

SENATE—Tuesday, February 6, 1990

(Legislative day of Tuesday, January 23, 1990)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable DAVID PRYOR, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Bless the Lord, O my soul: and all that is within me, bless his holy name. Bless the Lord, O my soul, and forget not all his benefits: Who forgiveth all thine iniquities; who healeth all thy diseases. * * *—Psalm 103:1-3.

Gracious Father in Heaven, we pray for every member of our family who is ill or experiencing some difficulty at this time. For those ill, we pray Your healing and restoring touch. For those who are frustrated in their work, we ask for relief. For those concerned about a loved one, we pray Your comfort and encouragement. Whatever the need, Father, we thank Thee that Thou dost know each one, and we pray for Your loving attention and care.

In the name of Jesus, the great Physician. Amen.

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. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,

PRESIDENT PRO TEMPORE,
Washington, DC, February 6, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DAVID PRYOR, a Senator from the State of Arkansas, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. PRYOR thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

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

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Jour-

nal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, and Members of the Senate, this morning, following the time for the two leaders, there will be a period for morning business until 10 o'clock with Senators permitted to speak therein for up to 5 minutes each. At 10, I will ask consent that the Senate proceed to Calendar Order No. 250, S. 695, the excellence in education bill.

The Senate will consider S. 695 for 1 hour this morning, between 10 and 11, before temporarily laying it aside to consider Calendar Order 78, S. 169, the National Global Change Research Act, which will be considered under a 1-hour time limitation. A unanimous-consent agreement obtained yesterday on S. 169 provides that only one amendment, a committee amendment, to be offered by Senators HOLLINGS and BAUCUS, is in order to the bill.

At 12 noon the Senate will conduct a rollcall vote on final passage of S. 1310, the illiteracy bill that was debated yesterday. If a rollcall vote is ordered on S. 169, the Global Change Research Act, that vote would immediately follow at 12:15 p.m.

From 12:30 until 2:15 p.m., the Senate will stand in recess for the party conference luncheons. Upon reconvening at 2:15, the Senate will return to S. 695, the excellence in education bill.

Senators should be alert to the possibility that other votes may occur today relative to the Excellence in Education Act. There may be amendments to the bill, and there may be votes on those amendments during the afternoon and evening.

Mr. President, for the information of my colleagues, the discussions which have been occurring for the previous 3 working days on the clean air bill are continuing, and good progress is being made. Agreement has been reached tentatively on two of the major areas of the bill, the air toxics provision, and the provision covering stationary source emissions in nonattainment areas.

This morning we will discuss the mobile source emissions of the bill, and if agreement is reached there, we will proceed finally to the acid rain provisions. I hope that we will be able

to reach an overall agreement with the administration, and as I indicated, good progress is being made. It is our intention, both Senator DOLE and myself, to have the members of the respective caucuses briefed in detail on those subjects at the party conference luncheon.

RESERVATION OF LEADERS' TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve all of the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Oregon is recognized.

Mr. PACKWOOD. I thank the Chair.

(The remarks of Mr. PACKWOOD pertaining to the introduction of S. 2071 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized.

THE NATIONAL LITERACY ACT

Mr. GRASSLEY. Mr. President, I rise in support of S. 1310, the National Literacy Act, which was debated yesterday. This bill is excellent legislation, a comprehensive package which, I believe, will effectively curtail the problems of illiteracy in our country.

I am particularly pleased to support this bill, as I have long been active in the fight against illiteracy. In the 99th and 100th Congresses I introduced legislation to ensure that adults seeking assistance with literacy would have access to one-on-one tutorial instruction in a convenient and community-based setting. I am most pleased that, during the 100th Congress, this program was included in both the Ele-

mentary/Secondary Reauthorization Act and the Omnibus Trade Act.

Like S. 1310, my legislation emphasized that literacy education must be free and accessible to its recipients. Further, effective and efficient dissemination of instruction should entail community based partnerships among volunteers and professionals at post-secondary schools, local private industry councils, and public and private elementary and secondary schools.

Literacy is certainly the most basic tool for work place productivity. The ability to read is the first and most crucial step in training unemployed and displaced workers.

Reading is also the first step to other higher order skills that enable our industries to successfully compete in the world marketplace.

Admittedly, some might hesitate at the costs associated with this legislation. However, the bill's funding levels look pale compared to the societal costs created by illiteracy.

Estimates exceed \$200 billion annually, in terms of welfare payments, crime, job incompetence, industrial accidents, lost taxes, and remedial education programs.

This is a devastating drain on our Nation. But it is an even more tragic cost to the individual.

Those who cannot pass a simple, everyday reading test will soon be left behind. As our society becomes more complex and technical, reading skills must likewise become more sophisticated.

The U.S. Department of Education currently provides remedial education to 4 million adults across the country. But estimates indicate that 27 million American adults are functionally illiterate.

Existing Federal programs are insufficient and disjointed. Congress must bridge the gaps in our literacy and job training programs. Congress must take a leadership role identifying problems and opportunities. Just throwing Federal money at the problem will not accomplish anything.

Solutions are more likely to come from the grassroots—from local schools and libraries; and from communities, businesses, and families. These are the troops that are closest to the problem, and most likely are closest to the solution.

I believe S. 1310 bill does this. It provides Federal support and coordination. But more importantly, it enhances local and private participation in the battle against illiteracy.

I would like to highlight one of the key components of the bill. Title III creates the Families for Literacy Program. Data illustrates that the best predictor of an individual's level of literacy is the educational level of the mother. Children exposed to adults who take pleasure in reading are more likely to develop good reading and

writing skills themselves. The family literacy program, therefore, will help break the generational cycle of illiteracy.

Mr. President, this is an excellent bill. Therefore, I am proud to be a co-sponsor.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 2071 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

GLOBAL WARMING

Mr. GORE. Mr. President, 2 months before the 1988 election, candidate George Bush delivered a speech that he called his environmental policy statement. In that speech, he stated, "I am an environmentalist, always have been *** and I always will be."

Candidate Bush then went on to state:

Those who think we are powerless to do anything about the "greenhouse effect" are forgetting about the "White House effect." As President, I intend to do something about it.

Yesterday the White House said that the President does not think it is time to do anything about it. It is time instead for research and research alone.

The President has been in office for more than 1 year and has failed to act on the most pressing environmental problem this world has ever faced. Yesterday, again he missed a historic opportunity to seize the leadership role in this most important challenge to all nations of the world. The President still says the evidence is unclear. He does not see the problem. He is not sure that it is time to do anything at all about it, very different from what he said as a candidate.

Mr. President, I wish to call President Bush's attention to a statement signed by over 700 members of the National Academy of Sciences, including 49 Nobel laureates, more than half the membership of the National Academy of Sciences. After a thoroughgoing review of the research, that has already been done, they say the same thing candidate Bush said more than a year ago. They said it is time to act. And I intend at the end of my remarks to ask consent to put this in the RECORD.

They say action is needed now because the potential consequences could result in severe disruptions of natural ecosystems and economic systems throughout the world. The scientists point out that the United States,

as the world largest producer of greenhouse gases, has a special responsibility to provide leadership in the prevention of global warming.

There was some discussion in the news media about the preparation of this speech which could have been a landmark speech but was not when it was delivered by the President yesterday. According to news reports and according to informal reports the people in the administration, the head of the EPA, Mr. Reilly; the head of the Energy Department, Secretary Watkins; the President's chief science adviser, Allan Bromley, and others, including the Secretary of State, we are told, urged the President to fulfill his campaign pledge and more importantly urged the President to do something now to begin leading on this question of the global environmental crisis.

But Mr. Sununu, according to the news reports, who, as Governor of New Hampshire had a series of arguments with environmentalists there and from all accounts seems extremely skeptical about the existence of a global environmental crisis, according to the news accounts, Mr. Sununu rewrote the speech and took out the commitment to do something, took out the fulfillment of President Bush's campaign pledge, took out any signs of leadership or courage in moving this Nation toward the role it should be playing. And the President let Mr. Sununu have his way.

When I saw those accounts, I recalled Yogi Berra's memorable phrase when he said it was *deja vu* all over again. Because just last spring, in the days immediately preceding a meeting in Geneva of the Intergovernmental Panel on Climate Change, the Washington Post reported that again Mr. Sununu had exerted his influence to prevent the President from taking the advice of his environmental advisers and that Mr. Sununu blocked the administration from taking a position at that meeting committing the United States to develop a framework convention on global warming.

That initiative to move toward the development of a framework convention is still needed. It was favored last spring by the EPA, the State Department, and many people within the White House. But the U.S. delegates to the meeting instead were ordered not to act, not to propose leadership.

Mr. President, how long are we going to tolerate this kind of a shell game from the administration? How long should we? How long can we afford to? It is yet another example of the President making a high-sounding public pronouncement, using the right words but then completely and utterly failing to follow through with the substance to give meaning to the words so recently uttered from his lips.

Mr. President, this is not leadership. When asked to account for it, the White House Press Secretary said, "No, the President doesn't think it is time for a call to arms. He thinks it is the time for a call for research to find out more about it."

Well, we need more research, but we already know enough to act. We already know that there is a collision taking place between the force of industrial civilization as it is currently organized and the ecological system of the Earth.

Mr. President, this Nation must lead. This President should call for that leadership.

I ask unanimous consent to have the materials to which I referred printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[From the Union of Concerned Scientists, Feb. 1, 1990]

APPEAL BY AMERICAN SCIENTISTS, TO PREVENT GLOBAL WARMING

Global warming has emerged as the most serious environmental threat of the 21st century. There is broad agreement within the scientific community that amplification of the earth's natural greenhouse effect by the buildup of various gases introduced by human activity has the potential to produce dramatic changes in climate. The severity and rate of climate change cannot yet be confidently predicted, but the impacts of changes in surface temperature, sea level, precipitation, and other components of climate could be substantial and irreversible on a time scale of centuries. Such changes could result in severe disruption of natural and economic systems throughout the world.

More research on global warming is necessary to provide a steadily improving data base and better predictive capabilities. But uncertainty is no excuse for complacency. In view of the potential consequences, actions to curb the introduction of greenhouse gases, including carbon dioxide, chlorofluorocarbons, methane, nitrogen oxides, and tropospheric ozone, must be initiated immediately. Only by taking action now can we insure that future generations will not be put at risk.

The United States bears a special responsibility to provide leadership in the prevention of global warming. It is the world's largest producer of greenhouse gases, and it has the resources to make a great contribution. A thoughtful and vigorous U.S. policy can have a direct, beneficial effect and set an important example for other nations.

The United States should develop and implement a new National Energy Policy, based on the need to substantially reduce the emission of carbon dioxide, while sustaining economic growth. The cornerstones of this policy should be energy efficiency and the expansion of clean energy sources.

The policy should include:

1. A steady increase in motor vehicle fuel economy standards, while the search continues for fuels and other technologies that mitigate carbon dioxide impact;

2. A substantial increase in federal funding for research on energy efficiency technologies, as well as federal activities to enhance the adoption of more efficient energy use;

3. Development, demonstration, and commercialization of renewable energy technologies on a massive scale;

4. A nuclear energy program that emphasizes protection of public health and safety, resolution of the problem of radioactive waste disposal, and stringent safeguards against the proliferation of nuclear material and technology that can be applied to weapons construction; and

5. Full consideration of environmental, social, and economic impacts in the establishment of federal subsidies and regulatory standards for development of energy sources.

These measures, along with others designed to curtail the use of chlorofluorocarbons and promote prudent agricultural and reforestation practices, can form the basis for the lowering of greenhouse gas emissions in the United States and other nations. They will provide other, worthwhile benefits to the nation as well, such as more diverse and flexible energy supplies, reduced dependency on imported oil, and the creation of new energy technologies for export and sale in the international marketplace.

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 Emil R. Unanue, M.D.
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 Katherine & Olin Wilson
 Bernhard Witkop, Ph.D.
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 Lincoln Wolfenstein, Ph.D.
 Julian Wolpert, Ph.D.
 Harland G. Wood, Ph.D.
 Carl Wunsch, Ph.D.
 Jeffries Wyman, Ph.D.
 Charles Yanofsky, Ph.D.
 Clarence Zener, Ph.D.

FIREARMS OWNERSHIP WEEK

Mr. BURNS. Mr. President, I rise today on an issue that is near and dear to the hearts of all Americans. I rise today to congratulate the Governor of Montana, Stan Stephens, for signing a proclamation recognizing this week as

"Firearms Ownership Week," and it will be recognized as such in Montana.

This proclamation brings to the awareness of Montanans of not only the constitution in the State of Montana but the Constitution of the United States of America. It is one of those sacred rights that has kept this society and this Nation strong for some 200 years plus.

As we go down through history and we recognize what is going on in the world around us, we recognize that these rights are sacred and should be upheld at all times, those constitutional rights and the recognition of the Governor of Montana, I applaud him for his actions in this proclamation.

I yield the floor.

THE CLEAN AIR ACT

Mr. BOND. Mr. President, I am very pleased the Senate has begun debate on the reauthorization of the Clean Air Act. I applaud the President for making it a top priority and I applaud him also for his initiative to increase substantially the planting of trees in this Nation which can have an important impact and a favorable impact on the quality of our air and of our environment.

Mr. President, I represent a beautiful State. We want to protect it and preserve it for our children and their children. Missourians want clean air and I share that goal and I am here to work for it.

The bill before us is S. 1630, reported in December by the Senate Environment and Public Works Committee. It regulates a tremendous variety of air emissions with complex regulatory schemes and ambitious deadlines. It would toughen current laws regulating auto tailpipe emissions and pollution in highly urban areas. It would establish new regulatory programs for the control of sulfur dioxide emissions from utility plants (acid rain) and hazardous air emissions from manufacturing facilities. S. 1630 would also regulate emissions from municipal incinerators. Finally, it would require the phaseout of the production and use of all chlorofluorocarbons.

Mr. President, while I am strongly supportive of clean air legislation, I have some concerns about this specific bill which I would like to outline.

My first concern is title IV, which creates a new and far-reaching acid rain control program. This issue has been debated for a long, long time. We need to get it behind us and Missouri is willing to do its fair share.

I would like to note however that we are acting on the problem before we receive a final report of the National Acid Precipitation Assessment Program. The report is due in September. It seems unfortunate and a little bit strange to me that after we spent \$400

million of taxpayers' money and 10 years of time on the issue, we are going to move before we get the full benefit of the scientific findings. However, it has become accepted that we must move forward, so that is what we are going to do.

But there are several misconceptions about the Midwest and acid rain. I would like to dispel some of them. One major misconception is that the Midwest has done nothing in the past to reduce its acid rain emissions. This is absolutely untrue. Over the past 10 years, Missouri's utilities alone have spent \$500 million installing scrubbers and switching to low sulfur coal, and the Missouri ratepayers are paying for this investment today and every day. These efforts in our State have reduced emissions by 30 percent. We have made great strides and I think we ought to be recognized for the efforts we have made.

The second misconception runs something like this: Because the Midwest has not done enough in the past, we deserve to suffer now and therefore should not get any help in meeting the bill's stringent and disproportionate reduction requirements. I firmly disagree. As Senator BYRD noted in his remarks last week, S. 1630 would require nine Midwestern States to make 90 percent of the total phase 1 SO₂ reductions—and we only contribute 51 percent of the country's total SO₂ emissions. In my own State of Missouri, we only contribute 5 percent of total annual emissions yet we would have to make reductions equalling 9.5 percent of the solution. You do not have to be a math whiz, Mr. President, to calculate the unfairness in that equation.

Why is it all right to use taxpayer's money to help other regions of the country but it is not OK to help the Midwest? Missourians are happy to provide disaster assistance for Californians hurt by the earthquake and South Carolinians wiped out by Hurricane Hugo. Their Federal tax money subsidizes hydropower in the West and Northwest and makes that region's utility bills among the lowest in the country. Missourians are paying for the savings and loan bailout, which is primarily a problem in other States. Missourians understand the concept of sharing benefits and burdens and the importance of funding national priorities. And if clean air—and acid rain—are not national priorities, then I do not know what is. Judging by the bill's price tag alone, I would say it is one of our largest undertakings.

We in Missouri are perfectly willing to pay our fair share. Since we contribute 5 percent to the acid rain problem, we will gladly pay that portion of the cleanup costs. But why should we pay for 9.5 percent? Where is the equity, the fairness in requiring us to pay twice our fair share? That extra 4.5

percent is what some other State should be contributing to the cleanup costs. Estimates range from 10 to 20 to 40 percent increase in utility rate bills if Missouri is given no relief. These are very large increases, Mr. President. They will impose a particularly harsh burden on low- and moderate-income people, on the elderly and on those with fixed incomes.

These increases could also affect employment in my State and in the entire Midwest. Utility rates are an essential component of the cost of doing business. If our rates increase by a greater amount than other regions, companies could abandon Missouri and the whole Midwest. Just the other day, I learned of a Missouri company which is in the process of moving to a Southern State because our current utility rates are higher in comparison with the other State. I fear that this trend will accelerate.

This brings me to the issue of cost-sharing. I support the President's innovative proposal to allow trading of emission allowances. This is a market-based approach which I heartily endorse. The concept is fairly straightforward. The bill assigns allowances to coal-burning utilities which limit the number of tons of SO₂ the utilities can emit. If a utility reduces below its assigned limit, it generates a credit for each ton it has reduced. A utility can either bank the credits it generates for its future use or it can sell them to another utility whose emissions are higher but it doesn't have allowances to cover them.

This proposal has been criticized as a "back door form of costsharing," "an unfair subsidy to the Midwest." There is nothing sneaky or unfair about this concept, Mr. President. It is an efficient, market-based mechanism to help equalize the burden on the region of the country singled out for the most reductions.

My midwestern colleagues and I may have some other proposals relating to costsharing, Mr. President, which we will discuss at a later date. The regional equity issue is of the utmost importance to us and we will continue to work to ensure that we are treated fairly.

I would like to mention one final note related to acid rain. It concerns our good neighbor to the north, Canada. Given its well known and appropriate interest in acid rain, I have been wondering how their own reduction efforts are coming along and how they will be affected by the reductions prescribed by S. 1630. I have learned that Canada has undertaken an excellent acid rain reduction program which is focused primarily on its smelters and on its Eastern provinces. However, it is my understanding that coal burning plants in the Western Provinces are not a part of this control program and that several new ones

under construction will be exempt as well. In contrast, S. 1630 would cap total U.S. emissions of SO₂ at 10 million tons by the year 2000. The implications of this are very, very serious, Mr. President. If we are implementing a more extensive and far more expensive reduction program than the Canadians, it is clear that our utility rates will be higher than theirs. And if our utility rates are higher, the cost of producing our goods is higher. Our goods become less competitive in the international marketplace while Canada's become more competitive. Hence, we export production and we lose jobs. Talk about unfairness and inequity. Canada has pressed us for years on acid rain. Now that we are on the verge of approving a sweeping control program, are we learning that Canada has an economic, not an environmental, agenda? I do not know, Mr. President, but it does make me wonder.

There is another important issue here. The New England and Northern Tier States currently import a considerable amount of their electricity from Canada—approximately 12 percent for New England—and it is projected to increase in the future. Some of this power is generated by coal-fired powerplants which do not have to reduce their SO₂ emissions. The cost of their power will be cheaper because they do not have to install expensive equipment to reduce SO₂ emissions. Once again, Mr. President, I ask if this is fair. And the answer is—of course not. Therefore, would it not make sense for the United States to impose a tariff on imported coal-generated electricity equal to the cost of complying with our clean air laws? The proceeds of this fee should be used to help us write down the costs of our cleanup. This would equalize electricity rates and prevent Canada from selling cheaper—but dirtier—power to the United States.

Mr. President, I have other concerns about the bill. First and foremost is the cost. The Administration estimates the bill's cost at \$40 billion. Some other estimates are even higher. Companies in my State have estimated that S. 1630 could cost Missouri \$1.2 billion to comply. Frankly, I do not think that we even know how to calculate the full cost of compliance. I do know that it is going to be very, very expensive, however; so expensive that it could cost us jobs and severe economic dislocation.

We already have an immense trade deficit, Mr. President. This could increase our export of jobs and production to a degree we cannot absorb. Just last week Chrysler announced that it is going to close a plant in my State with a job loss of 1,900. The painful ripple effect of that one plant closing alone will be significant. It reminds me of the tremendous pain and hardship

the eighties recession caused Missouri and the entire Midwest. I was in my second term as Governor and I spent 4 years trying to rebuild our State's economy and alleviate the hardship endured by my fellow Missourians. I do not ever want that to happen to our region of the country again. I know that my midwestern colleagues feel as strongly as I do on this point.

The Midwest has been the industrial heartland of the Nation since the Second World War. We have produced many of the consumer goods our country has enjoyed since then and our contribution to the Nation's economic well-being has been enormous. To penalize us for these contributions is unfair and counterproductive.

Mr. President, clean air is a national priority. We do need legislation and we need to get on with it. At the same time, let us remember that while clean air produces national benefits, it also incurs national burdens. We are ready and willing to do our share but reasonable cost sharing is an important part of that. I stand ready to work with my colleagues from all regions of the country to achieve these goals.

THE PRESIDING OFFICER (Mr. GORE). The Senator from Alaska.

THE PRESIDENT'S ECONOMIC PACKAGE

Mr. MURKOWSKI. Mr. President, as I listened to the opening statements this morning, I was struck by the reality that there is a common theme and concern before us, given the discussions of the Clean Air Act and the concern we all have over global warming, to yet maintain the ability of our Nation to be competitive in a world that is rapidly changing. As we look to the formation of the European Common Market, Brussels 1992, the increased productivity of the Pacific rim, and the recognition that the United States sits in the middle, we reflect on the costs of the clean air legislation that is before us. The committee bill will cost some \$41 billion. The White House legislation is in the area of \$19 billion. One wonders just what we are getting for the additional \$21-plus billion.

Obviously that is a matter of great interest to all of us. The question is the price. Indeed, can we be competitive in this world and provide the needed jobs if we are carrying a huge cost burden for the last 10 percent of emissions reduction or whatever that might be?

It is my hope, as a consequence of addressing the environmental issues, including the clean air, global warming and others, that we can directly integrate what we must have from the standpoint of taking care of the environment around us with our ability to encourage other nations to join with

us in this effort directed at not only global warming, but clean air.

Mr. President, I rise this morning in support of the President's economic package. As has been indicated by my colleague from Oregon, the Savings and Economic Growth Act of 1990 is going to go a step forward in curing the Nation's chronically low personal savings rate. The three broad areas of the initiatives have been discussed by my colleagues. They are the family savings account, the capital gains tax cut, and the home ownership initiative. I think it fair to point out the first leg of the comprehensive economic package, the family savings account, will allow a nondeductible contribution of a significant amount, \$5,000 for married couples to \$2,500 for single individuals. The heart of this is that all earnings will be allowed to be withdrawn tax free after 7 years. The family savings account also provides investors with the incentives and flexibility necessary to promote long-term savings.

We have heard a good deal about the capital gains proposal. It is the second leg of the President's economic package. Under the legislation, individuals will be allowed to exclude a percentage of their capital gains from taxation on a sliding scale.

The time for posturing and delaying on capital gains tax should be over. The House and Senate are both on record in support of a cut in capital gains and, more important, the American people spoke out strongly in favor of this initiative when they elected George Bush as President.

Congress needs to put its partisan differences aside and agree on a capital gains cut that will spur economic growth and fuel the entrepreneurial spirit that has historically propelled this Nation to greatness.

Further, the third leg is the home ownership initiative. Under this provision, Americans who have contributed to IRA's will now have access to a pool of savings that will increase the likelihood they will be able to buy their first home. This would become effective in 1991.

