLE ENTITY. An eligible entity under this chapter shall use the funds received through the grant, and deposited in the reserve account established under section 5126(a), to assist 1 or more charter schools to access private sector capital to accomplish 1 or more of the following objectives:

(1) The acquisition (by purchase, lease, donation, or otherwise) of an interest (including an 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, expansion, or alteration of existing facilities, necessary to commence or continue the operation of a charter school.

(3) The payment of start-up costs, including the costs of training teachers and purchasing materials and equipment, including instructional materials and computers, for a charter school.

SEC. 5126D. RESERVE ACCOUNT.

(a) IN GENERAL.—For the purpose of assisting charter schools to accomplish the objectives described in section 5126C, an eligible entity receiving a grant under this chapter shall deposit the funds received through the grant (other than funds used for administrative costs in accordance with section 5126E) in a reserve account established and maintained by the entity for that purpose. The entity shall make the deposit in accordance with State and local law and may make the deposit directly or indirectly, and alone or in collaboration with others.

(b) USE OF FUNDS.—Amounts deposited in such account shall be used by the entity for 1 or more of the following purposes:

(1) Guaranteeing, insuring, and reinsuring bonds, notes, evidences of debt, loans, and other financings, that are used for an objective described in section 5126C.

(2) Guaranteeing and insuring leases of personal and real property for such an objective.

(3) Facilitating financing for such an objective by identifying potential lending sources, encouraging private lending, and carrying out other similar activities that directly promote lending to, or for the benefit of, charter schools.

(4) 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, administrative, 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 shall be invested in obligations issued or guaranteed by the United States or a State, or in other similarly low-risk securities.

(d) REINVESTMENT OF EARNINGS.—Any earnings on funds received under this chapter shall be deposited in the reserve account
established under subsection (a) and used in accordance with subsection (b).

SEC. 5126E. LIMITATION ON ADMINISTRATIVE COSTS.

"(a) In General.—The term 'charter school' means any school that is operated in accordance with laws of a State, that is not operated by a public agency, that is not operated by a school district, and that is not operated by a State agency.

"(b) Exercise of Authority.—The Secretary shall not exercise the authority provided in subsection (a) to collect any eligible entity any funds that are being properly used to carry out the purposes described in section 5126D(b).


"(d) Construction.—This section shall not be construed to impair or affect the authority of the Secretary to recover funds under part D of the General Education Provisions Act (20 U.S.C. 1234 et seq.).

SEC. 5126F. AUDITS AND REPORTS.

"(a) Financial Record 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 shall be subject to an independent 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 statements, and any accompanying opinion on such statements, prepared by the independent public accountant auditing the financial records of the eligible entity;

"(B) a listing and description of the charter schools served by the entity with such Federal funds during the reporting period;

"(C) 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

"(D) 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 is not pledged for the payment of any funds that may be required to be paid under any obligation made by an eligible entity pursuant to any provision of this chapter.

SEC. 5126H. RECOVERY OF FUNDS.

"(a) In General.—The Secretary, in accordance with section 5126D(b); or

"(b) Exercise of Authority.—The Secretary shall not exercise the authority provided in subsection (a) to collect any eligible entity any funds that are being properly used to carry out the purposes described in section 5126D(b); or


"(d) Construction.—This section shall not be construed to impair or affect the authority of the Secretary to recover funds under part D of the General Education Provisions Act (20 U.S.C. 1234 et seq.).

SEC. 5126I. DEFINITIONS.

"In this chapter:

"(1) CHARTER SCHOOL.—The term 'charter school' has the meaning given such term in section 5126.

"(2) ELIGIBLE ENTITY.—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. 5126J. 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."

"(1) INCLUSION 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 139A and by inserting after section 138 the following new section:

"SEC. 139. INTEREST ON CHARTER SCHOOL LOANS.

"(a) EXCLUSION.—Gross income does not include interest on any charter school loan.

"(b) CHARTER SCHOOL LOAN.—For purposes of this section:

"(1) IN GENERAL.—The term 'charter school loan' means any indebtedness incurred by a charter school.

"(2) CHARTER SCHOOL.—The term 'charter school' has the meaning given such term in section 5120 of the Elementary and Secondary Education Act of 1965.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $2,750,000 for each of 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 Center for Rural Law Enforcement in each fiscal year, and $2,000,000 shall be for the National Law Enforcement and Corrections Technology Center Southeast 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 carrying out activities to improve school security at the middle and secondary schools served by the agencies, including obtaining school security assessments, and technical assistance, for the development of a comprehensive school security plan from the School Security Technology and Resource Center.

"(2) APPLICABILITY.—To be eligible to receive a grant under this section, a local educational agency shall submit to the Secretary an application containing such information as the Secretary may require, including information related to the security needs of the agency.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $2,000,000 for each of 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.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $2,000,000 for each of fiscal years 2002, 2003, and 2004."

SEC. 4307. SCHOOL SECURITY TECHNOLOGY AND RESEARCH 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—Southeast 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; and

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $2,750,000 for each of 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 Center for Rural Law Enforcement in each fiscal year, and $2,000,000 shall be for the National Law Enforcement and Corrections Technology Center Southeast in each fiscal year.

SEC. 4308. SCHOOL SECURITY TECHNOLOGY AND RESEARCH CENTER.

"(a) CENTER.—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 5126D(a) if the Secretary determines, not earlier than 2 years after the date on which an entity first received funds under this chapter, that the entity has failed to make substantial progress in carrying out the purposes described in section 5126D(b); or

"(2) all of the funds in a reserve account established by an eligible entity under section 5126D(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 5126D(b)."
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 that is jointly prepared and submitted by the State educational agency and the State agency for higher education that contrast the goal of concentrating the Federal focus and funding for education programs on a limited, but critical, number of national priorities that are most directly linked to raising student achievement.

SA 524. Mr. AKÁRA 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—EXCELLENCE IN ECONOMIC EDUCATION

"SEC. 9201. SHORT TITLE; FINDINGS.

"(a) SHORT TITLE.—This part may be cited as the "Excellence in Economic Education Act of 2001.

"(b) FINDINGS.—Congress makes the following findings:

"(1) The need for economic literacy in the United States has grown exponentially in the past decade as a result of technological advancements and increasing globalization, giving individuals in the United States more numerous and complex economic and financial choices that endanger the future 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 Mathematics Panel on Economic Education point out that many individuals in the United States believe that there is a need for our Nation's youth to possess an understanding of personal finance and economic principles, with 96 percent of adults tested believing that basic economics should be taught in secondary school.

"SEC. 9202. EXCELLENCE IN ECONOMIC EDUCATION.

"(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 purpose the improvement of the quality of student understanding of personal finance and economics.

"(b) GOALS.—The goals of this part are—

"(1) to increase students' knowledge of and achievement in economics to enable the students to become more productive and informed citizens;

"(2) to strengthen teachers' understanding of and competency in economics to enable the teachers to increase student mastery of analytical principles and their practical application;

"(3) to encourage economic education research and development, to disseminate effective instructional materials, and to promote replication of best practices and exemplary programs that foster economic literacy;

"(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.

"(5) to leverage and expand private and public support for economic education partnerships at national, State, and local levels.

"(6) GRANT PROGRAM AUTHORIZATION.

"(a) COMPETITIVE GRANT PROGRAM FOR EXCELLENCE IN ECONOMIC EDUCATION.
"(1) IN GENERAL.—The Secretary is authorized to award a competitive grant to a nonprofit 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 for the purpose described under subsection (1) for a fiscal year—

"(i) to strengthen and expand the grantee’s relationships with State and local personal finance, entrepreneurial, and economic education organizations; and

"(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;

"(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 education 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 the 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) Using the resources of conducting 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 in schools.

"(C) ADDITIONAL REQUIREMENTS AND TECHNICAL ASSISTANCE.—The grantee shall—

"(i) meet such other requirements as the Secretary determines to be necessary to assure compliance with this section; and

"(ii) 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 and financial literacy.

"(F) Another organization promoting educational excellence.

"(G) Another organization promoting personal and economic entrepreneurship.

"(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) RECIPIENTS.—

"(A) IN GENERAL.—To be eligible to receive a grant under this section, the grantee 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 SUPPLANT.—Funds appropriated under this section shall be used to supplement and not supplant other Federal, State, and local funds expended for the purpose 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 for such purposes $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years."

SA 525. Mr. HARKIN (for himself, Mr. KERRY, 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, 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 SCHOOLS RENOVATION.

"(a) IN GENERAL.—

"(1) ALLOCATION OF FUNDS.—Of the amount appropriated for each fiscal year under subsection (k), the Secretary of Education shall allocate—

"(A) 6.0 percent of such amount for grants to impacted local educational agencies (as defined in paragraph (3) for school repair, renovation, and construction;

"(B) 0.25 percent of such amount for grants to Coloring areas for school repair, renovation in high-need schools and communities, allocated on such basis, and subject to such terms and conditions, as the Secretary determines appropriate;

"(C) 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, title I for fiscal year 2001, except that no State shall receive less than 0.5 percent of the amount allocated under this subparagraph.

"(2) DETERMINATION OF GRANT AMOUNT.—

"(A) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the grant amounts under paragraph (1)(A) for fiscal year 2001, the Secretary shall determine the results obtained by the computation made under section 8003 with respect to children described in subsection (c) of 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.

"(B) COMPUTATION OF PAYMENT.—For fiscal year 2001, and any succeeding fiscal year, 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)(1); and

"(ii) multiplying the number derived under clause (1) by the results of the computation described in subparagraph (A)(1) 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 receives a basic support payment under section 8003(b) for such fiscal year; and

"(B) with respect to which the number of children determined under section 8003(a)(1)(C) for the preceding school year constitutes at least 50 percent of the total enrollment of schools of the agency during such school year.

"(D) WITHIN-STATE ALLOCATIONS.—

"(1) ADMINISTRATIVE COSTS.—

"(A) STATE EDUCATIONAL AGENCY ADMINISTRATION.—Except as provided in subparagraph (B), each State educational agency
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.

(3) RULES APPLICABLE TO SCHOOL REPAIR AND RENOVATION.—In awarding competitive grants under this paragraph (A)(ii), to be used for technology activities that are carried out in connection with school repair and renovation, a State educational agency shall take into account the need for additional funds for such activities, including the need for the activities described in subclasses (I) through (IV) of subparagraph (A)(ii).

(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.
CONGRESSIONAL RECORD — SENATE
May 9, 2001

S4720

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 paragraphs (2) or (3) of subsection (b) shall provide the public with an adequate and efficient notice of the opportunity to consult on the use of funds received under such paragraph; (2) shall provide the public with an 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.

(1) REPORTING.—Each local educational agency receiving funds under subsection (a)(1)(D) shall submit a report to the State educational agency, at such time as the State educational agency may require, describing the use of such funds for—

(A) school repair and renovation (and construction, in the case of an impacted local educational agency) as defined in subsection (a)(3)(A); and

(B) activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.), as defined in subsection (b)(3)(A)(i).

(2) TECHNOLOGY ACTIVITIES.—Each technology activity 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).

(3) ADDITIONAL REPORTS.—Each entity receiving funds allocated under subsection (a)(1)(A) or (B) shall submit to the Secretary of Education, 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, in the case of an impacted local educational agency) as defined in subsection (a)(3)(A); and

(B) activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), as defined in subsection (b)(3)(A)(i).

(4) APPLICABILITY OF PART B OF IDEA.—If a local educational agency uses funds received under this section to carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), such part (including provisions respecting the participation of private school children, and any other provision of law that applies to such part) shall apply to such use.

(h) REALLOCATION.—If a State educational agency does not apply for an allocation of funds under subsection (a)(1)(D) for fiscal year 2002, or does not use its entire allocation for such fiscal year, the Secretary may reallocate the remainder of the State educational agency’s allocation (or the remainder thereof, as the case may be) to the remaining local educational agencies in accordance with subsection (a)(1)(D).

(1) PARTICIPATION OF PRIVATE SCHOOLS.—(1) IN GENERAL.—Section 5342 shall apply to subclauses (I) through (IV) of section 5120(1) in the same manner as it applies to subsection VI, except that—

(1) the term ‘rural local educational agency’ means a local educational agency that the State determines is located in a rural area using objective data and a commonly employed definition of the term ‘rural’;

(2) the term ‘State’ means each of the 50 states, the District of Columbia, and the Commonwealth of Puerto Rico;

(3) the term ‘$1,000,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006’ shall be interpreted as follows:

(a) In general.—Section 5342 shall apply to subclauses (I) through (IV) of section 5120(1) in the same manner as it applies to activities under title VI, except that—

(A) such section shall not apply with respect to the title to any real property renounced or repaired with assistance provided under this section;

(B) the term ‘services’ as used in section 5342 with respect to funds under this section shall be provided only to private, nonprofit elementary or 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 make such facilities 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 make such facilities applicable to public schools under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

(iii) asbestos abatement or removal from school facilities; and

(C) notwithstanding the requirements of section 5342(b), expenditures for services provided using funds made available under subsection (b)(2) shall be considered equal for purposes of such section if the per-pupil expenditures for services described in subparagraph (B) for students enrolled in private, nonprofit elementary or 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 geographic 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 circumstance is held by any court to be unconstitutional, the provisions of this section, or the application thereof, to all other persons or circumstances shall not be affected thereby.

(j) DEFINITIONS.—For purposes of this section:

(1) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given such term in section 5210.

(2) POOR CHILDREN AND CHILD POVERTY.—The term ‘poor children and child poverty’ 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 reside in a State or local educational agency that has a rate of child poverty of at least 40 percent.

(3) RURAL LOCAL EDUCATIONAL AGENCY.—The term ‘rural local educational agency’ means a local educational agency that the State determines is located in a rural area using objective data and a commonly 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.

(k) 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, which was ordered to lie on the table; as follows:

On page 893, after line 14, add the following:

SEC. 10. COUNSELING IMPROVEMENT.

(a) Findings.—Congress finds that—

(1) elementary and secondary school children are being subjected to unprecedented social stresses, including fragmentation of the family, drug and alcohol abuse, violence, child abuse, and poverty;

(2) an increasing number of elementary and secondary school children are exhibiting symptoms of substance abuse, emotional disorders, violent outbursts, disruptive behavior, juvenile delinquency, and suicide;

(3) 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;

(4) 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) the Institute of Medicine has identified psychological counseling as the most serious unmet health need in the development of our Nation’s children and youth;

(6) school counselors, school psychologists, and school social workers can contribute to the personal 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;

(8) the national average student-to-counselor ratio in elementary and secondary schools is 531 to 1, and the average student-to-psychologist ratio is 2500 to 1;

(9) it is recommended that to effectively address students’ mental health and development needs, schools have 1 full-time counselor for every 250 students, 1 psychologist for every 500 students, and 1 school social worker for every 800 students;

(10) 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;

(11) the Federal Government can help 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

(b) In general.—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 comprehensive and effective and innovative counseling programs that can serve as models for the Nation.

(c) SCHOOL COUNSELING.—Title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.), as amended by this Act, is amended—

(1) in section 4004 (20 U.S.C. 7104)—

(A) in paragraph (3), by striking ‘‘and’’; and

(B) in paragraph (4), by striking the period at the end;

(2) by adding at the end the following:

‘‘(C) by adding at the end the following:

(1) in section 4004 (20 U.S.C. 7104)—

(A) in paragraph (3), by striking ‘‘and’’ at the end;

(B) in paragraph (4), by striking the period at the end;

(C) by striking ‘‘and’’ at the end;

(2) by adding at the end the following:

‘‘(C) by adding at the end the following:

(1) in section 4004 (20 U.S.C. 7104)—

(A) in paragraph (3), by striking ‘‘and’’ at the end;

(B) in paragraph (4), by striking the period at the end;

(C) by striking ‘‘and’’ at the end;

(2) by adding at the end the following:

‘‘(C) by adding at the end the following:

(1) in section 4004 (20 U.S.C. 7104)—

(A) in paragraph (3), by striking ‘‘and’’ at the end;

(B) in paragraph (4), by striking the period at the end;

(C) by striking ‘‘and’’ at the end;
the 4 succeeding fiscal years, for grants under section 4126."

(2) by adding at the end of subpart 2 of part A the following:

SEC. 4126. ELEMENTARY SCHOOL AND SECONDARY SCHOOL COUNSELING DEMONSTRATION.

(a) Counseling Demonstration.—

(1) 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 school and secondary school counseling programs.

(2) Priority.—In awarding grants under this subsection, 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 the funds of the United States and among urban, suburban, and rural areas.

(4) Duration.—A grant under this subsection shall be awarded for a period not to exceed three years.

(5) Maximum Grant.—A grant under this subsection shall not exceed $400,000 for any fiscal year.

(b) Applications.—

(1) 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 accompanied by such information as the Secretary may reasonably require.

(2) Contents.—Each application for a grant under this subsection 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 meeting 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; and

(G) describe culturally diverse populations, if applicable, who would be served through the program;

(H) assure that the funds made available under this paragraph 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 described in the application, and in no case supplant such funds from non-Federal sources; and

(1) assure that the applicant will appoint an advisory board composed of parents, school counselors, school psychologists, school social workers, other pupil personnel of the school, school administrators, and community leaders to advise the local educational agency on the design and implementation of the program.

(2) Use of Funds.—

(1) IN GENERAL.—From amounts made available under section 4006(5) to carry out this section, the Secretary shall award grants to local educational agencies to be used to initiate or expand elementary or secondary school counseling programs that comply with the requirements of paragraph (2).

(2) Program Requirements.—Each program assisted under this section shall—

(A) be responsive to 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 and extend services only through qualified school counselors, school psychologists, and school social workers;

(E) provide the means to increase children's understanding of peer and family relationships, work and self, decision-making, or academic and career planning, or to improve social functioning;

(F) provide counseling services that are well-balanced among classroom group and small group counseling, individual counseling, and consultation with parents, teachers, administrators, and other pupil services personnel;

(G) include inservice 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.

(3) Reporting.—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 14701.

(4) Dissemination.—The Secretary shall make the programs assisted under this section available for dissemination, either through the National Diffusion Network or other appropriate means.

(5) Limit on Administration.—Not more than 5 percent of the amounts made available under this section for any fiscal year shall be used for administrative costs to carry out this section.

(d) Definitions.—For purposes of this section:

(1) School Counselor.—The term ‘school counselor’ means an individual who has documented experience 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 by a competent agency of 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 psychology from an institution of higher education and has completed 1,200 clock hours in a supervised 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;

(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)(1) 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;

(B) in the absence of such licensure or certification, possess a national certification or credential as a school social work specialist that has been awarded by an independent professional organization.

(4) 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, strike lines 19 and 20 and insert the following:

youth's status as homeless, except as provided in section 722(a)(2)(B)(ii) and subparagraph (B).

(B) Exception.—Notwithstanding subparagraph (A), paragraphs (1)(H) and (3) of subsection (g), 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) EMPLOYEES.—The Secretary shall 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 includes steps to promoting 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;

(B) the supplemental educational and related services provided to students not meeting State academic standards;

(C) the additional or alternative programs provided to students who continue to fail to meet State academic standards; and

(D) the procedures used to identify students who do not meet State academic standards.

(d) 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;

(B) the supplemental educational and related services provided to students not meeting State academic standards;

(C) the additional or alternative programs provided to students who continue to fail to meet State academic standards; and

(D) the procedures used to identify students who do not meet State academic standards.

(e) 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 and to evaluate existing summer school programs.

(f) GENERAL PROVISIONS.—

(1) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant other Federal, State, local, and private funds available for summer school programs.

(2) ADMINISTRATIVE EXPENSES.—Each State educational agency that receives grant funds under this section may use not 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 the following amounts:

(1) $200,000,000 for fiscal year 2002.

(2) 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. 1708. 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 met State academic standards.

(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) EMPLOYEES.—The Secretary shall 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 includes steps to promoting 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;

(B) the supplemental educational and related services provided to students not meeting State academic standards;

(C) the additional or alternative programs provided to students who continue to fail to meet State academic standards; and

(D) the procedures used to identify students who do not meet State academic standards.

(e) 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 and to evaluate existing summer school programs.

(f) GENERAL PROVISIONS.—

(1) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant other Federal, State, local, and private funds available for summer school programs.

(2) ADMINISTRATIVE EXPENSES.—Each State educational agency that receives grant funds under this section may use not 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. 1708. 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 met State academic standards.

(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;

(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.

(e) 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 and to evaluate existing summer school programs.

(f) GENERAL PROVISIONS.—

(1) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant other Federal, State, local, and private funds available for summer school programs.

(2) ADMINISTRATIVE EXPENSES.—Each State educational agency that receives grant funds under this section may use not 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.

CONGRESSIONAL RECORD — SENATE

May 9, 2001

S4722
On page 362, line 14, strike "$500,000,000" and insert "$900,000,000".

SA 531. Mr. DURBIN (for himself and 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 347, strike lines 8 through 10 and insert the following:

"(d) Priority.—

(1) HIGH NEED LOCAL EDUCATIONAL AGENCIES.—As used in this part, 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 223; 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 366, between lines 18 and 19, insert the following:

"PART E—MENTORING PROGRAMS"

SEC. 4505. 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; and

(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—

(i) 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

(ii) 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, 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) Encourage children with greatest need to set goals for themselves or to plan for their futures, including encouraging such children to make graduation from secondary school a goal and to make plans for postsecondary education or training.

(G) 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;

(F) training of mentors using scientifically based methods; and

(G) such other activities as the Secretary may reasonably prescribe by rule.

(f) SELECTION.—

(1) PRIORITY.—Notwithstanding paragraph (1), an entity receiving a grant under this section may not use the grant funds for—

(A) to directly compensate mentors;

(B) to obtain educational or other materials or equipment that would otherwise be used in the ordinary course of the entity’s operations;

(C) to support litigation of any kind; or

(D) for any other purpose reasonably prohibited by the Secretary by rule.

(2) TERM OF GRANT.—Each grant made under this section shall be available for expenditure for a period of 3 years.

(e) 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 assigned a mentor based on the assignment 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.

(f) SELECTION.—

(1) COMPETITIVE BASIS.—In accordance with this subsection, the Secretary shall select grant recipients from among qualified applicants on a competitive basis.