By making existing IRA's more flexible, the President's proposal will encourage more people to save through IRA's, while at the same time facilitating the goal of first-time home ownership. It is no secret, the broad economic contribution that this brings.

Mr. President, for those who would argue that IRA's do not encourage savings, I simply ask my colleagues to refer to their own personal situation. How many of us have previously had IRA's? We made a contribution during a time the allowance was provided. We do not make that contribution anymore. The incentive is gone. And when we take away the incentive, obviously the results are that we do something else with the money. Instead of saving

it, perhaps we spend it. Or we save it in a different manner. Truly, IRA's were a meaningful contribution to savings.

Mr. President, there is an article that appeared in the February 4 Washington Post issue by Frank Levy and Richard C. Michael entitled "Why America Won't Save" that I ask be printed in the RECORD at this time.

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

WHY AMERICA WON'T SAVE

(By Frank Levy and Richard C. Michel)

"We need to save more," said President Bush in his State of the Union message and he offered a modest "Family Savings Plan," along with his trademark capital-gains tax cut, to foster that result. But the president's plan is likely to be no more effectual than his predecessors more generous tax and savings incentives because it fails to address the clash of cultural and economic forces at the heart of our savings problem. Specifically, a high-consumption mentality, born of the boom times of the 1950s and 1960s, has carried forward into a period in which limited economic mobility has become the reality for many Americans.

For more than a decade, Americans have been saving at rates low enough to cheat our future. The personal savings rate has recently staged a small recovery, but the national savings rate—persons, business and the government combined—remains at 13 percent of GNP. In the 1950s and 1960s, we saved 16 percent of GNP and international competition has sharply increased our capital needs since then.

Will a tax incentive do the trick? The answer depends on why savings declined in the first place. The standard story—savings were depressed by all those baby-boomers in their young, high-spending years—is wrong. It does not explain why young families today save less than the young families of 25 years ago. And it says nothing about the growth of the federal budget deficit which now reduces the national savings rate by one-sixth. A better explanation comes from what we can call the curse of the comfort zone.

The story begins 17 years ago when culture and the economy first collided. From World War II through the early 1970s, the U.S. economy grew at a remarkable pace. Average family income doubled from \$16,000 to \$33,000 (all figures are in today's dollars). To the man in the street, rapid growth meant rapid upward mobility. The proportion of the U.S. population in poverty fell from 32 percent in 1949 to 15 percent in 1970 without substantial redistribution. The proportion of families who owned their homes rose from 43 percent to 63 percent. The middle class was growing rapidly not because incomes were becoming much more equal (they weren't) but because incomes were growing and more families could afford a middle-class life.

Rapid growth stopped in 1973. It fell victim to OPEC oil price increases and a sudden slowdown in the growth of labor productivity—what we now call the competitiveness problem. In 1987, the income of the average family stood at \$33,500, a gain of only \$500 over 15 years.

In an earlier time, slower growth might have been a signal to consume less and save more. But a quarter-century of fast growth

had brought the curse of the comfort zone: The belief that we had solved the problem of production and the economy no longer needed constant tending. A small example: In the early 1970s, only half of male college freshmen said "making a lot of money" was very important in their lives (80 percent say so today). Altruism aside, these freshmen knew they would outearn their parents no matter what jobs they took. Economic experts implicitly agreed. Their forecasts kept predicting growth would rebound. And so people started to cut back on savings to keep consumption growing.

At first glance, this neat story does not square with the data. Department of Commerce statistics say that the personal savings rate held steady in the 1970s and declined sharply in the early 1980s, well after stagnation had set in. But the Department of Commerce defines "personal savings" as the sum of two kinds of money: individuals' discretionary savings and employer payments to employee pension funds. Brookings economist Barry Bosworth has shown that employers in the late 1970s were bringing pension fund reserves into line with the requirements of the new ERISA legislation. As a result, their pension payments were abnormally high. When these payments are removed from the official data, the savings rate of individuals begins to decline in about 1975.

The reluctance to save came at a particularly bad time. Through the 1950s and 1960s, rapid growth reflected adequate investment combined with innovations developed in the 1930s and 1940s: jet propulsion, television, synthetic materials, improved food processing. By the early 1970s, many of these innovations had run their course; they no longer provided a steady stimulus for productivity gain. Continued rapid growth would have required higher savings and investment, the opposite of what occurred.

Sociologist David Reisman saw the problem in a prescient 1969 quote: "Contrary to what I once thought, the economy is not self-propelling. We can see in the United Kingdom the problems that arise when a society becomes psychologically postindustrial long before the economic infrastructure is sound enough to bear the weight of steady rising expectations."

By 1981, the reluctance to save had spread to the federal budget. No one likes a deficit, but the budget deficit's component parts—big tax cuts and the retention of most programs—had broad political support because they kept consumption growing. The budget deficit further lowered the national savings rate. And by opening the door for the trade deficit, it undercut mobility in a particularly focused way.

The shift in mobility patterns during the 1980s is striking. Between 1979 and 1987, the average income of 30-year-old college-educated men rose slightly from \$28,500 to \$29,900. But the average income of 30-year-old high school-educated men fell from \$24,200 to \$19,900. The declining incomes of younger high school men reflected declining demand for their skills, a casualty of the trade deficit and its impact on manufacturing employment.

In assembling these facts, we begin to see one version of the future. If 1980-88 growth rates continue, today's typical 30 year-old man with four years of college will have peak earnings of \$46,200 (today's dollars), \$2,100 more than his college-educated father's best year. Today's 30-year-old man with four years of high school will reach a peak of \$26,300, \$3,200 less than his father's

best year. Taken together, these young men and their families will reach retirement with an average net wealth about half of what their parents can expect to have.

Sons replicating fathers (or falling a little short) sounds more like a class system than the American Dream. In a world of limited mobility, few people make big economic gains over their lives. More feel the threat of sliding down the economic scale. People scramble for individual advantage and public purpose becomes increasingly suspect. The government faces a permanent taxpayers' revolt in which Martian exploration, research and development, and aid to the poor join a growing list of luxuries we cannot afford.

This is not a pretty picture, but it helps to explain the two obstacles to higher savings. First, the costs of slow growth have, so far, proceeded from the bottom up. College graduates gained from the trade deficit through cheap Toyotas and Sonys. But young male high school graduates lost substantial income and high-school dropouts lost still more. If an inadequate savings rate had threatened the incomes of talk show hosts and editorial writers, the deficit would have taken on a much greater urgency.

The other obstacle to change is the economy's remarkable ability to function as smoothly in decline as in growth. For most of the 20th century, economic troubles have centered on inflation and unemployment, both of which provide good visuals for, perhaps, the evening news. The inadequate savings problem is equally serious, but it produces no great fireworks and so can be ignored. Incomes grow slowly, we continue to borrow from abroad to supplement consumption, interest rates stay high to attract foreign capital, domestic investment (in both production and people) remains too low—and so incomes continue to grow slowly. Limited economic mobility becomes a fact of life.

The savings story, then, is less about tax incentives than about culture, a culture that bombards us with messages to buy things—to not save—every day. In the context, the key to increased savings is a change in national outlook. A utopian thought? Hardly. Within recent memory, the national outlook has changed on cigarette smoking, the seriousness of drunk driving, physical exercise, casual sex (we've been through two reversals on this one), and diet. Think of undersaving as cholesterol: Both are the byproduct of immediate gratification, neither involves short-run cost, both accrue slowly with real dangers in the future.

To complete the analogy, we need a public information campaign that talks about inadequate savings as plainly as we talk about cholesterol. If the president believes we are not saving enough, he should say so. But the president must also admit frankly that saving more also means that, in the short run, we must consume less. If he thinks inadequate saving helps explain our slow wage growth, or why we have to scrimp on aid to Eastern Europe, he should say so. We are ready for such a message: Almost three out of four respondents in a recent Wall Street Journal poll believe the Japanese economy is now stronger than ours.

Beyond frank talk, the administration needs to publish minimum guidelines on what people ought to save: a simple schedule that relates annual savings to family income and age. In an ambiguous world, disinterested rules of thumb are powerful guides (there is some evidence that the limits set for Reagan-era IRA accounts acted as a guide in this way). And in a world

with guidelines on everything from salt intake to safe sex, a problem without guidelines is not seen as a problem.

Honest talk, savings guidelines and a tax incentive would almost put inadequate savings in the proper light. The only missing piece is action on the budget deficit. It is possible to construct a savings program without addressing the deficit. It is possible to lecture the nation on cholesterol while holding a pastrami sandwich. The two cases should yield roughly comparable results.

In a world of shopping malls, savings is about dull banks and passbooks. In the real world, saving is about the future. The trick is to create a future that is large enough for all of us.

Mr. MURKOWSKI. To highlight very briefly a couple of things that struck my eye, the national savings rate, personal, business, and government combined, remained in this country at 13 percent of GNP. But in the 1950's and the 1960's, we saved at 16 percent of GNP.

For most of the 20th century, economic troubles have centered on inflation and unemployment, both of which provide good visuals for, perhaps, the evening news. The inadequate savings problem is what we should be concerned with. It is serious, but it produces no great fireworks, so it is often ignored by the public media.

Incomes grow slowly. We continue to borrow from abroad to supplement consumption. Interest rates stay high to attract foreign capital. Domestic investments in both production and people remain too low. So incomes continue to grow slowly. Limited economic mobility becomes a fact of life.

This is a quote from that article, Mr. President.

Clearly, we have had a policy in recent years of penalizing savers in the United States: penalties in such areas as taxing and the interest on savings accounts. Yet, we reward debt. We have had the availability of charging off interest on our credit cards. Fortunately, that is no longer allowed, but clearly we have not followed other countries, particularly Japan. Now we are seeing it in Europe, where there are incentives provided by government to encourage savings.

Without the pool of adequate savings, we have become dependent on foreign investment to come into the United States. That foreign investment, of course, is underwriting our deficit. Having spent some 24 years as a banker from Alaska, I can assure you, Mr. President, the power and influence of one who holds another's mortgage is quite significant.

Whether it be short-term investments in underwriting our deficit, the theory is the same. We are becoming dependent on that foreign investment to finance our deficit, and that is a very, very dangerous position.

So I urge my colleagues to support the legislation introduced by the Senator from Oregon today. I think it is a

start in the right direction. I wish it would go farther, and I will look forward to the opportunity to introduce amendments to provide further encouragement for savings, which I think is absolutely needed at this crucial time.

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

Mr. PELL addressed the Chair.

The PRESIDING OFFICER (Mr. KOHL). The Senator from Rhode Island.

Mr. PELL. What is the business before the Chamber?

The PRESIDING OFFICER. The Senate is presently in a period of morning business which is scheduled to end at 10 a.m.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,788th day that Terry Anderson has been held in captivity in Beirut.

TREATMENT OF THE "CLASS OF '85" IN THE ACID RAIN PROVISIONS OF S. 1630

Mr. BAUCUS. Mr. President, a number of our colleagues have approached me concerning provisions in the acid rain program that permit certain utility plants to increase their sulfur dioxide emissions in the year 2000 by roughly 20 percent over 1985 levels. Though all recognize that these provisions are intended to give an advantage to clean-burning plants precisely because they are clean-burning and that S. 1630 offers a better approach than parallel provisions in the bill President Bush transmitted to Congress, some believe that the specifics of the provisions may have unintended effects.

I have repeatedly told our colleagues that we are making a vigorous effort—as we are on all issues—to be responsive to their concerns, provided of course that we not be asked to make changes that will result in the acid rain program permitting more than 8.9 million tons of sulfur dioxide emissions beginning in the year 2000.

Accordingly, Senator CHAFEE and I asked the staff of the Environment and Public Works Committee to examine different ways of allocating increased emissions to clean-burning plants. Staff just completed a memorandum on this subject that evaluates

different proposals but does not make a specific recommendation. Rather, it calls for simply broadening the discussion of these issues so that we can learn further about what kinds of changes will best address our colleagues' concerns.

In an effort to do just that—broaden the consideration of these issues—I ask unanimous consent that the staff memo to myself and Senator CHAFEE be printed in the RECORD immediately following this colloquy. I ask my colleagues to study the memo and get back to us with their reactions and suggestions as quickly as possible.

Mr. CHAFEE. Mr. President, I think Senator BAUCUS' suggestion is an excellent one. Committee staff have done a good job presenting the various issues raised by the way our acid rain provisions deal with clean burning plants. Their memo is directly responsive to what we asked for. I think it would help us reach a quick and constructive resolution of these issues if our colleagues and their staffs studied the staff memorandum and then let us know which options they prefer. Thank you very much.

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

MEMORANDUM

FEBRUARY 2, 1990.

To: Senator Baucus, Senator Chafee.
From: Staff, Committee on Environment and Public Works.

Re: Work in Progress on Emissions Increases for Utility Units Emitting SO₂ at a rate below 1.2 lbs./mmBtu, Title IV, S. 1630 ("The Class of '85").

This memorandum responds to your request that staff develop and examine alternative proposals for the treatment of utility units covered by subsection 405 (c) through (h) in Title IV of S. 1630.

BACKGROUND

As reported, Title IV of S. 1630, the acid rain provisions of the Committee's Clean Air bill, requires utility units emitting sulfur dioxide ("SO₂") at a rate greater than 1.2 lbs./mmBtu to reduce their emissions to a level equal to 1.2 lbs./mmBtu multiplied by their baseline fuel consumption (i.e., the average fuel consumed in 1985-1987 measured in Btu) in the year 2000, when Phase II of the acid rain program begins. In effect, subsections 405(d)-(f) permit utility units that operated at a sulfur dioxide ("SO₂") emissions rate under 1.2 lbs./mmBtu in 1985 to increase their emissions by roughly 20% beginning in the year 2000.

EPA estimates that these provisions and provisions applying to small, "grandfathered" and gas-burning units will result in a total of 3.8 million tons of emissions from units in the latter group, the Class of '85, in the year 2000. At the same time, EPA estimates that those units that must make reductions will be emitting, in the year 2000, 5.1 million tons. Thus, to achieve the "10-million ton" acid rain reduction objective sought by both the Committee and the Bush Administration requires that total annual utility emissions be limited to 8.9 million tons in the year 2000. It is the understanding of staff that meeting this 8.9-million-ton limit continues to be the binding

constraint on the Committee's consideration of any alteration of Title IV.

For most units in the class of units operating below 1.2, the bill allocates emissions allowances according to a formula that multiplies each unit's actual 1985 emissions rate and its fuel consumption baseline for the years 1985-1987 by a factor of 120 percent ("the 120 percent solution"). Some have expressed concern that this formula fails to provide enough allowances to each of the units in this class—although the formula does appear to provide a number of units with allowances that, in effect, would exceed their emissions/operating capacity, thus giving those units an initial "bank account". According to information provided to Committee staff, the 120 percent solution fails to meet the needs of utilities in any one of three situations: 1) those whose 1985 emissions rates were significantly below their legally allowable rates, typically as a result of using unusually low-sulfur fuel in 1985; 2) those whose capacity utilization was low in the years 1985-1987; and 3) those whose emissions were so low that they would not be allocated enough allowances to create a bank of internal offsets available to meet growth, fuel-mix or new unit needs.

To respond to these concerns, Committee staff have been examining several options for amending the provisions that apply to the Class of 1985.

Although staff have not completed their analysis of the emissions consequences of the options which we are considering most activity, we believe that the importance of this issue to a variety of Members demands that we broaden the discussion of these options to determine which, if any, addresses Members' concerns. Accordingly, the balance of this memorandum presents current staff thinking on the Class of 1985.

THE OPTIONS

There are several options that staff have identified as emissions neutral and therefore acceptable for further consideration. Several other options have been examined and have been rejected as unacceptable at present because, without other changes in Title IV, they would result in emissions in excess of 8.9 million tons—i.e., 3.8 million tons from units covered by Class of 1985 and related provisions.

Section 405(c)-(h) of S. 1630—The 120 percent solution

According to EPA's analysis, the 120 percent solution generates the following allocations:

	Million tons
Coal Units Under 1.2.....	2.64
Mixed Oil/Gas Units Between 0.4 and 1.2.....	.31
Mixed Oil/Gas Units Under 0.4.....	.12

¹ Consistent with the intentions expressed in the Committee Report, EPA interpreted section 405(f) to reflect an intent to permit units in this category to emit at 120 percent times their States Implementation Plan [SIP] limit only for that portion of each year when these units used oil. Accordingly, EPA assumed that, in effect, these units would receive allowances equal to 120 percent multiplied by their baseline and the lower of their SIP rate or 0.4. Otherwise, if applied literally, section 405(f) would result in 290,000 tons of emissions, which would exceed the Committee's 8.9 million ton objective by 170,000 tons.

Thus, the 120% formula would allocate 3.08 million tons of allowances to the three types of plants listed above. (EPA's analysis did not account for the effect of the Clean States Credit. Thus, sub-1.2 units were assumed to receive emissions allowances under

the 120% formula.) Section 405 also allocates 0.3 million tons to units that will have begun operation between 1985 and the date of enactment. In addition, section 405(c) permitting units with a capacity below 75 megawatts and operating at a rate above 1.2 to avoid any reduction obligations provided they continued to operate at their 1985 rate. EPA projects 0.4 million tons of emissions from these units in 2000. Finally, section 405 requires units 90% or more of whose fuel in 1985 was natural gas to maintain their 1985 emissions rate. These units are projected by EPA to have no SO₂ emissions. Total emissions from the 120% solution and allied provisions under section 405 are thus estimated to be no more than 3.78 million tons.

Emissions-Neutral Options

The options described below are emissions neutral as compared to the 120% solution.

Option 1 ("The 65%/35% Solution")

This option would replace the 120% formula by allocating emissions allowances according to a formula that multiplied coal units' actual 1985 emissions rates and their fuel baseline adjusted to reflect at 65% operating capacity factor. Mixed oil and gas units would receive allowances according to a formula that multiplied their actual emissions rate and their fuel baseline adjusted to reflect a 35% operating capacity factor. (This capacity factor reflects the fact that the vast majority of mixed oil and gas units are used only to meet peak demand. At present, these units average just under 30% capacity.) This option would generate the following allocations:

	Million tons
Coal Units under 1.2	2.62
Mixed Oil/Gas Units Between 0.4	
and 1.2 .....	.35
Mixed Oil/Gas Units Below 0.4 .....	.16
Total.....	3.13

Option 2 (SIP or 1.0)

This option simply replaces the 120% formula with one that allocates emissions allowances by multiplying units' baselines and the lower of their SIP rate limits or a 1.0 rate. The results of this formula would be:

	Million tons
Coal Units Under 1.2	2.70
Mixed Oil/Gas Units Between 0.4	
and 1.2 .....	.27
Mixed Oil/Gas Units Below 0.4 .....	.18
Total.....	3.15

Option 3 (EPA Option A)

Committee staff have obtained a copy of a compromise proposal for the Class of '85 which the Bush Administration has shared with staff of the House Energy and Commerce Committee. Units with emissions rates below 0.6 would receive the product of the lesser of SIP or 0.6 and baseline multiplied by 120%. Allowances for units emitting at a rate between 0.6 and 1.2 would equal each unit's actual 1985 rate multiplied by baseline and 120%. Coal-fired NSPS units that came on-line in the early '80's could receive allowances according to the 65% capacity formula. Units burning more than 90% of their fuel in the form of natural gas during the baseline period would be treated as they are under S.1630. To ensure the emissions neutrality of this proposal, the EPA has included in this option the elimination of the Clean States Credit (the EPA is taking the position that the Clean States Credit increases emissions by 260,000 tons) and the requirement that all units emitting

at a greater-than-1.2 rate, including those smaller in capacity than 75 megawatts, reduce their emissions to the product of 1.2 lbs./mmBtu multiplied by baseline, unless such units are part of systems whose total capacity is under 250 megawatts. Units in this latter category would receive allowances equal to their actual 1985 rate multiplied by baseline. The emissions allowances allocated under this formula would equal:

	Million tons
Coal Units Under 1.2	2.85
Mixed Oil/Gas Units Between 0.4	
and 1.2 .....	.31
Mixed Oil/Gas Units Below 0.4 .....	.16

Total..... 3.32

Emission neutrality is achieved since large-system small units will be required to make approximately 0.20 million tons of reductions.

Rejected Options: "Cap-Busters"

The options described below would result in at least 320,000 tons of emissions above the 3.8 million tons allotted to the Class of '85 in S. 1630. Inclusion of any one of these options in the bill would thus defeat the objective—again, shared by both the Committee and the Bush Administration—of maintaining utility emissions at an annual total of 8.9 million tons.

Consequently, it is staff's understanding that the Committee would oppose these options without additional changes in other provisions of Title IV that secured additional emissions reductions to offset the emissions increases that would result from these options.

Option 4 (The 120-65/35 Option)

This option would permit operating companies to choose between receiving allowances either according to the 120% solution formula or according to a formula multiplying their 1985 actual emissions by their fuel consumption baseline adjusted to reflect operations at 65% capacity for units burning coal or a 35% capacity for units using oil and gas. Resulting emissions allocations to coal and mixed fuel units would be 3.49 million tons, which would "bust the cap" by approximately 400,000 tons.

Option 5 (The 120-SIP/1.0 Option)

This option would permit operating companies to choose between receiving allowances either according to the 120% solution or according to a formula which multiplies their fuel baseline and the lower of each unit's SIP emissions rate or a 1.0 emissions rate. Resulting emissions allocations to coal and mixed fuel units would be 3.47 million tons, which would "bust the cap" by approximately 400,000 tons.

Option 6 (Reduced Triple Option)

This option would permit operating companies a "triple option". Allowances would be allocated either according to a 115% (as opposed to 120%) formula or according to the 65%/35% capacity formula or according to a formula that for units operating at a rate below 0.6 would multiply their fuel baseline by the lower of their SIP or 0.6 and for units between 0.6 and 1.2 would multiply their baseline by their actual 1985 rate. Resulting emissions allocations to coal and mixed fuel units would be 3.54 million tons, which would "bust the cap" by approximately 460,000.

Option 7 (Full Triple Option)

This option would permit operating companies a selection of either the 120% formula, the 65%/35% formula or the SIP/1.0 formula. Resulting emissions allocations to

coal and mixed fuel units would be 3.83 million tons, "busting the cap" by about 750,000 tons.

Option 8 (The 65%-SIP/1.0 Option)

This option would permit operating companies a selection of either the 120% formula, the 65%/35% formula or the SIP/1.0 formula. Resulting emissions allocations to coal and mixed fuel units would be 3.67 million tons, "busting the cap" by approximately 590,000 tons.

Option 9 (Mixed formula)

This option would permit holding companies to choose between the 65% capacity approach or the SIP/1.0 formula for their coal plants, would treat mixed oil and gas units between 0.4 and 1.2 under the 120% formula, would allocate allowances to mixed fuel plants under 0.4 by multiplying baseline by the lower of SIP or 0.4 and require units with less than 75 megawatts capacity emitting over 2.0 to reduce emissions to the product of 2.0 and baseline. The proposal would result in 3.53 million tons of emissions from coal and mixed fuel units, "busting the cap" by 320,000 tons when the emissions reductions proposed for smaller plants are taken into account.

GAS-DOMINATED UNITS

As reported, section 405(h) permits units using more than 90% gas in the baseline period to increase their emissions so long as they operate at their 1985 emissions rate. The subsection provides that if a unit faces a gas supply curtailment and thus must use rate-increasing oil, it can purchase allowances from the EPA's 2% set-aside pool. This subsection was projected to have no emissions consequences.

An additional option would permit these units to operate at a 0.125 emissions rate, reflecting operations using 0.5 oil 25% of the time. Units operating at a higher annual rate could still be in compliance if they had acquired, from the private market, allowances equal to the difference between their emissions had they been operating at 0.125 multiplied by baseline and their total emissions for the year in which they exceeded the 0.125 rate limit. Units would also be in compliance in years in which their operating rate exceeded 0.125 if in those years their total emissions were, as a result of decreased operations, lower in total than the product of 0.125 and their baseline. This change would result in 150,000 tons of emissions.