(G) PRIORITY.—In selecting grant recipients under paragraph (1), the Secretary shall give priority to each applicant that—

(A) serves children with greatest need living in rural areas, high crime areas, or troubled home environments, or who attend schools with violence problems;

(B) provides background screening of mentors, training of mentors, and technical assistance in carrying out mentoring programs;

(C) are interested in working with youth; and

(D) 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

(D) 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, 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) Encourage children with greatest need to set goals for themselves or to plan for their futures, including encouraging such children to make graduation from secondary school a goal and to make plans for postsecondary education or training.

(G) 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;
"(C) proposes a mentoring program under which each mentor will be assigned to not more children than the mentor can serve effectively; or

"(D) proposes a school-based mentoring program.

"(3) OTHER CONSIDERATIONS.—In selecting grant recipients under paragraph (1), the Secretary shall (i) consider the following:

"(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 devote to providing children with opportunities for job training or postsecondary education;

"(ii) the degree to which the applicant can ensure that mentors will develop long-term, meaningful relationships with the children they mentor;

"(iv) the degree to which the applicant 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 the provision of this subsection, in selecting grant recipients under paragraph (1), the Secretary shall select not less than 1 grant recipient from each State for which there is a qualified applicant.

"(g) MODEL SCREENING GUIDELINES.—

"(1) IN GENERAL.—Based on model screening guidelines developed by the Office of Juvenile Programs of the Department of Justice, the Secretary shall develop and distribute to program participants specific model guidelines for the screening of mentors who may participate in programs to be assisted under this part.

"(2) BACKGROUND CHECKS.—The guidelines developed under this subsection shall include, at a minimum, a requirement that potential mentors be subject to reference checks, child and domestic abuse record checks, and criminal background checks.

"SEC. 4504. STUDY BY GENERAL ACCOUNTING OFFICE.

"(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study to identify successful school-based mentoring programs, and the elements, policies, or procedures of such programs that can be replicated.

"(b) REPORT.—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)—

"(i) to improve the quality of existing mentoring programs assisted under this part and other mentoring programs assisted under this Act; and

"(ii) to develop models for new programs to be assisted or carried out under this Act.

"SEC. 4505. 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. R-life, 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 "sections (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 6. 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, as described above, 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 a 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 certain paraprofessionals, as described above, including recruiting teachers through alternative routes to certification; and

"(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; or

"(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 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 State 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

"(D) proposes a school-based mentoring program in the field of education.

"(D) proposes a school-based mentoring program to establish, expand, or improve programs to assist 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.

"(E) 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.

"(F) 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 professional, recent graduates from an
institution of higher education, and para-professionals as teachers in high need schools;

(ii) explain how the agency or consortium will identify high need schools and make the requirements of subparagraphs (B) through (V) of paragraph (2)(A)(ii);

(iii) explain how the program will meet the requirements (including regulations) related to teacher certification and licensing;

(iv) 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 subclauses (I) through (V) of paragraph (2)(A)(ii);

(v) include a determination of the high need academic subjects and high need school districts that will be served by the agency or consortium and how the agency or consortium will recruit teachers for those subjects;

(vi) 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, and

(vii) describe how the agency or consortium described in paragraph (3) has met the requirements of subparagraph (C); and

(viii) describe the plan of the agency or consortium described in paragraph (3) to recruit and retain highly qualified teachers in the high need academic subjects and high need schools and facilitate the certification or licensing of such teachers; and

(ix) explain 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) of a State educational agency;

(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 their professional 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.

(D) 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 recipient grantee may apply for an additional grant under this subsection.

(E) EQUITABLE DISTRIBUTION.—The Secretary shall ensure an equitable geographic distribution of grants among the regions of the United States.

(F) REQUIREMENTS.—

(A) In general.—An agency or consortium that receives a grant under this subsection shall—

(i) carry out all programs, projects, and activities for which the grant was made;

(ii) carry out all programs, projects, and activities for which the grant was made under this subsection.

(B) SUPPLEMENT NOT SUPPLANT.—Funds made available under this subsection shall be used to supplement and not supplant—

(i) State and local educational agencies funded from traditional teacher recruitment and retention programs, including programs to recruit the teachers through alternative routes to certification.

(C) PARTNERED BY LOCAL EDUCATIONAL AGENCIES.—In the case of a partnership established by a local 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.

(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 that is designed to recruit and retain highly qualified mid-career professionals, graduates of institutions of higher education, and paraprofessionals, who are eligible participants, including activities through alternative routes to teacher certification.

(B) SPECIFIC ACTIVITIES.—The agency or consortium shall use the funds to carry out one or more of the activities described in this paragraph that includes 2 or more activities that consist of—

(i) providing loans, scholarships, stipends, bonuses, and other financial incentives, that are linked to participation in activities that have proven effective in retaining teachers in high need school districts;

(ii) making payments (in an amount of not more than the lesser of $5,000 per eligible participant) who—

(aa) are enrolled in a program under this section located in a State; and

(bb) agree to seek certification through alternative routes to certification in that State; and

(iii) providing a preference, in awarding the loans, scholarships, stipends, bonuses, and other financial incentives, to individuals who the State determines have financial need for such assistance, or for whom the extent to which the recipient completes such a program; or

(iv) offering opportunities for teacher candidates to participate in preservice, high quality work experience;

(v) directing the participation of institutions of higher education in developing and implementing programs to facilitate teacher recruitment and retention (including teacher credentialing) and teacher retention programs;

(vi) providing accelerated paraprofessional-to-teacher programs that provide a paraprofessional with sufficient training and development to move the paraprofessional to complete a bachelor’s degree and fulfill other State certification or licensing requirements; and that provide full pay and leave for activities that have proven effective in retaining teachers in high need school districts and

(vii) offering opportunities for teacher candidates to participate in preservice, high quality work experience;

(viii) collaboration with institutions of higher education in developing and implementing programs to facilitate teacher recruitment and retention (including teacher credentialing) and teacher retention programs;

(ix) providing accelerated paraprofessional-to-teacher programs that provide a paraprofessional with sufficient training and development to move the paraprofessional to complete a bachelor’s degree and fulfill other State certification or licensing requirements; and that provide full pay and leave for activities that have proven effective in retaining teachers in high need school districts and

(x) carrying out other programs, projects, and activities that—

(1) are designed and have proven to be effective in recruiting and retaining teachers; and

(2) are designed and have proven to be effective in recruiting and retaining teachers.

(B) SUPPLEMENT NOT SUPPLANT.—Funds made available under this subsection shall be used to supplement and not supplant—

(i) State and local educational agencies funded from traditional teacher recruitment and retention programs, including programs to recruit the teachers through alternative routes to certification.

(C) PARTNERED BY LOCAL EDUCATIONAL AGENCIES.—In the case of a partnership established by a local 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.

(9) USES OF FUNDS.—

(a) In general.—An agency or consortium that receives a grant under this subsection shall use the funds to—

(i) provide accelerated paraprofessional-to-teacher programs that provide a paraprofessional with sufficient training and development to move the paraprofessional to complete a bachelor’s degree and fulfill other State certification or licensing requirements; and that provide full pay and leave for activities that have proven effective in recruiting and retaining teachers in high need school districts and

(ii) carry out all programs, projects, and activities for which the grant was made.

(b) Specific activities.—The agency or consortium shall use the funds to carry out one or more of the activities described in this paragraph that includes 2 or more activities that consist of—

(i) providing loans, scholarships, stipends, bonuses, and other financial incentives, that are linked to participation in activities that have proven effective in retaining teachers in high need school districts;

(ii) making payments (in an amount of not more than the lesser of $5,000 per eligible participant) who—

(aa) are enrolled in a program under this section located in a State; and

(bb) agree to seek certification through alternative routes to certification in that State; and

(c) Evaluation and accountability for recruiting and retaining teachers.

(10) USES OF FUNDS.—

(a) In general.—An agency or consortium that receives a grant under this subsection shall use the funds to—

(i) provide accelerated paraprofessional-to-teacher programs that provide a paraprofessional with sufficient training and development to move the paraprofessional to complete a bachelor’s degree and fulfill other State certification or licensing requirements; and that provide full pay and leave for activities that have proven effective in recruiting and retaining teachers in high need school districts and

(ii) carry out all programs, projects, and activities for which the grant was made.
containing the results of the interim and final evaluations, respectively.

“(D) REVOCATION.—If the Secretary determines that the recipient of a grant under this TROOPS-TO-TEACHERS PROGRAM 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 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) AUTHORIZATION 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. 1707. 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 (20 U.S.C. 9301 et seq.) is amended—

“(1) 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, retired from the active duty or who is a member of 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.

“(2) in subsection (b)—

“(A) by striking ‘‘(1) The administering Secretary and inserting ‘‘Secretary of Defense’’

“(B) by striking paragraph (2); and

“(c) by adding at the end the following:

“(e) PLACEMENT ASSISTANCE AND REFERRAL SERVICES.—The administering Secretary may, with the agreement of the Secretary of Defense, provide placement assistance and referral services to members of the Armed Forces who separated from active duty under honorable circumstances. Such members shall meet education qualification requirements under subsection (a), and shall not be eligible for financial assistance under subsections (a) and (b) of section 1705.

“(d) SELECTION OF PARTICIPANTS.—Section 1704 of the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9304) is amended—

“(1) in subsection (a), by striking ‘‘on a timely basis’’;

“(2) by striking subsection (b); and

“(3) in subsection (c)—

“(A) in the matter preceding paragraph (1), by inserting ‘‘and receives financial assistance after Program’’;

“(B) in paragraph (2), by striking ‘‘four school’’.

“(e) CONTINUATION OF PROGRAM.—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), is amended—

“(1) in subsection (a)—

“(A) by striking ‘‘(1) Subject to paragraph’’; and

“(B) by redesignating (2) as (1);

“(2) in subsection (b)—

“(A) by striking ‘‘Subject’’;

“(B) by striking paragraph (2); and

“(3) in subsection (c)—

“(A) by striking paragraph (2); and

“(B) by redesignating paragraph (3) as paragraph (2).

“(f) STIPENDS AND BONUSES.—Section 1705 of the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9305) is amended—

“(1) in subsection (a)—

“(A) by striking ‘‘(1) Subject’’ and inserting ‘‘Subject’’;

“(B) by striking paragraph (2); and

“(2) by striking paragraph (3)—

“(A) by striking subparagraphs (A) through (D) and inserting the following:

“(A) The school is in a low-income school district as defined by the administering Secretary; and

“(B) by redesignating subparagraphs (E) and (F), as subparagraphs (B) and (C), respectively; and

“(C) by redesignating paragraph (3) as paragraph (2); and

“(3) in subsection (d)—

“(A) by striking ‘‘four years’’;

“(B) by striking paragraph (2); and

“(C) by striking paragraph (3) and (4); and

“(4) by redesignating paragraphs (5) and (6), as paragraphs (5) and (6), respectively; and

“(D) by redesigning paragraph (7) as paragraph (6).

“(g) CONGRESSIONAL REVIEW.—The provisions of this section shall enter into effect 30 days after the date of the enactment of this Act.

“(h) 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 substituting the following:

“(a) IN GENERAL.—The administering Secretary may enter into agreements with institutions of higher education to develop, implement, and demonstrate teacher certification programs for pre-retirement military personnel for the purpose of preparing such personnel to transition to teaching as a second career. Such program may—

“(1) provide for the recognition of military experience and training as related to licensure or certification requirements;

“(2) provide courses of instruction that may be provided at military installations;

“(3) incorporate alternative approaches to achieve teacher certification such as innovative methods to gain field based teaching experiences, assessments and background experience as related to skills, knowledge and abilities required of elementary or secondary school teachers; and

“(4) provide for the delivery of courses through distance education methods.

“(b) APPLICATIONS PROCEDURES.—

“(1) IN GENERAL.—An application for a teacher certification program shall be submitted to the Secretary by a school district as defined by the administering Secretary; a state education agency, except that the Secretary of Defense may direct the administering Secretary to give a preference to institutions (or consortia) submitting proposals that provide for cost sharing with respect to the program involved.

“(2) PREFERENCE.—The administering Secretary shall give a preference to institutions (or consortia) submitting proposals that provide for cost sharing with respect to the program involved.

“(c) CONTINUATION OF PROGRAM.—An institution of higher education that desires to continue a program that is funded under this section after such funding is terminated shall use amounts derived from tuition charges to continue such program.

“(SEC. 1708. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title, $50,000,000 in fiscal year 2002, and such sums as may be necessary in each subsequent fiscal year.”.

SA 535. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elemen-

SA 534. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elemen-

SA 535. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elemen-

SA 536. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elemen-

SA 537. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elemen-

SA 538. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elemen-

SA 539. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1, to extend programs and activities under the Elemen-

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 Elemen-
“(2) Fair and accurate school information requires the use of longitudinal student data that links student records over time and takes student mobility and prior academic performance into account.

“(3) Fair and accurate school information requires the ability to create school comparisons that match schools with other schools that face equivalent or greater challenges.

“(4) Fair and accurate school information empowers educators to investigate and learn from the promising practices at high-performing schools.

“(5) Fair and accurate school information is therefore a critical part of the school improvement process.

**SEC. 4601. STATE REPORTING OF STUDENT PERFORMANCE.**

“(a) IN GENERAL.—Notwithstanding any other provision of this Act, a State shall deem to be in compliance with the requirements of title I relating to the reporting of information on student performance if the State develops longitudinal data systems that link individual student test scores, enrollment, 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 performance of continuously enrolled students in schools in the State and to the quality of such schools.

**REPORT CARDS.**

“(1) IN GENERAL.—The information to be included in a report under subsection (a) shall be compiled in a report card format that is easily understandable and shall be made available in multiple languages.

“(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 deemed to be provided to the Secretary and to the public in disaggregated form in order to enable parents and others to compare—

“(i) students and schools in similar categories of academic, geographic, racial, English proficiency, and disability categories;

“(ii) students in similar categories of academic, geographic, racial, English proficiency, and disability categories; and

“(iii) information on the performance of students and schools in each grade and subject and descriptive of why those students were not tested;

“(B) information on the number of test-takers by grade and subject and descriptive of why those students were not tested;

“(C) information on the performance of students who have been continuously enrolled in the same school for 3 years or more, for grades where the school’s grade configuration permits such reports;

“(D) information on the performance of students who have been continuously enrolled in the same school for 3 years or more, for grades where the school’s grade configuration permits such reports;

“(E) information on the performance of students to whom such information compiled by other public and private entities, including the National Institute for Education Research, the National Center for Education Statistics, the National Assessment of Educational Progress, and the National Assessment Governing Board.

“(F) Information regarding the professions of any such paraprofessional.

“(G) information on the number of students 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

“(H) information regarding the professions of any such paraprofessional.

**GRANTS.**

“(1) IN GENERAL.—The Secretary shall compile information collected under this section and make such information available in electronic form through other means that ensure broad distribution to the public, other government agencies, and to any other individuals who may request 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 educational options available to students shall also be included with student performance data. The Secretary determines to be appropriate. Such information may include information compiled by other public and private entities, including the National Institute for Education Research, the National Center for Education Statistics, the National Assessment of Educational Progress, and the National Assessment Governing Board.

“(3) PRIVACY.—The Secretary shall ensure that all personally identifiable information about students, their educational performance, and their families, and information with respect to individual schools, submitted under this section remain confidential, in accordance with section 552a of title 5, United States Code.

**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 provisions of this section.

“(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.

**SA 536. Mr. GREGG (for himself and 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 528, between lines 9 and 10, insert the following:

**Subpart 4—Low-Income School Choice Demonstration**

**SEC. 5161. LOW-INCOME SCHOOL CHOICE DEMONSTRATION.**

“(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 achievement of disadvantaged students and the overall quality of public schools and local educational agencies.

**DEFINITIONS.** In this section:

“(1) CHOICE SCHOOL.—The term ‘choice school’ means any public school, including a charter school, that is certified under section 1116, or any private school, including a private sectarian school, that is involved in a demonstration project assisted under this section.

“(2) ELIGIBLE CHILD.—The term ‘eligible child’ means a child in grades kindergarten through 12.

“(3) A family who has been identified as facing for 3 consecutive years under section 1116 or by the State’s accounting practices.

“(4) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a public agency, institution, or private or nonprofit organization, that has demonstrated its ability to—

“(A) receive, disburse, and account for Federal funds; and

“(B) carry out the activities described in its application under this section.

“(5) EVALUATING ENTITY.—The term ‘evaluating entity’ means an independent third party entity, including any academic institution, private or nonprofit organization, with demonstrated expertise in conducting evaluations, that is not an agency or instrumentality of the Federal Government.

“(6) SCHOOL.—The term ‘school’ means a school that provides elementary education or secondary education (through grade 12), as determined under State law.

“(7) SUBPROGRAM.—The term ‘subprogram’ does not mean a program assisted under this section (d) in any fiscal year, the Secretary shall reserve and make available to the evaluating agency 5 percent for the evaluation of programs assisted under this section in accordance with subsection (k).

**GRANTS.**

“(A) IN GENERAL.—From the amount appropriated pursuant to the authority of subsection (d) and not reserved under paragraph (1) for any fiscal year, the Secretary shall award grants to eligible entities to enable such entities to carry out not more than 13 demonstration projects (which may include multiple grants in 10 cities and an additional 3 States) under which low-income parents receive education certificates for the costs of enrolling their eligible children in a choice school.

“(B) CONTINUING ELIGIBILITY.—The Secretary shall continue a demonstration project under this section by awarding a grant under paragraph (1) for a fiscal year to an eligible entity that received such a grant for a fiscal year preceding the fiscal year for which the
``(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.

``(2) PRIORITY.—In awarding grants under this section the Secretary shall give priority to demonstration projects—

``(A) involve at least one local educational agency that is among the 20 percent of local educational agencies in the State under section 1124A in the State and having the highest number of children described in section 1124A(c);

``(B) that involve diverse types of choice schools; and

``(C) that will contribute to the geographic diversity of demonstration projects assisted under this section.

``(g) APPLICATIONS.—

``(1) IN 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.

``(2) CONTENTS.—Each application described in paragraph (1) shall contain—

``(A) information on—

``(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 of the reasonable commuting cost for such eligible children;

``(ii) a description of the types of potential choice schools that will be involved in the demonstration project;

``(iii)(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;

``(iv) an assurance that each choice school will not impose higher standards for admission into or separation from a choice school based on religious or nonreligious criteria than the standards governing the operation of such choice school;

``(v) a description of the method by which the applicant will select participating students that the project can serve, participate in the demonstration project is greater than the number of students applying to participate in the demonstration project.

``(vi) a description of the procedures to be used to provide the parental notification described in subsection (j);

``(vii) an assurance that if the number of students receiving educational assistance under this section for any participating eligible child who withdraws from the school for any reason before completing the school attendance period for which the education certificate was issued;

``(vii) a description of the procedures to be used to provide the parental notification described in subsection (j); and

``(viii) an assurance that the eligible entity will maintain such records as the Secretary may require; and

``(I) comply with reasonable requests from the Secretary for information;

``(x) a description of the method by which the eligible entity will use to assess the progress of participating students in math and reading and how such assessment is comparable to assessments used by the local educational agency involved;

``(xi) an assurance that if the number of students participating in the project is greater than the number of students that the project can serve, participating students will be selected by a lottery system.

``(h) EDUCATION CERTIFICATES.—

``(1) IN GENERAL.—
"(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 education certificate the maximum degree of choice in selecting the choice school the eligible child will attend.

"(B) CONSIDERATIONS.—

"(1) A child 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 deduct from the tuition charged 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 child'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 (1)(A).

"(3) MAXIMUM AMOUNT.—Notwithstanding any other provision of this subsection, the amount of an eligible child's education certificate under this section may not exceed the per pupil 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 taxation or for determining eligibility for any other Federal program.

"(1) EFFECT ON OTHER PROGRAMS: USE OF SCHOOL LUNCH DATA.—

"(1) EFFECT ON OTHER PROGRAMS.—

"(A) IN GENERAL.—An eligible child participating in a demonstration project under this section, whose attendance at such a demonstration project, would have received services under part A of title I shall be provided such services.

"(2) COUNTING OF ELIGIBLE CHILDREN.—Notwithstanding any other provision of law, any local educational agency participating in a demonstration project under this section may count eligible children who, in the absence of such a demonstration project, would have attended schools such agency, for purposes of receiving funds under any program administered by the Secretary.

"(3) SPECIAL RULE.—Notwithstanding the provisions of section 9(b)(2)(C)(i) and (iv) of the Richard B. Russell National School Lunch Act, information obtained from an application for free or reduced price meals under such Act or the Child Nutrition Act of 1964 shall, upon request, be disclosed to an eligible entity as grant 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.

"(4) CONSTRUCTION.—Nothing in this chapter shall be construed to affect the receipt of an education certificate for the purposes of receiving funds under any program administered by the Secretary.

"(4) LIMITATIONS.—

"(1) INFORMATION PROVIDED.—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 and may be used only by persons who need the information to determine eligibility or rank families in a demonstration project under this section.

"(2) LIMITATIONS.—

"(A) ANNUAL EVALUATION.—

"(1) ANNUAL EVALUATION.—

"(A) CONTRACT.—The Secretary shall enter into a contract with an evaluating agency to conduct evaluations of the demonstration program under this section.

"(B) ANNUAL EVALUATION REQUIREMENT.—The contract described in subparagraph (A) shall require the evaluating 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 project 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 and secondary schools in the demonstration project area that can be directly or reasonably attributable to the program under this section.

"(3) REPORTS.—

"(A) REPORT BY GRANT RECIPIENT.—Each eligible entity receiving a grant under this section shall submit, to the Secretary and the appropriate agency, 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 not later than September 30, 2004, a report on the findings of the second interim and final report under this subchapter.

"(II) FIRST INTERIM REPORT.—The first interim report under clause (i) shall be submitted not later than September 20, 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 certificates requested versus the number of certificates received.

"(III) SECOND INTERIM AND FINAL REPORT.—

The second interim and final report under this subparagraph shall be submitted to the Secretary and the appropriate committees in Congress not later than September 30, 2006, and June 1, 2008, respectfully, and shall, at a minimum, include the information described in clause (ii), as well as any additional information deemed necessary by the Secretary.

SA 537. 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 731, line 5, strike ‘‘(C) and (D)’’ and insert ‘‘(C), (D), and (E)’’.

Passed by the Senate by vote of 73 to 2, lines 8 and 9.

The following:

(E) TOTAL STUDENT POPULATION.—In selecting the State educational agencies and local educational agencies described in paragraph (A) to enter into performance agreements under this part, the Secretary...
may not select State educational agencies and local educational agencies that serve a combined student population that is greater than 10 percent of the total national student population. Since Arizona has the most recent appropriate data available.

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 “B”.

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 within 90 days of 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 appears to be frivolous” after “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 offer the State 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 activities under section 1117.”.

On page 23, line 21, strike “(A)” and renumber the paragraph as “(B)”.

On page 23, line 22, strike “T” and insert “this” before “section”.

On page 24, line 1, strike “thereof” and insert “of the Secretary’s initial determination” after “Notice”.

On page 4, line 4, insert “In the absence of such objection, the initial determination shall be the final action,” after the period “.”.

On page 4, line 5, strike “(B)” and renumber the paragraph as “(C)”, and strike “resolution of” and insert “action on” before “any”.

On page 4, lines 10-11, strike “those services” and insert “any services not being provided” after “of”.

On page 4, lines 12-13, strike “such” and insert “an” after “If”.

On page 5, line 6, strike “private”.

On page 6, line 4, section 6 or any other provision of.

On page 6, line 9, strike “public and private”.

SA 539. 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 offered by other schools serving students of the same gender and facilities offered in or through the local educational agency’s coeducational schools and classrooms.”

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) education reform programs that provide same gender schools and classrooms, if comparable educational opportunities are offered for students of both sexes.”

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, line 2, strike “equal” and insert “equivalent”.

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. 7. 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 been pushing for legislation that would allow students whose families lack the means to pay full tuition at the school of their choice to use programs that provide tuition scholarships to students whose families lacks 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 private tuition scholarships. The number of applications for low-income students nationwide; comparable results from other such lotteries demonstrate that demand for such scholarship assistance far outstrips the supply. Since 1999, the number of applications has increased fivefold.

(4) Recognizing the compelling public interest in meeting that demand, Arizona and other States have enacted, or are considering enacting, legislation to provide tax incentives to taxpayers who donate to tuition scholarship organizations.

(5) Senate passed a tax credit for donations to tuition scholarship programs, the number of organizations offering scholarships in the State has increased from 2 in 1999 to 45 in 2001. These organizations have received scholarship assistance that has made it possible for them to enroll in a school of their choice.

(6) State and Federal courts have consistently found tuition scholarship donation tax credits to be constitutional under State constitutions and the Constitution of the United States.

(7) 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 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. 8. PILOT TRAINING PROGRAM.

(A) IN GENERAL.—The term “piot training program” means a program designed to provide flight training programs to individuals or groups of individuals, to the extent that such programs are necessary to train pilots, including air traffic control pilots and pilot training simulators.

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 365, strike lines 7 through 11, and insert the following: “(a) LIMITATION.—(1) IN GENERAL.—From funds appropriated under this part, the Secretary shall reserve such sums as may be necessary for grants awarded under section 3138 prior to the date of enactment of the Better Education for Students and Teacher Act.

(2) BUREAU OF INDIAN AFFAIRS FUNDED SCHOOLS.—From funds appropriated under this part, the Secretary shall reserve 1 percent of such funds for Bureau of Indian Affairs funded schools. Not later than 6 months after enactment of the Better Education for Students and Teacher Act, the Secretary of the Interior shall establish...
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 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 highly 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 534. Ms. SNOWE 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 01. 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 $12 billion 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 assist State, regional, and local entities in addressing school construction, renovation, and repair needs by providing low-interest loans for purposes of financing or related bonds and by 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” means a political subdivision of the State, a school district, or other entity in the State having the authority to enter into contracts with schools or schools systems in the State.

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 05(b), the State in consultation with the State educational agency—
(i) shall use not less than 50 percent of the funds to make loans, or provide assistance to 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 State revolving fund programs described in subparagraph (A) to support the State, regional, and local entities within the State in paying for the cost of construction, rehabilitation, repair, or acquisition described in section 05(b)(A).

(B) LOANS 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)(i), the State, in consultation with the State educational agency, may use the funds described in clause (i) to make loans or provide assistance to support the programs described in subparagraph (A)(ii).

(2) REQUISITES.—The Governor of each State desiring assistance under this title shall submit to the Secretary a request for the amount of the subsidy under this section.

(3) 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 account—
(A) the number of children in the State who are living in poverty; and
(B) the number of children with special needs, the number of bilingual children, the number of students in residential programs, and the number of highly gifted and talented programs.

(b) REPAYMENT.—Subject to paragraph (2), a State that uses funds made available under section 05(b) 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 shall not be 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 under section 05(b) for purposes of paying interest on related bonds and for purposes of paying interest on bonds issued in a previous year for which the State was eligible for such a distribution under this Act. The amount of such loan or support shall be fully repaid on the 10-year period beginning on the expiration of the eligibility of the State under this title.

(c) EXCEPTIONS.—
(A) IN GENERAL.—The interest on the amount made available to a State under section 05(b) shall not accrue, prior to January 1, 2007, unless the amount appropriated to carry out part B of each fiscal year beginning on the expiration of the eligibility of the State under this title.

(B) APPLICABLE INTEREST RATE.—Effective January 1, 2007, the interest rate that will apply to an amount made available to a State under section 05(b) shall be—
(i) 2.5 percent with respect to years in which the amount appropriated to carry out this title exceeds the 10-year period beginning on the expiration of the eligibility of the State under this title; and
(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.

(C) GENERAL.—In each fiscal year beginning on January 1, 2007, the applicable interest rate shall be—
(i) the interest rate in effect under clause (ii) of subparagraph (B) for the years described in that subparagraph; and
(ii) for fiscal year 2007, the interest rate in effect under clause (ii) of subparagraph (B) for the years described in that subparagraph.

(D) FORWARDING.—The amount of the stabilization fund described in section 05(b) shall be—
(i) paid on the 10-year period beginning on the expiration of the eligibility of the State under this title; and
(ii) the amount appropriated to carry out this title shall be—
(A) at least 20 percent of the average per-pupil expenditure for special education and related services for each child with a disability in the State; and
(B) 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
(C) 5.5 percent with respect to years in which the amount described in clause (i) exceeds the 10-year period beginning on the expiration of the eligibility of the State under this title.

(E) FEDERAL RESPONSIBILITIES.—The Secretary of the Treasury and the Secretary of Education—
(i) shall jointly be responsible for ensuring that funds provided under this title are properly distributed; and
(ii) shall ensure that funds provided under this title are used only to pay for—
(A) the interest on qualified school construction bonds; or
(B) a cost described in subsection (a)(1); and
(C) shall not have authority to approve or disapprove school construction plans assisted pursuant to this title, except to ensure that funds made available under this title are used only to supplement, and not supplant, the amount of school construction, rehabilitation, and repair, and acquisition of land for school facilities, in the State that would have occurred in the absence of such funds.

SEC. 05. AMOUNTS AVAILABLE TO EACH STATE.

(a) RESERVATION FOR INDIANS.—
(1) IN GENERAL.—From $200,000,000 of the funds in the stabilization fund, the Secretary of Treasury shall make available $400,000,000 to provide assistance to Indian tribes.
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. . (a) Whereas the Bible is the best selling, most widely read, and most influential book in history;"
local official certifying that a health or safety emergency exists.

“(B) SPECIAL RULES.—The Secretary shall make every effort to meet fully the school facility needs of local educational agencies applying for a grant under this paragraph.

“(C) 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.

“(D) 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).

“(7) 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 any school facility which is modernized in whole 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 athletic contests or exhibitions, or other events, for which admission is charged to the general public.

“(8) 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 from other Federal, State, and 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—LIBERALIZATION 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 148(f)(4)(D)(vii) (relating to increase in exception for bonds financing public school capital expenditures) is amended by striking “$5,000,000” the second place it appears and inserting “$10,000,000”.

(b) Effective Date.—The amendment made by subsection (a) shall apply to obliga-

SEC. 1002. TREATMENT OF QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS AS EXEMPT FACILITY 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 facilities.”.

(b) QUALIFIED PUBLIC EDUCATIONAL FACIL-

(c) EXEMPTION FROM GENERAL STATE VOL-

(d) EXEMPTION FROM LIMITATION ON USE FOR LAND ACQUISITION.—Section 171(h) (relating to certain rules not to apply to mortgage revenue bonds and qualified public educational facilities) is amended by adding the following new paragraph:

“(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 171(h) is amended by striking “MORTGAGE REVENUE BONDS, QUALIFIED STUDENT LOAN BONDS, AND QUALIFIED 501(c)(3) BONDS” and inserting “CERTAIN BONDS”.

SA 551. 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 893, after line 14, add the following:

TITLE XI—LIBERALIZATION 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 148(f)(4)(D)(vii) (relating to increase in exception for bonds financing public school capital expenditures) is amended by striking “$5,000,000” the second place it appears and inserting “$10,000,000”.

(b) Effective Date.—The amendment made by subsection (a) shall apply to obliga-

SEC. 1002. TREATMENT OF QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS AS EXEMPT FACILITY 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 facilities.”.

(b) QUALIFIED PUBLIC EDUCATIONAL FACIL-

(c) EXEMPTION FROM GENERAL STATE VOL-

(d) EXEMPTION FROM LIMITATION ON USE FOR LAND ACQUISITION.—Section 171(h) (relating to certain rules not to apply to mortgage revenue bonds and qualified public educational facilities) is amended by adding the following new paragraph:

“(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 171(h) is amended by striking “MORTGAGE REVENUE BONDS, QUALIFIED STUDENT LOAN BONDS, AND QUALIFIED 501(c)(3) BONDS” and inserting “CERTAIN BONDS”.

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) entered into by a corporation—

(i) to do 1 or more of the following: construct, rehabilitate, refurbish, or equip a school facility, and

(ii) as a term 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 subordinate 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. 7901), as in effect on the date of the enactment of the act.

(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 CARRYFORWARD OF UNUSED LIMITATION.—A State may elect to carry forward an unused limitation for any calendar year for which the following conditions are met: 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) EXCLUSION FROM GENERAL STATE VALUABLE 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)", and

(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 147(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 issue described in subparagraph (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 "TAX-EXEMPT INFRASTRUCTURE FINANCING 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 to make copies of the systematic instructional activities transmitted via digital networks, or a performance or display that is given by means of a copy or photorecord 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 unlawfully 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 that which is typically displayed in the course of a live classroom session, by or in the course of a transmission, if—

(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 of a governmental body or an accredited nonprofit educational institution; and

(B) the performance or display is directly related and of material assistance to the teaching content of the transmission; and

(2) except with respect to a work produced or marketed primarily for 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 photorecords 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), accreditation—

(A) with respect to an institution providing post-secondary education, shall be as determined by a regional or national accrediting agency recognized by the Council on Higher Education Accreditation or the United States Department of Education; and

(B) with respect to an institution providing elementary or secondary education, shall be as recognized by the applicable state certification or licensing procedures.

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 any person other than the anticipated recipients for a longer period than is reasonably necessary to facilitate the transmission for which it was made.

(c) TEMPORARY Recordings.—

(1) IN GENERAL.—Section 112 of title 17, United States Code, is amended—

(A) by redesignating 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 to permit a performance or display to make copies or photorecords of a work that is in digital form solely to the extent provided in paragraph (2), of a work that is in analog form, embodying the performance or display to be used for making transmissions authorizing independent use and retention or are typically purchased or acquired by the students, except as authorized under section 110(2); and

"(g) Each such copies or photorecords are retained and used solely by the body or institution that made them, and no further copies of photorecords shall be made from them, except as authorized under section 110(2); and
“(B) such copies or phonorecords are used solely for transmissions authorized under section 110(2).”

“(2) This subsection does not authorize the conversion to 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 for section 110(2).”

“SEC. 5353. TRANSFERABILITY OF FUNDS.—

“(a) TRANSFERS BY STATES.—

“(1) IN GENERAL.—In accordance with this subsection, a State may transfer up to 75 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 provisions:

“(A) Part A of title II, relating to teachers;

“(B) Part A of title III, relating to innovative education;

“(C) Part C of title II, relating to technology;

“(D) Part A of title IV, relating to safe and drug-free schools and communities.

“(2) APPLICABLE PROVISIONS.—A local educational agency may transfer funds under this section to a local educational agency identified for improvement under section 1116(d)(3) or subject to corrective action under section 1116(e)(2) if—

“(A) modify to account for such transfer;

“(B) Suppart 4 of part B of this title, relating to innovative education.

“(C) Part C of title II, relating to technology.

“(D) Part A of title IV, relating to safe and drug-free schools and communities.


“(F) Part A of title III, relating to bilingual education.

“(G) SUPPLEMENTAL FUNDS FOR TITLE I.—In accordance with this subsection, a State may transfer any funds allocated to the State under a provision listed in paragraph (1) to its allocations under section 1116(d)(3) for local educational agencies identified for improvement under section 1116(d)(3) or subject to corrective action under section 1116(e)(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 for section 110(2).”

“SEC. 4. REPORT.

(A) COPYRIGHT OFFICE REPORT.—Not later than 5 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, institutions accredited 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 provisions:

“(A) Part A of title II, relating to teachers;

“(B) Suppart 4 of part B of this title, relating to innovative education.

“(C) Part C of title II, relating to technology.

“(D) Part A of title IV, relating to safe and drug-free schools and communities.


“(F) Part A of title III, relating to bilingual education.

“(G) SUPPLEMENTAL FUNDS FOR TITLE I.—In accordance with this subsection, a State may transfer any funds allocated to the State under a provision listed in paragraph (1) to its allocations under section 1116(d)(3) for local educational agencies identified for improvement under section 1116(d)(3) or subject to corrective action under section 1116(e)(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 for section 110(2).”

“SEC. 5554. 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

“(A) FINDINGS.—The Senate finds the following:

“(1) Education Savings Accounts (ESAs) are one of the first serious federal efforts to encourage parents to save for their children’s education.

“(2) ESAs would benefit all students directly, whether they attend public or private schools.

“(3) The new opportunities offered by ESAs will help children excel in school and encourage parents, other interested adults as well as third party contributors to participate directly in each child’s education.

“(4) ESAs will help families pay for educational expenses, such as home computers, tutoring, transportation, after-school programs and tuition.

“(5) According to the U.S. Bureau of Labor Statistics’ 1997 Consumer Expenditure Survey (CES), over 87% of those families living in urban and suburban areas.

“(6) In addition, according to the CES, the 11 million families who stand to benefit from ESAs live in every region of the country, with over 87% of those families living in urban and suburban areas.

“(7) President George W. Bush has made the expansion of ESAs a top priority of his Administration.

“(8) ESAs have passed the United States Congress in both the 106th and 107th Congress under the leadership of the late Senator Paul Coverdell of Georgia.

“(9) The Senate Finance Committee reported favorably the Affordable Education Act of 2001, S. 763, on April 24, 2001, which included the Coverdell Education Savings Accounts.
sec. 902. Sense of the Senate regarding recipient nonpublic schools.—

(a) FINDINGS.—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.

(5) 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.

(6) A number of high schools have denied recruiters access to students or to student directory information.

(7) 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 4,346 occasions, and the Air Force was denied access on 5,465 occasions.

(8) 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.

(9) In testimony presented to the Committee on Armed Services of the Senate by recruiters, recruiters stated that the single biggest obstacle to carrying out the recruiting mission was denial of access to student directory information, as the student directory is the basic tool of the recruiter.

(10) Denying recruiters direct access to students and to student directory information when recruiting the youth of the United States, as it prevents students from receiving important information and training opportunities offered by the Armed Forces, undermines the ability of the Armed Forces to recruit the youth on careers by limiting the information on the options available to them.

(11) Denying recruiters direct access to students and to student directory information undermines United States 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.

(12) Section 503 of title 10, United States Code, requires all 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.

(b) Sense of the Senate.—It is the sense of the Senate that the Secretary of Education, in consultation with the Secretary of Defense, should, not later than July 2, 2001, establish a year-long campaign to educate educators regarding career opportunities in the Armed Forces, and the access standard required under section 503 of title 10, United States Code.

sec. 556. 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 29, between lines 14 and 15, insert the following:

SEC. 16. ADDITIONAL LIMITATIONS AND PROHITIONS REGARDING PRIVATE, RELIGIOUS, AND HOME SCHOOLS.

(a) Applicability of Act to Private and Home Schools.—

(1) in general.—except as otherwise provided in this section, nothing in this Act shall be construed to apply to a private school or home school, whether or not a home school is treated as a home school under State law.

(2) Construction of superseded provision.—Section 11 shall have no force or effect.

(b) Participation of Private and Home School Students in State Assessments.—Nothing in this Act shall be construed to authorize any State or local educational agency concerned to receive funds under this Act.

(c) Applicability to Private, Religious, and Home Schools of General Provision Regarding Recipient Nonpublic Schools.—

(1) in general.—Nothing in this Act or any other Act administered by the Secretary shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law.

(2) Construction of superseded provision.—Section 12 shall have no force or effect.

(d) Applicability of gun-free school provisions to home schools.—Notwithstanding any provision of part B of title IV, for purposes of paragraph (1) of section 419, the term ‘school’ shall not include a home school, regardless of whether or not a home school is treated as a private school or home school under State law.

(e) State and LEA mandates regarding private and home school curricula.—No State or local educational agency that receives funds under this Act may mandate, direct, or control the curriculum of a private or home school, regardless of whether or not a home school is treated as a private school or home school under State law.

sec. 558. 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:

At the appropriate place, insert the following:

TITLE —EDUCATION SAVINGS INCENTIVES

SEC. 00. Amendment of 1986 Code.

Except as otherwise expressly provided, whenever in this title an amendment or repealed is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 01. Modification to education individual retirement accounts.

(a) Maximum annual contributions.—

(1) in general.—Section 530(b)(1)(A)(iii) (defining education individual retirement account) is amended by striking “$500” and inserting “$2,000”.

(2) Conforming amendment.—Section 530(c)(3) (relating to a reduction in permitted contributions based on adjusted gross income) is amended—

(A) in subparagraph (A), by striking “$100,000”, and inserting “$190,000”, and

(B) by striking “$190,000” in subparagraph (B) and inserting “$300,000”.

(b) Modification of AGI Limits To Remove Marriage Penalty.—Section 530(c)(1) (relating to a reduction in permitted contributions based on adjusted gross income) is amended—

(1) by striking “$150,000” in subparagraph (A) and inserting “$190,000”, and

(2) by striking “$30,000” in subparagraph (B) and inserting “$30,000”.

(c) Tax-Free Expenditures for Elementary and Secondary School Expenses.—

(1) in general.—Section 530(b)(2) (defining qualified higher education expenses) is amended to read as follows—

“A. Qualified Education Expenses.—

(A) in general.—The term ‘qualified education expenses’ means—

(i) qualified higher education expenses (as defined in section 529(e)(1)); and

(ii) qualified elementary and secondary education expenses (as defined in paragraph (4)); and

(B) Qualified State Tuition Programs.—Such term shall include any contribution to a qualified State tuition program (as defined
(B) by striking "due date of return" in the heading and inserting "certain date".

(c) Coordination With Hope and Lifetime Learning Credits and Qualified Tuition Programs.

1. In General.—Section 530(d)(2)(C) is amended to read as follows:

"(C) Coordination with Hope and Lifetime Learning Credits and Qualified Tuition Programs.—For purposes of subparagraph (A),—"

(1) Credit Coordination.—The total amount of qualified higher education expenses with respect to an individual for the taxable year shall be reduced—

"(I) as provided in section 25A(g)(2), and 

"(II) by the amount of such expenses which were taken into account in determining the credit allowed to the taxpayer or any other person under section 25A.

(2) Coordination With Qualified Tuition Programs.—If, with respect to an individual for any taxable year,

"(I) the aggregate distributions during such year to which subparagraph (A) and section 529(c) apply, exceed

"(II) 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 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 Applied.—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 135(d)(2)(A) is amended by striking "or credit", and

"(C) Section 530(d)(2)(D) is amended—

"(i) by striking "Coverdell education savings account" and inserting "the

"(ii) by striking "any Coverdell education savings account" each place it appears and inserting "Coverdell education savings accounts".

3. Effective Dates.

1. 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. 62. Exclusion From Income of Certain Amounts Contributed to Coverdell Education Savings Accounts.

1. 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) Qualifying 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 descendant of either.

"(B) 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 contributions, 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.

"(C) 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 Phased Out of Account Contribution Not Applicable to Individual Employers.—The limitation under
section 530(c) shall not apply to a qualified Coverdell education savings account contribution made by an employer who is an individual.

"(d) CONTRIBUTIONS NOT TREATED AS AN INVESTMENT IN THE CONTRACT.—For purposes of section 530(d), a qualified Coverdell education savings account contribution shall not be treated as an investment in the contract."

(b) REPORTING REQUIREMENT.—Section 6051(a) (relating to receipts for employees) is amended by striking "and" at the end of paragraph (10), by striking the period at the end of paragraph (11) and inserting ", and", and by adding at the end the following new paragraph:

"(12) the amount of any qualified Coverdell education savings account contribution under section 127(d) with respect to such employee."

(c) CONFORMING AMENDMENT.—Section 221(e)(2)(A) is amended by inserting "(other than section 127(d))" after "section 127".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2001.

SEC. 559. 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:

TITLES

EDUCATIONAL CHOICES FOR DISADVANTAGED CHILDREN

SEC. 01. PURPOSES.
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 their children; and

(C) more fully engage parents in the District of Columbia in their children's schooling; and

(2) 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 children from wealthier families have;

SEC. 02. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to carry out this title (other than section 09) $25,000,000 for each of fiscal years 2002 through 2005.

(b) EVALUATION.—There is authorized to be appropriated to carry out section 09 $1,000,000 for each of fiscal years 2002 through 2005.

SEC. 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.

(b) LIMIT ON FEDERAL ADMINISTRATIVE EXPENDITURES.—The Secretary of Education may reserve not more than 2 percent of the amounts appropriated under section 02(a) for a fiscal year for the District of Columbia Board of Education or other entity that exercises administrative jurisdiction over the District of Columbia public schools, the Superintendent of Columbia public schools, and other school scholarship programs in the District of Columbia, to pay for the costs of administering this title.

SEC. 04. ELIGIBLE SCHOOLS.