Because this option would permit up to 150,000 additional tons, it would only be available if it were coupled with a change that produced an offsetting amount of emissions reductions.

Such offsetting reductions could be achieved by requiring all units with a capacity below 75 megawatts and operating at a rate in excess of 1.2 that are part of utility systems with a total capacity of 500 megawatts to reduce their emissions to a level equal to 1.2 lbs./mmBtu multiplied by baseline. Since these units do not have any reduction obligations under S. 1630 as reported, such a change would yield approximately 150,000 tons in additional emissions reductions. In addition, as a result of being subject to an emissions reduction requirement, these units would be able to bank allowances upon retirement, an option not available to them under Title IV as reported.

NOTE.—This option would not be available under EPA option A.

NEW UNITS AND BASELINE

Committee staff are also reviewing a variety of proposals to facilitate new units' efforts to obtain offsets and to give sources flexibility in identifying the three-year period used in baseline calculations.

POSITIVE MOVEMENT IN SOUTH AFRICA

Mr. PELL. Mr. President, last Friday, South African President F.W. de Klerk announced that his government would release imprisoned African National Congress [ANC] leader Nelson Mandela and other political prisoners and detainees, lift the bans and/or restrictions on the ANC, the United Democratic Front [UDF] and other antiapartheid organizations, and remove certain regulations imposed under the nationwide state of emergency which has been in place since June 1986. I welcome President de Klerk's announcement.

The steps that his government is proposing are a necessary prelude to the opening of negotiations for a peaceful end to apartheid. The South African Government must now move quickly to turn these proposals into reality, particularly the release of Nelson Mandela, to demonstrate without question that it is serious about achieving a democratic, united and nonracial South Africa.

For many months, the ANC, the UDF, and other antiapartheid organizations have been calling upon the South African Government to create the climate for negotiations. The steps de Klerk outlined last Friday will help to do this. However, they need to be complemented quickly by the termination of the state of emergency, the release of all political prisoners, and the repeal of all emergency regulations so that all South Africans, regardless of color or political persuasion, can have complete freedom of expression and association. Then the stage will be set for negotiations to begin.

This is a time of rising expectations in South Africa. Under de Klerk's leadership, the South African Government has offered millions of black South Africans the prospect of an imminent end to apartheid. The government must now deliver. It must move quickly to open negotiations. It must be prepared to sit down at the bargaining table with genuine leaders of the black community in South Africa, not simply with those of its own choosing. And it must recognize that any viable solution to South Africa's problem must fulfill the aspirations of black South Africans for full political rights and democratic freedoms and be based on individual, not group, rights.

No doubt many factors have led the South African Government to move toward an end to apartheid. Surely one of these is pressure, both internal and external. Now is not the time to release that pressure. We must wait

and see whether the South African Government will deliver. We must be sure that the course President de Klerk has charted is irreversible and that the "new South Africa" that he calls for will be created by and for the South Africans.

VIROQUA NATIVE IN SPACE

Mr. KASTEN. Mr. President, I rise today to recognize the achievement of a distinguished native of Viroqua, WI. Mark Lee, 37, has been named payload commander of the space shuttle mission planned for July 1991.

Mr. Lee, who graduated from Viroqua High School in 1970, will be in charge of all the equipment and experiments on Spacelab J's mission STS-47, which will be a joint endeavor by the United States and Japan.

At a time when the boundless possibilities of free people on this Earth are being demonstrated in striking fashion every day, we must look upward—to the stars, and to the ideals they represent—for a reminder of how far we have yet to go. Wisconsinite Mark Lee is pointing the direction for all of us: Forward—and Upward.

THE LEGISLATIVE STUDIES INSTITUTE

Mr. KASTEN. Mr. President, I rise today to honor 12 outstanding individuals—the first graduating class of the Legislative Studies Institute.

I helped establish this nonpartisan Institute to prepare committed young men and women for service in the legislative area of government. The LSI Program consists of highly specialized instruction in the legislative process and public communications skills, as well as substantial exposure to prominent experts from both sides of the aisle, academicians and current and former officials of the U.S. Government.

The Institute trains students in disciplines ranging from defense policy to Federal budgetmaking. The curriculum is a rigorous 4½ month intensive course in the business of government.

The U.S. Government—and the U.S. Senate in particular—stands in special need of the kind of skills that are imparted by this program. I am pleased to report today that the first group of LSI fellows has completed the course with flying colors. The graduates deserve our praise: Aaron P. Bean of Frnadina Beach, FL; Kevin J. Bernhardt of Clarion, IA; Mark B. Dowling of Melbourne Beach, FL; Ira H. Gaberman of Longmeadow, MA; Frank V. Maisano of Center Line, MI; William H. Marshner of Baltimore, MD; John H. McCutcheon II of Charleston, WV; Michael L. Shore of Silver Spring, MD; Henry K. Snyder of Wilton, CT; Mark G. Van Koevering of Grand Rapids, MI; E. Woodworth "Sam"

Youdal II of Katy, TX; and Randolph M. Wells of Montrose, CO.

These 12 individuals have earned credit for a job well done. But their achievement would not have been possible without the commitment and cooperation of the distinguished lecturers who contributed their time and energy to the program—including such eminent Americans as Jeane Kirkpatrick, Stuart Eizenstat, Alice Rivlin, and Alexander Haig. LSI is also heavily indebted to the fine work of former Senate Parliamentarian Bob Dove and Mike Johnson, chief of staff to House Minority Leader BOB MICHEL.

Under the leadership of experienced professionals—Dawn Gifford, Herman Pirchner, and Michele Manon—the Legislative Studies Institute has now passed from infancy to maturity. I am confident that it will continue to educate the Senate staff of the future.

To the first graduates, I offer congratulations and best wishes for a successful future in public life; and to all my collaborators in the LSI project, I offer my warmest thanks. Let's keep up the good work.

THE ADMINISTRATION'S PROPOSAL FOR THE 1990 FARM BILL

Mr. LEAHY. Mr. President, for the past year, the Senate Agriculture Committee has held hearings around the country on the 1990 farm bill. Two weeks ago, we held our first hearing on the farm bill this year.

Tomorrow, Agricultural Secretary Clayton Yeutter will appear before the committee to outline the administration's proposal for the 1990 farm bill. It will be the committee's first real chance to hear his views on the bill.

In general, I am glad that the administration is starting to work with Congress on the farm bill.

There are positive aspects of the administration's document. Their proposals on planting flexibility are encouraging. I am encouraged by their proposals to continue the Emergency Food Aid programs.

Unfortunately, the heart of the farm bill is simply not there. The administration fails to tell farmers what it thinks target prices should be. American farmers don't know what their income will be and Congress does not know how much the administration will be willing to spend on farm programs.

While I am pleased that the administration is proposing no backsliding on the 1985 farm bill conservation gains, the administration still refuses to actively help farmers cut pesticide and chemical use.

Finally, I am troubled that the administration has failed to include a significant proposal to protect our

groundwater from pollution from pesticides and fertilizers.

Mr. President, as the year continues, I will report to the Senate on the progress the Agriculture, Nutrition, and Forestry Committee is making on the 1990 farm bill.

PANAMA EMERGENCY AID AND AFRICA

Mr. LEAHY. Mr. President, I just returned last night from a quick but very valuable trip to Panama and El Salvador. In Panama, in my meetings with President Endara and Vice Presidents Ford and Arias, as well as in discussions with Ambassador Deane Hinton, it was made clear how urgent it is to get immediate United States assistance to that country. President Endara asked my help as chairman of the Foreign Operations Subcommittee in moving the emergency aid package through the Senate as quickly as possible.

I agree that a rapid United States economic response is needed in Panama if the positive results of our military removal of General Noriega are not to be lost. There is over 30 percent unemployment, the economy is in sharp decline, and there is widespread misery. Unless the democratic government of President Endara can begin moving promptly to improve peoples' lives, there could be a political counterreaction.

At the same time, as I have emphasized in many meetings with senior administration representatives over the last 2 weeks, I cannot agree with the approach the administration has taken in this emergency aid package for Panama. The administration intends to take \$30 million in economic aid for Africa and divert it to meet urgent needs in Panama. This is what I call "robbing the poor to help the poor." I told Vice President QUAYLE, Secretary Baker, Deputy Secretary Eagleburger and others in the administration that I cannot stand by while, once again, aid to Africa is cut back to help other problems to which the administration gives higher priority.

After some tough negotiations, both here in Washington and in Panama, I am pleased that an understanding has been reached which will allow us to provide immediate help to Panama while at the same time ensuring that total aid to Africa for fiscal 1990 will not be cut. When the Panama supplemental appropriation comes forward from the administration, I will move to restore the \$30 million to Africa out of the request for Panama. Furthermore, in accord with my discussions with Deputy Secretary Eagleburger today, I fully expect that there will be no administration opposition to my amendment. The administration un-

derstands that we in Congress will insist that Africa must have its aid fully restored on the supplemental, and will not oppose that.

EDUCATIONAL EXCELLENCE ACT OF 1989

Mr. MITCHELL. Mr. President, after consultation with the Republican leader, I have now concluded that the Senate should proceed to S. 695, and accordingly I ask unanimous consent that the Chair lay before the Senate S. 695.

The PRESIDING OFFICER. The clerk will report the bill.

The bill clerk read as follows:

A bill (S. 695) to promote excellence in American education by recognizing and rewarding schools, teachers and students for their outstanding achievements, enhancing parental choice, encouraging the study of science, mathematics, and engineering, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Educational Excellence Act of 1989".

SEC. 2. TABLE OF CONTENTS.

This Act is organized as follows:

TITLE I—IMPROVING ELEMENTARY AND SECONDARY EDUCATION

PART A—PRESIDENTIAL MERIT SCHOOLS

PART B—SCHOOLS OF EXCELLENCE

PART C—ALTERNATIVE CERTIFICATION FOR TEACHERS AND PRINCIPALS

PART D—ADMINISTRATIVE PROVISION

PART E—FUND FOR THE IMPROVEMENT AND REFORM OF SCHOOLS AND TEACHING

TITLE II—NATIONAL SCIENCE SCHOLARS

TITLE III—DRUG-FREE SCHOOLS URBAN AND RURAL EMERGENCY GRANTS

TITLE IV—HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

TITLE V—EXTENSION OF SCHOOL DROPOUT DEMONSTRATION PROGRAM

TITLE VI—STAFFORD STUDENT LOAN DEFAULT PREVENTION AND MANAGEMENT PROVISIONS

TITLE VII—NEEDS ANALYSIS AMENDMENTS

TITLE VIII—OTHER HIGHER EDUCATION AMENDMENTS

TITLE IX—WE THE PEOPLE . . . THE CITIZEN AND THE CONSTITUTION

TITLE X—NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

TITLE XI—MIDDLE SCHOOL TEACHER TRAINING DEMONSTRATIONS

TITLE XII—PRESIDENT'S COUNCIL ON ACADEMIC EXCELLENCE

TITLE XIII—EFFECTIVE DATE

TITLE I—IMPROVING ELEMENTARY AND SECONDARY EDUCATION

PART A—PRESIDENTIAL MERIT SCHOOLS

SEC. 101. PRESIDENTIAL MERIT SCHOOLS.

Title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended by adding at the end thereof a new part G to read as follows:

"PART G—PRESIDENTIAL MERIT SCHOOLS

"SEC. 4701. SHORT TITLE.

"This part may be cited as the 'Presidential Merit Schools Act'.

"SEC. 4702. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) the basic goal of all schools is to develop the skills and abilities of students to their maximum potential;

"(2) achievable standards of excellence can and should be set for all students and for all schools;

"(3) financial incentives can spur schools to rise to the challenge of meeting these standards; and

"(4) improvement in the quality of our educational system is vital to the Nation's future, and demonstrated schoolwide progress in achieving excellence deserves public recognition.

"(b) PURPOSE.—The purpose of this part is to recognize and reward public and private elementary and secondary schools that have made substantial progress in—

"(1) raising student educational achievement;

"(2) creating a safe and drug-free school environment; and

"(3) reducing the dropout rate.

"SEC. 4703. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—The amount authorized to be appropriated for the purposes of carrying out the provisions of this part for each of the fiscal years 1991, 1992, and 1993 is an amount equal to the lesser of—

"(1) the excess, if any, of—

"(A) the amount appropriated to carry out parts A, B, D, E, and F of chapter 1, of title I, of the Elementary and Secondary Education Act of 1965 for such fiscal year, over

"(B) \$5,090,000,000, or

"(2) the excess, if any, of—

"(A) the amount appropriated to carry out part C of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 for such fiscal year, over

"(B) \$200,000,000.

"(b) LIMITATION.—The amount authorized to be appropriated under subsection (a) shall not exceed \$200,000,000 for fiscal year 1991.

"SEC. 4704. ALLOCATION OF APPROPRIATIONS.

"(a) RESERVATION.—From the amount appropriated under section 4703 for any fiscal year, the Secretary may reserve up to one quarter of 1 per centum for grants to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau) for activities under this part.

"(b) ALLOCATION AMONG STATES.—(1) The amount remaining after any reservation of funds under subsection (a) shall be allocated to States as follows:

"(A) from one half of such amount, each State shall be allocated an amount that bears the same ratio to such amount as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all such States, according to the most recent available data that are satisfactory to the Secretary; and

"(B) the other one half of such amount shall be allocated among such States on the same basis as funds are allocated among such States under section 1005 of this Act for the same fiscal year.

"(2) For purposes of this subsection, the term 'State' means each of the fifty States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4708. STATE APPLICATIONS.

"(a) **THREE-YEAR APPLICATION.**—Each State that wishes to receive a grant under this part shall submit to the Secretary, through its State educational agency, an application for a three-year period, at such time and in such manner as the Secretary may prescribe.

"(b) **APPLICATION CONTENTS.**—Each State application shall contain—

"(1) the criteria the State educational agency will use to select Presidential Merit Schools under section 4708;

"(2) the criteria it will use to determine the amount of awards;

"(3) an assurance that it will carry out this part in accordance with the requirements of this part and other applicable legal requirements; and

"(4) other information the Secretary may require.

"(c) **GEPA PROVISIONS INAPPLICABLE.**—Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

"SEC. 4708. STATE USE OF FUNDS.

"(a) **ADMINISTRATION.**—Each State educational agency may use up to 5 per centum of its grant for the administrative costs of carrying out this part.

"(b) **PRESIDENTIAL MERIT SCHOOL AWARDS.**—Each State educational agency shall use at least 95 per centum of its grant for Presidential Merit School Awards made in accordance with section 4708.

"(c) **INSULAR AREAS.**—The provisions of Public Law 93-134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds received by such areas under this part.

SEC. 4707. STATE ACTIVITIES AND RESPONSIBILITIES.

"(a) **STATE REVIEW PANEL.**—(1) Each State educational agency shall establish a State review panel to assist in the selection of Presidential Merit Schools.

"(2) The State review panel shall be broadly representative of the following interests in the State—

"(A) elementary and secondary school teachers and administrators;

"(B) college and university faculty and administrators;

"(C) parents;

"(D) State and local boards of education;

"(E) State and local governments;

"(F) labor;

"(G) business; and

"(H) the general public.

"(b) **ANNUAL REPORTS TO THE SECRETARY.**—(1) Within sixty days of making Presidential Merit School awards under this part for any

fiscal year, each State educational agency shall submit a report to the Secretary that—

"(A) identifies the schools chosen as Presidential Merit Schools;

"(B) states the reasons for their selection; and

"(C) states the amount of their awards.

"(2) Beginning with the second year for which any State educational agency receives funds under this part, its annual report shall also include a brief description of how schools selected in the previous year used their awards.

"SEC. 4708. SELECTION OF PRESIDENTIAL MERIT SCHOOLS.

"(a) **ELIGIBLE SCHOOLS.**—(1) A State educational agency may designate as a Merit School any public or private elementary or secondary school in the State receiving services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 that has been nominated through procedures established by such agency.

"(2) In selecting Presidential Merit Schools, each State educational agency shall apply the selection criteria uniformly.

"(b) **CRITERIA ESTABLISHED BY SECRETARY.**—

(1) The Secretary shall establish minimum criteria to be used by every State educational agency in selecting Presidential Merit Schools.

"(2) The criteria established by the Secretary shall address—

"(A) progress in improving educational performance, with particular emphasis on mastery of reading, writing, and mathematics skills;

"(B) the degree to which the school demonstrates progress in achieving and maintaining a safe environment, including reduction or elimination of problems related to drug and alcohol use; and

"(C) secondary school progress in reducing the number of students who drop out of school or in encouraging those who have dropped out to reenter school and complete their schooling.

"(c) **STATE CRITERIA.**—(1) Based on the selection criteria established by the Secretary, as required by subsection (b), each State educational agency shall establish additional criteria that measure progress in such areas as—

"(A) student achievement, as measured by such factors as year-to-year improvement in test scores, college entrance rates, and employment of graduates in jobs with significant potential for career development; and

"(B) other indicators of a school's success, such as improvements in school leadership, the teaching and learning environment, and parental and community support and involvement.

"(2) In setting criteria for Presidential Merit Schools, the State educational agency shall establish standards that recognize the composition of the student body and other relevant factors, and that give special consideration to schools with substantial numbers of proportions of children from low-income families. The State educational agency may also set different criteria for different grade levels.

"(3) In applying the criteria to a school in which a program is conducted under part A of chapter 1 of title I of this Act, the State educational agency shall consider the desired outcomes identified for children in the application submitted under section 1012(b) of this Act by the local educational agency operating the school. No school that a local educational agency has identified under section 1021(b) of this Act shall be eligible for a Presidential Merit School award until such

time as the school has demonstrated progress in complying with the provisions of the State or local improvement plan set forth under section 1220 or 1221 of this Act.

"(4) In selecting Presidential Merit Schools and in setting the amount of their awards, the State educational agency may not consider a school's planned use of a Presidential Merit School award.

"(5) Except as provided in section 4706, each State educational agency receiving assistance under this Act shall make the same number of awards to elementary schools within the State as such State educational agency makes to secondary schools within the State.

"(d) **AMOUNT OF AWARD.**—Each State educational agency shall establish criteria, subject to subsection (c)(4), including criteria relating to the size of the school and the economic circumstances of the student body, for determining the amount of Presidential Merit School awards.

"(e) **BYPASS.**—If a State educational agency is either prohibited by State law from providing funds made available under this part to private schools, or is unwilling to do so, it shall notify the Secretary of such prohibition or unwillingness, as well as the private schools it has designated as Presidential Merit Schools and the amount of their awards. The Secretary shall then provide those funds, from the State's allocation under this part, to the designated private schools, through such arrangements as the Secretary finds suitable. The Secretary shall also withhold from the State's allocation under this part the administrative costs of making such arrangements.

"SEC. 4709. PRESIDENTIAL CERTIFICATES OF MERIT AND AWARDS CEREMONY.

"(a) **PRESIDENTIAL CERTIFICATES OF MERIT.**—Each Presidential Merit School shall be awarded a Presidential Certificate of Merit.

"(b) **AWARDS CEREMONY.**—The Secretary is authorized to accept gifts to pay the costs of conducting awards ceremonies for Presidential Merit Schools.

"SEC. 4710. PUBLIC SCHOOL USE OF FUNDS BY PRESIDENTIAL MERIT SCHOOLS.

"A Presidential Merit School shall use its Presidential Merit School award for activities that further the educational program of the school. Such activities may include, but are not limited to—

"(1) development, implementation, or expansion of special programs, such as those focused on: dropout prevention or reentry, student transition to college or employment, preschool children, remedial services, or gifted and talented students;

"(2) the purchase or lease of computers, telecommunications equipment, scientific instruments, instructional materials, library books, and other equipment and materials, except that a public agency shall have title to, and exercise administrative control of, all such equipment and materials;

"(3) bonus payments for faculty, administrators, and school personnel;

"(4) school based management/shared decision making;

"(5) parental involvement activities; and

"(6) community outreach activities;

"SEC. 4711. PRIVATE SCHOOL USE OF FUNDS BY PRESIDENTIAL MERIT SCHOOLS.

"Each private school receiving financial assistance under this Act may only use such assistance for capital expenses as set forth in section 1017(d) of the Elementary and Secondary Education Act of 1965.

"SEC. 4712. PROHIBITION ON STATE OR LOCAL REDUCTION OF OTHER ASSISTANCE."

"No Federal, State, or local agency may, in any year, take a Presidential Merit School award into account in determining whether to award any other assistance from Federal, State, or local resources, or in determining the amount of such assistance, to either the Presidential Merit School itself or the local educational agency, if any, that operates the school."

"SEC. 4713. EVALUATION."

"(a) IN GENERAL.—The Secretary shall conduct an biennial evaluation of Presidential Merit Schools."

"(b) NATIONAL DIFFUSION NETWORK.—The Secretary shall submit information on successful Presidential Merit Schools programs to the National Diffusion Network for possible dissemination."

"SEC. 4714. DEFINITION."

"(a) IN GENERAL.—As used in this part the term 'school based management/shared decision making' means a process by which a team of individuals is formed at a school site to make decisions regarding the management of the school. Such a team may include teachers, the school principal, other school administrators, parents, and community representatives."

"(b) RESPONSIBILITIES.—The school based management/shared decision making team is responsible for decisions which affect the school and classroom environment. Such decisions may include decisions regarding—

"(1) curriculum and instruction priorities which meet priorities and goals of the local education agency, including materials and activities, organization, evaluation and assessment, while taking into account the special needs of students;

"(2) student grouping, promotion, and tracking;

"(3) school rules and discipline policies;

"(4) the scheduling and structure of the school day;

"(5) the school environment;

"(6) the physical structure of school facilities;

"(7) the administrative structure of the school;

"(8) the use of funds available to the school;

"(9) hiring and evaluation of teachers and administrators;

"(10) professional development programs which will meet faculty needs; and

"(11) relationships with parents and community."

PART B—SCHOOLS OF EXCELLENCE**SEC. III. SCHOOLS OF EXCELLENCE.**

Title IV of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof a new part H to read as follows:

"PART H—SCHOOLS OF EXCELLENCE"**"SEC. 4801. SHORT TITLE."**

"This part may be cited as the 'Schools of Excellence Act of 1989'."

"SEC. 4802. FINDINGS."

"The Congress finds that—

"(1) no single method of education, or single way of organizing schools and school systems, is best for every community or every group of students;

"(2) schools that have increased competition and choice and helped to improve the quality of schools and the education of children in the school districts in which they have been established; and

"(3) schools that focus on mathematics and science train future leaders in such disciplines that are of critical importance to the Nation's economic competitiveness;

"SEC. 4803. PURPOSE."

"It is the purpose of this part to support the establishment, expansion, or enhancement of Schools of Excellence in order to promote open enrollment through parental choice and to strengthen the knowledge of elementary and secondary school students in academic and vocational subjects."

"SEC. 4804. DEFINITION."

"As used in this part, the term 'School of Excellence' means a public elementary or secondary school that—

"(1) offers the highest quality instruction in an academic or vocational discipline or creates a unique and effective learning environment;

"(2) is open to students from beyond the immediate school attendance area; and

"(3) is capable of attracting students from a variety of backgrounds."

"SEC. 4805. AUTHORIZATION OF APPROPRIATIONS."