(a) ELIGIBILITY.—

(1) IN GENERAL.—Schools identified under paragraph (2) shall be considered to be eligible schools under this title. The identification under paragraph (2) shall be carried out by 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.

(2) DETERMINATION.—Not later than 180 days after the date of enactment of this title, the District of Columbia shall identify the public elementary schools and secondary schools that are at or below the 25th percentile for academic performance of schools in the District of Columbia.

(b) PERFORMANCE REQUIREMENT.—The District of Columbia shall determine the academic performance of a school under this section based on such criteria as the District of Columbia may consider to be appropriate.

SEC. 05. SCHOLARSHIPS.

(a) IN GENERAL.—

(1) SCHOLARSHIP AWARDS.—With funds awarded under this title, the District of Columbia Board of Education shall provide scholarships to the parents of eligible children, in accordance with subsections (b) and (c). The District of Columbia shall ensure that the scholarships may be redeemed for elementary or secondary education for the eligible children at any of a broad variety of public and private schools, including religious schools, in the District of Columbia.

(2) SCHOLARSHIP AMOUNT.—The amount of each scholarship shall be $2000 per year.

(3) TAX EXEMPTION.—Scholarships awarded under this title shall not be considered income of the parents for Federal income tax purposes or for determining eligibility for any other Federal program.

(c) AWARD RULES.—

(1) A child who is enrolled in a public elementary or secondary school that is an eligible school; and

(2) a member of a family with a family income of the parents for Federal income tax purposes or for determining eligibility for any other Federal program that is not more than 200 percent of the poverty line.

(c) AWARD RULES.—

(1) PRIORITY.—In providing scholarships to the parents of eligible children under this title, the District of Columbia shall provide scholarships for eligible children through a lottery system administered for all eligible schools in the District of Columbia.

(2) CONTINUING ELIGIBILITY.—The District of Columbia shall provide a scholarship in each year of the program 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;

(D) the child is expelled; or

(E) the child is convicted of possession of a weapon on school grounds, convicted of a violent act against another student or a member of the school's faculty, or convicted of a felony, including felonious drug possession.

(b) 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 the school, if the school is not in the school service area to which the child would be assigned 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 District of Columbia 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. 07. REQUIREMENT.
The District of Columbia shall allow families operating public and private elementary and secondary schools and religious schools to attend the school of their choice, and shall provide the school with the appropriate funding.

SEC. 08. EFFECT OF PROGRAMS.

(a) TITLE I.—Notwithstanding any other provision of law, if the District of Columbia 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 District of Columbia shall ensure the provision of such 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. For purposes of determining Federal assistance under Federal law, a participating eligible child under this title at a school or for supplementary academic services shall not constitute Federal financial aid or assistance to that school or 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 receives scholarship funds under this title shall, as a condition of participation under this title, provide supplementary academic services to such child at a school or for supplementary academic services shall not constitute Federal financial aid or assistance to that school or the provider of supplementary academic services.

(A) IN GENERAL.—Notwithstanding paragraph (1), a school or provider of supplementary academic services that receives scholarship funds under this title shall, as a condition of participation under this title, provide supplementary academic services to such child.
the amount of such assistance, to the Dis-
trict 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, su-
 pervision, 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. 09. EVALUATION.
The Comptroller General of the United
States shall conduct an evaluation of the
program authorized by this title. Such eval-
uation shall, at a minimum—

(1) The implementation of educa-
tional choice programs assisted under this
title and their effect on participants,
schools, and communities in the school dis-
tricts served, including parental involve-
ment in, and satisfaction with, the program
and their children's education;

(2) compare the educational achievement
of participating eligible children with the
educational achievement of similar non-par-
ticipating children before, during, and after
the program; and

(3) compare—

(A) the educational achievement of eligi-
able children who use scholarships to attend
schools other than the schools the children
would attend in the absence of the program;

(B) the educational achievement of chil-
dren who attend the schools the children
would attend in the absence of the program,

SEC. 10. ENFORCEMENT.
(a) REGULATIONS.—The Secretary of Edu-
cation shall promulgate regulations to en-
force the provisions of this title.

(b) PRIVATE CAUSE.—No provision or re-
quired of this title shall be enforced
through a private cause of action.

SEC. 11. SPENDING AND FUNDING.
(a) IN GENERAL.—The Committee on Fi-
nance and the Committee on Appropriations
of the Senate and the Committee on Ways
and Means of the House of Representa-
tions shall maintain their continuing
responsibility to oversee and appropriately
appropriate funds to carry out the pro-
gram.

(b) REPORT.—Not later than 60 days af-
after the date of enactment of this title,
the committees referred to in subsection (a)
shall jointly 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
spending identified under such subsection.

SA 560. 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 part E of title I, add the fol-
lowing:

SEC. 09. EARLY EDUCATION.
(a) Short Title.—This section may be
cited as the “Early Education Act of 2001”.

(b) Findings.—Congress makes the fol-
lowing findings:

(1) In 1989 the Nation's governors estab-
lished a goal that all children would have ac-
cess to high quality early education pro-
grams by the year 2000. As of January 1, 2001,
this goal has still not been achieved.

(2) Research suggests that a child's early
years are critical to the development of the
brain. Brain development is an impor-
tant component of educational and intellec-
tual achievement.

(3) The National Research Council reported
that early education opportunities are nec-
 essary if children are going to develop the
language and literacy skills necessary to
learn to read.

(4) Evaluations of early education pro-
grams demonstrate that compared to chil-
dren with similar backgrounds who have not
participated in early education programs, chil-
dren who participate in such programs—

(A) perform better on reading and mathe-
matics achievement tests;

(B) are more likely to stay academically
near their grade level and make normal aca-
ademic progress throughout elementary
school;

(C) are less likely to be held back a grade
or require special education services in ele-
mentary school;

(D) show greater learning retention, initia-
tive, creativity, and social competency; and

(E) are more enthusiastic about school and
are more likely to have good attendance
records.

(5) Studies have estimated that for every
dollar invested in quality early education,
about 7 dollars are saved in later costs.

(c) EARLY EDUCATION.—Title I (20 U.S.C.
6301 et seq.), as amended in section 151, is
further amended by adding at the end the fol-
lowing:

``PART I—EARLY EDUCATION

SEC. 1841. EARLY EDUCATION.

(a) PURPOSE.—The purpose of this section
is to establish a program to develop the
foundations of early literacy and numerical
training among young children by helping
State educational agencies expand the exist-
ing education system to include early edu-
cation for all children.

(b) DEFINITION OF EARLY EDUCATION.—In
this part, the term ‘early education’ means
not less than a half-day of schooling each
week day during the academic year pre-
ceeding the academic year a child enters
kindergarten.

(c) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is author-
ized to award grants to not fewer than 10
State educational agencies to enable the
State educational agencies to expand the ex-
isting education system with programs
that provide early education.

(2) MATCHING REQUIREMENT.—The amount
provided to a State educational agency
under such information as the Secretary
may require. Each application shall—

(A) be carried out by 1 or more local
educational agencies, as selected by the
State educational agency;

(B) be carried out—

(i) in a public school building; or

(ii) in another facility by, or through a
contract or agreement with, a local edu-
cational agency;

(C) be available to all children
served by a local educational agency car-
rying out the program; and

(D) shall only involve instructors who are
licensed or certified in accordance with ap-
propriate State law.

(d) APPLICATION.—Each State educational
agency desiring a grant under this section
shall submit an application to the Secretary
at such time, in such manner, and accom-
panying such information as the Secretary
cr may require. Each application shall—

(1) include a description of—

(A) the program to be assisted under this
section; and

(B) how the program will meet the pur-
pose of this section; and

(2) contain a statement of the total cost
of the program and the source of the
matching funds for the program.

(e) SECRETARIAL AUTHORITY.—In order to
carry out the purpose of this section, the
Secretary—

(1) shall establish a system for the moni-
toring and evaluation of, and shall annually
report to Congress regarding the programs
funded under this section; and

(2) may establish any other policies, pro-
cedures, or requirements, with respect to the
programs.

(f) SUPPLEMENT NOT SUPPLANT.—Funds
made available under this section shall be
used in conjunction with, not Fed-
eral, State, or local funds, including funds
provided under Federal programs such as the
Head Start programs carried out under the
Head Start Act and the Even Start Family
Literacy Program carried out under part B.

(g) AUTHORIZATION OF APPROPRIATIONS.—
There are authorized to be appropriated to
carry out this section $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:

On page 256, line 21, strike “;” and “;
” and insert a semicolon.

On page 256, line 24, strike the period and
insert “;” and “;”.

On page 256, after line 24, add the fol-
lowing:

(1) an assurance that the eligible organi-
zation will, to the extent practicable, carry
out the proposed program with community-
based organizations, such as the Police Ath-
etic and Activities Leagues, that have a his-
istory of providing academically-based after
school programs.

SA 562. 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 follow-
ing:

SEC. 301. SENSE OF THE SENATE.
(a) FINDINGS.—The Senate makes the fol-
lowing 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 with-
out afterschool opportunities.

(3) Afterschool programs improve edu-
cation achievement and have widespread
support, with over 90 percent of the Amer-
ican 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 au-
thorized level of $1,500,000,000 for fiscal year
2002 to carry out part F of title I of the Ele-
mentary and Secondary Education Act of 1965;
and

(2) such 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.

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 $1,500,000 for FY 2002 to carry out part F 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 nationally 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 subpart shall have in effect a State law that—

(1) requires each student expelled or sus-
pended from school for a period to partici-
pare 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 in educational and violence prevention, if such an activity is available for the student’s par-
ticipation; or

(B) any similar community service activity,

to the extent that an activity described in sub-
paragraph (A) is not available for the student’s partic-
tipation; and

(3) to the extent that the State law au-
thorizes the educational agency to ad-
minister the requirement for community service under the law, requires that the local educational agency designate a single of-
icial of the agency to coordinate the service
administration 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 administra-
tion 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 not 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 per-
cent.

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 the number of children counted for grants under section 1241 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 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) 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 per-
cent.

SA 570. 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) 75 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 1241 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) 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 per-
cent.

SA 571. 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) 70 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 1241 is not less than 30 percent of the total number of children aged
(2) POSTCOITAL EMERGENCY CONTRACEPTION.—The term "postcoital emergency contraception" means any of the regimens described in the notice entitled "Prescription Drug User Fee Program Final Con- tractees for Use as Postcoital Emergency Contraception", published in the Federal Register on February 25, 1997, 62 Fed. Reg. 9605, including any subsequent notice, any supplemental notice, any final notice, any corrective notice; public elementary and secondary education agency''.

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. 5. RIGHT-TO-KNOW ON ARSENIC IN SCHOOL DRINKING WATER.

Part F of the Safe Drinking Water Act (42 U.S.C. 300j–21 et seq.) is amended by adding at the end the following:

"Section 1466. NOTICE CONCERNING ARSENIC IN SCHOOL DRINKING WATER.

"(1) 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 0.0050 milligrams per liter, and the Secretary of the Interior, shall, shall upon the request of the Administrator, submit to the Secretary of Education a report that includes the results of the analysis of the entity’s drinking water system.

"(2) The Secretary shall, within 90 days after receipt of a request from the Administrator, provide to the school district, within the entity’s jurisdiction, a copy of the report submitted by the entity.

"(3) The Secretary shall, upon the request of the Administrator, provide to the school district, within the entity’s jurisdiction, a copy of the report submitted by the entity.

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 of 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 section 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. 701 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 in section 3 of the Elementary and Secondary Education Act of 1965.

(d) Definitions and Rule.—In this section:

(A) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY; TERRITORY; ELEMENTARY SCHOOL; "local educational agency", "secondary school", and "State educational agency" have the meanings given 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 organization intended to serve young people under the age of 21.

(2) RIGHT.—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:

"PART B—SCHOOL RENOVATION

"SEC. 9201. GRANTS FOR SCHOOL RENOVATION.

(1) ALLOCATION OF FUNDS.—Of the amount appropriated for each fiscal year under subsection (k), the Secretary of Education shall allocate—

(A) 60 percent of such amount for grants to impacted local educational agencies (as defined in paragraph (3) for school repair, renovation, and construction; (B) 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; (C) 2 percent of such amount for grants to public entities, private nonprofit entities, and consortia of such entities for use in accordance with paragraph (2); and (D) the remainder to State educational agencies in proportion to the amounts 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.

(2) DETERMINATION OF GRANT AMOUNT.—"(A) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the grant amounts under paragraph (1), only the population of such State as the Secretary determines to be served by school facilities shall be counted.

(b) GRANTS FOR SCHOOL RENOVATION.—Title IX, as added by section 901, is amended by adding at the end the following:

"(c) DEFINITIONS.—In this section:

(A) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY; TERRITORY; ELEMENTARY SCHOOL; "local educational agency", "secondary school", and "State educational agency" have the meanings given 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 organization intended to serve young people under the age of 21.

(2) RIGHT.—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:

"PART B—SCHOOL RENOVATION

"SEC. 9201. GRANTS FOR SCHOOL RENOVATION.

(1) ALLOCATION OF FUNDS.—Of the amount appropriated for each fiscal year under subsection (k), the Secretary of Education shall allocate—

(A) 60 percent of such amount for grants to impacted local educational agencies (as defined in paragraph (3) for school repair, renovation, and construction; (B) 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; (C) 2 percent of such amount for grants to public entities, private nonprofit entities, and consortia of such entities for use in accordance with paragraph (2); and (D) the remainder to State educational agencies in proportion to the amounts 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.

(2) DETERMINATION OF GRANT AMOUNT.—"(A) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the grant amounts under paragraph (1), only the population of such State as the Secretary determines to be served by school facilities shall be counted.

"(b) GRANTS FOR SCHOOL RENOVATION.—Title IX, as added by section 901, is amended by adding at the end the following:

"(c) DEFINITIONS.—In this section:

(A) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY; TERRITORY; ELEMENTARY SCHOOL; "local educational agency", "secondary school", and "State educational agency" have the meanings given 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 organization intended to serve young people under the age of 21.

(2) RIGHT.—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:

"PART B—SCHOOL RENOVATION

"SEC. 9201. GRANTS FOR SCHOOL RENOVATION.

(1) ALLOCATION OF FUNDS.—Of the amount appropriated for each fiscal year under subsection (k), the Secretary of Education shall allocate—

(A) 60 percent of such amount for grants to impacted local educational agencies (as defined in paragraph (3) for school repair, renovation, and construction; (B) 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; (C) 2 percent of such amount for grants to public entities, private nonprofit entities, and consortia of such entities for use in accordance with paragraph (2); and (D) the remainder to State educational agencies in proportion to the amounts 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.

(2) DETERMINATION OF GRANT AMOUNT.—"(A) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the grant amounts under paragraph (1), only the population of such State as the Secretary determines to be served by school facilities shall be counted.

"(b) GRANTS FOR SCHOOL RENOVATION.—Title IX, as added by section 901, is amended by adding at the end the following:

"(c) DEFINITIONS.—In this section:

(A) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY; TERRITORY; ELEMENTARY SCHOOL; "local educational agency", "secondary school", and "State educational agency" have the meanings given in section 3 of the Elementary and Secondary Education Act of 1965.
(i) for each impacted local educational agency that receives funds under this section; and
(ii) for all such agencies together.

(2) SALES TAX 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)(i); and

(ii) multiplying the number derived under clause (I) of paragraph (1) by the aggregate amount 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 sales tax payment under section 8009(a)(3) for such fiscal year; and

(B) with respect to which the number of children determined under section 8009(a)(3)(B) within the State constitutes at least 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 computing the amount payable under paragraph (1)(A), each State educational agency 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) 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 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 distribution of such funds, 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’). Such state shall transfer such funds to a State 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 shall carry out a program of competitive grants to local educational agencies for the purpose described in paragraph (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 part A by all local educational agencies in the State;

(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 2002 bears to the aggregate amount received for such fiscal year under part A by all local educational agencies in the State; and

(iii) award to local educational agencies that did not receive such an award.

(II) The percentage described in subparagraph (C)(i) with respect to the aggregate amount as the aggregate amount such local educational agency or State entity shall take into account the following:

(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 needs for repair and renovation of public school facilities, including its ability to raise funds through the use of local bonding capacity and otherwise.

(IV) In the case of a local educational agency that proposes to fund a repair or renovation project for a charter school or schools, the extent to which the school or schools have access to funding for the project through the matching methods 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.

(2) POSSIBLE MATCHING REQUIREMENT.—

(I) IN GENERAL.—A State educational agency or State entity may require local educational agencies to match funds awarded under this subsection.

(II) MATCHING 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.

(3) 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.), for a student whose identification is assisted under this section.

(ii) For technology activities that are carried out in connection with school repair and renovation, including—

(I) wired and wireless communications equipment; and

(II) hardware and software.

(iii) acquiring connectivity linkages and resources; and

(IV) acquiring microwave, fiber optics, cable, and satellite transmission equipment.

(B) CRITERIA FOR AWARDING IDEA GRANTS.—In awarding competitive grants under this paragraph, a State educational agency or State entity shall take into account the following criteria:

(I) The need of a local educational agency for additional funds for special education and related services under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(II) The need of a local educational agency for additional funds for special education and related services under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(III) The need of a local educational agency for additional funds for special education and related services under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(IV) The need of a local educational agency for additional funds for activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(V) The need of a local educational agency for additional funds for activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(VI) The need of a local educational agency for additional funds for activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(VII) The need of a local educational agency for additional funds for activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(VIII) The need of a local educational agency for additional funds for activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(3) SCHOOL FACILITIES MODIFICATIONS NEEDED.—

(A) IN GENERAL.—School repair and renovation shall be limited to one or more of the following:

(I) Emergency repairs or renovations to public school facilities only to ensure the health and safety of students and staff, including—

(1) repairing, replacing, or installing roofs, electrical wiring, plumbing systems, sewage systems, windows, or doors;

(2) repairing, replacing, or installing heating, ventilation, and related systems (including insulation); and

(3) bringing public schools into compliance with fire and safety codes.

(B) School facilities modifications necessary to render public school facilities accessible in order to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12132 et seq.).

(C) School facilities modifications necessary to render public school facilities accessible in order to comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(D) Asbestos abatement or removal from public school facilities.

(E) 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.

(F) Renovation, repair, and acquisition needs related to the building infrastructure of a charter school.

(G) PERMISSIBLE USES OF FUNDS.—No funds received under this section may be used for—

(1) acquiring, developing, or constructing facilities, equipment, or other instructional materials or supplies; and

(2) acquiring, developing, or constructing facilities, equipment, or other instructional materials or supplies.
“(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) stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public. "“(3) FINAL REPORTS.—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 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. "“(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 qualified participation of small, minority, and women-owned businesses, through full and open competition. "“(e) PUBLIC COMMENT.—Each local educational agency shall publicly notify interested parties of the requirements of this section and the distribution of Federal funds under this section and shall accept public comments on the use of funds under such paragraph; and "“(f) REPORTING.— "“(1) LOCAL REPORTING.—Each local educational agency receiving funds under subsection (a)(1)(A) shall submit a report to the State educational agency (as defined in subsection (a)(3)), in a widely read and distributed medium; and "“(2) STATE REPORTING .—Each State educational agency receiving funds under this section shall report to the Secretary annually in accordance with section 673(2) of the Community Services Block Grant (42 U.S.C. 2996c) applications of the size involved for the most recent fiscal year for which data satisfactory to the Secretary are available. "“(g) APPLICABILITY OF PART B OF IDEA.—If a local educational agency uses funds received under this section to carry out activities under the Individuals With Disabilities Education Act (20 U.S.C. 1411 et seq.), such part (including provisions respecting the participation of private school children) shall be subject to the provisions of such law that applies to such part, shall apply to such use. "“(h) REALLOCATION.—If a State educational agency does not apply for an allocation of funds under subsection (a)(1)(D) for fiscal year 2002, or does not use its entire allocation for such fiscal year, the Secretary may reallocate the amount of the State educational agency’s allocation (or the remainder thereof, as the case may be) to the remaining State educational agencies in accordance with subsection (a)(2). "“(i) PARTICIPATION OF PRIVATE SCHOOLS.— "“(1) IN GENERAL.—State educational agencies receiving funds under this section shall apply to subsection (b)(2) in the same manner as it applies to activities under title VI, except that— "“(A) such section shall not apply with respect to the title to any real property renovated or repaired with assistance provided under this subsection; and "“(B) the term ‘services’ as used in section 5342 with respect to funds under this section shall be provided only to private, nonprofit elementary or secondary schools with a rate of child poverty of at least 40 percent and may include for purposes of subsection (b)(2) only— "“(1) 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.); "“(2) improvements to 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 "“(3) assistance to fund renovation or removal from school facilities; and "“(C) notwithstanding the requirements of section 5342(b), expenditures for services provided under this section shall be considered equal for purposes of such section if the per-pupil expendit"u"et for services described in subparagraph (B) or (C) (as described in paragraph (2)) for a single group of 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 remaining 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 or circumstances shall not be affected thereby. "“(j) DEFINITIONS.—For purposes of this section: "“(1) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given such term in section 5210(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 line set forth in 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. 2996c) applications 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 and is primarily serving students who are employed by the 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. "“(k) 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.”. (c) CHARTER SCHOOL FACILITY ACQUISITION AND CONSTRUCTION.—Paragraph (A) of title I, section 501, is further amended by adding at the end the following: "Subpart 4—Credit Enhancement Initiatives To Assist Charter School Facility Acquisition, Construction, and Renovation SEC. 5161. PURPOSE. "“(a) IN GENERAL.—The Secretary shall use 100 percent of the amount available to carry out this subpart to award not less than three grants in order to demonstrate credit enhancement initiatives that assist charter schools to address the cost of acquiring, constructing, and renovating facilities. "“(b) GRANT SELECTION.—The Secretary shall evaluate each application submitted, and shall make a determination of which are sufficient to merit award and which are not. The Secretary shall select not more than one grant to an eligible entity described in section 5160(2)(A), at least one grant to an eligible entity described in section 5160(2)(B), and at least one grant to an eligible entity described in section 5160(2)(C), if applications are submitted that permit the Secretary to do so without approving an application that is not of sufficient quality to merit award. "“(c) GRANT CHARACTERISTICS.—Grants under this subpart shall be of a sufficient size, scope, and quality as to ensure an effective demonstration of an innovative means of enhancing credit for the financing of charter school acquisition, construction, and renovation. "“(d) SPECIAL RULE.—In the event the Secretary determines that the funds available to carry out this subpart are insufficient to allow award not less than three grants in accordance with subsections (a) through (c), such three-grant minimum and the second sentence of subsection (b) shall not apply, and the Secretary may determine the appropriate number of grants to be awarded in accordance with subsection (c). "“(e) GRANT APPLICATION.— "“(1) IN GENERAL.—To receive a grant under this subpart, an eligible entity shall submit to the Secretary an application in such form as the Secretary may require. "“(2) CONTENTS.—An application under subsection (a) shall contain—
SEC. 5164. CHARTER SCHOOL OBJECTIVES.