"(a) IN GENERAL.—The amount authorized to be appropriated for the purposes of carrying out the provisions of this part for each of the fiscal years 1991, 1992, and 1993 is an amount equal to the lesser of—

"(1) the excess, if any, of—

"(A) the amount appropriated to carry out title III of the Elementary and Secondary Education Act of 1965 for such fiscal year, over

"(B) \$165,000,000, or

"(2) the excess, if any, of—

"(A) the amount appropriated to carry out section 4606 of the Elementary and Secondary Education Act of 1965 for such fiscal year, over

"(B) \$35,000,000.

"(b) LIMITATION.—The amount authorized to be appropriated under subsection (a) shall not exceed \$50,000,000 for fiscal year 1991.

"SEC. 4806. GRANT APPLICATIONS."

"(a) IN GENERAL.—(1) Any local educational agency, intermediate educational agency, or consortia of such agencies desiring to receive a grant under this part shall submit an application at such time, in such manner, and containing such information, as the Secretary may require.

"(2) An applicant may be, but is not required to be, adopting or implementing a desegregation plan.

"(b) REQUIREMENTS.—Each application shall contain—

"(1) a description of—

"(A) the objectives of the proposed project and how those objectives will achieve the purpose of this part, as set out in section 4803; and

"(B) how the funds made available to the applicant will be used to provide an educational program of the highest quality that will encourage greater parental decision-making and involvement;

"(C) the method of information dissemination;

"(D) the unique learning environment; and

"(E) the open enrollment policy for students beyond the immediate attendance area; and

"(2) such assurances as the Secretary may reasonably require.

"(c) SPECIAL RULE.—The Secretary shall encourage applications for proposed projects that—

"(1) recognize the potential of children who are educationally disadvantaged or who come from low-income families; and

"(2) establish, expand, or enhance schools that focus on a particular educational approach or on a particular subject area, such as mathematics and science.

"(d) DEMONSTRATION.—Each application submitted pursuant to this section shall demonstrate to the satisfaction of the Secretary that any proposed project assisted with funds under this part will not result in segregation based upon race, religion, color, national origin, sex, or handicap, or impede the progress of desegregation within the applicant's school system."

"SEC. 4807. SELECTION OF APPLICATIONS."

"In awarding grants under this part, the Secretary shall consider the quality of the proposed project, the likelihood of the project's successful implementation, and the likelihood of its strengthening the educational program of the applicant."

"SEC. 4808. LIMITATIONS."

"(a) IN GENERAL.—No School of Excellence may be supported with funds under this part for more than two years.

"(b) SATISFACTORY PROGRESS.—No applicant may receive a grant for more than one year under this part, unless it demonstrates to the Secretary that the School of Excellence for which assistance was provided in the first year is making satisfactory progress in meeting the objectives specified in its proposed application.

"(c) SPECIAL RULE.—No Federal, State, or local agency may, in any year, take a School of Excellence award into account in determining whether to award any other assistance from Federal, State, or local resources, or in determining the amount of such assistance, to either a School of Excellence itself or to the local educational agency or intermediate educational agency that operates the school."

PART C—ALTERNATIVE CERTIFICATION FOR TEACHERS AND PRINCIPALS**SEC. 121. ALTERNATIVE CERTIFICATION FOR TEACHERS AND PRINCIPALS PROGRAM.**

Title IV of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof a new part I to read as follows:

PART I—ALTERNATIVE CERTIFICATION FOR TEACHERS AND PRINCIPALS**"SEC. 4901. SHORT TITLE."**

"This part may be cited as the 'Alternative Certification of Teachers and Principals Assistance Act of 1989'."

"SEC. 4902. FINDINGS."

"The Congress finds that—

"(1) effective elementary and secondary schools require competent teachers and strong leadership;

"(2) school systems would benefit greatly by recruitment pools of well-qualified individuals, such as scientists and engineers, from which to select teachers and principals;

"(3) talented professionals who have demonstrated a high level of subject area competence or management and leadership qualities outside the education profession wish to pursue second careers in education, but often do not meet traditional certification requirements; and

"(4) alternative certification requirements that do not exclude such individuals from teaching or school administration solely because they do not meet current certification requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

"SEC. 4903. PURPOSE."

"It is the purpose of this part to improve the supply of well-qualified elementary and secondary school teachers and principals by

encouraging and assisting States to develop and implement alternative teacher and principal certification requirements.

"SEC. 4904. DEFINITION.

"As used in this part—

"(1) The term 'alternative teacher and principal certification requirements' means State or local requirements that permit entry into elementary and secondary teacher and principal positions for individuals who have demonstrated a high level of appropriate subject area competence, or management or leadership qualities, in careers in or out of the education field, but who would not otherwise meet existing requirements for teaching or supervisory positions. Alternative teacher and principal certification requirements may recognize that—

"(A) for teachers, a high level of demonstrated competence in an appropriate subject area may be substituted for traditional teacher certification requirements (such as teacher training course work); and

"(B) for principals, a high level of demonstrated competence in administration and management may be substituted for traditional principal certification requirements.

"(2) The term 'State' means any of the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4905. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000 for fiscal year 1991.

"SEC. 4906. ALLOTMENTS.

"(a) **IN GENERAL.**—(1) From the amount appropriated to carry out this part, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 4907 or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

"(2) If a State does not apply for its allotment, or the full amount of its allotment, under the preceding paragraph, the Secretary may reallocate the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

"(b) **SPECIAL RULE.**—Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this part shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

"SEC. 4907. STATE APPLICATIONS.

"(a) **IN GENERAL.**—Any State desiring to receive a grant under this part shall submit, through its State educational agency, an application at such time, in such manner, and containing such information, as the Secretary may reasonably require.

"(b) **REQUIREMENTS.**—Each State application shall—

"(1) describe the programs, projects, and activities to be undertaken; and

"(2) contain such assurances as the Secretary deems necessary, including assurances that—

"(A) funds awarded to the State educational agency will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of alternative teacher and principal certification requirements;

"(B) the State educational agency has, in developing the State's application, consulted with representatives of local educational agencies, elementary and secondary school teachers and principals, parents, and other

interested organizations and individuals; and

"(C) the State educational agency will submit to the Secretary, at such time as the Secretary may specify, a final report describing the activities carried out with funds awarded under this part and the results achieved.

"(c) **SPECIAL RULE.**—Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

"SEC. 4908. USE OF FUNDS.

"(a) **IN GENERAL.**—(1) A State educational agency shall use funds awarded under this part to support programs, projects, or activities that develop and implement new, or expand and improve existing, alternative teacher and principal certification requirements.

"(2) A State educational agency may carry out such programs, projects, or activities directly, through contracts, or through subgrants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies.

"(b) **PROGRAMS, PROJECTS, AND ACTIVITIES.**—Programs, projects, and activities supported under this part may include, but are not limited to, the—

"(1) design, development, implementation, testing, and evaluation of alternative teacher and principal certification requirements;

"(2) establishment of administrative structures necessary to the development and implementation of alternative teacher and principal certification requirements;

"(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers and principals entering the school system through the alternative teacher and principal certification program;

"(4) development of recruitment strategies; and

"(5) development of reciprocity agreements between or among States for the certification of teachers and principals.

"SEC. 4909. EXPIRATION DATE.

"Effective October 1, 1992, the Alternative Certification of Teachers and Principals Assistance Act of 1989 is repealed."

PART D—ADMINISTRATIVE PROVISION

SEC. 431. DEFINITION.

Section 403(6) of Public Law 81-874 is amended by adding the following sentence at the end thereof:

"Such term does not include any agency or school authority that the Secretary determines, on a case-by-case basis—

"(A) was constituted or reconstituted primarily for the purpose of receiving assistance under this Act or increasing the amount of that assistance; and

"(B) is not constituted or reconstituted for legitimate educational purposes."

PART E—FUND FOR THE IMPROVEMENT AND REFORM OF SCHOOLS AND TEACHING

SEC. 141. DIRECTOR OF THE FUND.—The first sentence of section 3231(b)(1) of the Fund for the Improvement and Reform of Schools and Teaching Act is amended to read as follows: "The Board shall appoint a Director of the Fund to serve a 4-year term."

TITLE II—NATIONAL SCIENCE SCHOLARS

SEC. 201. NATIONAL SCIENCE SCHOLARS PROGRAM.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq., herein-after referred to in this title as "the Act"), is amended—

(1) by redesignating subparts 7 and 8 as subparts 8 and 9, respectively; and
(2) by inserting immediately after subpart 6 the following new subpart:

"SUBPART 7—NATIONAL SCIENCE SCHOLARS PROGRAM

"PURPOSE

"SEC. 419L. (a) PURPOSE.—It is the purpose of this subpart—

"(1) to establish a National Science Scholars Program to recognize student excellence and achievement in the physical, life, and computer sciences, mathematics, and engineering;

"(2) to encourage role models in physical, life, and computer sciences, mathematics, and engineering fields for young people by offering opportunities to pursue a postsecondary education in such fields;

"(3) to strengthen the leadership of the United States in the fields of physical, life, and computer sciences, mathematics, and engineering; and

"(4) to assist students who have demonstrated outstanding academic achievement in continuing their education in these fields of study.

"SCHOLARSHIPS AUTHORIZED

"SEC. 419M. (a) PROGRAM AUTHORITY.—(1) The Secretary is authorized, in consultation with the Director of the National Science Foundation (hereinafter referred to as the "Director") and in accordance with the provisions of this subpart, to carry out a program of awarding scholarships for the study of the life, physical, or computer sciences, mathematics, or engineering.

"(2) The Director, in consultation with the Secretary, shall establish and implement a merit-based program for annually awarding scholarships for the study of physical, life, or computer sciences, mathematics, or engineering to—

"(A) one male and one female from each congressional district of the United States, the District of Columbia, and Puerto Rico, and

"(B) one male and one female from Guam, the Virgin Islands, American Samoa, Palau, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Commonwealth of the Northern Mariana Islands.

"(3) Wherever possible in awarding scholarships, special consideration shall be given to economically disadvantaged students or students from groups traditionally underrepresented in the life, physical, or computer sciences, mathematics, and engineering professions.

"(b) **NOTIFICATION OF SECONDARY SCHOOLS.**—The Secretary shall notify all public and private secondary schools and all institutions of higher education in each State and in each of the entities set forth in subsection (a)(2)(B) annually of the availability of scholarships under this subpart.

"(c) **CRITERIA AND PROCEDURE FOR NOMINATION AND SELECTION.**—(1) Individuals shall be nominated and selected for scholarships under this Act on the basis of the student's—

"(A) academic achievement in the life, physical, or computer sciences, mathematics, or engineering;

"(B) promise of outstanding academic achievement in physical, life, or computer sciences, mathematics, or engineering;

"(C) potential to successfully complete a post-secondary program in physical, life, or computer sciences, mathematics, or engineering; and

"(D) motivation to pursue a career in physical, life, or computer sciences, mathematics, or engineering.

"(2) The Director, in consultation with the Secretary, shall appoint a National Science Scholars Program Board (hereinafter referred to as the 'Board'), composed of scientists, mathematicians, educators, engineers, and representatives of the business community, to—

"(A) recommend to the Director specific academic achievement criteria for use in the nomination of scholars; and

"(B) make recommendations for awarding scholarships to the Director.

The Director, in consultation with the Secretary, shall review the Board's recommendations and shall each publish the appropriate academic achievement criteria in the Federal Register.

"(3) The Director, in consultation with the Secretary, is authorized to establish, either directly or by contract, a procedure for nominating at least 4, but not more than 10 students from each congressional district and from each of the entities set forth in subsection (a)(2)(B), for scholarships under this subpart. The Director shall ensure that such nominations shall be made in consultation with educators, scientists, mathematicians, engineers, and representatives of the business community.

"(4) After considering the students nominated under paragraph (3), the Director, in consultation with the Board, shall recommend to the President one male and one female from each Congressional district of the United States, and one male and one female from each of the entities set forth in subsection (a)(2)(B), for scholarships under this subpart.

"(d) DISBURSAL OF SCHOLARSHIP PROCEEDS.—Scholarship proceeds shall be disbursed by the Secretary on behalf of students who receive scholarships under this subpart to the institutions of higher education at which the students are enrolled. No scholarship proceeds shall be disbursed on behalf of a student until the student is enrolled at an institution of higher education.

"(e)(1) NATIONAL SCIENCE SCHOLARS.—Students awarded scholarships under this subpart shall be known as 'National Science Scholars'.

"(2) Students nominated under subsection (c) but not awarded scholarships under this subpart shall be known as 'National Science Scholarship Finalists'.

"(f) NATURE AND AMOUNT OF SCHOLARSHIPS.—(1) Scholarships shall be limited to a maximum of \$5,000 per student, per year, for a period not to exceed 4 years.

"(2) In the event that funds available in a fiscal year are insufficient to fully fund all awards under this subpart, the amount paid to each student shall be ratably reduced.

"(g) USE OF EXCESS FUNDS.—If the funds available under this subpart for any fiscal year exceed the amounts required for initial and continuing awards under this section, additional scholarships may be awarded by the President, in consultation with the Director, to students selected as National Science Scholarship Finalists for the award year.

"(h) RELATION TO COST OF ATTENDANCE AND OTHER GRANTS AND SCHOLARSHIPS.—(1) The amount of a scholarship awarded under this subpart shall be reduced by the amount that the scholarship exceeds the student's cost of attendance, as defined in section 472 of the Act.

"(2) Notwithstanding any other provision of law, the award made under this subpart

shall be considered as income for the purposes of awarding Federal student financial aid.

"(i) ANNOUNCEMENT AND AWARD OF SCHOLARSHIPS.—The selection process shall be completed, and the announcement of the selection of National Science Scholars will be made by the President prior to January 1st of each fiscal year. The Secretary shall notify Members of Congress of selections before the public announcement by the President. Presentation of scholarships shall be made in a public ceremony.

"ELIGIBILITY OF SCHOLARS

"SEC. 419N. (a) REQUIREMENTS FOR INITIAL AWARD.—To be eligible to receive a scholarship under section 419M, a student shall—

"(1) be scheduled to graduate from a public or private secondary school, or to obtain the equivalent of a certificate of graduation (as recognized by the State or entity in which the student resides), during the school year in which the award is made;

"(2) be a citizen or national of the United States or the entities set forth in subsection (a)(2)(B), or be an alien lawfully admitted to the United States for permanent residence;

"(3) have applied, or intend to apply, for admission to an institution of higher education in the United States or an institution of higher education in the entities set forth in subsection (a)(2)(B), that is accredited by a nationally recognized accrediting agency or association in accordance with the provisions of section 1201(a) of this Act.

"(b) MAINTAINING ELIGIBILITY.—(1) In order to maintain eligibility to receive funds pursuant to a scholarship awarded under this subpart, a student must—

"(A) be enrolled at an institution of higher education that is accredited by a nationally recognized accrediting agency or association in accordance with the provisions of section 1201(a) of the Act;

"(B) major in any field of physical, life, or computer science, mathematics, or engineering;

"(C) maintain academic performance in good standing, as determined by such institution; and

"(D) except as provided in paragraph (2), carry a full-time academic work load, as determined by the institution in which the student is enrolled under standards applicable to all students enrolled in that student's program.

"(2) The Secretary shall make exceptions to the requirement under paragraph (1)(D) in the case of a student who—

"(A) is on active duty as a member of the armed services;

"(B) has a disability or serious injury as certified by a qualified physician; or

"(C) has exceptional personal circumstances or emergencies, as determined by the Secretary.

"(c) FAILURE TO MEET ELIGIBILITY REQUIREMENTS.—In the event that the student fails to meet the requirements of this section, the student's eligibility to receive further scholarships (or scholarship proceeds) under this subpart shall be determined in accordance with the regulations of the Secretary.

"SUMMER EMPLOYMENT OPPORTUNITIES FOR SCHOLARS

"SEC. 419O. (a) PRIORITY FOR SUMMER EMPLOYMENT.—To the extent that they are otherwise qualified, students receiving scholarships under this subpart shall be given priority consideration for federally financed summer employment in federally funded research and development centers, that, to the maximum extent practicable, complements

and reinforces the educational program of these students.

"(b) FEDERAL AGENCY COOPERATION.—Federal agencies shall cooperate fully with the Secretary and participate actively in providing appropriate summer employment opportunities for such students.

"EFFECTIVE DATE

"SEC. 419P. The amendments made by this subpart shall be effective on October 1, 1990, for award year 1991-1992 and each succeeding award year thereafter.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 419Q. There are authorized to be appropriated to the Department of Education for the purpose of carrying out this subpart \$6,000,000 for the fiscal year 1991, and such sums as may be necessary for each of the 2 succeeding fiscal years."

SEC. 202. CONFORMING AMENDMENTS.

(a) Section 401(b) of the Act is amended by striking out "subparts 1 through 8," and inserting in lieu thereof "subparts 1 through 9".

(b) Section 481(a)(1) of the Act is amended by striking out "except subpart 6" and inserting in lieu thereof "except subparts 6 and 7".

TITLE III—DRUG-FREE SCHOOLS URBAN AND RURAL EMERGENCY GRANTS

SEC. 301. DRUG-FREE SCHOOLS URBAN AND RURAL EMERGENCY GRANTS.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 5111(a) of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3171 et seq.) is amended by striking "\$350,000,000" and inserting "\$375,000,000".

(b) **EMERGENCY GRANTS TO SCHOOLS IN URBAN AND RURAL AREAS.**—Section 5122 of the Drug-Free Schools and Communities Act of 1986 is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively;

(2) by inserting the following new subsection (a) after the section designation:

"(a) **EMERGENCY GRANTS TO SCHOOLS IN URBAN AND RURAL AREAS.**—(1) From the amount available to carry out this section pursuant to section 5121(a), 33.3 percent of such amount shall be used by the chief executive officer in consultation with the State educational agency or the chief State school officer of a State, to make contracts with, and emergency grants to, local educational agencies serving urban and rural communities with severe drug problems.

"(2)(A) In awarding grants under this subsection the chief executive shall first award grants to local educational agencies serving the largest city in the State to develop and implement comprehensive approaches to eliminating the serious drug problem that affects schools and students within the boundaries of the local educational agency. Such grants shall be of sufficient size, scope, and quality to be of value and effective.

"(B) After satisfying the requirements of subparagraph (A) the chief executive officer of a State receiving a grant pursuant to the provisions of this section shall make grants to urban and rural local educational agencies with severe drug problems as determined by the incidence of drug abuse in relation to the size of the school age population. Such grants shall be of sufficient size, scope, and quality to be of value and effective. Such grants to the local educational agency shall be used for the development and implementation of comprehensive approaches to eliminating the serious drug problem that affects schools and students

within the boundaries of the local educational agency.

(3) The Secretary may waive the provisions of this subsection for States in which there is no concentration of drug problems.";

(3) in subsection (b) (as amended in paragraph (1)) by striking "IN GENERAL—Not" and inserting "REMAINDER.—From the remainder available to carry out this section, not".

TITLE IV—HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

SEC. 401. HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

Section 360(a)(3) of the Higher Education Act of 1965 is amended by—

(1) redesignating paragraph (4) as paragraph (5);

(2) inserting the following new paragraph after paragraph (3):

"(4) There are authorized to be appropriated \$20,000,000 for fiscal year 1990 and such sums as may be necessary for each of fiscal years 1991, 1992, and 1993 for awards under section 332 of the Act to historically black colleges and universities that qualify as part B institutions, except that any part B institution that receives an award from funds appropriated for any fiscal year under paragraph (4), shall not be eligible to receive an award in the same fiscal year under paragraph (3).".

TITLE V—EXTENSION OF SCHOOL DROPOUT DEMONSTRATION PROGRAM

SEC. 501. EXTENSION OF SCHOOL DROPOUT DEMONSTRATION PROGRAMS.

Section 6003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3243) is amended—

(1) by striking "There" and inserting the following: "(a) IN GENERAL.—Subject to subsection (b), there";

(2) by inserting "each of" before "the fiscal";

(3) by striking "year" and inserting "years";

(4) by inserting before the period the following: ", 1990, and 1991"; and

(5) by adding at the end the following new subsection:

"(b) No amounts are authorized to be appropriated under subsection (a) for any fiscal year in which assistance is made available to local educational agencies under part C of chapter 1 of title I".

SEC. 502. AUTHORIZATION OF USE OF FUNDS FOR EVALUATION ACTIVITIES.

Subsection (a) of section 6004 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3244) is amended—

(1) by inserting after "the Secretary" the following: "shall first reserve not more than \$1,500,000 for the purposes of evaluating programs carried out with assistance under this part. From the remaining amount, the Secretary"; and

(2) by striking "the amount appropriated" each place it appears after the first occurrence and inserting "such remaining amount".

SEC. 503. AUTHORIZATION OF REALLOTMENT OF CERTAIN FUNDS.

Paragraph (1) of section 6004(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3244(b)) is amended by striking "25 percent" and inserting "not less than 25 percent and not more than 50 percent".

SEC. 504. DEADLINE FOR EVALUATIONS.

Subsection (d) of section 6201 of the Elementary and Secondary Education Act of 1965 is amended by striking "at the end"

and all that follows and inserting "not later than the expiration of the 6-month period following the end of the grant period.".

TITLE VI—STAFFORD STUDENT LOAN DEFAULT PREVENTION AND MANAGEMENT PROVISIONS

SEC. 601. GUARANTY AGENCY PROHIBITION ON THE SALE OF CERTAIN STAFFORD STUDENT LOAN LISTS.

Section 428(b)(3) of the Higher Education Act of 1965 (hereafter in this title referred to as the "Act") is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following:

"(D) sell lists of student borrowers who have loans made, insured, or guaranteed under this part.".

SEC. 602. GUARANTY AGENCY USE OF STATE LICENSING BOARD INFORMATION.

Section 428(b) of the Act is amended by adding at the end thereof the following new paragraph:

"(7) STATE GUARANTY AGENCY INFORMATION REQUEST OF STATE LICENSING BOARDS.—Each guaranty agency is authorized to enter into agreements with each appropriate State licensing board under which the State licensing board, upon request, will furnish the guaranty agency with the address of a student borrower in any case in which the location of the student borrower is unknown or unavailable to the guaranty agency.".

SEC. 603. SPECIAL LIMITATION ON THE DEFERMENT OF PAYMENT OF PRINCIPAL AND INTEREST ON PLUS LOANS.

Section 428B(c)(1) of the Act is amended—

(1) by striking out "(A)"; and

(2) by striking out "and (B) during any period during which the borrower has a dependent student for whom a loan obligation was incurred under the section and who meets the conditions required for a deferral under clause (i) of either such section".

SEC. 604. CREDIT BUREAUS.

(a) NOTICE OF DELINQUENCY.—Section 430A(a) of the Act is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following:

"(3) with respect to any payment on a loan that has been delinquent for 90 days, information concerning the date the delinquency began and the repayment status of the loan; and".

(b) NOTICE TO BORROWER.—Section 430A(c) of the Act is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting "and"; and

(3) by adding at the end the following:

"(5) with respect to notices of delinquency under subsection (a)(3), the borrower is informed that credit bureau organizations will be notified of any payment that is delinquent for 90 days or more".

(c) LIMITATION ON REPORTING.—Section 463(c)(3)(B) of the Act is amended by striking "if that account has not been previously reported by any other holder of the notes".

SEC. 605. ADDITIONAL BORROWER INFORMATION REQUIRED.

Section 484(b) of the Act is amended by adding at the end thereof the following new paragraph:

"(5) In order to be eligible to receive any loan under this title, a student shall provide

to the lender at the time of applying for the loan the driver's license number of the student borrower, if applicable, and the name and address of the next of kin of the student borrower.".

SEC. 606. RESTRICTIONS ON INSTITUTIONAL PROMOTIONAL ACTIVITIES.

Section 487(a) of the Act (20 U.S.C. 1094(a)) is further amended by adding at the end thereof the following:

"(11) The institution does not—
(A) use any contractor or any person other than salaries employees of the institution or a volunteer to conduct any activities related to recruiting and admission of students, including canvassing, surveying, promotion, or similar activities; or
(B) pay any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments to any person engaged in any such activity.".

SEC. 607. ACADEMIC YEAR DEFINITION.

Section 487(a) of the Act is further amended by adding at the end thereof the following new paragraph:

"(12) The institution will use the same definition of 'academic year' for all programs authorized by this title.".

SEC. 608. NOTICE ON DELINQUENT LOANS REQUIRED.

(a) PRE-CLAIMS ASSISTANCE.—Section 435(d) of the Act is amended—

(1) in paragraph (1) by striking "(5)" the first two places it appears and inserting "(6)"; and

(2) by adding at the end thereof the following new paragraph:

"(6) REQUEST FOR PRE-CLAIMS ASSISTANCE.—To be an eligible lender under this part, each eligible lender shall, if the agency that guaranteed the loan offers pre-claims assistance for default prevention, request pre-claims assistance within the first 10 days such assistance is available as specified by the guarantee agency.".

(b) NOTICE.—Section 428(k) of the Act is amended by—

(1) redesignating paragraph (2) as paragraph (3); and

(2) inserting the following new paragraph after paragraph (1):

"(2) PROVISION OF NOTICE OF REQUEST FOR PRE-CLAIMS ASSISTANCE TO ELIGIBLE INSTITUTIONS.—Each guaranty agency shall, within 30 days of receipt of the request for pre-claims assistance, notify each eligible institution, with respect to students who are delinquent on the repayment of any loan received for attendance at such institution, of the lender's request for pre-claims assistance for default prevention on such loan. Such information may be provided to the eligible institution by submission of a copy of the lender's pre-claims request or through other means.".

SEC. 609. REGULATIONS FOR INSTITUTIONAL DISCLOSURE OF BORROWER RECORDS.

The Secretary shall promulgate regulations specifying the legal restrictions and the requirements of eligible institutions relating to loan counseling and reporting requirements including but not limited to disclosure of borrower records to third parties, the Fair Debt Collection Practices Act, and any other applicable Federal law.

SEC. 610. EFFECT OF LOSS OF ACCREDITATION.

(a) STATUS AS ELIGIBLE INSTITUTION FOR STAFFORD STUDENT LOAN PROGRAM.—Section 435 of the Act (20 U.S.C. 1085) is amended—

(1) in subsection (a)(1), by striking out "The term" and inserting "Subject to subsection (m), the term"; and

(2) by adding at the end thereof the following:

"(m) IMPACT OF LOSS OF ACCREDITATION.—An institution may not be certified or recertified as an eligible institution under subsection (a) of this section if such institution—

"(1) had its institutional accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months; or

"(2) has withdrawn from institutional accreditation voluntarily under a show cause order, suspension order, or other similar order during the preceding 24 months; unless—

"(A) such accreditation has been restored by the same accrediting agency which had accredited it prior to the withdrawal, revocation, or termination; or

"(B) the institution has demonstrated its academic integrity to the satisfaction of the Secretary in accordance with section 1201(a)(5) (A) or (B) of this Act".

(b) STATUS AS ELIGIBLE INSTITUTION FOR OTHER TITLE IV PROGRAMS.—Section 481 of the Act (20 U.S.C. 1088) is amended—

(1) in subsection (a)(1), by striking out "For the purpose" and inserting "Subject to subsection (e), for the purpose"; and

(2) by adding at the end thereof the following:

"(e) IMPACT OF LOSS OF ACCREDITATION.—An institution may not be certified or recertified as an eligible institution under subsection (a) of this section if such institution—

"(1) had its institutional accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months; or

"(2) has withdrawn from institutional accreditation voluntarily under a show cause order, suspension order, or other similar order during the preceding 24 months; unless—

"(A) such accreditation has been restored by the same accrediting agency which had accredited it prior to the withdrawal, revocation, or termination; or

"(B) the institution has demonstrated its academic integrity to the satisfaction of the Secretary in accordance with section 1201(a)(5) (A) or (B) of this Act".

SEC. 611. SPECIAL ACCREDITATION RULES.

Section 487(c) of the Act is amended—

(1) by redesignating paragraph (3) as paragraph (5); and

(2) by adding after paragraph (2) the following new paragraphs:

"(3) The Secretary is authorized to carry out the provisions of paragraph (1)(D), relating to limitation, suspension, or termination of an eligible institution whenever the institution withdraws from a nationally recognized accrediting agency or association during a show cause or suspension proceeding brought against that institution.

"(4)(A) Whenever a nationally recognized accrediting agency or association reports pursuant to subparagraph (B) that an eligible institution was denied institutional accreditation, the Secretary is authorized to carry out the provisions of paragraph (1)(D) relating to limitation, suspension, or termination of an eligible institution.

"(B) The Secretary is authorized to enter into such arrangements with accrediting agencies and associations as may be necessary to assure notice of the denial of institutional accreditation in order to carry out subparagraph (A)."

SEC. 612. ELIGIBLE INSTITUTION ACCREDITATION RULE.

Section 481(a) of the Act is amended by inserting after paragraph (2) the following new paragraph:

"(3) Whenever the Secretary determines accreditation for the purpose of paragraph (1), the Secretary shall not approve the accreditation of any eligible institution of higher education under this section if the eligible institution of higher education is in the process of receiving new institutional accreditation by a national or regional accreditation agency unless the eligible institution submits to the Secretary all materials relating to the prior accreditation, including the reasons, if applicable, for changing the accrediting agency or association.".

SEC. 613. TOLL-FREE CONSUMER HOTLINE.

Section 485 of the Act is amended by adding at the end thereof the following new paragraph:

"(e) TOLL-FREE CONSUMER HOTLINE.—(1) In addition to the toll-free telephone information provided for in section 483, the Secretary shall contract for, or establish, and publicize a toll-free telephone number for use by the public, in order to permit students who allege fraud or unfair practices by eligible institutions to inform the Department of such fraud or unfair practices.

"(2) The Secretary shall, directly or by way of contract or other arrangement, make the toll-free telephone number, and the availability of the consumer hotline established by this subsection, generally available to students receiving financial assistance under this title.".

SEC. 614. TUITION REFUNDS.

(a) REFUND RULE.—Section 487(c)(2)(B)(i) of the Act is amended by adding at the end thereof the following new sentence: "In addition, the Secretary may require such eligible institutions to make refunds in accordance with division (iii).".

(b) REFUND PROCEDURES.—Section 487(c)(2)(B) of the Act is amended by adding the following new division after division (ii):

"(iii) When the Secretary determines there has been a violation, failure, or misrepresentation pursuant to division (i), the Secretary may require the institution to refund the student's tuition and fees. The Secretary shall establish procedures for refunding the tuition and fees. Such procedures shall—

"(I) first require the payment by the institution to the United States Government of any portion of the tuition and fees paid with Federal funds received under this title (other than funds under subpart 3 of part A and part B of this title); and

"(II) then require payment by the institution to the lender of that portion of the tuition and fees attributable to a loan made, issued, or guaranteed under part B of this title.".

SEC. 615. PELL GRANT PROGRAM AMENDMENT.

Section 411(c)(1)(A) of the Act (20 U.S.C. 1070a(c)(1)(A)) is amended by striking clauses (i) and (ii) and inserting the following:

"(i) the number of academic years (or portion of an academic year) that the undergraduate degree or certificate program normally requires, plus one academic year; or

"(ii) 6 academic years in the case of an undergraduate degree or certificate program normally requiring more than 4 academic years;".

SEC. 616. REVISED DISCLOSURE REQUIREMENTS OF SLS LOANS.

Section 433(a) of the Higher Education Act is amended—

(1) in subsection (a) by inserting "and except as specified in subsection (e) of this section" after "section 428C"; and

(2) by inserting the following new subsection after subsection (d):

"(e) SPECIAL RULES FOR SUPPLEMENTAL LOANS FOR STUDENTS.—Loans made under section 428A shall not be subject to the disclosure of projected monthly payment amounts required under subsection (a)(8) of this section, provided that the lender provides the borrower with sample projections of monthly repayment amounts assuming different levels of borrowing and interest accruals resulting from capitalization of interest while the borrower is in school.".

SEC. 617. STUDY OF DISCHARGE OF STAFFORD STUDENT LOANS IN BANKRUPTCY.

(a) STAFFORD STUDENT LOAN DISCHARGE STUDY.—The Comptroller General shall conduct a study relating to the discharge of student loan indebtedness in proceedings in bankruptcy. Such study shall include—

(1) an evaluation of the treatment of student loan debtors under chapter 13 of title 11, United States Code, including—

(A) the frequency of attempts to discharge or the discharging of such loans compared to such attempts to discharge or the discharging of other consumer loans by such students; and

(B) the number and amount of such loans discharged;

(2) an evaluation of the effect of students who attempt to or do discharge such loans relative to the costs of the Stafford Student Loan Program and the institutional costs of the Perkins Loans Program; and

(3) an evaluation of the behavior of student loan debtors who discharge such loans as compared to other debtors who discharge debts in bankruptcy by evaluating such factors as—

(A) the average age of the debtors in each group;

(B) the amounts and types of debts sought to be discharged by each group; and

(C) the percentage of discharge of other types of consumer debts by each group.

(b) STAFFORD STUDENT LOAN DISCHARGE REPORT.—The Comptroller General shall prepare a report of the study required by this section and shall submit the study of the Congress within 3 years after the date of enactment of this Act.

TITLE VII—NEEDS ANALYSIS AMENDMENTS

SEC. 701. DEFINITION OF INDEPENDENT STUDENT.

(a) SECTION 411F.—Section 411F(12) of the Higher Education Act of 1965 (hereafter in this title referred to as the "Act") is amended to read as follows:

"(12) The term 'independent', when used with respect to a student, means any individual who—

"(A) is 24 years of age or older by December 31 of the first calendar year of the award year;

"(B) is an orphan or is or has been a ward of the court;

"(C) is a veteran of the Armed Forces of the United States;

"(D) is a graduate or professional student and will not be claimed by his or her parents (or guardian) for income tax purposes for the award year;

"(E) is married or has legal dependents;

"(F) is an undergraduate student who was not claimed by his or her parents (or guardian) for income tax purposes for the 2 calendar years preceding the first calendar year of the award year, and who either was awarded assistance under this title as an independent student in the prior year, or demonstrates to the student financial aid administrator total self-sufficiency during the 2 calendar years preceding the first calendar year of the award year by demonstrating annual total resources (including all sources

other than parents and student aid) of \$4,000; or

"(G) is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances".

(b) SECTION 480(d).—Section 480(d) of the Act is amended to read as follows:

"(d) INDEPENDENT.—The term 'independent', when used with respect to a student, means any individuals who—

"(1) is 24 years of age or older by December 31 of the first calendar year of the award year;

"(2) is an orphan or is or has been a ward of the court;

"(3) is a veteran of the Armed Forces of the United States;

"(4) is a graduate or professional student and will not be claimed by his or her parents (or guardian) for income tax purposes for the award year;

"(5) is married or has legal dependents;

"(6) is an undergraduate student who was not claimed by his or her parents (or guardian) for income tax purposes for the 2 calendar years preceding the first calendar year of the award year, and who either was awarded assistance under this title as an independent student in the prior year, or demonstrates to the student financial aid administrator total self-sufficiency during the 2 calendar years preceding the first calendar year of the award year by demonstrating annual total resources (including all sources other than parents and student aid) of \$4,000; or

"(7) is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances".

SEC. 702. MODIFICATION TO COMPUTATION OF CONTRIBUTIONS.

(a) PELL GRANT NEEDS ANALYSIS.—(1) Section 411B(b)(3) of the Act is amended by striking out "a program of postsecondary education" and inserting in lieu thereof "a program of postsecondary education which meets the requirements of section 484(a)(1)".

(2) Section 411C(a)(3) of the Act is amended by striking out "a program of postsecondary education" and inserting in lieu thereof "a program of postsecondary education which meet the requirements of section 484(a)(1)".

(3) Section 411D(a)(3) of the Act is amended by striking out "a program of postsecondary education" and inserting in lieu thereof "a program of postsecondary education which meet the requirements of section 484(a)(1)".

(b) GENERAL NEEDS ANALYSIS.—Section 475(b)(3) of the Act is amended by striking out "a program of postsecondary education" and inserting in lieu thereof "a program of postsecondary education which meets the requirements of section 484(a)(1)".

(2) Section 477(a)(3) of the Act is amended by striking out "a program of postsecondary education" and inserting in lieu thereof "a program of postsecondary education which meet the requirements of section 484(a)(1)".

SEC. 703. STUDENT CONTRIBUTION MODIFICATION.

Section 475(g)(1)(C) of the Act is amended by striking out "70 percent" and inserting in lieu thereof "not less than 50 percent".

SEC. 704. NEEDS ANALYSIS FINANCIAL AID ADMINISTRATOR ADJUSTMENTS.

(a) IN GENERAL.—Section 479A(a) of the Act is amended to read as follows:

"SEC. 479A. (a) IN GENERAL.—Nothing in this title shall be interpreted as limiting the authority of the student financial aid administrator, on the basis of adequate docu-

mentation, to make necessary adjustments to the cost of attendance and expected student or parent contribution (or both) to allow for treatment of individual students with special circumstances. In addition, nothing in this title shall be interpreted as limiting the authority of the student financial aid administrator to use supplementary information about the financial status or personal circumstance of eligible applicants in selecting recipients and determining the amount of awards under subparts 1 and 2 of part A and parts B, C, and E of this title".

(b) SPECIAL RULE.—Section 479A of the Act is amended—

(1) by redesignating subsection (c) as subsection (d), and

(2) by inserting immediately after subsection (b) the following new subsection:

"(c) SPECIAL ADJUSTMENTS.—

"(1) ADJUSTMENTS FOR INDEPENDENT STUDENTS WITH DEPENDENTS.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if the administrator determines that the cost of attendance in section 472 should include costs of food and shelter for dependent care when the total income for independent students with dependents is less than the Standard Maintenance Allowance under section 477(b)(4).

"(2) ADJUSTMENT FOR DISLOCATED WORKER.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if, in the case of dislocated workers—

"(A) the administrator uses the income for the year in which the determination is made (the award year) rather than the income reported in the preceding tax year; and

"(B) the administrator excludes the net value of investments and real estate, including the primary residence in the calculation of the family contribution for the Pell Grant Program and the expected family contribution under part F.

"(3) ADJUSTMENT FOR DISPLACED HOMEMAKER.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if, for displaced homemakers, the administrator excludes the net value of investments and real estate, including the primary residence, from the calculation of the Pell Grant family contribution and from the expected family contribution under part F".

(c) CONFORMING AMENDMENTS.—(1) Section 479A(d) of the Act (as amended by subsection (a)) is amended by striking out "subsection (b) is an example" and inserting in lieu thereof "subsections (b) and (c) are examples".

(2)(A) Section 411B(g)(1) of the Act is amended by striking out "except that in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(B) Section 411B(l) of the Act is amended by striking out "except that in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(C) Section 411C(f)(1) of the Act is amended by striking out "except that in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net

value of a principal place of residence shall be considered to be zero".

(D) Section 411D(f)(3) of the Act is amended by striking out "except that in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(E)(i) Section 411F(1)(G) of the Act is repealed.

(ii) Section 411F(9)(E) of the Act is repealed.

(F) Section 475(d)(2)(B) of the Act is amended by striking out "except that in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act)".

(G) Section 475(h) of the Act is amended by striking out "except that in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(H) Section 476(c)(2)(B) of the Act is amended by striking out "except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act)".

(I) Section 477(c)(2)(B) of the Act is amended by striking out "except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act)".

SEC. 705. TREATMENT OF VETERANS BENEFITS.

(a) PELL GRANT NEEDS ANALYSIS.—(1) Section 411B(d)(1)(C) of the Act is amended by striking out "one-half of the student's total veterans educational benefits, excluding Veterans' Administration contributory benefits," and inserting in lieu thereof "the student's total veterans educational benefits".

(2) Section 411C(c)(1)(C) of the Act is amended by striking out "one-half of the student's total veterans educational benefits, excluding Veterans' Administration contributory benefits," and inserting in lieu thereof "the student's total veterans educational benefits".

(3) Section 411D(c)(1)(C) of the Act is further amended by striking out "one-half of the student's total veterans educational benefits, excluding Veterans' Administration contributory benefits," and inserting in lieu thereof "the student's total veterans educational benefits".

(b) GENERAL NEEDS ANALYSIS.—(1) Section 475(a) of the Act is amended—

(A) by striking out "and" at the end of paragraph (2);

(B) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new paragraph:

"(4) any veterans educational benefits paid because of enrollment in a postsecondary institution, including (but not limited to) benefits received under chapters 105, 106, and 107 of title 10, and chapters 30, 31, 32, 34, and 35 of title 38, United States Code.".

(2) Section 476(b)(1)(D) of the Act is amended by striking out "plus the amount of veterans' benefits paid during the award period under chapters 32, 34, and 35 of title 28, United States Code".

(3) Section 477(a) of the Act is amended—

- (A) by inserting "and" at the end of subparagraph (A) of paragraph (1);
- (B) by striking out "and" at the end of subparagraph (B) of paragraph (1);
- (C) by striking out subparagraph (C) of paragraph (1);
- (D) by striking out "and" at the end of paragraph (2);
- (E) by adding at the end of paragraph (3) the word "and"; and
- (F) by adding at the end thereof the following new paragraph:

"(4) adding any veterans educational benefits paid because of enrollment in a postsecondary institution, including (but not limited to) benefits received under chapters 106 and 107 of title 10, and chapters 30, 31, 32, 34, and 35 of title 38, United States Code".

(c) CONFORMING AMENDMENT.—Section 428(a)(2)(C)(i) of the Act is amended by striking out "and any amount paid to the student under chapters 32, 34, and 35 of title 38, United States Code".

SEC. 706. TREATMENT OF NONLIQUID ASSETS.

(a) PELL GRANT NEEDS ANALYSIS.—Section 411F(2) of the Act is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end thereof the following:

"(B) For academic year 1991-1992 and succeeding academic years, the term 'assets' shall not include, in the case of a family with an adjusted gross income which is equal to or less than \$30,000, the net value of—

"(i) the family's principal place of residence; or

"(ii) a farm on which the family resides.

(b) GENERAL NEED ANALYSIS.—Section 480(g) of the Act is amended—

(1) by inserting "(1)" after "ASSETS.—"; and

(2) by adding at the end thereof the following:

"(2) For academic year 1991-1992 and succeeding academic years, the term "assets" shall not include, in the case of a family with an adjusted gross income which is equal to or less than \$30,000, the net value of—

"(A) the family's principal place of residence; or

"(B) a farm on which the family resides.

TITLE VIII—OTHER HIGHER EDUCATION AMENDMENTS

SEC. 801. SUBSIDIZED EMPLOYMENT MODIFICATION UNDER WORKSTUDY.

Section 443(b)(4) of the Higher Education Act of 1965 (hereafter in this title referred to as the "Act") is amended to read as follows:

"(4) provide that for a student employed in a work-study program under this part, at the time income derived from any need-based employment (including non-working-study or both) is in excess of the determination of the amount of such student's need by more than \$200, continued employment shall not be subsidized with funds appropriated under this part;".

SEC. 802. STUDENT LOAN MARKETING ASSOCIATION AMENDMENTS.

(a) ESTABLISHMENT.—Section 439(b) of the Act is amended to read as follows:

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—There is hereby created a body corporate to be known as the Student Loan Marketing Association (hereinafter referred to as the 'Association'). The Association shall have succession until dissolved. It shall maintain its principal office in the District of Columbia or the metropolitan area thereof and shall be deemed, for purposes of jurisdiction and venue in civil ac-

tions, to be a District of Columbia corporation. Offices may be established by the Association in such other place or places as it may deem necessary or appropriate for the conduct of its business."

(b) DIRECTORS.—Section 439(c) of the Act is amended to read as follows:

"(c) BOARD OF DIRECTORS.—

"(1) COMPOSITION OF BOARD; CHAIRMAN.—The Association shall have a Board of Directors (hereinafter in this section referred to as the 'Board') which shall consist of 21 persons, 7 of whom shall be appointed by the President of the United States and shall be representative of the general public. The remaining 14 directors shall be elected by the common stockholders of the Association entitled to vote pursuant to subsection (e). Commencing with the annual shareholders meeting to be held in 1989—

"(A) 7 of the elected directors shall be affiliated with an eligible institution, and

"(B) 7 of the elected directors shall be affiliated with an eligible lender.

The President shall designate 1 of the directors to serve as Chairman.

"(2) TERMS OF APPOINTED AND ELECTED MEMBERS.—The directors appointed by the President shall serve at the pleasure of the President and until their successors have been appointed and have qualified. The remaining directors shall each be elected for a term ending on the date of the next annual meeting of the common stockholders of the Association, and shall serve until their successors have been elected and have qualified. Any appointive seat on the Board which becomes vacant shall be filled by appointment of the President. Any elective seat on the Board which becomes vacant after the annual election of the directors shall be filled by the Board, but only for the expired portion of the term.

"(3) AFFILIATED MEMBERS.—For the purpose of this subsection, the references to a director 'affiliated with an eligible institution' or a director 'affiliated with an eligible lender' means an individual who is, or within 5 years of election to the Board has been, an employee, officer, director, or similar official of—

"(A) an eligible institution or an eligible lender;

"(B) an association whose members consist primarily of eligible institutions or eligible lenders; or

"(C) a State agency, authority, instrumentality, commission, or similar institution, the primary purpose of which relates to educational matters or banking matters.

"(4) MEETINGS AND FUNCTIONS OF THE BOARD.—The Board shall meet at the call of its Chairman, but at least semiannually.

The Board shall determine the general policies which shall govern the operations of the Association. The Chairman of the Board shall, with the approval of the Board, select, appoint, and compensate qualified persons to fill the offices as may be provided for in the bylaws, with such functions, powers, and duties as may be prescribed by the bylaws or by the Board, and such persons shall be the officers of the Association and shall discharge all such functions, powers, and duties."

(c) STOCK.—Section 439(f) of the Act is amended to read as follows:

"(f) STOCK OF THE ASSOCIATION.—

"(1) VOTING COMMON STOCK.—The Association shall have voting common stock having such par value as may be fixed by its Board from time to time. Each share of voting common stock shall be entitled to one vote with rights of cumulative voting at all elections of directors.

"(2) NUMBER OF SHARES; TRANSFERABILITY.—The maximum number of shares of voting common stock that the Association may issue and have outstanding at any one time shall be fixed by the Board from time to time. Any voting common stock issued shall be fully transferable, except that, as to the Association, it shall be transferred only on the books of the Association.

"(3) DIVIDENDS.—To the extent that net income is earned and realized, subject to subsection (g)(2), dividends may be declared on voting common stock by the Board. Such dividends as may be declared by the Board shall be paid to the holders of outstanding shares of voting common stock, except that no such dividends shall be payable with respect to any share which has been called for redemption past the effective date of such call.

"(4) SINGLE CLASS OF VOTING COMMON STOCK.—As of the effective date of the Student Loan Marketing Association Amendments of 1989, all of the previously authorized shares of voting common stock and nonvoting common stock of the Association shall be converted to shares of a single class of voting common stock on a share-for-share basis, without any further action on the part of the Association or any holder. Each outstanding certificate for voting or nonvoting common stock shall evidence ownership of the same number of shares of voting stock into which it is converted. All preexisting rights and obligations with respect to any class of common stock of the Association shall be deemed to be rights and obligations with respect to such converted shares."

(d) SHORT TITLE.—This section may be cited as the "Student Loan Marketing Association Amendments of 1989".

SEC. 803. FORMS AND REGULATIONS.