"An eligible entity receiving a grant under this subpart shall use the funds deposited in the reserve account established under section 5166(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 (includ- ing 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.

SEC. 5165. RESERVE ACCOUNT.

(a) USE OF FUNDS.—To assist charter schools to accomplish the objectives described in section 5164, an eligible entity receiving a grant under this subpart shall, in accordance with State and local law, directly or indirectly, alone or in combination with other entities, deposit the funds received under this subpart (other than funds used for administrative costs in accordance with section 5166) in a reserve account established and maintained by the entity for this purpose. Amounts deposited in such account shall be used by the entity for one or more of the following purposes:

"(1) Guaranteeing, insuring, and reinsuring bonds, notes, evidences of debt, loans, and interests therein, the proceeds of which are generally used to achieve one or more of the purposes described in section 5165.

"(2) Guaranteeing and insuring leases of property entered into pursuant to this subpart.

"(3) Guaranteeing, insuring, and reinsuring a single bond issue.

"(4) Guaranteeing and insuring the regular payment of interest on a bond, note, evidence of debt, or loan.

(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 subject to an annual audit by an independent public accountant.

(d) REPORTS.—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 activities undertaken by the eligible entity under this subpart during the reporting period.

(b) SECRETARIAL REPORT.—The Secretary shall review the reports submitted under paragraph (1) and shall provide a comprehensive annual report to Congress on the activities conducted under this subpart.

SEC. 5168. NO FULL FAITH AND CREDIT FOR GRANTEE OBLIGATIONS.

"No financial obligation of an eligible entity entered into pursuant to this subpart shall be given the same recognition as a certificate, bond, note, evidence of debt, or loan issued or guaranteed by the United States or a State, or in other similarly low-risk securities.

SEC. 5169. RECOVERY OF FUNDS.

(a) IN GENERAL.—The Secretary, in accordance with section 37 of title 31, United States Code, may recover from an eligible entity any amount received under this subpart.

(b) ACTIONS.—Any action brought under this section shall be governed by the provisions of title 28 of the United States Code.
SPORTING EVENTS.—Section 104(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 gambling business 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.”

(d) ILLEGAL GAMBLING BUSINESS.—Section 1955(a) of title 18, United States Code, is amended by adding at the end the following: “If the business 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 224(a) of title 18, United States Code, is amended by adding at the end the following: “If the briber is a minor, 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, and at the request of the Subcommittee on Crime, the maximum term of imprisonment for the offense shall be 10 years.

(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 implement; (2) recommendations for any Federal and State legislative actions to address the issue of illegal gambling on college sports; and (3) recommendations for any administrative or private sector actions to address the issue of illegal gambling on college sports.

SEC. 05. STUDY OF GAMBLING ON COLLEGE AND UNIVERSITY CAMPUSES.

(a) Establisment 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 by the panel 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 implementation of the Professional and Amateur Sports Protection Act of 1992, including whether it has been adequately enforced; (5) the development and implementation of the Professional and Amateur Sports Protection Act of 1992, including whether it has been adequately enforced; and (6) recommendations for any Federal and private sector actions to address the issue of illegal gambling on college sports.

(c) Sense of Congress.—It is the sense of Congress that—

(1) Federal and State governments should adopt mandatory codes of conduct to establish policies and procedures to prevent illegal sports gambling among their employees; (2) Federal, State, and local governments should adopt mandatory codes of conduct to establish policies and procedures to prevent illegal sports gambling among their employees; and (3) the National Collegiate Athletic Association should amend its by-laws to prohibit gambling.

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 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, in a form and 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 offenses on which such institution must report pursuant to section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)); and (B) a statement of policy regarding underage and other illegal gambling activity at the institution, in a form and manner prescribed for statements of policy on alcoholic beverages and illegal drugs pursuant to such sections 485(e), including a description of any gambling abuse education programs available to students and employees of the institution.

(c) Sense of Congress.—It is the sense of Congress that—

(1) Federal and State governments should adopt mandatory codes of conduct to establish policies and procedures to prevent illegal sports gambling among their employees; (2) Federal, State, and local governments should adopt mandatory codes of conduct to establish policies and procedures to prevent illegal sports gambling among their employees; and (3) the National Collegiate Athletic Association should amend its by-laws to prohibit gambling.

SEC. 07. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) Federal and State governments should adopt mandatory codes of conduct to establish policies and procedures to prevent illegal sports gambling among their employees; (2) Federal, State, and local governments should adopt mandatory codes of conduct to establish policies and procedures to prevent illegal sports gambling among their employees; and (3) the National Collegiate Athletic Association should amend its by-laws to prohibit gambling.
within its jurisdiction to include in any broadcast of a game or performance 1 or more public service announcements on matters of public interest, as defined in subsection (2), in the form and manner as the Commission deems appropriate and sufficient to be certain this information is effectively conveyed to the public. The public interest obligation of the broadcaster.

(b) TELEPHONE NUMBERS.—Each public service announcement under subsection (a) shall include the display of 1 or more toll-free telephone lines administered by a nonprofit organization to assist persons with a sports wagering problem or other compulsive 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. 1. ESEA.

The provisions of the Jeffords amendment No. 358 (107th Congress) are incorporated into this Act and enacted into law.

SECTION 2. BROADCAST OF SPORTS GAMBLING INFORMATION.

(a) In General.—Not later than 180 days after the date of enactment of this Act, the Federal Communications Commission shall issue a rule requiring broadcasters within its jurisdiction to include in any broadcast of a game or performance 1 or more public service announcements on the illegal nature of sports gambling in most States, including over the Internet, in such form and manner as the Commission deems appropriate and sufficient to be certain this information is effectively conveyed to the public. The public interest obligation of the broadcaster.

(b) TELEPHONE NUMBERS.—Each public service announcement under subsection (a) shall include the display of 1 or more toll-free telephone lines administered by a nonprofit organization to assist persons with a sports wagering problem or other compulsive gambling disorder.

SA 579. 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. ESEA.

The provisions of the Jeffords amendment No. 358 (107th Congress) are incorporated into this Act and enacted into law.

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 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, a report describing any specific violations of such laws, prosecutions commenced, and convictions obtained.

(c) AUTHORIZATION AND APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $1,000,000 in fiscal year 2002 and $500,000 in each of the fiscal years 2003 through 2006.

SEC. 03. INCREASED PENALTIES FOR ILLEGAL SPORTS 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 PARAPHANELIA.—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.”.

(c) 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 event or contest, the maximum term of imprisonment for the offense shall be 10 years.”.

(d) SPORTS BRIEFS.—Section 224(a) of title 18, United States Code, is amended by adding at the end the following: “If the purpose of the bribe is to affect the outcome of a bet or wager placed on any sporting event or contest, the maximum term of imprisonment for the offense shall be 10 years.”.

SEC. 04. STUDIES OF GAMBLING BEHAVIOR AMONG MINORS.

(a) In General.—The Director of the National Institute of Justice shall conduct a national, longitudinal study to determine which minors 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, in consultation with the Attorney General, describing the extent to which minor persons participate in illegal sports gambling activities, and any recommendations for actions that should be taken to curtail participation by minor persons in illegal 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 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 2702 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 sports;

(6) the factors that influence the attitudes of Federal, State, and local government officials, and their enforcement efforts, to address illegal gambling on college campuses;

(7) election of new countermeasures to reduce illegal gambling on college campuses, including related requirements for institutions of higher education and professional and amateur sports governing bodies and related organizations;

(8) potential actions that could be taken by the National Collegiate Athletic Association to address illegal gambling on college campuses;

(9) other matters relevant to the issue of illegal gambling on college campuses 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 implement to address the issue of illegal gambling on college campuses;

(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 campuses;

(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 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. The Secretary may grant credit to institutions that demonstrate a commitment to reducing illegal gambling and related illegal activities.

(b) 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, concerning the progress made by the institution to reduce illegal gambling by students and employees of the institution.

(c) CONTINUED ELIGIBILITY.—An institution described in paragraph (1) shall make reasonable further progress (as defined by the Secretary) toward the elimination of illegal gambling on campus 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).

(d) GAMBLING ENFORCEMENT INFORMATION AND POLICIES.—
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. 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) Elementamy 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 subpart 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.

(e) **ELECTION TO HAVE CREDIT NOT APPLY.**—A taxpayer may elect to have this section not apply for any taxable year.

(f) **CREDITS 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 subpart 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.

(e) **ELECTION TO HAVE CREDIT NOT APPLY.**—A taxpayer may elect to have this section not apply for any taxable year.

(f) **CREDITS 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 subpart 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.

(e) **ELECTION TO HAVE CREDIT NOT APPLY.**—A taxpayer may elect to have this section not apply for any taxable year.

(f) **CREDITS 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 subpart A and the preceding sections of this subpart, over

(B) the tentative minimum tax for the taxable year.
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. The amendment would 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. 7002(b)) (as amended by section 1806(b)(2)(C) of the Impact Aid Reauthorization Act of 2000 (as enacted into law by section 1 of Public Law 106-398)) is amended—

(i) 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”;

(B) in subparagraph (B), by striking “(or if the local educational agency was not eligible to receive a payment under such section 2 for fiscal year 1994)” and inserting “(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)”;

(ii) in paragraph (2)—

(A) in subparagraph (A), by inserting before the period the following: “or whose application for fiscal year 1995 was deemed by law to be timely filed for the purpose of payments for later years”;

(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)”;

(iii) in paragraph (3)—

(B) 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)”;

(C) 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 calculating a local educational agency’s maximum payment under section 8003(b)(3)(B)(iv)”;

(b) **CALCULATION OF PAYMENT UNDER SECTION 8003 FOR SMALL LOCAL EDUCATIONAL AGENCIES.**—Section 8003(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 (as enacted into law by section 1 of Public Law 106-398)) is amended—

(i) in subsection (a), by changing “three” to “one”;

(ii) in the first sentence of subsection (a)(1), by striking “three succeeding” and inserting “six succeeding”;

(iii) in subsection (a)(2), by striking “three succeeding” and inserting “six succeeding”;

(iv) in section (a)(3), by striking “six succeeding” and inserting “six succeeding”;

(v) in subsection (b), by striking “three succeeding” and inserting “six succeeding”;

(vi) in subsection (c), by striking “three succeeding” and inserting “six succeeding”;

(vii) in subsection (d), by striking “three succeeding” and inserting “six succeeding”;

(viii) in subsection (e), by striking “three succeeding” and inserting “six succeeding”;

SA 584. Mr. INHOFE submitted an amendment intended to be proposed to the bill. The amendment would 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 F. ENVIRONMENTAL EDUCATION**

SEC. 9. SHORT TITLE.

(a) **This Subtitle.**—This subtitle may be cited as the “John H. Chafee Environment 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—

(i) in paragraph (1), by inserting “objectionable and scientifically sound” after “support”;

(ii) by striking paragraph (6);

(iii) by redesignating paragraph (7) as paragraph (6);

(iv) by striking paragraph (8) as redesignated by section 2 of the Act of September 30, 1950 and inserting “the Office of Environmental Education”;

(v) **Senate Report No. 95.**—Senators Collins, Lieberman, and Burr submitted the following report:

(A) In section 2(a), by inserting “the Office of Environmental Education” after “the Agency”;

(B) by inserting the following:

(1) **Activities.**—The Administrator of the Agency shall carry out the activities described in section 2(a) by providing the following:

(A) **Assistance to Legislatures.**—The Administrator shall provide assistance to state and local legislatures in the development of environmental education programs and policies. (B) **Grants to Universities.**—The Administrator shall make grants to institutions of higher education to support the creation and dissemination of environmental education programs. (C) **Grants to Schools.**—The Administrator shall make grants to states and local educational agencies to support the development of environmental education programs and activities in schools.

**Grants to Schools.**—Section 2 of the Act of September 1, 1950, is amended—

(C) **Prohibitions.**—The Administrator shall not make grants, cooperative agreements, or contracts for the following:

(i) **Lobbying Activities.**—A grant under this section may not be made for lobbying activities (as described in the document administered by the Office of Management and Budget and designated as OMB Circular No. A-21 and No. A-122).

(ii) **Guidance Review.**—Before the Administrator issues any guidance to grant applicants, the guidance shall be reviewed and approved by the Science Advisory Board of the

**BACKGROUND.**—In section 2(a), by striking “three succeeding” and inserting “six succeeding”;

(iii) **Guidance Review.**—Before the Administrator issues any guidance to grant applicants, the guidance shall be reviewed and approved by the Science Advisory Board of the

**BACKGROUND.**—In section 2(a), by striking “three succeeding” and inserting “six succeeding”;

(iii) **Guidance Review.**—Before the Administrator issues any guidance to grant applicants, the guidance shall be reviewed and approved by the Science Advisory Board of the

**BACKGROUND.**—In section 2(a), by striking “three succeeding” and inserting “six succeeding”;

(iii) **Guidance Review.**—Before the Administrator issues any guidance 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 for the award and administration of 5 annual 1-year higher education fellowships in environmental sciences and public policy, to be known as 'John H. Chafee Fellowships'; and

"(b) PURPOSE.—The purpose of the John H. Chafee Memorial Fellowship Program is 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 in accordance with an annual competitive selection process established under subsection (f)(2) and be in the amount of $25,000.

"(d) FOCUS.—Each John H. Chafee Fellowship shall focus on issues of environmental, natural, and public health protection. A sponsor that ensures that an institution of higher education that is chosen as a recipient of a John H. Chafee Fellowship will maintain and make available—

"(i) the qualifications of theottonary projects to promote local environmental awareness.

"(b) PARTNERS.—The "(1) 'Panel' means the John H. Chafee Memorial Fellowship Program.";

"(c) AWARD.—Each John H. Chafee Fellowship may be awarded to a sponsoring institution for the purpose of—

"(a) FOCUS.—Each John H. Chafee Fellowship shall focus on the environmental, national, or public health protection. A sponsor of the John H. Chafee Fellowship shall—

"(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 the sponsoring institution of the John H. Chafee Fellowship pursuant to the selection of the John H. Chafee Fellowship Program.

"(h) FUNDING.—From amounts made available under section 1(b)(1)(B) for each fiscal year, the Office of Educational Assistance shall make available to each recipient selected by the Panel upon receipt of a certification from the recipient or the recipient's representative that the recipient will adhere to a specific and detailed plan of study and research.

"(i) $125,000 for John H. Chafee Memorial Fellowships; and

"(ii) $12,500 to pay administrative expenses incurred in carrying out the John H. Chafee Memorial Fellowship Program.

"(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 Program established under section 7(f);

"(15) 'sponsoring institution' means an institution of higher education;'

"(c) CONFORMING AMENDMENT.—The table of contents in section 7 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 AND TRAINING FOUNDATION.

(a) IN GENERAL.—Section 8 of the John H. Chafee Environmental Education Act (20 U.S.C. 5506) is amended to read as follows:

"SEC. 8. NATIONAL ENVIRONMENTAL EDUCATION AWARDS.

"(a) PRESIDENT'S ENVIRONMENTAL YOUTH AWARD.—The Administrator may establish a program for the granting and administration of awards, known as 'President's Environmental Youth Awards', to young people in grades kindergarten through 12, to recognize outstanding projects to promote local environmental awareness.

"(b) TEACHER'S AWARD.—The Chairman of the Council on Environmental Quality on behalf of the President, may establish a program for the granting and administration of awards to recognize:

"(A) teachers in elementary schools and secondary schools who demonstrate excellence in advancing objective and scientifically sound environmental education through innovative approaches; and

"(B) the local educational agencies of the recognized teachers.

"(2) ELIGIBILITY.—One teacher, and the local education agency employing the teacher, from each State, the District of Columbia, and the Commonwealth of Puerto Rico, shall be eligible to be selected for an award under this subsection.

"(b) DEFINITIONS.—Section 3 of the John H. Chafee Environmental Education Act (20 U.S.C. 5502) (as amended by section 9(b)(2)) is amended by adding at the end the following:

"(B) in paragraph (13), by striking ''National Environmental Education and Training Foundation'' and inserting 'National Learning Foundation'.

"(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 1(b) and inserting the following:

"Sec. 1. National Environmental Learning Foundation.

"SEC. 10. 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) by striking the section heading and inserting the following:

"SEC. 10. NATIONAL ENVIRONMENTAL LEARNING FOUNDATION.

(b) in the first sentence of subsection (a)(1)(A), by striking National Environmental Learning Foundation and inserting 'National Environmental Learning Foundation'.

"SEC. 11. ENVIRONMENTAL EDUCATION ADVISORY COUNCIL AND TASK FORCE.

Section 9 of the John H. Chafee Environmental Education Act (20 U.S.C. 5508) is amended—

"(A) in paragraph (12), by striking and and inserting the following:

"(1) elementary schools and secondary schools;

"(ii) colleges and universities;

"(iii) not-for-profit organizations involved in environmental education;

"(iv) State departments of education and natural resources; and

"(v) business and industry.

"(B) by inserting 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 of interest provision of section 19 of the National Environmental Education and Training Foundation Act (20 U.S.C. 3102) is amended by striking the first sentence of subsection (c), by striking paragraph (2) and inserting the following:

"(2) MEMBERSHIP.—Membership on the Task Force shall be open to representatives of any Federal agency actively engaged in environmental education.

"(3) by adding at the end, by striking 'The' and inserting the following:

"(d) MEETINGS AND REPORTS.—

"(B) in the last sentence, by striking 'The' and inserting the following:

"(2) REVIEW AND COMMENT ON DRAFT REPORTS.—The...";

"SEC. 9-6. ENVIRONMENTAL EDUCATION ADVISORY COUNCIL AND TASK FORCE.

Section 9 of the John H. Chafee Environmental Education Act (20 U.S.C. 5508) is amended—

"(A) in subsection (b)(2)—

"(1) by striking 'The' and all that follows through 'Committee' and inserting the following:

"(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) by striking the section heading and inserting the following:

"SEC. 10. NATIONAL ENVIRONMENTAL LEARNING FOUNDATION.

(b) in the first sentence of subsection (a)(1)(A), by striking National Environmental Learning and Training Foundation and inserting 'National Environmental Learning Foundation'.

"(2) 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 10 and inserting the following:

"Sec. 10. National Environmental Learning 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 item relating to section 10 and inserting the following:

"Sec. 10. National Environmental Learning Foundation.

"(2) 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 item relating to section 10 and inserting the following:

"Sec. 10. National Environmental Learning Foundation.

"(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—
"(A) shall not appear in educational material presented to students; and

"(B) shall not identify a donor by means of a logo, letterhead, or other corporate commercial or product;

(d) ADMINISTRATIVE SERVICES AND SUPPORT.—Section 10(e) of the John H. Chafee Environmental Education Act (20 U.S.C. 5509(e)) is amended in the first sentence by striking "for a period of up to 4 years from the date of enactment of this Act."

SEC. 9. 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(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 (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. prev. 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. 10. ROOSEVELT ENVIRONMENTAL STEWARDSHIP GRANT PROGRAM.

(a) IN GENERAL.—The John H. Chafee Environmental Education Act is amended—

(1) by redesignating section 11 (20 U.S.C. 5510) as section 13; and

(2) by inserting after section 10 the following:

"SEC. 11. ENVIRONMENTAL STEWARDSHIP GRANT PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established a grant program to be known as the ‘Environmental Stewardship Grant Program’ (referred to in this section as the ‘Program’) for the award and administration of grants to consortia of institutions of higher education to pay the Federal share of the cost of carrying out educational, student, campus, and community-based environmental stewardship activities.

"(2) FEDERAL SHARE.—The Federal share shall be 75 percent.

"(b) PURPOSE.—The purpose of the Program is to build awareness of, encourage community input, and promote participation in environmental stewardship—

"(1) among students at institutions of higher education; and

"(2) in the relationship between—

"(A) such students and campuses; and

"(B) the communities in which the students are located.

"(c) AWARD.—Grants under the Program shall be made available to consortia of institutions of higher education in accordance with an annual competitive selection process established under subsection (d)(2)(A).

"(d) ADMINISTRATION.—

"(1) IN GENERAL.—The Office of Environmental Education established under section 4 shall administer the Program.

"(2) DUTIES.—The Office of Environmental Education shall—

"(A) establish criteria for a competitive selection process for recipients of grants under the Program;

"(B) review applications for grants under the Program; and

"(C) annually review applications and select recipients of grants under the Program.

"(e) CRITERIA.—In establishing criteria for a competitive selection process for recipients of grants under the Program, the Office of Environmental Education shall include, at a minimum, as criteria, the extent to which a grant will—

"(A) directly facilitate environmental stewardship activities, including environmental protection, preservation, or improvement activities; and

"(B) stimulate the availability of other funds for those activities.

"(f) CONDITIONS ON USE OF FUNDS.—With respect to the funds made available to carry out this subpart, the Secretary shall require—

"(1) no fewer than 6 grants each year shall be awarded among those funds; and

"(2) no grant made using those funds shall be in an amount that exceeds $500,000.

(b) CONDITIONS.—Section 3 of the John H. Chafee Environmental Education Act (20 U.S.C. 5502) (as amended by section 9(b)) is amended by adding at the end the following:

"(18) ‘consortium of institutions of higher education’ means a cooperative arrangement among 2 or more institutions of higher education; and


SEC. 11. ENVIRONMENTAL STEWARDSHIP GRANT PROGRAM.

(a) IN GENERAL.—There is established a Program to be known as the ‘Environmental Stewardship Grant Program’ for carrying out the Program.

"(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the John H. Chafee Environmental Education Act (20 U.S.C. prev. 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. 12. AUTHORIZATION OF APPROPRIATIONS.

Section 13 of the John H. Chafee Environmental Education Act (20 U.S.C. 5510) (as redesignated by section 9(a)(1)) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(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) $5,000,000 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 available under subsection (a)(2) 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 program 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

"(d) INTEGRATION.—The purposes of this subpart are as follows:

"(1) To provide preschool age children with cognitive learning opportunities in high-quality language and literature-rich environments, so that the children can attain the fundamental knowledge and skills necessary for optimal reading development in kindergarten and beyond.

"(2) To integrate these learning opportunities with learning opportunities at preschools, child care agencies, and Head Start agencies, and with family literacy services.

"SEC. 12A. 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—

"(1) establish a local early reading first program, or a family literacy program, so that the children can attain the fundamental knowledge and skills necessary for optimal reading development in kindergarten and beyond.

"(2) To establish a local early reading first program, with the assistance of the Federal Government, to provide resources to the Secretary to carry out the authorized activities described in subsection (e).

"(3) CONDITION OF ELIGIBLE APPLICANT.—In this subpart the term ‘eligible applicant’ means—

"(1) one or more local educational agencies that are eligible to receive a subgrant under subpart 2; and

"(2) one or more public or private organizations, acting on behalf of 1 or more programs that serve preschool age children, as a Head Start center, 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 described in paragraph (1) in collaboration with one or more organizations described in paragraph (2).

"(c) APPLICATIONS.—An eligible applicant that desires to receive a grant under this subpart shall submit an application to the Secretary which shall include a description of—

"(1) the programs to be served by the proposed project, including demographic and socio-economic 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 instruction and prepare activities using scientifically based research, for preschool age children;

"(3) how the proposed project will provide services and materials 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 subpart 2, how the activities conducted under this subpart will be coordinated with the eligible applicant’s activities under subpart 2 at the kindergarten through third-grade level;

"(7) how the proposed project will evaluate the success of the activities supported under this subpart including the success in teaching 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.

"(e) 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 subparagraph (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.

"(E) Integrating such instructional materials, activities, tools, and measures into the programs offered by the eligible applicant.

"(f) AWARD AMOUNTS.—The Secretary may establish a maximum award amount or ranges of award amounts, for grants under this subpart.

"SEC. 1243. FEDERAL ADMINISTRATION.

"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.

"SEC. 1244. INFORMATION DISSEMINATION.

"From the funds the National Institute for Literacy receives under section 1227, the Secretary of Education shall consult with the Secretary, shall disseminate information regarding projects assisted under this subpart that have proven effective.

"(A) from the amount appropriated under section 1002(b)(3) for the period beginning October 1, 2002 and ending September 30, 2006, the Secretary shall reserve not more than 50,000,000 to conduct an independent evaluation of the effectiveness of this subpart;

"(B) providing professional development activities offered to the staff of the eligible applicant who serve preschool age children and the amount of such professional development; and

"(C) the results of the evaluation described in section 1292(e)(7).

"SEC. 1245. EVALUATIONS.

"From the total amount appropriated under section 1002(b)(3) for the period beginning October 1, 2002 and ending September 30, 2006, the Secretary shall reserve not more than $3,000,000 to conduct, in consultation with the National Instiute for Literacy, 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.

"(A) ACHIEVEMENT IN EDUCATION AWARDS.—The Secretary may make awards, to be known as ‘Achievement in Education Awards,’ to the schools administered under the programs authorized by this Act that are designed to promote the improvement of elementary and secondary education nationally.

"(B) NO CHILD LEFT BEHIND AWARDS.—The Secretary may make awards, to be known as ‘No Child Left Behind Awards,’ to the schools that—

"(1) are located in the States in which the schools are located; and

"(2) have made the greatest progress in improving the educational achievement of economically disadvantaged students.

"SEC. 1246. LOSS OF ADMINISTRATIVE FUNDS.

"(a) 2 YEARS OF INSUFFICIENT PROGRESS.—

"(1) REDUCTION.—If the Secretary makes the determinations described in paragraph (2) 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 subsequent fiscal year for State administration under the programs authorized by this Act that the Secretary determines are formula grant programs.

"(2) DETERMINATIONS.—The determinations referred to in paragraph (1) are determinations made primarily on the basis of data from the State assessment system described in section 1111 and data from State assessments under the National Assessment of Educational Progress of 4th and 8th grade reading and mathematics skills, that—

"(A) the State has failed to make adequate yearly progress as defined under section 1111(b)(2)(B)(i) and (ii); and

"(B) the percentage of students described in section 1111(b)(2)(B)(v)(II); and
“(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 mathematics, 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) IMPROVEMENTS IN INADEQUATE 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 Secretary for Students and Teachers Act;

“(2) working in voluntary partnerships with other States to develop such assessments and standards; and

“(3) other 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 shall allocate $3,000,000 to each State.

“(2) RURAL GRANTS.—The Secretary shall allot any remaining funds among the States on the basis of the respective numbers of children enrolled in grades 3 through 8 in public elementary schools and secondary schools.

“(3) 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.

“(c) 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 $10,000,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

“(b) EDUCATION AWARDS.—For the purpose of carrying out section 6201, there are authorized to be appropriated $90,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 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:

"parents and teachers; and"

"(14) make available to each school served by the agency and assisted under this part models of high quality, effective curriculum that are aligned with the State’s standards and developed or identified by the State."

SA 589. 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 83, line 25, strike "section 1111(b)(2)(B)" and insert "sections 1111(b)(2) and (D)".

On page 84, line 4, insert ". principals, teachers, and other staff in an instructionally useful manner" after "schools".

On page 84, line 25, strike "section 1111(b)(2)(B)" and insert "sections 1111(b)(2)(B) and (D)".

On page 88, line 6, strike "meet" and insert "make continuous and significant progress towards meeting the goal of all students reaching".

On page 90, line 5, insert "including problems, if any, in implementing the parental involvement requirements described in section 1111(b)(2)(B)" after "basis".

On page 91, line 15, strike "section 1111(b)(2)(B)" and insert "sections 1111(b)(2)(B) and (D)".

On page 92, line 13, insert "and giving priority to the lowest achieving students" after "basis".

On page 95, line 9, strike "section 1111(b)(2)(B)" and insert "sections 1111(b)(2)(B) and (D)".

On page 95, beginning with line 13, strike all through page 96, line 6, and insert the following:

"(iv) provide all students enrolled in the school with the option to transfer to another public or nonpublic school operated or assisted by the educational agency, including a public charter school, that has not been identified for school improvement under paragraph (1); and

"(H) if all public schools in the local educational agency to which children may transfer are identified under paragraph (1) or this subparagraph, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for the transfer of as many of those children as possible, selected by the agency on an equitable basis:

"(1) make supplemental educational services available, in accordance with subsection (f), to children who remain in the school;

"(2) provide all students enrolled in the school with the option to transfer to another public or nonpublic school operated or assisted by the educational agency, including a public charter school, that has not been identified for school improvement under paragraph (1) or this subparagraph, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for the transfer of as many of those children as possible, selected by the agency on an equitable basis:

"(3) make available to each school served by the agency and assisted under this part models of high quality, effective curriculum that are aligned with the State’s standards and developed or identified by the State."

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) a rural local agency, as described in section 5231(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 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 not 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 "(7)(C) and subject to paragraph (7)(B)".

On page 102, line 21, strike ", and" and all that follows through "(I)(II)" on page 102, line 25.

On page 103, line 1, strike "(D)" and insert "(C)".

On page 104, line 7, strike "(I)" and insert all that follows through "(II)(2)" on page 104, line 24.

On page 105, line 1, strike "(D)" and insert "(C)".

On page 105, lines 3 and 4, insert ", principals, teachers, and other staff in an instructionally useful manner" after "school".

On page 106, strike paragraph (1) and add the following:

"(1) if all public schools in the local educational agency to which children may transfer are identified under paragraph (1) or this subparagraph, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for the transfer of as many of those children as possible, selected by the agency on an equitable basis:

"(i) make supplemental educational services available, in accordance with subsection (f), to children who remain in the school;

"(ii) provide all students enrolled in the school with the option to transfer to another public or nonpublic school operated or assisted by the educational agency, including a public charter school, that has not been identified for school improvement under paragraph (1); and

"(H) if all public schools in the local educational agency to which children may transfer are identified under paragraph (1) or this subparagraph, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for the transfer of as many of those children as possible, selected by the agency on an equitable basis:

"(1) make supplemental educational services available, in accordance with subsection (f), to children who remain in the school;

"(2) provide all students enrolled in the school with the option to transfer to another public or nonpublic school operated or assisted by the educational agency, including a public charter school, that has not been identified for school improvement under paragraph (1) or this subparagraph, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for the transfer of as many of those children as possible, selected by the agency on an equitable basis:

"(3) make available to each school served by the agency and assisted under this part models of high quality, effective curriculum that are aligned with the State’s standards and developed or identified by the State.""
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) to improve the literacy skills of adults, especially the parents of children served by the local educational agency, including adult education and family literacy programs;"

On page 684, line 6, strike "and".

On page 684, line 7, strike the period and insert a semicolon.

On page 684, between lines 7 and 8, insert the following:

"(o) programs that employ research-based cognition, 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 of 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).".

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 benefit or burden 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 line 21 and 22, 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 students 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 students 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)

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, line 19, strike "paragraph (B)" and insert "paragraphs (B) and (D)".

On page 41, strike lines 6 through 8 and insert the following:

"(vii) includes 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.

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)(i) 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 one time 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 in mathematics and reading or language arts 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;

"(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) beginning not later than school year 2008-2009, measure the proficiency of all students served under this part in mathematics and reading or language arts 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;

"(v) beginning not later than school year 2009-2010, measure the proficiency of all students served under this part 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; and

"(vi) beginning not later than school year 2010-2011, measure the proficiency of all students served under this part in mathematics and reading or language arts 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;

"(vii) includes 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.

On page 48, between lines 10 and 11, insert "annually" after "standards.

On page 48, between lines 13 and 14, insert "and" after "standards.

On page 48, between lines 16 and 17, insert "performance standards," and insert "performance standards, a set of high quality annual student assessments aligned to the standards," after "measures."

On page 50, 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 "and," the setting of State performance standards, the development of measures of adequate yearly progress that are valid and reliable," before "and other".

SA 583. 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 of 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 subpart results 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 subpart 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 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. 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 Education Amendments to the Rehabilitation Act of 1973 (PL 613) that provides funds under a separate statute through grants to States for the purpose of carrying out this part, other than section 619.

(b) LOAN FORGIVENESS FOR MATHEMATICS AND SCIENCE.—

(1) STATEMENT OF PURPOSE.—It is the purpose of this section to encourage individuals who majored in, or obtained a graduate degree in, mathematics or science to teach 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) $16,323,685,000 for fiscal year 2005;

"(D) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2006;

"(E) $18,823,685,000 for fiscal year 2007;

"(F) 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;

"(G) $19,065,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2009;

"(H) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2010; and

"(I) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2011.

"(2) USE.—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.

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. 10. 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:

"(f) LOAN FORGIVENESS FOR MATHEMATICS AND SCIENCE.—

(1) STATEMENT OF PURPOSE.—It is the purpose of this section to encourage individuals who majored in, or obtained a graduate degree in, mathematics or science to teach 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) $16,323,685,000 for fiscal year 2005;

"(D) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2006;

"(E) $18,823,685,000 for fiscal year 2007;

"(F) 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;

"(G) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2009;

"(H) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2010; and

"(I) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2011.

"(2) USE.—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.

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 428J of the Higher Education Act of 1965 (20 U.S.C. 1098–10) is amended by adding at the end the following:

"(1) LOAN FORGIVENESS FOR TEACHERS OF MATHEMATICS AND SCIENCE.—

"(A) PURPOSE.—It is the purpose of this section 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) $16,323,685,000 for fiscal year 2005;

"(D) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2006;

"(E) $18,823,685,000 for fiscal year 2007;

"(F) 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;

"(G) $19,065,622,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2009;

"(H) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2010; and

"(I) not more than $23,065,000,000, or the sum of the maximum amount that all States may receive under subsection (a)(2), whichever is lower, for fiscal year 2011.

"(2) USE.—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.

"(3) STATEMENT OF PURPOSE.—It is the purpose of this section to encourage individuals who majored in, or obtained a graduate degree in, mathematics or science to teach those subjects in high need schools.
“(i) 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 AMOUNT.—
“(A) IN GENERAL.—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 as of the date of enactment described in paragraph (2)(A).
“(B) TREATMENT OF CONSOLIDATION LOANS.—A loan amount for a loan made under section 428 or 428H that is outstanding as of the date of enactment described in paragraph (2)(A) must be reduced by the loan amount on a loan made under section 428 or 428H that is outstanding as of the date of enactment described in paragraph (2)(A). No borrower may receive a reduction of loan obligations under both this section and section 465(a).

(B) CONFORMING AMENDMENTS.—

(1) FFEL PROGRAM.—Section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078–4) is amended by inserting "(A) in subsection (f), by inserting "or (" before ")")", and "(B) in subsection (g)(1)—

(i) in subparagraph (A), by inserting "or (i)(2)(A)(i))" after "(b)(1)(A)"); and

(ii) in the matter following subparagraph (B), by inserting "or (i), as appropriate" after "(b)");

(2) DIRECT LOAN PROGRAM.—Section 460 of the Higher Education Act of 1965 (20 U.S.C. 1087) is amended—

(A) in subsection (f), by inserting "or (" before ")")", and "(B) in subsection (g)(1)—

(i) in subparagraph (A), by inserting "or (i)(2)(A)(i))" after "(b)(1)(A)"); and

(ii) in subparagraph (B), by inserting "or (i), as appropriate" 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;

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;

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;
"(2) ensure proper State training of personnel to answer and respond to telephone calls to hotlines described in paragraph (1); "(3) assist in the acquisition of technology necessary to implement the provisions 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 these 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:

"At the end of the amendment, add the following:

On page 519, lines 14 and 15, strike "nonprofit organizations" and insert "and private entities".

On page 440, lines 15 and 16, strike "and public nonprofit organizations" and insert "and public and private entities".

On page 499, lines 16 and 17, strike "and private nonprofits" and insert "and private entities".

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, lines 22, strike "nonprofit organizations" and insert "entities".

On page 452, line 13, insert "with public and private entities" after "contracts".

On page 450, line 8, strike "and other public entities and private nonprofit organizations" and insert "and public and private entities".

On page 450, line 12, strike "with public and private entities" after "contracts".

On page 483, line 15, insert "school functions under the jurisdiction of a State or a local educational agency".

On page 489, line 14, strike "nonprofit 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, the following:

TITLE — INDIVIDUALS WITH DISABILITIES

SEC. 05. DISCIPLINE.

Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) is amended by adding a new paragraph (7), as follows:

"(7) UNIFORM POLICIES.—

"(1) IN GENERAL.—Subject to paragraph (2), and notwithstanding any other provision of this Act, a State educational agency or local educational agency may establish and implement uniform policies regarding discipline that are applicable to children in the jurisdiction of the agency to ensure the safety of such children and an appropriate educational atmosphere in the schools in the jurisdiction of the agency.

"(2) 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 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.

SEC. 06. PROCEDURAL SAFEGUARDS.

Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) as amended by section 01 is amended by adding at the end the following:

"(o) DISCIPLINE BY LOCAL AUTHORITY WITH RESPECT TO WEAPONS, DRUGS, AND TEACHER ASSAULTS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, school personnel may discipline (including expel or suspend) a child with a disability in the same manner in which the personnel may discipline a child without a disability if the child with a disability—

"(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 a local educational agency; "(B) threatens to carry, possess, or use a weapon, (including a threat to kill another person) to or at a school, on school premises, or to or at a school function under the jurisdiction of a State or a 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 a school function under the jurisdiction of a State or a 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) INDIVIDUAL DETERMINATIONS.—In 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.

"(D) 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 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) DISCIPLINE DURING REVIEW.—For purposes of 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 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, the following:
TITLE —INDIVIDUALS WITH DISABILITIES

SEC. 01. DISCIPLINE.

Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) is amended by adding at the end the following:

"(j) DISCIPLINE BY LOCAL AUTHORITY WITH RESPECT TO WEAPONS, DRUGS, AND TEACHER ASSAULTS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this title, school personnel may discipline (including expel or suspend) a child with a disability in the same manner in which school personnel discipline a child without a disability if the child with a disability—

"(A) causes 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 a local educational agency;

"(B) threatens to carry, possess, use or transfer a weapon, (including a threat to kill another person) to or at a school, on school premises, or to or at a school function under the jurisdiction of a State or a 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 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) INDIVIDUAL DETERMINATIONS.—In 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.

"(3) DEFENSE.—Nothing in paragraph (1) precludes a child with a disability who is disciplined under paragraph (1) from asserting a defense that the alleged act was unintentional or innocent.

"(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 of the child or his or her removal is 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, the inappropriate school personnel may apply to the child the same relevant disciplinary procedures that would apply to children without a disability.

"(D) MANIFESTATION DETERMINATION BY LOCAL AUTHORITY.—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) PLACEMENT DURING REVIEW.—If the parents or the local educational agency disagree with the manifestation determination, the agency or the parents may apply to the child the same alternative educational setting without a disability if the child with a disability—

"(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 setting.

"(G) DEFINITIONS.—In this subsection:

"(A) WEAPON.—The term ‘weapon’ means a weapon, device, instrument, material, or substance that is used for, or is readily capable of, causing death or serious bodily injury.

"(B) ILLEGAL DRUG, CONTROLLED SUBSTANCE.—The term ‘illegal drug’, ‘controlled substance’, ‘assault’, ‘unintentional’, and ‘innocent’ have the meanings given such terms under State law.

"(C) 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).

"(D) PLACEMENT DURING REVIEW.—During the course of any review proceedings under paragraph (f), the child shall receive a free appropriate public education in an alternative educational placement.

SA 606. 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; or

"(f) if the average per pupil expenditure in the State is more than 110 percent of the average per pupil expenditure in the United States, the amount shall be 110 percent of the average per pupil expenditure in the United States; or

"(g) if the average per pupil expenditure in the State is more than 110 percent of the average per pupil expenditure in the United States, the amount shall be 110 percent of the average per pupil expenditure in the United States; or

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:

SEC. 1. LOCAL EDUCATIONAL AGENCY SPENDING AUTHORITY.

(a) AUDITS.—The Office of the Inspector General of the Department of Education shall conduct not less than 6 audits of local educational agencies that receive funds under part A of title I of the Elementary and Secondary Education Act of 1965 in each fiscal year to more clearly determine specifically how the education and training funds are being spent by such agencies. Such audits shall be conducted in 6 local educational agencies that represent the size, ethnic, economic and geographic diversity of local educational agencies and shall examine the extent to which funds have been expended for academic instruction in the core curriculum, such as the payment of janitorial, utility and other maintenance services, the purchase and lease of vehicles, and the payment for travel and attendance costs at conferences.

(b) REPORT.—Not later than 3 months after the completion of the audits under subsection (a) in each year, the Office of the Inspector General of the Department of Education shall submit a report on each audit 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 "(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:

Beginning on page 141, strike line 18 and all that follows through line 15 on page 143, and insert the following:

"(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 141, line 23, strike "year" and all that follows through line 10 on page 150, and insert the following:

"(3) PUERTO RICO.—The amount 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."

Beginning on page 149, strike line 23 and all that follows through line 11 on page 159, and insert the following:

"(B) if, after reducing the allocations, the amounts that some local educational agencies would be eligible to receive would exceed 85 percent of the full amount while the amounts that other local educational agencies would be eligible to receive would be less than 85 percent, the Secretary shall reallocate the amounts exceeding 85 percent to the other local educational agencies ratable so that all such other local educational agencies would be eligible to receive as close as possible to 85 percent, but not more, of the full amount.

"(2) ADDITIONAL FUNDS.—If additional funds become available under paragraphs (1) and (2) of section 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under subparagraph (j) shall be increased on the same basis as such reductions were reduced.

"(c) HOLD-HARMLESS AMOUNTS.—

"(1) IN GENERAL.—If possible 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—"

SA 612. 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 5 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 1124 is not less than 30 percent of the total number of all local educational agencies resident in the Commonwealth of Puerto Rico under section 1124(c); and

"(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 less than 15 percent, but not more, of the full amount.

"(2) ADDITIONAL FUNDS.—If additional funds become available under paragraphs (1) and (2) of section 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (j) shall be increased on the same basis as such reductions were reduced.

"(c) HOLD-HARMLESS AMOUNTS.—

"(1) IN GENERAL.—If possible 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—"

SA 613. 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 1124 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) 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 and not more than 15 percent; and

"(C) 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 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 1124 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) 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 and not more than 15 percent; and

"(C) 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 less than 15 percent.

SA 615. 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 1124 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) 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, but not more, of the full amount.

"(2) ADDITIONAL FUNDS.—If additional funds become available under paragraphs (1) and (2) of section 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (j) shall be increased on the same basis as such reductions were reduced.

"(c) HOLD-HARMLESS AMOUNTS.—

"(1) IN GENERAL.—If possible 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—"

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 1124 is not less than 30 percent of the total number of all local educational agencies resident in the Commonwealth of Puerto Rico under section 1124(c);

"(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 not less than 15 percent and not more than 15 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 1124 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 15 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 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:
‘‘(A) 70 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 granting purposes for such fiscal year is not less than 20 percent of the total number of children aged 5 to 17 years, inclusive, served by the local educational agency;

‘‘(B) if, after reducing the allocations to such local educational agencies by the percentages prescribed in subparagraph (A) 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, between lines 15 and 16, insert the following:

‘‘(4) INAPPLICABILITY.—Notwithstanding any other provision of this part, this subsection shall not apply for any fiscal year for which the amount appropriated to carry out this part exceeds the amount appropriated to carry out this part 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:

‘‘(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 less than—''

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 141, strike lines 5 through 22 and insert the following:

‘‘(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all States may receive under subsection (a)(2), which amount the amount appropriated to carry out this part exceeds the amount appropriated to carry out this part for fiscal year 2001.

SA 622. Mr. DAYTON (for himself 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:

SEC. 405. SAFE SCHOOLS INITIATIVE.

(a) SHORT TITLE.—This section may be cited as the ‘‘Safe Schools Initiative Act of 2001’’.

(b) FINDINGS AND PURPOSE.—(1) FINDINGS.—Congress finds that—

(A) acts of school violence disrupt the lives of children, families and communities nationwide;

(B) schools are places students go to learn, not to fear for their safety;

(c) PROGRAM AUTHORIZED.—(1) DEFINITION.—In this subsection, the term ‘‘safe schools initiative’’ means the meaning given under section 3 of the Elementary and Secondary Education Act of 1965.