(a) FINANCIAL AID APPLICATION PREPARER.—Section 483 of the Act is amended by inserting the following new subsection at the end thereof:

"(g) Any financial aid application required to be made under subpart 1 of part A of this title or part B or this title shall include the name, signature, address, social security number, and organizational affiliation of the preparer of such financial aid application.

(b) NOTICE OF FEDERAL STUDENT AID.—Section 483(f) of the Act is amended to read as follows:

"(f) NOTICE OF FEDERAL STUDENT AID RECEIPT.—Each eligible institution shall provide to each recipient of assistance under this title (except assistance received under subparts 4, 5, and 8 of part A) a statement listing the estimated student assistance received by the recipient, and specifying the estimated amount and type of assistance awarded under this title and specifically indicating that such aid is federally supported assistance."

SEC. 804. LENDER OF LAST RESORT.

Section 428(j) of the Act is amended by adding at the end thereof the following: "Each State guaranty agency shall ensure that there is a lender of last resort in its State. The lender of last resort shall process loan applications of students enrolled in an eligible institution within 30 days after such application has been filed. The lender of last resort shall make loans to any eligible applicant attending an eligible institution."

SEC. 805. PERKINS LOAN PROGRAM AMENDMENT.

Section 462(c)(3) of the Act is amended—

(1) by redesignating clause (B) and (C) as clause (C) and (D); and

(2) by inserting after clause (A) the following new clause:

“(B) 75 percent of the cash on hand at the institution under the program authorized by this part for the second year preceding the beginning of the award period.”

SEC. 806. ELIGIBILITY FOR EDUCATION PROGRAMS.

(a) **HIGHER EDUCATION.**—Section 484 of the Act is amended by adding a new subsection (k) at the end thereof:

“(k) STUDENTS ATTENDING INSTITUTIONS IN THE FREELY ASSOCIATED STATES AND ELIGIBILITY FOR TRIO PROGRAMS.—Notwithstanding any other provision of law, a student who meets the requirements of paragraph (a)(5) of this section or who is a resident of the freely associated states, and who attends a public or nonprofit institution of higher education located in any of the freely associated states rather than a State, shall be eligible, if otherwise qualified, for assistance under subparts 1, 2, or 4 of part A or part C of this title.

(b) **TERRITORIAL TEACHER TRAINING ASSISTANCE PROGRAM.**—Section 4502 of the Elementary and Secondary Education Act of 1965 is amended by striking “the Northern Mariana Islands, and the Trust Territory of the Pacific Islands” each place it appears and inserting in lieu thereof “the Commonwealth of the Northern Mariana Islands, Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia.”

SEC. 807. CLERICAL AND TECHNICAL AMENDMENTS TO THE HIGHER EDUCATION ACT OF 1965.

The Higher Education Act of 1965 is further amended—

(1) in section 312(c)(2) (20 U.S.C. 1058(c)(2)), by striking “second” the second place it appears and inserting “the second such”;

(2) in section 332(b)(5) (20 U.S.C. 1065(b)(5)), by striking out “year” the first place it appears;

(3) in section 411B(g)(5)(B) (20 U.S.C. 1070a-2(g)(5)(B))—

(A) by striking out “effective family income” each place it appears and inserting “discretionary income”; and

(B) by striking out “subsection (d)” and inserting “subsection (f)”;

(4) in section 411C(f)(5)(B) (20 U.S.C. 1070a-3(f)(5)(B)), by striking out “effective family income” and inserting “discretionary income”;

(5) in section 411D(f) (20 U.S.C. 1070a-4(f))—

(A) by striking out “effective family income” in paragraph (1) and inserting “discretionary income”; and

(B) by striking out “subsection (c)” each place it appears in paragraph (1) and (2) and inserting “subsection (e)”;

(6) in section 411F(2) (20 U.S.C. 1070a-6(2)), by striking out “including amount” and inserting “including amounts”;

(7) in section 411F(9)(B) (20 U.S.C. 1070a-6(9)(B)), by striking out “Student” and inserting “student”;

(8) in section 413D(d)(3)(C) (20 U.S.C. 1070b-2(d)(3)(C)), by striking out “three-fourths in” and inserting “three-fourths of”;

(9) in section 427(a)(2)(G)(i) (20 U.S.C. 1077(a)(2)(G)(i)), by striking out “system,” and inserting “system”;

(10) in section 428C(c)(3)(A) (20 U.S.C. 1078-3(c)(3)(A)), by inserting “be” before “equal to”;

(11) in section 428E(a)(1) (20 U.S.C. 1078-5(1))—

(A) by inserting “(A)” after “except that” the first place it appears; and

(B) by striking out “except that” the second place it appears and inserting “, and (B)”;

(12) in section 435(c)(1) (20 U.S.C. 1085(c)(1)), by striking out “section 481(d)” and inserting “section 484(d)”;

(13) in section 435(d)(2) (20 U.S.C. 1085(d)(2))—

(A) by striking out “institutions” in subparagraph (C) and inserting “institution”; and

(B) by indenting the matter following subparagraph (D) two spaces;

(14) in section 435(d)(3) (20 U.S.C. 1085(d)(3)), by striking out “section 435(o)” and inserting “subsection (l) of this section”;

(15) in the last sentence of section 442(e)(2) by striking “section 447(c)” and inserting “section 442(c)”;

(16) in section 454(a)(3)(C) (20 U.S.C. 1087d(a)(3)(C)), by striking out “fourth and fifth” and inserting “fourth or fifth”;

(17) in sections 462(a)(1) and 462(a)(2)(D) (20 U.S.C. 1087bb(a)(1), (a)(2)(D)), by striking out “institution which” and inserting “institution”;

(18) in section 464(c)(2)(A)(iv) (20 U.S.C. 1087dd(c)(2)(A)(iv)), by inserting “Service” after “Volunteer”;

(19) in section 465(a)(2)(D) (20 U.S.C. 1087ee(a)(2)(D)), by striking out “services” and inserting “service”;

(20) in the table contained in section 475(c)(2) (20 U.S.C. 1087oo(c)(2))—

(A) by striking out “less than \$15,000 or” and inserting “less than \$15,000”; and

(B) by striking out “\$15,000 more” and inserting “\$15,000 or more”;

(21) in the table contained in section 475(c)(4) (20 U.S.C. 1087oo(c)(4))—

(A) by striking out “subtract” and inserting “subtract”; and

(B) by striking out “1,430” and inserting “\$1,430”;

(22) in section 475(e) (20 U.S.C. 1087oo(e)), by striking out “section 479” and inserting “section 478”;

(23) in the table contained in section 477(b)(4) (20 U.S.C. 1087qq(b)(4)), by striking out “1,430” and inserting “\$1,430”;

(24) in the last sentence of section 481(b) (20 U.S.C. 1088(b)), by striking out “section 413(e)” and inserting “section 435(b)”;

(25) in the last sentence of section 483(a)(1) (20 U.S.C. 1090(a)(1)), by striking out “that is” and inserting “that are”;

(26) in section 491(h)(1) (20 U.S.C. 1098(h)(1)), by striking out “subtitle III” and inserting “subchapter III”;

(27) in section 525(g) (20 U.S.C. 1105d(g)), by striking out “subpart” and inserting “part”;

(28) in section 557 (20 U.S.C. 1111f), by striking out “part B of this title” and inserting “part B of title IV of this Act”;

(29) in section 558(a)(6) (20 U.S.C. 1111g(a)(6)), by striking out the comma after “preschool”;

(30) in section 571(g) (20 U.S.C. 1115(g)), by striking out “subpart” each place it appears and inserting “part”;

(31) in section 622(a)(6) (20 U.S.C. 1132(a)(6)), by striking out “language an area studies” and inserting “language and area studies”;

(32) in section 762(a) (20 U.S.C. 1132g-2(a)), by striking out “Secretary notwithstanding” and inserting “Secretary, notwithstanding”;

(33) in section 762(h) (20 U.S.C. 1132g-2(h)), by striking out “subcontractors or any project” and inserting “subcontractors on any project”;

(34) in section 764(b)(3)(B) (20 U.S.C. 1132g-3(b)(3)(B)), by striking out “anyone” and inserting “any one”;

(35) in section 764(e) (20 U.S.C. 1132g-3(e)), by striking out “member” and inserting “members”;

(36) in section 802(d)(1)(B) (20 U.S.C. 1133a(d)(1)(B)), by striking out “has demonstrated” and inserting a comma and “as demonstrated”;

(37) in section 942(b)(2) (20 U.S.C. 1134m(b)(2)), by inserting a period at the end thereof;

(38) in section 1045(a) (20 U.S.C. 1135d-4(a)), by striking out “sexual, geographic,” and inserting “gender, geography,”; and

(39) in section 1204(a) (20 U.S.C. 1144a(a)), by striking out “Trust Territories of the Pacific Islands, and the Northern Mariana Islands” and inserting “Commonwealth of the Northern Mariana Islands Palau, and, subject to the provisions of Public Law 99-239, the Federated States of Micronesia, and the Republic of the Marshall Islands.”

TITLE IX—WE THE PEOPLE . . . THE CITIZEN AND THE CONSTITUTION

SEC. 901. WE THE PEOPLE . . . THE CITIZEN AND CONSTITUTION.

Part F of title IV of the Elementary and Secondary Education Act of 1965 is amended by—

(1) redesignating section 4607 as section 4608;

(2) inserting after section 4606 the following new section:

“**SECTION 4607.—We the People . . . The Citizen and the Constitution.**

“(a) **GENERAL AUTHORITY.**—(1) The Secretary shall, in accordance with the provisions of this section, carry out a program entitled “We the People . . . The Citizen and the Constitution” to educate students about the history and principles of the Constitution and Bill of Rights and to foster civic competence and civil responsibility.

“(2) The education program authorized by this section shall continue and expand the educational activities of the National Bicentennial Competition of the Constitution and Bill of Rights administered by the Center for Civic Education.

“(3) The Secretary is authorized to contract with the Center for Civic Education to carry out the provisions of this section.

“(b) **PROGRAM CONTENT.**—The education program authorized by this section shall provide—

“(A) a course of instruction on the basic principles of our constitutional democracy and the history of the Constitution and Bill of Rights.

“(B) school and community simulated congressional hearings following the course of study at the request of participating schools.

“(C) an annual competition of simulated congressional hearings at the congressional district, state, and national level for secondary students who wish to participate in such program.

“(c) **PROGRAM PARTICIPANTS.**—The education program authorized by this section shall be made available to public and private elementary and secondary schools in the 435 congressional districts, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

“(d) **SPECIAL RULE.**—Funds provided under this section may be used for the advanced training of teachers about the Constitution and Bill of Rights after the provisions of subsection (b) have been implemented.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$5,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993 to carry out the provisions of this section.”

TITLE X—NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

SEC. 1001. SHORT TITLE.

This title may be cited as the “National Board for Professional Teaching Standards Act of 1989”.

SEC. 1002. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the economic well-being and national security of the United States depends on efforts to strengthen the educational system to provide all children with an education which will ensure a well-educated workforce;

(2) improved teaching is central to the goal of ensuring a well-educated workforce;

(3) incentives to enhance the professionalism and status of teaching can be provided through the development and promulgation of voluntary standards of professional certification that are rigorous and unbiased, that complement and support State licensing practices and recognize the diversity of American society;

(4) the National Board for Professional Teaching Standards, a private nonprofit organization has been created to establish such voluntary standards and a significant initial investment in research and development from non-Federal sources will be required to create such a system of professional certification; and

(5) the Federal Government has played an active role in funding vital educational research and can continue to support this national effort by providing limited but essential support for critical research activities.

(b) PURPOSE.—It is the purpose of this Act to provide financial assistance to the National Board for Professional Teaching Standards to enable the board to conduct independent research and development related to the establishment of national, voluntary professional standards and assessment methods for the teaching profession.

SEC. 1003. DEFINITIONS.

For the purpose of this Act—

(1) The term “Board” means the National Board for Professional Teaching Standards.

(2) The term “Committee” means the Research and Advisory Committee established pursuant to section 1005 of this Act.

(3) The term “elementary school” has the same meaning given that term in section 1471(8) of the Elementary and Secondary Education Act of 1965.

(4) The term “secondary school” has the same meaning given that term in section 1471(21) of the Elementary and Secondary Education Act of 1965.

(5) The term “Secretary” means the Secretary of Education.

SEC. 1004. PROGRAM AUTHORIZATION.

(a) PROGRAM AUTHORIZED.—From sums appropriated under subsection (b) in any fiscal year, the Secretary is authorized and directed, in accordance with this Act, to provide financial assistance to the National Board for Professional Teaching Standards, in order to pay the Federal share of the costs of the activities described in section 1006.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$25,000,000 for the period beginning October 1, 1989, and ending September 30, 1993 to carry out the provisions of this title.

(c) TERMS AND CONDITIONS.—(1) No financial assistance may be made available under

this Act except upon an application as required by section 1007.

(2) No financial assistance may be made available under this Act unless the Secretary determines that—

(A) the Board will comply with the provisions of this Act;

(B) the Board will use the Federal funds only for research and development activities in accordance with section 1006 and such teacher assessment and certification procedures will be free from racial, cultural, gender or regional bias;

(C) the Board—

(i) will widely disseminate for review and comment announcements of specific research projects to be conducted with Federal funds, including a description of the goals and focus of the specific project involved and the specific merit review procedures and evaluation criteria to be used in the competitive award process, and

(ii) will send such announcements to the Secretary of Education, the Director of the National Science Foundation, the National Research Council, and the educational research community.

(D) the Secretary, pursuant to an arrangement with the Board, will publish the announcement described in subparagraph (C) in the Federal Register (or such other publication deemed appropriate by the Secretary) and in publications of general circulation designed to disseminate such announcements widely to the educational research community;

(E) the Board will, after offering any interested party an opportunity to make comment upon, and take exception to, the projects contained in the announcements described in subparagraph (C) for a 30-day period following publication, and after reconsidering any project which comment is made or to which exception is taken, through the Secretary issue a request for proposals in the Federal Register (or such other publication deemed appropriate by the Secretary) containing any revised project information;

(F) the Board will make awards of Federal funds competitively on the basis of merit, and, in the award process, the Board will select, to the extent practicable consistent with standards of excellence—

(i) a broad range of institutions associated with educational research and development; and

(ii) individuals who are broadly representative of the educational research and teaching communities with expertise in the specific area of research and development in question;

(G) the Board will adopt audit practices customarily applied to nonprofit private organizations and will comply with section 1009(c);

(H) the Board will not use Federal funds to meet the administrative and operating expenses of the Board;

(I) the Board will submit an annual report to Congress in accordance with the provisions of section 1009(a); and

(J) the Board will, upon request, disseminate to States, local educational agencies, or other public educational entities the results of any research or research project produced with funds authorized by this Act, upon the payment of the cost of reproducing the appropriate material.

(d) AVAILABILITY OF FUNDS.—(1) Notwithstanding any other provision of law, funds appropriated to carry out this Act shall remain available for obligation and expenditure until the end of the second fiscal year

succeeding the fiscal year for which the funds were appropriated.

(2) No funds shall be made available to the Board after September 30, 1993, except as authorized by paragraph (1) of this subsection.

SEC. 1005. RESEARCH AND DEVELOPMENT ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Board shall establish a Research and Development Advisory Committee composed of ten recognized scholars and experts in teaching, assessment, and other relevant fields. In carrying out the previous sentence the Board shall appoint two individuals selected by the Secretary. The Board shall consult with the Secretary of Education, the Director of the National Science Foundation, the National Research Council, and the educational research community on the appointment of other Members to the Committee.

(b) FUNCTIONS.—The Committee shall advise the Board on the design and execution of its overall research and development strategy, including procedures to assure compliance with the requirements of this Act. The procedures shall include—

(1) an outline of specific research and development agenda and activities to be conducted with the Federal funds; and

(2) provisions to ensure compliance with the open competition and merit review requirements of this Act for proposals and projects assisted under this Act.

SEC. 1006. AUTHORIZED ACTIVITIES.

(a) IN GENERAL.—Federal funds received under this Act may only be used for research and development activities directly related to the development of teacher assessment and certification procedures for elementary and secondary school teachers.

(b) PRIORITIES.—(1) The Board shall give priority to research and development activities in—

(A) mathematics;

(B) the sciences;

(C) foreign languages; and

(D) literacy, including the ability to read, write and analyze.

(2) The Board shall give priority to research and development activities for the certification of elementary and secondary school teachers and the need and ability of such teachers to teach special educational populations, including—

(A) limited English proficient children;

(B) gifted and talented children;

(C) handicapped children; and

(D) economically and educationally disadvantaged children.

SEC. 1007. APPLICATION.

(a) IN GENERAL.—The Board shall submit applications to the Secretary at such time and in such manner as the Secretary may reasonably require. Each such application shall—

(1) describe the activities for which assistance is sought; and

(2) provide assurances that the non-Federal share of the cost of activities of the Board is paid from non-Federal sources, together with a description of the manner in which the Board will comply with the requirements of this paragraph.

(b) APPROVAL.—The Secretary shall approve an application unless such application fails to comply with the provisions of this Act.

SEC. 1008. FEDERAL SHARE.

(a) IN GENERAL.—The Secretary shall pay to the Board the Federal share of the costs of the activities of the Board for the period for

which the application is approved under section 1007.

(b) **AMOUNT OF FEDERAL SHARE.**—The Federal share shall be 50 percent of the costs of the activities described in section 1006.

SEC. 1009. REPORTS AND AUDITING PROVISION.

(a) **NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS REPORT.**—(1) The Board shall submit an annual report to the appropriate committees of the Congress not later than December 31 of 1990, and each succeeding year thereafter for any fiscal year in which Federal funds are expended pursuant to this Act. The Board shall disseminate the report for review and comment to the Department of Education, the National Science Foundation, the National Research Council, and the education research community. The report shall—

(A) include a detailed financial statement and a report of the audit practices described in section 4(c)(2)(G);

(B) include a description of the general procedure to assure compliance with the requirements of this Act as required in section 1006; and

(C) provide a comprehensive and detailed description of the Board's agenda, activities, and planned activities for the preceding and succeeding fiscal years, including—

(i) the Board's overall research and development program and activities;

(ii) the specific research and development projects and activities conducted with Federal funds during the preceding fiscal year, including—

(I) a description of the goals and methodology of the project;

(II) a description and assessment of the findings (or status and preliminary findings if project is not yet completed);

(III) a description of the competitive bidding process, the merit review procedures, and the evaluation criteria used to award project funds; and

(IV) a description of the Board's plans for dissemination of the findings described in clause (ii);

(iii) the specific research and development projects and activities planned to be conducted with Federal funds during the succeeding fiscal year, including the goals and methodologies to be used; and

(iv) a listing of available publications of the Board, including publications related to policies, standards and general information, research reports, and commissioned papers of the Board.

(2) The first annual report required by this subsection shall include a description of the Board's research and development agenda for the succeeding 5-year period. Such first report shall include to the maximum extent practicable, a description of specific research and development projects and activities, and the goals and methodologies of such projects and activities.

(b) **ADDITIONAL REPORTS.**—The Department of Education, the National Science Foundation, and the National Research Council shall report to the appropriate committees of the Congress on the compliance of the Board with the requirements of this Act not later than 30 days after the Board submits its annual report pursuant to subsection (a).

(c) **AUDITING PROVISION.**—The Comptroller General of the United States, and any of his authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the Board, and to any recipient of the Board, that is pertinent to the sums received and disbursed under this Act.

SEC. 1010. CONSTRUCTION.

Nothing in this Act shall be construed to—

(1) establish a preferred national curriculum or preferred teaching methodology for elementary and secondary school instruction;

(2) infringe upon the rights and responsibilities of the States to license elementary and secondary school teachers;

(3) provide an individual certified by the Board with a right of action against a State, local educational agency, or other public educational entity for any decisions related to hiring, promotion, retention or dismissal; or

(4) authorize the Secretary to exercise supervision or control over the research program, standards, assessment practices, administration, or staffing policies of the Board.

TITLE XI—MIDDLE SCHOOL TEACHER TRAINING DEMONSTRATIONS

SEC. 1101. SHORT TITLE.

This title may be cited as the "Middle School Teacher Training Demonstration Program Act of 1989".

SEC. 1102. PROGRAM AUTHORIZED.

The Secretary is authorized to make grants to institutions of higher education for the development of innovative models related to the specialized training of teachers of grades 6 through 9.

SEC. 1103. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$25,000,000 for fiscal year 1991 to carry out the provisions of this title.

TITLE XII—PRESIDENT'S COUNCIL ON ACADEMIC EXCELLENCE

SECTION 1201. SHORT TITLE.

This title may be cited as the "President's Council on Academic Excellence".

SEC. 1202. STATEMENT OF PURPOSE.

It is the purpose of this title to establish a President's Council on Academic Excellence to define the components or courses of an academically rigorous secondary school curriculum and to develop and present a medal or other suitable award to all secondary students who complete the curriculum.

SEC. 1203. COUNCIL ESTABLISHED.

There is established a President's Council on Academic Excellence (hereinafter referred to as the "Council").

SEC. 1204. DUTIES OF THE COUNCIL.

(1) The Council shall—

(A) enlist the active support and assistance of individual citizens, civic groups, private enterprise, voluntary organizations, the media, educators, and others in efforts to promote and improve American education and to encourage the pursuit of academic excellence in our secondary schools;

(B) initiate programs to inform the general public of the importance of academic excellence and the link which exists between academic excellence and international competitiveness;

(C) encourage State and local governments, private enterprise, and the media to recognize and honor academic excellence;

(D) encourage students to undertake an academically rigorous course of study;

(E) develop cooperative programs with professional societies to encourage the pursuit of academic excellence;

(F) stimulate and encourage research on academic excellence and achievement;

(G) assist educational agencies at all levels in developing high quality, innovative, educational programs which emphasize the importance of academic excellence; and

(H) encourage and cosponsor programs with public and private organizations which support and promote academic excellence.

(2) In addition to academic coursework, the Council may elect to include other activities such as school and community service, athletic participation, and artistic achievement in defining the components of an academically rigorous secondary school curriculum.

(3) The Council may adopt achievement standards that might be used to document academic excellence.

SEC. 1205. SPECIAL RULE.

The Council shall emphasize that the Council does not intend to establish a national curriculum, nor a national secondary school diploma; rather, the Council intends to recognize the successful completion of an academically demanding course of study.

SEC. 1206. MEMBERSHIP AND LOCATION.

(a) **MEMBERSHIP.**—The Council shall consist of—

(1) 11 members selected by the President;

(2) 5 members selected by the Senate Majority Leader; and

(3) 5 members selected by the Speaker of the House.

(b) **VACANCIES.**—A vacancy in the Council shall be filled in the same manner as the original appointment was made. A vacancy in the Council shall not affect the powers of the Council.

(c) **CHAIRPERSON.**—The members of the Council shall elect a Chairperson from among the members of the Council.

(d) **COMPENSATION.**—Members of the Council shall serve without compensation.

(e) **TRAVEL.**—While away from their home or regular places of business in the performance of duties for the Council, all members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, at a rate established by the Council not to exceed the rates authorized for employees of agencies under section 5702 and 5703 of title 5, United States Code.

(f) **LOCATION.**—The Council shall be located in Washington, D.C.

SEC. 1207. COMMISSION STAFF.

(a) **EXECUTIVE DIRECTOR.**—The Council shall appoint an Executive Director who shall be compensated at a rate established by the Council not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) **ADDITIONAL PERSONNEL.**—With the approval of the Council, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Council.

SEC. 1208. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$5,000,000 for fiscal year 1991 and such sums as may be necessary for each fiscal year thereafter to carry out the provisions of this title.

TITLE XIII—EFFECTIVE DATES

SEC. 1301. EFFECTIVE DATE RULE.