(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) allowable use of funds.—Amounts received under a grant under this section shall be used for innovative, local responses, consistent with the purposes of this section, which may include—

(i) training, including in-service training, for school 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

(ii) 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;

(iii) 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 existing school violence prevention and intervention programs to schools age children;

(7) providing assistance to families in need for the purpose of purchasing required school uniforms;

at the End of title IV add the following:

The Senate shall ratably reduce the allocations to such local educational agencies by the percentages prescribed in subparagraph (a) 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 IV add the following:

(1) IN GENERAL.—If the average per pupil expenditure in the State is less than 95 percent of the average per pupil expenditure in the United States, the amount shall be 105 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.
SEC. 4203. 24-HOUR HOLDING PERIOD FOR STUDENTS WHO UNLAWFULLY 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 for whom the following conditions exist:  

(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. 33. PEST MANAGEMENT IN SCHOOLS.  

(a) DEFINITIONS.—In this section:  

(1) IN GENERAL.—The term ‘pesticide’ means a pesticide that, as identified by the Administrator—  

(A) contains a known or probable carcinogen;  

(B) contains a category I or II acute nerve toxin; or  

(C) is of the organophosphate, organochlorine, or carbamate class of pesticides.  

(2) MANDATORY NOTIFICATION.—  

(A) School.—The term ‘school’ means a public—  

(i) elementary school (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801));  

(ii) a bait, paste, gel, or pesticide used for crack or crevice treatments; or  

(B) secondary school (as defined in section 14101 of that Act); or  

(C) kindergarten or nursery school.  

(b) MANDATORY NOTIFICATION.—  

(1) In general.—Not later than 72 hours prior to an application of a pesticide to the school grounds, including indoor and outdoor treatments, a school shall, in accordance with this subsection, notify the 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 each pesticide.  

(c) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a et seq.) is amended—  

(1) by redesignating sections 33 and 34 as sections 33 and 34, respectively; and  

(2) by inserting after section 32 (7 U.S.C. 136w-7) the following:  

“SEC. 33. PEST MANAGEMENT IN SCHOOLS.  

(a) DEFINITIONS.—In this section:  

(1) IN GENERAL.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—  

(B) such sums as may be necessary for fiscal year 2003 through 2008.  

(g) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this section, and every 2 years thereafter, the Attorney General shall prepare and submit to the appropriate committee of Congress a report containing in which States, if any, have exceeded the amount received under a grant under this section.

SEC. 27. 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:  

On page 794, after line 7, add the following:  

“SEC. 33. PEST MANAGEMENT IN SCHOOLS.  

(a) DEFINITIONS.—In this section:  

(1) IN GENERAL.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—  

(B) such sums as may be necessary for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2008.  

(g) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this section, and every 2 years thereafter, the Attorney General shall prepare and submit to the appropriate committee of Congress a report containing in which States, if any, have exceeded the amount received under a grant under this section.

SEC. 27. 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:  

On page 794, after line 7, add the following:  

“SEC. 33. PEST MANAGEMENT IN SCHOOLS.  

(a) DEFINITIONS.—In this section:  

(1) IN GENERAL.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—  

(B) such sums as may be necessary for each of fiscal years 2003 through 2008.  

(g) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this section, and every 2 years thereafter, the Attorney General shall prepare and submit to the appropriate committee of Congress a report containing in which States, if any, have exceeded the amount received under a grant under this section.

SEC. 27. 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:  

On page 794, after line 7, add the following:  

“SEC. 33. PEST MANAGEMENT IN SCHOOLS.  

(a) DEFINITIONS.—In this section:  

(1) IN GENERAL.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—  

(B) such sums as may be necessary for each of fiscal years 2003 through 2008.  

(g) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this section, and every 2 years thereafter, the Attorney General shall prepare and submit to the appropriate committee of Congress a report containing in which States, if any, have exceeded the amount received under a grant under this section.

SEC. 27. 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:  

On page 794, after line 7, add the following:  

“SEC. 33. PEST MANAGEMENT IN SCHOOLS.  

(a) DEFINITIONS.—In this section:  

(1) IN GENERAL.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—  

(B) such sums as may be necessary for each of fiscal years 2003 through 2008.  

(g) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this section, and every 2 years thereafter, the Attorney General shall prepare and submit to the appropriate committee of Congress a report containing in which States, if any, have exceeded the amount received under a grant under this section.

SEC. 27. 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:  

On page 794, after line 7, add the following:  

“SEC. 33. PEST MANAGEMENT IN SCHOOLS.  

(a) DEFINITIONS.—In this section:  

(1) IN GENERAL.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—  

(B) such sums as may be necessary for each of fiscal years 2003 through 2008.  

(g) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this section, and every 2 years thereafter, the Attorney General shall prepare and submit to the appropriate committee of Congress a report containing in which States, if any, have exceeded the amount received under a grant under this section.
(B) Notification Requirement.—Subject to subparagraph (D), a school shall notify each parent and guardian on the list at least 24 hours before the application of a pesticide on school grounds.

(C) Method of Notification.—A school may notify parents or guardians on the notification list of an upcoming pesticide application by—

(i) sending a notice home with students;

(ii) making a phone call to parents and guardians;

(iii) directly communicating with parents and guardians; or

(iv) using any other method the school considers appropriate.

(D) Notification Not Required.—A school shall not be required to provide notification of the application of a pesticide under this paragraph if the school—

(i) will not be in session for at least 48 hours following the application; or

(ii) determines that the urgent or immediate use of a pesticide is necessary to protect students, staff, or other persons.

(4) Contents of Notification.—A notification required under this subsection shall include—

(A) the common name, trade name, and Environmental Protection Agency registration number of the pesticide;

(B) a description of the location of the application of the pesticide; and

(C) a description of the approximate date and time of application, except that, in the case of outdoor pesticide applications, notice shall include 3 dates, in chronological order, that the outdoor pesticide applications may take place if the preceding date is canceled.

(D) a description of the pests to be controlled by the application of the pesticide and the potential health and safety threats posed by the pests;

(E) the name and telephone number of the contact person of the school district; and

(F) any telephone numbers (including toll-free telephone numbers) provided on the label of the pesticide to obtain information concerning the pesticide.

(5) INTEGRATED PEST MANAGEMENT IN SCHOOLS.

(1) In General.—Not later than 18 months after the date of enactment of this subsection, the lead agency or board designated by each State which, pursuant to regulation, shall develop a model integrated pest management program for schools in the State that is consistent with section 308 of the Food Quality Protection Act of 1996 (7 U.S.C. 1563e–1) and this subsection.

(2) Implementation.—Not later than 180 days after the development of the model integrated pest management program, each local educational agency in the State shall adopt and implement the program.

(3) APPLICATORS.—A local educational agency of a State shall use a certified applicator or other person authorized by the lead agency or board of the State to implement the model integrated pest management program.

(4) CONFORMING AMENDMENT.—The table of sections in content 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. section 1221) is amended by striking the items relating to sections 30 and 31 and inserting the following:

Sec. 30. Minimum requirements for training of maintenance applicators and service technicians.

Sec. 31. Environmental Protection Agency minor use program.

Sec. 32. Department of Agriculture minor use program.

(a) In General.

(b)(1) Minor use pesticide data.

"(2) Minor Use Pesticide Data Revolving Fund.

"(Sec. 33. Pest management in schools."

"(a) Definitions.

"(1) Bait.

"(2) Local educational agency.

"(3) Pesticide.

"(4) School.

"(b) Mandatory notification.—

(1) In general.

(2) Annual notification.

(3) Notification of individual applications.

(4) Contents of notification.

"(c) Integrated pest management in schools.

(1) In general.

(2) Implementation.

(3) Notification of individual applications.

(4) School.

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 "(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:

(c) 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 high need schools; including recruiting teachers through alternative routes to certification; and

(B) to encourage the development and expansion of alternatives 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) 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 paraprofessional will teach;

(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—

(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 or that has experienced greater than normal difficulty in recruiting or retaining teachers; and

(D) HIGH NEED SCHOOL DISTRICT.—The term 'high need school district' means a school district in which—

(i) a high need school; and

(ii) a high percentage of individuals from families with incomes below the poverty line; and

(iii) 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 is an eligibility of teachers who are not certified or licensed.

(E) HIGH NEED SCHOOL DISTRICT.—The term 'high need school district' means a school district in which—

(i) a high need school; and

(ii) a high percentage of individuals from families with incomes below the poverty line; and

(iii) 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 is an availability of teachers who are not certified or licensed.

(F) HIGH NEED SCHOOL DISTRICT.—The term 'high need school district' means a school district in which—

(i) a high need school; and

(ii) a high percentage of students from families with incomes below the poverty line; and

(iii) 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 is an availability of teachers who are not certified or licensed.
“(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) DURATION.—(1) 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.

“(2) CONTENTS.—The application shall—

“(i) describe how the agency or consortium will use funds received under this subsection to develop and/or implement programs that are designed 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 determine that teacher candidates seeking to participate in a program under this section are eligible participants;

“(iii) explain how the program will meet the requirements of subparagraph (A); and

“(iv) explain how the agency or consortium will ensure that no paraprofessional will be hired through the program as a teacher while the paraprofessional has obtained a bachelor’s degree and meets the requirements of subparagraph (A).

“(V) In determining the extent to which any paraprofessional may be hired as a teacher and the conditions upon which the paraprofessional may be hired, the Secretary shall take into account any relevant State laws (including regulations related to teacher certification and licensing).

“(VI) The application shall—

“(i) describe how the agency or consortium will coordinate the activities carried out with the funds with activities carried out with other Federal, State, and local funds, the activities carried out with funds made available under this section, and the activities carried out with funds made available under other programs and that are linked to participation in activities that have proven effective in retaining teachers in high need school districts.

“(VII) The application shall—

“(i) describe how the grant will increase the number of highly qualified teachers in high need school districts that are urban or rural school districts;

“(ii) explain how the agency or consortium described in paragraph (3) will meet the requirements of subparagraph (A); and

“(iii) explain how the program will meet the requirements of subparagraph (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 a consortium of such agencies, representatives of local educational agencies, including teachers, principals, superintendents, and school board members (including representatives of their professional organizations if appropriate);

“(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 or a consortium of such agencies, representatives of a State educational agency or a consortium of such agencies, representatives of the school and secondary school teachers, including representatives of their professional organizations;

“(iv) institutions of higher education;

“(v) school districts; and

“(vi) the relevant State laws (including regulations related to teacher certification and licensing).

“(D) 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—

“(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 technical school teachers (which shall not be subject to the matching requirement specified in 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.

“(E) EFFECTIVE ACTIVITIES.—The agency or consortium shall use funds only for activities that have proven effective both recruiting and retaining teachers.

“(F) DURATION OF GRANTS.—The Secretary may make grants under this subsection for periods of not more than 5 years. At the end of the 5-year period, the grantee shall use the funds made available through the grant for—

“(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 technical school teachers; or

“(vii) the establishment of reciprocal agreements between or among States for the certification or licensure of teachers; and

“(viii) the implementation of other activities designed to ensure the use of long-term teacher recruitment and retention strategies.

“(G) DEVELOPMENT OF LONG-TERM RECRUITMENT AND RETENTION STRATEGIES.—In addition to the activities authorized under subparagraph (B), an agency or consortium that receives a grant under this subsection may use grant funds made available through the grant for—

“(i) the establishment, operation, or expansion and improvement, of a statewide or regionwide clearinghouse for the recruitment and placement of preschoo

“(II) the establishment of administrative structures necessary for the development and implementation of programs to provide alternative routes to certification;

“(C) PARTNERSHIPS ESTABLISHED BY LOCAL EDUCATIONAL AGENCIES.—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—

“(i) 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—

“(V) In determining the extent to which any paraprofessional may be hired as a teacher while the paraprofessional has obtained a bachelor’s degree and meets the requirements of subparagraph (A), the Secretary shall—

“(VI) The application shall—

“(i) describe how the agency or consortium will coordinate the activities carried out with the funds with activities carried out with other Federal, State, and local funds, the activities carried out with funds made available under this section, and the activities carried out with funds made available under other programs and that are linked to participation in activities that have proven effective in retaining teachers in high need school districts.

“(VII) The application shall—

“(i) describe how the grant will increase the number of highly qualified teachers in high need school districts that are urban or rural school districts;

“(ii) explain how the agency or consortium described in paragraph (3) will meet the requirements of subparagraph (A); and

“(iii) explain how the program will meet the requirements of subparagraph (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 a consortium of such agencies, representatives of local educational agencies, including teachers, principals, superintendents, and school board members (including representatives of their professional organizations if appropriate);

“(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 or a consortium of such agencies, representatives of the school and secondary school teachers, including representatives of their professional organizations;

“(iv) institutions of higher education;

“(v) school districts; and

“(vi) the relevant State laws (including regulations related to teacher certification and licensing).

“(D) 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—

“(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 technical school teachers; or

“(vii) the establishment of reciprocal agreements between or among States for the certification or licensure of teachers; and

“(viii) the implementation of other activities designed to ensure the use of long-term teacher recruitment and retention strategies.

“(E) EFFECTIVE ACTIVITIES.—The agency or consortium shall use funds only for activities that have proven effective both recruiting and retaining teachers.

“(F) DURATION OF GRANTS.—The Secretary may make grants under this subsection for periods of not more than 5 years. At the end of the 5-year period, the grantee shall use the funds made available through the grant for—

“(i) the establishment, operation, or expansion and improvement, of a statewide or regionwide clearinghouse for the recruitment and placement of preschool, elementary school, secondary school, and vocational technical school teachers; or

“(vii) the establishment of reciprocal agreements between or among States for the certification or licensure of teachers; and

“(viii) the implementation of other activities designed to ensure the use of long-term teacher recruitment and retention strategies.

“(G) DEVELOPMENT OF LONG-TERM RECRUITMENT AND RETENTION STRATEGIES.—In addition to the activities authorized under subparagraph (B), an agency or consortium that receives a grant under this subsection may use grant funds made available through the grant for—

“(i) the establishment, operation, or expansion and improvement, of a statewide or regionwide clearinghouse for the recruitment and placement of preschool, elementary school, secondary school, and vocational technical school teachers; or

“(vii) the establishment of reciprocal agreements between or among States for the certification or licensure of teachers; and

“(viii) the implementation of other activities designed to ensure the use of long-term teacher recruitment and retention strategies.

“(H) 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—

“(i) the establishment, operation, or expansion and improvement, of a statewide or regionwide clearinghouse for the recruitment and placement of preschool, elementary school, secondary school, and vocational technical school teachers; or

“(vii) the establishment of reciprocal agreements between or among States for the certification or licensure of teachers; and

“(viii) the implementation of other activities designed to ensure the use of long-term teacher recruitment and retention strategies.
grant for the administration of the Teacher Corps program 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 Teacher Corps program funded under the grant at the end of the third year of the grant period; and
(ii) a final evaluation of the program at the end of the fifth year of the grant period.

(b) FUNDING.—To the extent that the Secretary is conducting the evaluation, the agency or consortium shall describe the extent to which local educational agencies that received funds through the grant have developed and implemented strategies relating to teacher recruitment and retention described in the application.

(c) 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) REVOCATION.—If the Secretary determines that the recipient of a grant under this subsection has not made substantial progress in meeting the goals and objectives of the third year of the grant period, the Secretary—
(i) shall revoke the payment made for the fourth year of the grant period; and
(ii) may reduce the payment for the fifth year of the grant period.

(12) AUTHORIZATION OF APPROPRIATIONS.—
There is authorized to be appropriated to carry out the purposes of 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. 1705. MODIFICATION OF TROOPS-TO-TEACHERS PROGRAM.

(a) PURPOSES.—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 (20 U.S.C. 9303) amended—
(1) by striking subsection (a) and inserting the following:
(A) in subsection (a),
(1) by striking "after their discharge or re-lease, or retirement," and insert "who re-tire";
and
(2) by striking "and" at the end;
(B) by redesignating paragraph (2) as paragraph (3); and
(C) by inserting after paragraph (1), the follow-
ing:
(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
(2) by adding at the end the following:
(1) FUNDING.—The administering Secretary shall provide appropriate funds to the Secretary of Defense to enable the Secretary of Defense to manage and operate the Troops-to-Teachers Program.

(d) 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:
(1) 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-

(E) by redesigning paragraph (1) as paragraph (4); and
(F) by redesigning paragraph (2) as paragraph (3); and
(G) by redesigning paragraph (3) as paragraph (2); and

SEC. 1706. SUPPORT OF INNOVATIVE, PRE-RE-IMBREMENT TEACHER CERTIFI-
CATION PROGRAMS.

(a) IN GENERAL.—The administering Secretary may enter into a memorandum of agreement with institutions of higher education to develop, implement, and demonstrate teacher certification programs for re-retirement prior to the end of the fourth year of the grant period, the Secretary—
(i) shall revoke the payment made for the fourth year of the grant period; and
(ii) may reduce the payment for the fifth year of the grant period.

(12) AUTHORIZATION OF APPROPRIATIONS.—

SEC. 1707. NATIONAL DIGITAL SCHOOL DIS-
TRICTS.

"(a) PURPOSES.—The purposes of this section are—

SEC. 1708. NATIONAL DIGITAL SCHOOL DIS-
TRICTS.

"(a) PURPOSES.—The purposes of this section are—

SEC. 1709. NATIONAL DIGITAL SCHOOL DIS-
TRICTS.

"(a) PURPOSES.—The purposes of this section are—
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 devoting resources and providing methods to incorporate the use of high technology and the Internet in educational curricula; 

(3) to encourage the development of innovative teaching, learning, and managing elementary schools and secondary schools; 

(4) to evaluate and assess the various strategies described in paragraph (3) and provide models for the innovative use of technology in teaching, learning, and managing elementary schools and secondary schools; 

(5) on the availability of funds under this section, to make grants to the State educational agencies in the State of the availability of funds under this section to create national digital school districts.

(6) PRIME TIME FAMILY READING TIME.—A State that receives a grant under this section may expend funds provided under the grant for a humanities-based family literacy program which bonds families around the acts of reading and using public libraries.

SA 632. Mr. LEVIN (for himself and 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. 1. INCREASE IN NUMBER OF MONTHS OF VOCATIONAL EDUCATIONAL TRAINING UNDER THE TANF PROGRAM. 

Section 407(d)(6) of the Social Security Act (42 U.S.C. 671(d)(6)) is amended by striking "12" and inserting "24".

SA 633. Mr. LEVIN 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 832, line 21, insert before the semi-colon, the following: "together with knowledge in the use of computer related technology to enhance student learning".

SA 634. 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: 

On page 782, insert the following new subsections after line 17: 

(1) remedial and enrichment programs to assist Alaska Native students in succeeding in standardized tests; 

(2) education and training of Alaska Native students enrolled in a degree program that leads to teaching Alaska Native teachers; 

(3) parental education for parents and caregivers of Alaska Native children to improve parenting skills (including skills relating to discipline and cognitive development), including parenting education provided through in-home visitation of new mothers; 

(4) cultural education programs operated by the Alaska Native Heritage Center and designed to share the Alaska Native culture with schoolchildren; 

(5) activities carried through every Start programs carried out under part B of title I Head Start programs carried out under the Head Start Act, including the training of teachers for programs described in this subsection; 

(6) other early learning and preschool programs; 

(7) dropout prevention programs such as Partners for Success; 

(8) Alaska Initiative for Community Engagement program.

SA 636. 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: 

On page 383, after line 21, add the following: 

SEC. 202. 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. 1. 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. As we seek to help the young carry to develop a sense of responsibility for their fellow citizens, communities and country, our educational system must assist them in the development of strong moral character and values. 

(2) Civic education about our Federal Government is an integral component in the development of young demanding the active and productive citizens who contribute to strengthening and promoting our democratic form of government. 

"There are enormous pressures on teachers to develop creative ways to stimulate the development of strong moral character and appropriate value systems among young people, and to teach young people about their responsibilities and rights as citizens."

"(A) a cultural exchange program operated by the Alaska Humanities Forum and designed to share Alaska Native culture with urban students in a rural setting, which shall be known as the Rose Cultural Exchange Program; 

"(B) partnerships between educational institutions and the private sector relating to the use of technology described in paragraph (3) in schools in the United States."
"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 disabled, low-income, 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 a 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 work with such students so that the students and teachers may participate in the programs supported by the Close Up Foundation.

"8) In support of the Close Up Foundation's 'Great American Cities' program that focuses on character and leadership development among economically disadvantaged young people who reside in our Nation's large metropolitan areas.

"Subpart 1—Program for Middle and Secondary School Students

"SEC. . . . 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 know as the Close Up Fellowships.

"SEC. . . . 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 each 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 calendar year;

"(3) the proper disbursement of the funds received under this subpart.

"Subpart 3—Program for New Americans

"SEC. . . . 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 secondary school students who are recent immigrants.

"(b) DEFINITION.—For purposes of this subpart, the term 'recent immigrant student' means a student a family that immigrated to the United States within five years of the student's birth who is a citizen or national of the United States.

"(c) USE OF FUNDS.—Grants under this subpart shall be used only to provide financial assistance to economically disadvantaged recent immigrant students who participate in the program described in subsection (a). Financial assistance received pursuant to this subpart by such students shall be know as the Close Up Fellowships.

"SEC. . . . 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 the awarding of grants 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. . . . 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, and 3 in attaining the objectives that include bringing 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.

"S4765
Title —Educational Choices for Disadvantaged Children.

Chapter 1. Purpose.

The purpose 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 elementary 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 their children; and

(C) more fully engage parents in the District of Columbia in their children's schooling; and

(2) 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 the choice among public, private, and religious schools for their children; and

(3) to assist the District of Columbia Board of Education in its exercise of 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 the costs of administering this title.


(1) In General.—There is authorized to be appropriated to carry out this title, other than section 09, $24,000,000 for each of fiscal years 2002 through 2005.

(2) Evaluation.—There is authorized to be appropriated to carry out section 09, $1,000,000 for each of fiscal years 2002 through 2005.

Chapter 3. Program Authority.

(1) 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.

(2) Limit on Federal Administrative Expenditures.—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, other school scholarship programs in the District of Columbia, to pay the costs of administering this title.