(a) **GENERAL RULE.**—Except as otherwise provided, the amendments made by this Act shall be effective upon the date of enactment of this Act.

(b) **SPECIAL RULE.**—(1) The amendments made by sections 603, 605, 606, and 803(b) shall take effect for award year 1990-1991 and thereafter.

(2) The amendments made by title VII and sections 615, 801, and 803(a) shall take effect for award year 1991-1992 and thereafter.

Mr. PELL. Mr. President, I ask unanimous consent that Senators

KENNEDY, METZENBAUM, SIMON, and MIKULSKI be added as original cosponsors of S. 695.

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

Mr. PELL. Mr. President, I rise in support of the Educational Excellence Act of 1989, S. 695, the first major educational initiative proposed by President Bush. It was introduced by Senator KASSEBAUM, my colleague and ranking Republican on the Education Subcommittee, and I am proud to be one of the 43 Senators to have joined her in cosponsoring this important bill.

Part A of title I of this initiative is the Presidential Merit Schools Program, which would provide cash awards to public and private elementary and secondary schools that make substantial improvement in raising student educational achievement, in creating a safe and drug-free school environment, and in reducing the dropout rate. In action taken at the subcommittee level, we targeted this program to serve chapter 1 schools that show dramatic improvements. These schools are the primary concern of our major Federal program of aid to elementary and secondary education, and we believe they should be the focal point of a program that rewards school improvement.

We have also tied funding for this program to increased appropriations for the regular chapter 1 program and to funding for the Basic Skills for Secondary Schools Program, which is a part of chapter 1. We believe this approach, which we also applied to the Smart Start legislation, is an important statement of our ongoing commitment to the chapter 1 program and to the need for chapter 1 to become a more integral part of secondary school education. Under the provisions of the bill as reported out of committee, the initial authorization for this program would be \$200 million.

Part B is the schools of excellence proposal, which would provide Federal assistance to support new and expanded magnet schools programs. We believe that the President's proposal in this area has considerable merit, but that it should complement and not compete with existing Federal support for the magnet school approach. Accordingly, the Schools of Excellence proposal would become a third tier to be funded and implemented only when appropriations for the existing Magnet Schools Program reached \$165 million and funding for the Alternative Curriculum Program reached \$35 million. This helps ensure that the new program supplements our existing efforts and does not supplant them. The program would have an initial authorization of \$50 million.

The Alternative Certification for Teachers and Principals proposal differs only slightly from that proposed

by President Bush. It would provide \$15 million for grants to States to develop and implement alternative certification programs.

The National Science Scholars proposal is a blend of that offered by the President and that proposed by Senator GLENN. It would provide scholarships for talented science and math students. Two students, one man and one woman, would be selected from each congressional district. Also, because of the need for increased minority participation, priority would be placed upon economically disadvantaged students, particularly from among populations traditionally underrepresented in physical, life, or computer sciences, mathematics, or engineering. It would carry an initial authorization of \$6 million.

We have reworked the drug free schools proposal so that it will provide assistance not only to our major cities but also to rural areas with particularly severe drug problems. Also, we stipulate that one-third of the money available to the Governor under the drug free schools program must be used for emergency grants. At the end of last session—after we had moved S. 695 out of the committee and reported it to the floor—both the Senate and the House, as part of consideration of the omnibus drug bill, approved a series of amendments to the Drug Free Schools and Communities Act. I am very pleased that at that time we were able to incorporate the President's emergency urban and rural grants as part of that omnibus drug legislation. These amendments have now been signed into law. We have therefore deleted this section in the committee amendment which we will offer later. We have done so in light of the fact this provision has already been signed into law and so that we avoid the confusion this may cause in implementing the law.

For the historically black colleges and universities, we have provided an increase in the program proposed by the President. It would carry an initial authorization of \$20 million in additional funding for the challenge grant endowment program in title III of the Higher Education Act.

We would also extend the School Dropout Demonstration Program. I am proud to have been the Senate author of this program in 1984, and am encouraged that we have decided to continue it for another 2 years. It would carry an authorization of \$50 million.

The bill we bring to the floor today also contains several proposals to crack down on the problem of defaults in the Stafford Student Loan Program. We have included the President's $\frac{1}{2}$ proposals to prohibit schools from using commissioned sales representatives to recruit students and to prohibit granting student aid eligibil-

ity to any school that has had its accreditation terminated within the past 2 years. Similar provisions have already been approved by the Senate in the default bill passed last year.

Further, we have incorporated in this bill a number of provisions that were also a part of the Senate-passed default bill. Among these are requirements that colleges be notified of former students who are delinquent on their student loans, provisions for collecting additional borrower information on student loan applications, and clarifications on the reporting of delinquent loans to credit bureaus.

With respect to the needs analysis for Federal student aid programs, this legislation contains several important changes. Perhaps the most important, however, is the removal of the consideration of home and farm equity for families with incomes of less than \$30,000. This change would take effect in the 1991-92 academic year.

We also make a series of technical amendments to the Higher Education Act, amendments that are necessary to correct misspelling, misplacement of commas, and other inadvertent errors.

The amendment before us would also move from the U.S. Bicentennial Commission to the Department of Education the Bicentennial Competition on the Constitution and rename it "We the People. * * * The Citizen and the Constitution." This is an extremely worthy and popular program, and one that ought to continue beyond the life of the Bicentennial Commission. It carries an initial authorization of \$5 million.

Also, we would provide a one-time authorization of \$25 million to support the important work of the National Board for Professional Teaching Standards. This Board seeks to develop a program of board certification for elementary and secondary school teachers throughout the United States. It would be a voluntary process through which teachers could sit for certification. Our hope is that it would inject a large dose of added professionalism to teaching and would help ensure that our young people are indeed the beneficiaries of the best possible education we can offer.

Finally, S. 695 includes a \$25 million program of grants from the Secretary of Education to institutions of higher education with teacher training and retraining programs that would focus on the unique responsibilities faced by a middle school teacher. This program is of special interest to both Senator KASSEBAUM and Senator SIMON and I am indeed glad that we have been able to include language accommodating their respective concerns in the amendment we will offer later today.

Mr. President, this legislation has my wholehearted support. I believe we have made changes that strengthen

the proposals originally put forth by the administration, and that we have added some important additions. The President's proposal is neither as bold nor as daring as what I would have liked to see him offer, but it is a start nevertheless. In taking positive action on this initiative, I hope very much that we will be indicating to the President and the American people that we stand ready to forge a strong education partnership between the executive and legislative branches of our Government.

I would add that we would not be here at this time without the cooperation and help of the ranking minority member, and I look forward to—I cannot say many years in my case, but for as many years as possible of cooperation of this sort.

On behalf of the Committee on Labor and Human Resources and with the consent of the chairman, I send to the desk a modification of the committee amendment.

The PRESIDING OFFICER. Has the Senator been authorized by the committee to modify the committee amendment?

Mr. PELL. Yes, Mr. President.

The PRESIDING OFFICER. The Senator, therefore, has a right to modify the committee amendment. The committee amendment is so modified.

The committee amendment, as modified, is as follows:

On page 38, in the table of contents relating to part A of title I, strike

PRESIDENTIAL MERIT SCHOOLS
and insert

PRESIDENTIAL SCHOOLS OF DISTINCTION

On page 38, in the table of contents, strike

PART E—FUND FOR THE IMPROVEMENT AND
REFORM OF SCHOOLS AND TEACHING
and insert the following:

PART E—BILINGUAL EDUCATION

PART F—DRUG ABUSE RESISTANCE EDUCATION
On page 38, strike the following:

TITLE III—DRUG-FREE SCHOOLS
URBAN AND RURAL EMERGENCY
GRANTS

On page 39, in the table of contents, strike the item relating to title XI and insert "MIDDLE SCHOOL TEACHING DEMONSTRATION PROGRAMS".

On page 39, line 3, strike "PRESIDENTIAL MERIT SCHOOLS" and insert "PRESIDENTIAL SCHOOLS OF DISTINCTION".

On page 39, line 4, strike "PRESIDENTIAL MERIT SCHOOLS" and insert "PRESIDENTIAL SCHOOLS OF DISTINCTION".

On page 39, line 8, strike "PRESIDENTIAL MERIT SCHOOL" and insert "PRESIDENTIAL SCHOOL OF DISTINCTION".

On page 39, line 10, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 41, lines 3 and 4, strike "the Elementary and Secondary Education Act of 1965" and insert "this Act".

On page 41, lines 8 and 9, strike "the Ele-

mentary and Secondary Education Act of 1965" and insert "this Act".

On page 42, line 24, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 43, line 15, strike "PRESIDENTIAL MERIT SCHOOL" and insert "PRESIDENTIAL SCHOOL OF EXCELLENCE".

On page 43, line 17, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 43, lines 19 and 20, strike "Public Law 93-134" and insert "Public Law 95-134".

On page 44, line 4, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 44, line 18, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 44, lines 21 and 22, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 45, line 3, strike "PRESIDENTIAL MERIT SCHOOLS" and insert "PRESIDENTIAL SCHOOLS OF DISTINCTION".

On page 45, line 5, strike "Merit School" and insert "Presidential School of Distinction".

On page 45, line 6, insert "whose student's are" after "State".

On page 45, lines 7 and 8, strike "the Elementary and Secondary Education Act of 1965" and insert "this Act".

On page 45, line 10, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 45, lines 15 and 16, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 46, line 18, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 47, line 8, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 47, line 11, strike "1220 or 1221" and insert "1020 or 1021".

On page 47, line 12, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 47, lines 14 and 15, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 47, line 25, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 48, lines 5 and 6, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 48, line 13, strike "MERIT" and insert "DISTINCTION".

On page 48, line 15, strike "MERIT" and insert "DISTINCTION".

On page 48, line 16, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 48, line 17, strike "Merit" and insert "Distinction".

On page 48, line 20, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 48, lines 21 and 22, strike "PRESIDENTIAL MERIT SCHOOLS" and insert "PRESIDENTIAL SCHOOLS OF DISTINCTION".

On page 48, lines 23 and 24, strike "Presidential Merit School" each place such term appears and insert "Presidential School of Distinction".

On page 49, line 20, strike "PRESIDENTIAL MERIT SCHOOLS" and insert "PRESIDENTIAL SCHOOLS OF DISTINCTION".

On page 49, beginning on line 22, strike all through line 25 and insert the following:

"Each State educational agency receiving financial assistance under this part shall ensure that each private school designated as a Presidential School of Distinction under section 4708 will use the Presidential School of Distinction award for capital expenses as set forth in section 1017(d) of the Elementary and Secondary Education Act of 1965, and after capital expenses have been met, use such award for purposes as set forth and administered under section 1572 of the Elementary and Secondary Education Act of 1965."

On page 50, line 4, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 50, line 7, strike "Presidential Merit School" and insert "Presidential School of Distinction".

On page 50, line 11, strike "an" and insert "a".

On page 50, line 12, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 50, lines 14 and 15, strike "Presidential Merit Schools" and insert "Presidential Schools of Distinction".

On page 51, line 4, strike "education" and insert "educational".

On page 51, line 5, strike "organization," and insert "organization, and".

On page 52, line 16, strike "choice and" and insert "choice have".

On page 52, line 20, strike "that".

On page 58, line 15, strike "DEFINITION" and insert "DEFINITIONS".

On page 63, line 17, strike "and".

On page 63, line 19, strike the periods and the end quotation marks and insert a semicolon and "or".

On page 63, between lines 19 and 20, insert the following:

"(C) was previously part of a school district upon being constituted or reconstituted."

On page 63, beginning on line 20, strike all through page 64, line 2, and insert the following:

SEC. 132. TECHNICAL AMENDMENTS.

(a) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—The Elementary and Secondary Education Act of 1965 is amended—

(1) in sections 1005(a), 1006(a)(1)(A), 1291, 2004(a), and 4502 by striking "and the Trust Territory of the Pacific Islands" each place such term appears and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau";

(2) in sections 1404, 1405(a)(2)(A), 1405(a)(2)(B) and 1471(22) by striking "or the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, or Palau";

(3) in sections 1511(a)(1), 2104(a)(1), 5112(a)(1) and 5141(b)(6) by striking "the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, Palau";

(4) in section 1469 by—

(A) redesignating subsections (g), (h) and (i), as subsections (h), (i) and (j), respectively; and

(B) striking "(f) Staff" and inserting "(g) Staff"; and

(5) by redesignating title heading relating to title 10 as the title heading relating to title 8.

(b) ADULT EDUCATION ACT.—The Adult Education Act is amended—

(1) in sections 312(7) and 371(b)(7)(B)(i) by striking "the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, Palau"; and

(2) in sections 313(b) and 361(a) by striking "and the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau".

(c) STAR SCHOOLS PROGRAM.—Section 907(8) of the Star Schools Program Assistance Act is amended by striking "the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, Palau".

(d) IMPACT AID PROGRAM.—Section 5(a) of Public Law 81-874 is amended by—

(1) inserting "(1)" before "Any"; and

(2) inserting at the end thereof the following new paragraph (2):

"(2) Notwithstanding any other provision of law or regulation, a State educational agency that had been accepted as an applicant for funds under section 3 for fiscal years 1985, 1986, 1987 and 1988 shall be permitted to continue as an applicant under the same conditions by which it made application during such fiscal years only if such State educational agency distributes all funds received for the students for which application is being made by such State educational agency to the local educational agencies providing educational services to such students."

(e) EDUCATION OF THE HANDICAPPED.—The Education of the Handicapped Act is amended in—

(1) section 602(a)(6) by striking "or the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, or Palau";

(2) section 611(a)(2) by striking "and the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau"; and

(3) Section 611(e)(1) by striking "and the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau".

(f) LIBRARY SERVICES AND CONSTRUCTION ACT.—The Library Services and Construction Act is amended in—

(1) section 3(g) by striking "or the Trust Territory of the Pacific Islands" and inserting in lieu thereof "Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia";

(2) section 5(a)(3) by striking "and the Trust Territory of the Pacific Islands" each place such term appears and inserting in lieu thereof "Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia";

(3) section 7(a) by striking "the Trust Territory of the Pacific Islands" and inserting in lieu thereof "Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia"; and

(4) section 7(b) by striking "and the Trust Territory of the Pacific Islands" each place such term appears and inserting in lieu thereof "the Commonwealth of the Northern Mariana Islands, Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia".

PART E—BILINGUAL EDUCATION

SEC. 141. BILINGUAL EDUCATION.

Awards made by the Secretary of Education to the Franklin-Northwest Supervisory Union of Vermont under the Bilingual Edu-

cation Act (20 U.S.C. 3221 et seq.), in amounts of—

(1) \$388,076.56 for fiscal year 1984 (for programs of bilingual education);

(2) \$400,061.00 for fiscal year 1986 (for programs of transitional bilingual education) and any expenditure of funds by the Franklin-Northwest Supervisory Union pursuant to such awards, shall be treated as if they were made in accordance with the provisions of the Bilingual Education Act for purposes of any claims for repayment asserted by the Secretary of Education.

On page 64, line 7, strike the comma and insert a semicolon.

On page 66, line 14, strike "Act" and insert "subpart".

On page 69, between lines 12 and 13, insert the following:

"(i) SPECIAL RULE.—The Director shall encourage the support and assistance of civic groups, the business community, professional associations, institutions of higher education, and others in providing scholarship assistance to National Science Scholarship Finalists."

On page 69, line 13, strike "(i)" and insert "(j)".

On page 73, beginning on line 1, strike all through page 75, line 2.

On page 89, strike lines 1 through 16, and insert the following:

SEC. 616. DISCLOSURE OBLIGATION FOR SLS AND PLUS LOANS; REPAYMENT PERIOD.

(a) AMENDMENT.—Section 433 of the Higher Education Act of 1965 (20 U.S.C. 1083) is amended by inserting at the end thereof the following new subsection:

"(e) SPECIAL DISCLOSURE RULES ON SLS AND PLUS LOANS.—

"(1) DISCLOSURE OF PROJECTED MONTHLY PAYMENTS.—Loans made under sections 428A and 428B shall not be subject to the disclosure of projected monthly payment amounts required under subsection (a)(8), provided that the lender, in lieu of such disclosure, provides the borrower with sample projections of monthly repayment amounts assuming different levels of borrowing and interest accruals resulting from capitalization of interest while the borrower is in school.

"(2) TIMING OF DISCLOSURES.—Disclosure pursuant to section 433(b) made on loans made under sections 428A and 428B shall be made not later than 30 days prior to the due date established by the lender for the first payment from the borrower."

(b) COMPUTATION OF REPAYMENT PERIODS.—

(1) SLS LOANS.—Section 428A(c) of the Higher Education Act of 1965 (20 U.S.C. 1781-1(c)) is amended by inserting the following new paragraph at the end thereof:

"(6) REPAYMENT PERIOD.—For purposes of calculating the 10-year repayment period under section 428(b)(1)(D), such period shall be considered to commence at the time the first payment is due from the borrower."

(2) PLUS LOANS.—Section 428B(c) of the Higher Education Act of 1965 (20 U.S.C. 1078-2(c)) is amended by inserting the following new paragraph at the end thereof:

"(6) REPAYMENT PERIOD.—For purposes of calculating the 10-year repayment period under section 428(b)(1)(D), such period shall be considered to commence at the time the first payment is due from the borrower."

On page 109, after line 25, insert the following:

(c) TREATMENT OF TERRITORIES AND TERRITORIAL STUDENT ASSISTANCE.—Section 1204 of the Higher Education Act of 1965 is amended by inserting at the end thereof the following new subsection (d):

"(d) Notwithstanding any other provision of law, an institution of higher education that is located in any of the freely associated states, rather than a State, shall be eligible, if otherwise qualified, for assistance under subpart 4 of part A of title IV of this Act."

On page 115, line 12, insert a comma after "Islands".

On page 115, between lines 15 and 16, insert the following:

SEC. 808. DEFINITION.

Section 545 of the Higher Education Act of 1965 is amended by striking "and the Trust Territory of the Pacific Islands" and inserting "the Republic of the Marshall Islands, the Federated States of Micronesia, and Palau".

On page 115, beginning on line 23, strike all through line 25, and insert the following:

"(1) redesignating section 4608, as renumbered and amended in sections 202(1) and 202(2), respectively, of Public Law 100-569 as section 4610; and

"(2) inserting after section 4608 as added by Public Law 100-569 and renumbered by Public Law 100-690 the following new section 4609:

On page 116, line 1, strike "4607" and insert "4609".

On page 117, line 16, strike "1991" and insert "1990".

On page 117, line 17, strike "1992" and insert "1991, 1992".

On page 119, line 10, before "Advisory" insert "Development".

On page 126, line 17, strike "4(c)(2)(G)" and insert "1004(c)(2)(G)".

On page 128, line 20, strike "of the Board, that is" and insert "of funds from the Board, that are".

On page 129, beginning on line 16, strike all through page 130, line 5, and insert the following:

TITLE XI—MIDDLE SCHOOL TEACHING DEMONSTRATION PROGRAMS

SEC. 1101. MIDDLE SCHOOL TEACHING DEMONSTRATION PROGRAMS.

Title V of the Higher Education Act of 1965 is amended by inserting at the end thereof the following new part F:

"PART F—MIDDLE SCHOOL TEACHING DEMONSTRATION PROGRAMS

"SEC. 581. STATEMENT OF PURPOSE.

"It is the purpose of this part to provide financial assistance to institutions of higher education which offer teacher training or retraining programs to develop model programs with a specialized focus on teaching grades 6 through 9.

"SEC. 582. DEFINITIONS.

"As used in this part—

"(1) The term 'developmentally appropriate' means a program that is appropriate for a child's age and all areas of an individual child's development, including educational, physical, emotional, social, cognitive, and communication.

"(2) The term 'institution of higher education' has the same meaning given that term in section 1201(a) of the Higher Education Act of 1965.

"(3) The term 'local educational agency' has the same meaning given that term in

section 1471(12) of the Elementary and Secondary Education Act of 1965.

"(4) The term 'middle school' means a school which enrolls students in at least two of the grades 6, 7, 8, and 9.

"(5) The term 'State educational agency' has the same meaning given that term in section 1471(23) of the Elementary and Secondary Education Act of 1965.

"SEC. 583. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized to make grants, on a competitive basis, to institutions of higher education to develop model programs with a specialized focus on teaching grades 6 through 9.

"(b) SPECIAL RULE.—(1) The Secretary shall ensure an equitable geographic distribution of grants awarded under this part.

"(2) The Secretary shall take into consideration equitable levels of funding for urban and rural areas in awarding grants under this part.

"(c) GRANT PERIOD.—Grants under this part may be awarded for a period not to exceed 3 years.

"(d) FUNDING LIMITATION.—Grants awarded under this part may not exceed \$250,000 in the first year of funding.

"SEC. 584. APPLICATION.

"(a) IN GENERAL.—Each institution of higher education desiring a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall demonstrate that—

"(1) the applicant will establish and maintain a program of teacher training or retraining designed to offer specialized preparation for individuals teaching grades 6 through 9;

"(2) the applicant has designed a program of teacher training or retraining which includes—

"(A) a study of adolescent development (including cognitive, social, and emotional) with particular emphasis on early adolescent development;

"(B) a study of the influence of institutions such as schools, families, and peer groups in the socialization of adolescents;

"(C) information concerning the organization of schools for students in grades 6 through 9, with particular emphasis on developmentally appropriate school and classroom organization and practices;

"(D) training in at least 2 subject areas and related instructional strategies;

"(E) direct experience through internships in middle grade schools under the guidance of teachers who demonstrate exemplary classroom practices;

"(F) strategies for the prevention and detection of high risk behavior, particularly drug and alcohol abuse, and for the enhancement of self esteem among adolescents;

"(G) a study of effective methods and models of presenting substance abuse information and education to adolescent students; and

"(H) methods of encouraging parental and community involvement with middle schools; and

"(3) the program will be designed and operated with the active participation of classroom teachers and will include an in-service training component.

"SEC. 585. REPORTS AND INFORMATION DISSEMINATION.

"Each institution of higher education receiving a grant under this part shall submit

to the Secretary such reports and other information regarding programs conducted under this part as the Secretary deems necessary. The Secretary shall disseminate such information to other institutions of higher education, State educational agencies, and local educational agencies.

"SEC. 586. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated \$25,000,000 for fiscal year 1991 to carry out the provisions of this part."

On page 133, lines 23 and 24, strike "for each fiscal year thereafter" and insert "for fiscal years 1992 and 1993".

Mr. PELL. Mr. President, this is a bipartisan modification that has the full support of all members of the committee.

For the most part, the changes in this modification are of a technical nature, but there are a few items I believe should be highlighted.

First, this modification makes a series of important changes in title XI of S. 695, the Middle School Teaching Demonstration Program. These changes are the result of a bipartisan agreement between the proposal's author, Senator KASSEBAUM, and a member of the subcommittee who has a longstanding interest in this area, Senator SIMON. I am indeed glad that they were able to come to agreement on this important issue, and am pleased that we can incorporate that agreement in this modification.

Second, unless we take affirmative action, the Republic of the Marshall Islands and the Federated States of Micronesia will lose their eligibility in a series of important education programs. The question of continued education assistance is one of the few areas left open in the compacts between each nation and the United States. In other words, it is up to the Congress to decide if Federal education assistance should continue.

The need for continued assistance is clear. What we provide is critically important to the education of the citizens of both nations. Accordingly, the modification I offer on behalf of the Committee membership would continue eligibility of both the Republic of the Marshall Islands and the Federated States of Micronesia in such important programs as chapter 1, chapter 2, adult education, Star schools, and the LEAD Program. This is in addition to the eligibility for participation in the Territorial Teacher Training Assistance Program and TRIO programs.