Chapter 4. Eligible Schools.

(1) In General.—Schools identified under paragraph (2) shall be considered to be eligible schools under this title. The identification under paragraph (2) shall be carried out by 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 the costs of administering 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, to the extent the provider is capable of providing such services and has an appropriate refund policy; and

(3) finally, for educational programs that bring the eligible child to a public or private elementary and secondary school that provides students with a high level of academic excellence in the school attended by the eligible child, if the eligible child chooses to attend a public school.

SEC. 07. EFFECT OF PROGRAMS.

The District of Columbia shall allow fully operating public and private elementary schools and secondary schools, including religious schools, if an eligible child is enrolled in any area involved to participate in the program.

SEC. 08. EFFECT OF PROGRAMS.

(a) Title I.—Notwithstanding any other provision of law, if the District of Columbia 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 and seq.), the District of Columbia shall ensure the provision of such services to such child.

(b) Individuals With Disabilities.—Nothing in this title shall be construed to affect the provisions of title III 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 at a school or for supplementary academic services shall not constitute Federal financial aid or assistance to that school or the provider of supplementary academic services.

(2) Supplementary Academic Services.—

(A) In General.—Scholarships awarded under paragraph (1), a school or provider of supplementary academic services that receives scholarship funds under this title shall be considered to aid families, not institutions, and the nature, variety, and missions of any eligible school, and the District of Columbia shall provide a scholarship in the District of Columbia Board of Education or other entity that exercises administrative jurisdiction over the District of Columbia public schools, and other school scholarship programs in the District of Columbia, to pay the costs of administering this title.

(3) Federal assistance under Federal law, a parent's expenditure of scholarship funds under this title at a school or for supplementary academic services shall not constitute Federal financial aid or assistance to that school or the provider of supplementary academic services.

(4) Regulations.—The Secretary of Education shall promulgate regulations to implement the provisions of paragraph (1), taking into account the purposes of this title, the nature, variety, and missions of schools and providers that may participate in providing services to children under this title.

(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 under the laws of any child under this title in determining whether to provide any other funds from Federal, State, or local resources, in determining the effect of such funds on 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, programs 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 a minimum of:

(1) the assessment of educational choice programs assisted under this
title and their effect on participants, schools, and communities in the school dis-
tricts served, including parental involve-
ment in, and satisfaction with, the program and the achievement of the students;
(2) compare the educational achievement of participating eligible children with the edu-
cational achievement of similar non-partici-
pants, prior to, during, and after the pro-
gram; and
(3) compare—
(A) the educational achievement of eligible children attending schools in qualita-
tive schools other than the schools the children
would attend in the absence of the program;
with
(B) the educational achievement of chil-
dren who attend the schools the children
would attend in the absence of the program.

SEC. 10. ENFORCEMENT.
(a) Regulations.—The Secretary of Edu-
cation shall promulgate regulations to en-
force the provisions of this title.
(b) Provision or requirement of this title shall be enforced
through a private cause of action.

SEC. 11. WASTEFUL SPENDING AND FUNDING.
(a) The Committee on Fi-
nance and the Committee on Appropriations of the Senate and the Committee on Appropri-
tions of the House of Representatives shall identify wasteful spending by the Federal Government as a means of providing funding for this title.

(b) Report.—Not later than 60 days after the date of enactment of this title, the com-
mittees referred to in subsection (a) shall jointly prepare and submit to the Majority
and Minority Leaders of the Senate, the Speaker and Minority Leader of the House of Rep-
resentatives, and a report concerning the spending identified under such subsection.

(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
members appointed by the President to the Board with the consent of the Senate.
(1) The President shall appoint not later than 30 days after receipt of nominations
from the Speaker of the House of Representatives, the Majority Leader of the House, the Major-
ity Leader of the Senate, and the Minority Leader of the Senate in accordance with this
paragraph.
(B) House nominations.—The Speaker shall submit their nominations to the
President not later than 30 days following the appointment of the President to the Board
with consent of the Senate, the Majority Leader of the Senate, and the Minority Leader of the Senate.
(2) Power.—Not later than 60 days after the date of enactment of this Act,
the Speaker and Chief Whips of the House of Representatives and the Majority
and Minority Leaders of the Senate shall each appoint 1 member of the Board of Directors from a
candidate pool nominated by the Speaker of the House of Representatives.
The appointment shall be subject to approval by the President.
(3) Senate nominations.—The President shall appoint at least 2 members of the Board
from a list of not fewer than 2 individuals nominated by the Minority Leader of the Senate,
and 1 member of the Board from a list of not fewer than 3 individuals nominated by the Minority
Leader of the House of Representatives.
(C) Senate nominations.—The President 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,
and 1 member of the Board from a list of not fewer than 3 individuals nominated by the Majority
Leader of the Senate.
(D) Deadline.—The Speaker and Minority Leader of the House of Representatives
shall submit their nominations to the President not later than 30 days after the date of enactment of this
Act.
(E) Appointment.—The Mayor of the District of Columbia shall appoint 1 member of the Board not later than 60 days after the date of enactment of this Act.
(F) Powers of members.—(1) If the President does not appoint the 6 members of the
Board in the 30-day period described in subparagraph (A), then the Speaker of the
House of Representatives shall appoint the Majority Leader of the Senate to appoint 2
members of the Board, and the Minority Leader of the House of Representatives shall
appoint 1 member of the Board, from among the individuals nominated pursuant to sub-
paragraphs (A) and (B), as the case may be.
(2) The appointees, under the preceding sen-
tence, together with the appointee of the Mayor of the District of Columbia, shall serve as an interim Board, with all the pow-
ers and other duties of the Board described in this section, until the President makes
the appointments as described in this subsection.
(2) Powers.—All powers of the Corporation shall vest in and be exercised under the au-
thority of the Board.
(3) Elections.—Members of the Board of Directors shall be elected in the same manner as the Board of Directors.
(4) 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.
(5) Nonemployee.—No member of the Board shall be an employee of the United
States Government or the District of Colum-
bia government when appointed to or during
their term on the Board, unless the individual is
appointed to fill a vacancy occurring prior to the expiration of the term for which the
predecessor was appointed.
(6) Term.—The term of office of each member shall be 3 years, except that
any member appointed to fill a vacancy oc-
curring prior to the expiration of the term
for which the predecessor was appointed
shall be appointed for the residual of such term.
(7) Benefits.—No part of the income or assets of the Corporation shall inure to the
benefit of any Director, officer, employee or the Corporation, except as salary or rea-
sonable compensation for services.
(8) Government.—The Corporation may not contribute to or otherwise support
any political party or candidate for elective public office.
(9) Officers and Employees.—The mem-
bers of the Board shall not be, by reason of such membership, be considered to be officers or
employees of the United States Government or the District of Columbia government.
(11) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(12) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(13) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(14) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(15) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(16) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(17) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(18) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(19) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(20) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(21) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
shall not receive a stipend from the Corporation.
(22) Stipends.—The members of the Board,
while attending meetings of the Board or
while engaged in duties related to such meet-
ings, or other activities of the Corporation,
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) the number and name of each school identified for school improvement under section 1116(c), the reason why each school was so identified, and the measures taken to address the performance problems of such schools; and

(D) in any year before the States begin to provide the information described in paragraph (B) to the Secretary, information on the results of student assessments (including disaggregated results) required under this section.

SA 639. 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 provisions of this Act, 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 fiscal year 1999 for which the determination is made.

Beginning on page 141, line 23, strike "year is" and insert "year shall bear the same relation to the amount appropriated under section 1002(a) for the fiscal year as the national average of the number of children counted under section 1124(c) for all local educational agencies bears to the number of children counted under section 1124(c) for all local educational agencies in 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 15 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 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 155, line 5 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 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 155, line 5 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 155, line 5 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 155, line 5 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 155, line 5 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.".
“(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 808, strike line 15 and 16.

On page 809, strike lines 1 through 18.

SA 643. Mr. ENZI (for himself and Ms. COLLINS, MRS. MURRAY, and Mr. BINGA- MIN) 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 99, between line 22 and 23, Title I, Sec. 1116(8)(b), is amended by inserting:

(1) Natural local educational agencies, as described in Sec. 523(b) may apply to the Secretary for a waiver of the requirements under this sub-subparagraph provided to the Secretary an alternative plan for making significant changes to improve student performance in the school, such as providing extended learning time, academically-focused after school programs 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 submitted under this rule within 30 days of the submission of information required by the Secretary for the waiver. If the Secretary fails to make a determination with respect to the waiver application within 30 days, the application shall be treated as having been accepted by the Secretary.

SA 644. Mr. ENZI 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:

TITLE —PUBLIC SCHOOL CONSTRUCTION

Subtitle A—General Provisions

SEC. 1. PUBLIC SCHOOL CONSTRUCTION FINANCING OPTIONS.

(a) In General.—For the purpose of providing funding for qualified public school facility construction projects, a State may choose 1 of the Federal funding mechanisms described in Sec. C, or D.

(b) QUALIFIED PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECT.—For purposes of this title—

In General.—The term ‘‘qualified public school facility construction project’’ means a construction project selected by the State with respect to a public school facility.

A 50 percent of the enrollment population of which is from families whose income does not exceed the poverty level, as determined by annual census data published by the Department of Labor.

Located in a district in which the district bonded indebtedness or the bonded indebtedness authorized by the district electorate and payable from general property tax levies of the districts within the agency’s jurisdiction has reached or exceeded 90 percent of the debt limitation imposed upon school districts pursuant to State law,

C with respect to which the local educational agency has made its best effort to maintain the existing facility, and

D among all public school facilities in the State meeting the criteria under subparagraphs (A) through (C) for no less than 10 percent of such facilities most in need.

(2) LOCAL EDUCATIONAL AGENCY.—The term ‘‘local educational agency’’ has the meaning given to such term in section 4101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(3) PUBLIC SCHOOL FACILITY.—The term ‘‘public school facility’’ means any public elementary or secondary school facility, but 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 general 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.

(4) PUBLIC SCHOOLS.—The terms ‘‘elementary school’’ and ‘‘secondary school’’ have the meanings given such terms by section 4101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(5) 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, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

Subtitle B—Liberalization of Tax-Exempt Financing Rules for Qualified Public School Facility Construction Projects

SEC. 2. LIBERALIZATION OF TAX-EXEMPT FINANCING RULES IN ARBITRAGE REPURCHASE EXCEPTION FOR GOVERNMENT BONDS USED TO FINANCE QUALIFIED PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECTS.

(a) IN GENERAL.—Subsection (f)(4)(D)(vii) of the Internal Revenue Code of 1986 (relating to increase in exception for bonds financing public school capital expenditures) is amended by striking ‘‘$5,000,000’’ the second place it appears and inserting ‘‘$5,000,000 plus $50,000,000 times the number of qualified public school facility construction projects (as defined in section (b)(1) of the Better Education for Students and Teachers Act)’’.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued in calendar years beginning after December 31, 2001.

SEC. 3. TREATMENT OF QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS AS EXEMPT FACILITY BONDS.

(a) TREATMENT OF QUALIFIED FACILITY BOND.—Subsection (a) of section 142 of the Internal Revenue Code of 1986 (relating to exempt facility bond) is amended by striking ‘‘(1)’’ at the end of section (11), by striking the period at the end of paragraph (12) and inserting ‘‘, or’’, and by adding at the end the following new paragraph:

‘‘(13) qualified public educational facility bonds;’’.

(b) QUALIFIED PUBLIC EDUCATIONAL FACILITIES.—Subsection (b) of the Code (relating to exempt facility bond) is amended by adding at the end the following new subsection:

‘‘(k) QUALIFIED PUBLIC EDUCATIONAL FACILITIES.—

‘‘(1) In General.—For purposes of this subsection, the term ‘qualified public educational facility’ means any public school facility administered by the State or local educational agency for no additional consideration, and

‘‘(B) the term ‘which the carryforward may be elected at the end the following new paragraph:

‘‘(5) 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 (13) (relating to qualified public educational facilities).

(e) CONFORMING AMENDMENT.—The heading for section (147h) of such Code is amended by striking ‘‘MORTGAGE REVENUE BONDS, QUALIFIED PRIVATE EDUCATIONAL FACILITIES BONDS, AND QUALIFIED 501(c)(3) BONDS’’ and inserting ‘‘BONDS’’.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 2001.

Subtitle C—Revolution Loan Program for Bond Interest Repayment

SEC. 1. DEFINITIONS.

In this section—

(1) BOND.—The term ‘‘bond’’ includes any obligation.
(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 “port 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 construction, rehabilitation, or repair of a public school facility (within the meaning of section (b)(1) of the Better Education for Students and Teachers Act) or for the construction of 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. STABILIZATION FUND.—The term “stabilization fund” means the stabilization fund established under section 5302 of title 31, United States Code.

SEC. 5. 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), a local educational agency in a State may make a loan to a State under section (b), 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 to enable the entities to make annual interest payments on obligations incurred for the public school construction facilities 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 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)(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)(i), the State, in consultation with the State educational agency, may use the funds described in such subparagraph (A) to support such programs described in subparagraph (A)(ii).

(2) REQUESTS.—The Governor of each State described in paragraph (1) shall submit a request to the Secretary of the Treasury at such time and in such manner as the Secretary of the Treasury may require.

(b) LOANS.—(1) IN GENERAL.—Subject to paragraph (2), a State that uses funds made available under subsection (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 5 percent. A State that 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 fund (which shall be the final year for which the State shall be eligible for such a distribution under this subtitle). The amount of such loan or support shall be fully repaid during the 30th year following the end of the period beginning on October 1, 2001, and ending September 30, 2013. The amount received by all States under such part shall be—

(A) 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 30 percent of such average per-pupil expenditure; and

(B) 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.

(c) FEDERAL RESPONSIBILITIES.—The Secretary of the Treasury and the Secretary of Education—

(1) jointly shall be responsible for ensuring that funds provided under this subtitle are properly distributed;

(2) shall ensure that funds provided under this subtitle are used only to pay for—

(A) the interest on qualified school construction bonds or notes issued as part of an issue if—

(i) the average per-pupil expenditure for each child with a disability in the State is below the amount received by all States under such part; or

(ii) the average per-pupil expenditure for each child with a disability in the State is below the amount received by all States under such part for the fiscal year for which the amounts will be used; and

(B) a cost described in subsection (a)(1)(A)(i) or (ii); and

(3) shall not have authority to approve or disapprove school construction plans assisted pursuant to this subtitle, except to ensure that funds made available under this subtitle are used only to supplement, and not to supplant, energy savings, construction, rehabilitation, and repair, and acquisition of land for school facilities, in the State that would have occurred in the absence of such funds.

SEC. 6. GRANT PROGRAM.

(a) AUTHORITY TO AWARD GRANTS TO CONSTRUCT 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, including erection, building, acquisition, alteration, remodeling, improvement, or acquisition of, or related to, school facilities (within the meaning of section (b) of this Act).

(2) APPLICATION REQUIREMENTS.—The Secretary shall make the following prerequisite determinations when considering approval of an application for a grant under this section:

(A) That the proposed facilities plan is the most economical and cost-effective to meet the requirements of this section, including, but not limited to, construction costs, operation, maintenance, and replacement costs.

(B) That the proposed facilities plan will take into account and allow to the extent practicable, future accommodations for any necessary alteration, improvement, or expansion of such facilities to meet the established educational standards, including the nature, extent, timing, and costs of future expansion and the manner in which the local educational agency intends to finance such future construction.

(b) STATE ELIGIBILITY.—(1) IN GENERAL.—A State shall be deemed an eligible State in which local educational agencies may receive grants under this section if the State meets its obligation toward school construction financing. The Secretary may, in its discretion, exempt any State from the requirements of this section.

(2) RULE OF CONSTRUCTION.—In the case of a State with a school financing law separate from the State’s education facilities capital construction plan, nothing in paragraph (2) shall be construed as affecting the application of such financing law or the eligibility of such a State to receive a grant under this section.

(c) APPLICATION REQUIREMENTS.—Not later than December 1 of the school year for which the application is requested, a local educational agency shall submit to the Secretary an application for a facilities grant, which has been approved by the local educational agency and only upon meeting the following criteria:

(1) The school—
(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 temporary trailers, or other public or community property); or
(B) facilities fail to meet functional (including environmental and code) requirements for pupil safety and health; or consistent with the Secretary's regulations.

(b) LIMITATION.—No funds may be expended under this title until the Federal obligation is met for the construction of federally impacted schools and Indian schools.

SA 645. 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 234(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6861(b)(2)(A)) is amended—

(1) in clause (i), by striking “and” at the end;
(2) in clause (ii)(Y), 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;”.

SA 646. 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:

On page 679, after line 25, add the following:

“(g) support for arrangements that provide for independent analysis to measure and report on school district achievement.”.

SA 647. Mr. HATCH proposed an amendment to the bill H.R. 428, concerning the participation of Taiwan in the World Health Organization (WHO). 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 following findings:

(1) Good health is important to every citizen and is a basic human right. To the highest standards of health information and services is necessary to improve the public health.

(2) Direct and unsubtracted participation in international health cooperation forums and programs 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 necessary access to the WHO.

(b) PROHIBITION.—(1) Taiwan’s participation in the WHO can bring to the United States, particularly regionally and globally, Taiwan and its 23,500,000 people should have appropriate and meaningful participation in the WHO.

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:

At the end of title II, add the following:

“(ii) 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;”.

At the end of title II, add 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;”.

SA 647. Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, May 16, 2001, at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

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 Paul W. 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.
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, 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 Associate 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.

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, 2001 at 10:00 a.m. for an oversight hearing on Federal election practices and procedures.

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., in Dirksen 226.

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 2:00 p.m. to hold a closed hearing on intelligence matters.

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 9:30 a.m., to evaluate the listing and de-listing processes of the Endangered Species Act.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Subcommittee on Fisheries, Wildlife, and Drinking Water be authorized to meet on Wednesday, May 9, 2001, at 9:30 a.m., to evaluate the listing and de-listing processes of the Endangered Species Act.

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.

Mr. JEFFORDS. 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.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate then resume consideration of the conference report to accompany the budget resolution as under the previous order.

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

Mr. JEFFORDS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourns until the hour of 9:30 a.m. on Thursday, May 10. I further ask consent that on Thursday, immediately after the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that the Senate then resume consideration of the conference report to accompany the budget resolution as under the previous order.

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

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the nominations of Francis S. Blake to be the Deputy Secretary of the Department of Energy, Robert Gordon Card to be the Associate 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.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that a majority of the Senate be constituted 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 Associate 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.
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 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 R. WINTER, JR., RETIRED.

THOMAS BOYLE, OF NORTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT. VICE J. JACKSON PHILLIPS, JR., RETIRED.

DENNIS W. MIEDO, OF SOUTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT. VICE CLYDE H. HAMILTON, JR., RETIRED.

EDITH BROWN CLEMENT, OF LOUISIANA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT. VICE JOHN M. DUBE, JR., RETIRED.

FRANCES B. BREMNER O'BRIEN, OF TEXAS, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT. VICE WILLIAM L. GARWOOD, JR., RETIRED.

DEBORAH L. COOK, OF OHIO, TO BE UNITED STATES CIRCUIT JUDGE FOR THE Sixth CIRCUIT. VICE ALAN E. NORRIS, 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 SOUTHWEST CIRCUIT. VICE STEPHEN R. ANDERSON, RETIRED.

MIGUEL A. ESTREDA, OF VIRGINIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT. VICE PATRICIA M. WALD, RETIRED.

ROGER L. GREGORY, OF VIRGINIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT. VICE WILLIAM L. GARWOOD, RETIRED.

In the Marine Corps

The following named officers for appointment to the grades indicated in the United States Marine Corps Reserve under Title 10, U.S.C., Section 12201:

To be colonel

RONALD R. ANDERSON, 0000
DOUGLAS L. APPLIN, 0000
JAMES A. ATWOOD, JR., 0000
NICHOLAS J. AUGUSTINE, 0000
JOHN R. BALLARD, 0000
WILLIAM J. BALLANCE, 0000
WILLIAM F. BOOTH, 0000
TERRIENNE P. BERNARD, 0000
JAMES E. BROTHERWELL, 0000
WILLIAM A. CAREY, 0000
DARRELL A. DORSEY, 0000
MARIO ENRIQUEZ, 0000
RICHARD A. FENNELL, 0000
MICHAEL P. FLYNN, 0000
GEORGE W. HALLMARK, 0000
ROBERT D. HERMELS, 0000
RICHARD D. HINE, 0000
MICHAEL C. HOWARD, 0000
JAMES A. JOHNSON, 0000
RAYMOND S. KEITH, 0000
MICHAEL L. KELLEY, 0000
KENNETH J. LEE, 0000
STEPHEN A. MALONEY, 0000
PAUL H. MAURER, 0000
MARY F. MCGAFFEY, 0000
JOHN J. MCGUIRE, JR., 0000
CHRISTOPHER W. MURPHY, 0000
TIMOTHY P. MURPHY, 0000
MICHAEL R. FANNELL, 0000
CHARLES J. FORTUNE III, 0000
GREGORY J. FLUSH, 0000
RENEE L. BENDIX, 0000
MARC T. RICHARDSON, 0000
PATTY D. SAINT, 0000
GEORGE J. L. SANCHEZ, 0000
MICHAEL J. SHAMP, 0000
RANDELL W. SNOOP, 0000
WILLIAM S. SNOOP, 0000
HOBART N. SMITH, JR., 0000
MICHAEL T. SPECHER, 0000
WILLIAM M. TRENCH, 0000
DANIEL L. TRAVERS, 0000
JOHN T. WATSON, 0000
MICHAEL M. WALKER, 0000
DAVID J. WASSNICK, 0000
COURTNEY WHITNEY III, 0000
JOHN B. WILLIAMS, 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate May 9, 2001:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE


DEPARTMENT OF LABOR

PAT PIZZELLA, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR.

DAVID D. LAURIE, OF UTAH, TO BE AN ASSISTANT SECRETARY OF LABOR FOR MINE SAFETY AND HEALTH.

ANN L. COMBS, OF MICHIGAN, TO BE AN ASSISTANT SECRETARY OF LABOR.

SHIH CHUEN, OF ILLINOIS, TO BE DIRECTOR OF THE WOMEN’S BUREAU, DEPARTMENT OF LABOR.