Mr. President, I urge that the Senate accept the committee modification to S. 695.

Mrs. KASSEBAUM. Mr. President, I am pleased that the Senate is now considering S. 695, the Educational Excellence Act. I particularly appreciate the efforts of the chairman of the Education Subcommittee, Senator PELL, who has diligently worked to bring the bill to fruition and processed through the committee. I also very much appreciate the efforts of the ma-

jority leader, Senator MCCRILL, who has been steadfast in wanting to bring this legislation to the Senate floor.

The proposal before us is based on the original package of educational initiatives that were put forward by President Bush in the early months of his Presidency. The President's commitment to education is deep and genuine, as most recently evidenced by the focus given to education in his recent State of the Union Address.

The importance of maintaining a top quality education system in our country cannot be overstated, and certainly Senator PELL, who has worked in the vineyards of education for many years, recognizes that very important initiative.

The new jobs created over the next 12 years will require higher levels of skills. In addition, international competition is becoming an increasing challenge. Our traditional preeminence in ideas, invention, and enterprise is no longer being taken for granted. The startling international developments over just the past 12 months hold the potential for even more challenging competition.

Unfortunately, the demand for more skilled and flexible workers is coming at the very time when serious concerns are being raised about the performance of our students in the basic skills of reading, writing, and arithmetic. The business community is becoming increasingly interested and involved in educational improvement programs precisely because they are worried about not being able to hire the types of workers they need.

Data released by Education Secretary Cavazos last year showed stagnation in student performance based on criteria such as test scores and dropout rates. An estimated 650,000 to 700,000 students drop out of our schools every year. Conservative estimates show that 23 million Americans are illiterate.

Mr. President, these are the challenges we face that I think are of paramount importance to our Nation.

Findings of the National Assessment of Educational Progress on reading and writing performance are also troublesome. Virtually no improvement has occurred in reading skills since the early 1970's. Of particular concern for the future is that fewer than half of the students tested indicated that they liked to write and even fewer indicated that they wrote anything outside of school.

President Bush is to be commended for using the bully pulpit of the Presidency to draw national attention to our educational needs. I am hopeful that the enactment of the Educational Excellence Act will help to further promote this effort.

The principles which President Bush emphasized in transmitting his legisla-

tion—recognition of educational excellence, targeted use of Federal resources, promotion of choice and flexibility, and accountability for educational results—are preserved in this package.

This proposal to reward schools which make substantial improvements in their programs—to establish schools of excellence, to encourage alternative teacher and principal certification, to assist national science scholars, and to help build the endowments of historically black colleges and universities—is contained in this bill.

Senator PELL has listed in more detail many of the provisions of the bill but, in addition, I would like to focus on a couple that I think are important. We have added to the package a number of important provisions aimed at guaranteed student loan default reduction. The default regulations issued by the administration last year represent a tough but fair approach I believe to this problem. The legislation we are considering today builds upon this effort by incorporating provisions in Senate default reduction legislation now reflected in the regulations.

I am particularly pleased that the middle school teacher training provisions which I believe were very important were included in this package. Unfortunately, early adolescents rarely receive special attention. Yet this is a time when young people are making critical decisions which will profoundly affect the rest of their lives.

I believe some well constructed demonstration programs can explore ways in which teacher training efforts can be improved to address the unique needs of this group of students. Such an effort offers a good starting point from which to build an expanded focus in this often neglected area.

Finally, Mr. President, throughout committee consideration of S. 695, I expressed serious reservations about the inclusion of an authorization for a national board of professional teaching standards in the bill. I realize that this provision of the bill will be subject to one or more amendments which we will consider later today, and I will speak later on that subject.

I believe that Senate approval of S. 695 will be a positive step forward on behalf of realizing our aspirations for the improvement of our educational system. This is an area in which President Bush has placed the highest priority, and it is a priority I believe that we all share.

I yield the floor, Mr. President.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut [Mr. Dodd].

Mr. DODD. Mr. President, first of all let me commend my distinguished colleague from Rhode Island. I guess by now most people have lost count of

the number of education bills which he has managed on the floor of this body over a long and distinguished career, and this legislation is just yet another example of that commitment to education at every level in this country.

I note he is missing his longstanding partner, as we have talked about over the years, Bob Stafford, who for years was the partner in the team of PELL and Stafford on education matters. But he has been replaced by an equally distinguished member of the Senate, Senator KASSEBAUM, who brings a deep commitment to education as well.

Mr. PELL. If the Senator will yield, it should be called the Stafford-Pell team.

Mr. DODD. I noticed that the Senator from Rhode Island is in the majority right now. I thought I would make it Pell-Stafford. I noted that between 1981-87 it was Stafford-Pell. Since the Democrats took over in 1987, I thought I would put the Senator from Rhode Island first.

I noted Senator KASSEBAUM as well replaces Senator Stafford in that commitment, and certainly education is in good hands. We may have a little disagreement a little later in the day about one aspect of all this but that is the nature of our constitutional process and the way we legislate matters.

I would like to, first of all, as I said a moment ago, commend the chairman of the Subcommittee on Education as well as the President for submitting legislation regarding education excellence in the next decade and how important that is. I guess everyone of us from time to time have been asked by a group of students, or maybe someone in the media, what is the single most important issue in your mind? I guess that is a difficult question to answer.

Most of us have been confronted with that question. There are so many matters that require our attention and some matters that are extremely important. So it is difficult to answer that question when one is in politics.

But I have answered it in the past. I have answered it with a simple answer. Education is the single most important issue before the United States. Every other question, as important as it is; deficit, our national security, environmental questions that are before us, the quality of the work force, you can go down a long list of issues that certainly are of tremendous importance to this Nation, but no other issue, not another issue even approximates the importance of education.

Almost 200 years ago, Thomas Jefferson said the following, Mr. President. He said that any nation that ever expects to be ignorant and free expects what never was, and never ever can be. You can never be ignorant and free.

So, of all the issues that are before us, none even remotely comes close to the issue of education and its importance. Regrettably we are falling behind in that area, an area that was really a source of great pride to all of us. Certainly during this last century, we have watched the education of young Americans exceed what anything anywhere else in the world even came close to achieving. It has been a hallmark of our success.

I would say that if you had to point to any single reason why this country has done as well as it has over the last 100 years or more, it has been because of this Nation's commitment to education. How many of us can go back in our own lives and, while parents, neighbors, others, a member of the clergy may have had a profound influence on our lives, almost every one of us in this body I would suggest would point to a teacher, either elementary, high school, university professor, that at some point in our lives had a profound influence on our thinking, and in our judgment about the courses we have chosen in our lives to follow.

I would suggest that education really deserves certainly the highest of all places in the consideration of what has made this country as successful as it has been, and certainly the issue of whether or not we will enter the next century prepared as we must be for the kind of competition we will face at every single level.

So in my view no other issue is as important. This is the issue. If we can solve or if we have the ability to solve our environmental problems, it will be because there is an educated constituency in this country that understands those problems and is willing to work at it. If we are going to be successful in solving the deficit, it will be because we have an educated population in this country that understands the choices and a leadership that is willing to make them. It will be because of education.

I would suggest on every single issue you go down, on every single problem we face in this country, if we fail to have an educated leadership and an educated population, our ability to solve those problems will be left entirely to chance—just a chance, good fortune, and good luck.

But if we have an educated population, if we have an educated leadership with the ability to come to terms with the issues that plague this country and plague our world, those issues will have a far greater chance of being solved.

So this is the issue. This is the central question that we must come to terms with. If this Congress did nothing else in this session, if we did no other work at all but to go to work on the problems of education, drug abuse—how many times have we heard

"education", "education", "education"? If we can make young people understand the evils and the harms that come to them if they become addicted to drug abuse or substance abuse—"education". I would suggest that if we could solve that alone we would make a major inroad in the consumption of drugs and substances in this country that are harmful to people. So it is education.

If you can deal with that, begin to deal with that, then the rest of these problems become manageable. In the absence of dealing with this, every other problem will be left to sort of a chaotic solution which may or may not work.

So I feel so strongly about this that I hope this would just be the first of many efforts in this Congress and in the coming Congresses in this decade, so that if nothing else, Mr. President, as we end this century, our generation could at least say, even if we had not solved the deficit, even if we had not cleaned up the rain forests, even if we had not eliminated the scourge of drug abuse in this country, we in our generation and our time, in this Congress, will be able to say we put education back on track in this country. We at least have provided the opportunity and the tools for the next generation to cope with the problems they will face in the next century in this country. This is, in my view, the essential issue.

Today, of course, this bill goes a great distance toward helping us get on track. It is a balance, this package, a balance of education initiatives aimed at bolstering elementary, secondary, and postsecondary education programs. It will promote quality teaching, Mr. President, and quality education.

That is a very important point, a simple sentence, but very important point. Central to this legislation is promoting quality teaching and quality education, the tools, I suggest, need to be considered hand-in-hand to achieve true education excellence.

Quality education is not possible, will never be achieved, never be arrived at, we will not come close, unless we have a committed teaching force in America. To talk about quality education and not to talk about quality teachers is to miss the point entirely. You can never achieve the former, never, ever achieve the former, unless you have quality in the latter. Unless there are quality people who are willing to choose this profession, to make the choice and the lifetime professional commitments to education, you will never achieve quality education in America. It will be nothing more than rhetoric on this floor.

That is why I feel so strongly, and we will have some discussion later, I presume, on the importance of title X

of this legislation, as a vital component of education excellence.

Title X will provide \$25 million in Federal assistance over 3 years. That is it. Not 4 years, not 5 years, not 6 years, not indefinitely in the future, but for one 3-year period: \$25 million—a number we hardly even talk about any more in the Federal budget—for research and development of methods of teacher assessment and certification. A competitive grant awards process would be conducted by a national board made up of some of the best people in this country from corporations, in the fields of education and foundations that are already on this board, I add.

Provisions of title X are needed, and they are needed today. This is not a question where we might like to do it next year or next month. We are lagging so far behind already in this area that we are already behind the curve in the whole area of teacher certification and teacher improvement. We are truly faced with an education crisis.

The majority of our Nation's educators, well over 50 percent, are approaching retirement age. A minority number is under retirement age and will not be retiring. The majority are about to quit, about to finish their teaching experience. Potential educators are being drawn away from the profession of education to jobs offering far more pay and prestige. And every one of us can tell stories about teachers in our own States that finally gave up because of the pay or the conditions and joined the private sector in some other profession, because they could not keep the teaching profession any longer. Fewer qualified individuals are choosing to enter the teaching profession.

Mr. President, one anecdote in my own State: A couple of years ago the State of Connecticut, in which we take pride as one of the most successful States in the area of education and with the innovative programs we have come up with, we graduated, of all of our teaching colleges, only one person certified to teach high school physics in the State of Connecticut, a State that has high technology and firms involved in defense-related areas and plenty of job opportunities, where the importance of physics and math and science is crucial; we graduated one person in our State qualified to teach high school physics in the State of Connecticut, which is one of the finest post-secondary educational programs in the country. One individual out of our whole State was certified to teach a physics program. That is the crisis we are talking about.

Within the next 10 years, in this decade, we are going to need to attract, according to experts, 1 million new teachers to staff our classrooms. For the elementary, secondary levels, up into the postsecondary schools. A

million Americans are going to have to choose this profession, at a minimum.

That is our challenge. That is the goal for this next decade. We do not have a lot of time to sit around and conduct all sorts of fancy studies, to wait 4 or 5 years to figure out what we are going to do. We have this decade to come up with a million new people who will choose the profession that, today, is one of the lowest in terms of choices that our young people are making coming out of the universities and colleges in this country.

We have to reverse that cycle. That is the challenge before us. To prevent the severe teaching shortages, the Nation must act quickly to improve the appeal of the teaching profession. As a result of a major study, the Carnegie Forum on Education and the Economy concluded—not a conclusion of some subcommittee—that a voluntary national certification program would be one very effective way to offer teachers the professional recognition they have long sought.

As a result of that, the National Board for Professional Teaching Standards were created in 1987, almost 3 years ago. The teachers came together—and by the way they strongly support this, the teacher unions and groups across this country—to form the board to offer members of their profession an extra credential, a voluntary certification, not unlike, I suggest, the certification offered by the medical board. Over two-thirds of the board members, I further suggest to you, Mr. President, are members of the teaching profession.

However, the board cannot immediately implement a certification program for experienced teachers. Applied research needs to be conducted to determine the best ways to test the general knowledge, the grasp of specific subject matter, and the teaching techniques of the potential certification candidates.

The same assessment cannot be applied to the first grade teacher and the 11th-grade biology teacher. They are different. They are teachers, and that is where their commonality ends. Their rolls are different. And there are several other dozens teaching specialties, obviously.

Extensive research is further needed before the board can offer fair and equitable methods of assessment. There is no time to waste, as I suggested earlier; every minute that we neglect to support the backbone of our educational system in this country makes it far more difficult for school systems to find and keep willing and able teachers.

A Federal contribution of \$8 million a year for 3 years, that is what we are talking about. A total of \$8 million a year. It would probably cost us that amount to keep the lights on in this

building. Eight million a year for the next 3 years, and that is it—it does not go beyond that—to promote education excellence and to bolster the morale and professional standards of our Nation's teachers. The money will be used exclusively for the research and development of state-of-the-art methods of teachers' assessment, and findings will be published for anyone to access.

The method of Federal funding is not unique, by the way. Other private, nonprofit entities receive direct Federal funds. Among them, the American Board of Emergency Medicine, Corporation for Public Broadcasting, the Close-Up Foundation, the American Red Cross, and the list goes on. In this case the national board will be unable to use any of the Federal funds for administrative costs. None of the funds could be used to run this operation. That must come from private contributions. The board will merely act as a conduit through which the funds will flow to universities and research centers.

The national board will be required to match the Federal funds, dollar for dollar. That is a rarity. Actually, we are creating something here that requires the private funds being raised before you can get any Federal money at all, with money raised from non-Federal sources. Not 1 cent of the Federal money could be used for administrative costs. Twenty-five million dollars will be used exclusively for research and develop. After lengthy discussions with members of the minority on the Labor and Human Resources Committee in 1988, Senator PELL and I added specific language to the bill before an introduction to guarantee strict accountability in competition.

That was done in consultation with others who were involved in this question. The National Board would be required to report to the Department of Education and the Congress each year on its projects and progress.

The proposed legislation, furthermore, guarantees that the National Board will be accountable for every cent of Federal contributions. This is one of the accusations: It will not be accountable. The board is required to establish a research and development advisory committee to assure a meaningful research agenda and report to the Congress, as I said earlier. The Secretary of Education will appoint two members of the committee.

No. 2, all research and development contracts must be awarded competitively on the basis of merit. Announcements of research program will be widely disseminated. An advisory committee will assure an expert peer review process is in place.

No. 3, periodic progress reports and public access to all work products will be required. Each year the education community, the Secretary, and the

Congress will know if the board is using an appropriated funds wisely. States and schools will have access to research findings.

No. 4, legislation would require internal and external audits, including the submission of an annual report by the Department of Education, the National Science Foundation, and the National Research Council to the Congress on the board's activities. Also, the Government Accounting Office is authorized to audit fully the Board's books and activities. If that is not accountability, I do not know what is, in terms of whether or not this board is meeting its obligation.

The four stages represent the customary means of holding grantees, of course, accountable. We also include a sunset provision—that is again something that is not done rather often around here. This board's activities, as far as money seeking, here end after 3 years. There will be no further request for it. It is a one 3-year deal to get that research and development going. So it is very important that we spell it out in legislation. Title X states clearly—and I want to emphasize this point because there has been some concern raised by people across the country—unequivocally that the board in no way will interfere with State teacher licensing procedures. Certification is strictly of a voluntary nature.

I draw my colleagues' attention to page 128 of the bill, on the bottom of that page, under section 1010, and there on line 23, it says, "Nothing in this Act shall be construed to," and it goes to page 129, and lists four items; No. 2 says "infringe upon the rights and responsibilities of the States to license elementary and secondary school teachers." So it could not be any more clear. There is nothing in this that would permit the Federal Government to establish licensing procedures at the State level.

Senator FORD of Kentucky and I will enter into a colloquy a little later in which Senator FORD asks specifically whether or not this is going to pose a problem.

Again I state for the record here and will later in the day that there is nothing in this act that will permit the Federal Government to infringe upon the States' licensing requirements. You would have to pass a Federal law aside different than this one that would give the Federal Government the right to license. I would oppose such legislation. None is pending. None has been drafted to my knowledge.

So the suggestion somehow that we are going to license or the Federal Government is going to assume the licensing responsibilities is just patently false.

Finally, Mr. President, if the Secretary determines that the board is not complying with any provision of the

act not 1 cent of Federal funds will be provided to the board.

We could not be considering this legislation at a more appropriate and important time. In the last few months both the Democratic Members of Congress, the Governors, and the administration have articulated the need to make education a No. 1 priority. For the first time ever, we are a witness to the realization that the education of our young requires the attention of all levels of government and the provisions of title X have received strong bipartisan support when introduced, I would add, and moved through the Labor and Human Resources Committee rather quickly.

Voluntary teacher certification will give teachers an additional credential they can use to gain well-deserved recognition and respect for their abilities. If enough teachers do not apply to be certified by the National Board, when the research has been completed, the board will not be sustained. However, whether voluntary certification is utilized or not, there will be a return on the Federal Government's contribution to the research and development of state-of-the-art methods of teacher assessment and teacher retention. State and local governments will have access to the findings. The findings will be available to teacher education departments of colleges and universities across this country.

It is vital that we support the board in its efforts to begin to offer certification by 1993. We can best show our support for teachers by supporting the Federal contribution to the development of high quality, fair methods of teacher assessment.

For this reason, I strongly urge my colleagues to vote against any amendments that will modify or strike title X of S. 695. A vote against title X is a vote against education because of the equation: You cannot have a good education without quality teachers, and this title X is designed to try and improve that situation.

Let us show the teachers of this country that we are in their corner with the strongest supporters and strongest advocates of education. Teachers have gone on too long without the recognition and appreciation that they deserve. Let us show the families and students that we are committed to make our schools as we close our this century the best schools in the world.

Mr. FORD. Mr. President, I wish to clarify one issue with the author of title X of this bill. I have received numerous telephone calls and letters from home-school teachers in my State who are concerned that the NBPTS title of the pending legislation would impinge on their ability to teach their children at home. They have also expressed concerns that Na-

tional Board certification would be mandatory. Therefore, I would appreciate it very much if my friend from Connecticut would comment upon the effect of this title on home-school teachers.

Mr. DODD. I am delighted to clarify this issue for my friend from Kentucky. Let me assure you that it was never the intent of the committee that this provision would affect home-school teachers, or their regulation by the States, in any way. As a matter of fact, section 1010 of the bill explicitly provides that "Nothing in the bill shall be construed to infringe upon the rights and responsibilities of the States to license elementary and secondary teachers."

The provision before us concerns the purely voluntary advanced certification of experienced teachers, and it has nothing to do with State licensing and regulation of home-school teachers, or of private school teachers. Moreover, with respect to the issue of voluntariness, it was clearly the committee's intent to make this certification voluntary, just as is the case with board certification of doctors. I hope this addresses the Senator's concerns.

Mr. FORD. I thank my friend from Connecticut for his statement. I think this clarifies the fact that this legislation will not infringe upon the rights of States to permit and to regulate home-school and private school teaching.

NATIONAL LITERACY ACT

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

MODIFICATION OF AMENDMENT NO. 1228

Mr. PELL. Mr. President, on S. 1310, the National Literacy bill, I ask unanimous consent that it be in order to modify amendment No. 1228 with the modification I now send to the desk.

The PRESIDING OFFICER. Hearing no objection, the amendment is agreed to as so modified.

The amendment (No. 1228), as modified, is as follows:

After line 1 of the Heinz amendment, insert the following:

(g) EDUCATIONAL PROGRAMS FOR COMMERCIAL DRIVERS.—Part C of the Adult Education Act is amended by inserting at the end thereof the following new section 373:

EDUCATIONAL EXCELLENCE ACT OF 1989

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair recognizes Senator BOREN.

Mr. BOREN. Mr. President, I first compliment my colleague from Connecticut for the remarks he just made. I associate myself with his remarks both about the merits of the bill and also about the particular merits of

title X which he explained in great detail and great accuracy and clarity.

Mr. President, I am often asked as chairman of the Intelligence Committee to name the greatest threat to the national security interests of the United States.

For many, many years I think that a person in my position when answering that question would have talked about the nature of the Soviet threat, would have talked about the missile threat aimed against this country, would have talked about the power of the Warsaw Pact to launch a conventional attack across the borders of Western Europe and Eastern Europe. We would have thought of our national security interest in terms of ability to garner intelligence in terms of balance of military forces.

Mr. President, with all the changes that are taking place in the world, including the incredible debate that is now taking place in Moscow, even as we meet today, in terms of a restructuring of the Communist Party of the Soviet Union, the changes that have occurred in Eastern Europe, seeing the virtual elimination of the Warsaw Pact as a military force to be reckoned with, if I were to be asked that question today, I would answer it very differently than those who were my predecessors would have answered it 5 or 10 years ago.

I would have to say that the greatest threat to the national security of the United States is represented in our failure to fully develop the human resources of this country. We understand that the Soviet Union has been a superpower only in the military sense. It is not an economic superpower. It is certainly not a superpower in terms of the appeal of its philosophy to the rest of the world. What we have sometimes failed to understand is that there has been an ironic and symbolic relationship between the power and influence of the United States in the world and the power and influence of the Soviet Union.

Now that the military threat from the Soviet Union is perceived as rapidly declining by the other nations of the world, we have to realize that those nations will no longer automatically be so anxious to follow the lead of the United States in matters of international importance. The NATO countries were willing to follow our lead because they were concerned about the Soviet threat and the threat from the Warsaw Pact and they wanted the protection offered by the shield of American military strength.

In the Orient, the Japanese were perfectly content to spend only about one-seventh the proportion of military expenditures as we were spending in this country but they wanted the shield of American military protection. And they were willing to follow our lead in international matters of

great importance because they wanted to continue to benefit from that American military protection against what they perceived as the threat from the Soviet Union and the Eastern bloc. Now that they are no longer so concerned about that threat, they are going to be much less willing to follow the lead of the United States in world affairs.

How then will the United States reassert its role in the world? What kind of role, Mr. President, will we play in world affairs in the 21st century? The 20th century in many ways has been the American century. It has been American ideas and ideals that moved the world to change. It was a symbol of this country, the Statue of Liberty, that was raised in Tiananmen Square that moved the world to support student demands for change in that country. It was American ideas and ideals used by Lech Walesa, when he began his speech to us at the joint session of Congress, with the words "We, the people." That further moved the world to support change in Eastern Europe.

But what of our role in the next century? In the next century, the influence of this country will have to be exerted in different ways, in terms of moral influence of our ideas and ideals; it will have to be exerted in terms of hopefully major exchange programs between our students and students of other nations so that we can teach the next generation of leaders in other nations of the world about our system of government, our form of society, our sense of fairness and human dignity. But it also will rest upon the ability of the United States to protect economic growth.

Mr. President, we are in a far different situation than we were in 1950, for example, when we still had great military strength, indeed almost a monopoly on military strength in the world, and we led the world in a way that perhaps no other nation has ever led it in history. At that time we had the 10 largest banks in the world. Today, we do not have any of the top 20 banks in the world. At that time, we had a 68-percent share of the world's assets and almost a 70-percent share of the world's markets. Today, our share of the value of world assets is about 20 percent and our share of world markets is about the same.

So if we are going into a totally new world environment in which the influence of this country is no longer going to be founded upon and based upon our military strength but upon our economic strength and our moral strength, what then must we do to equip ourselves for this world that we are going to be living in in the 21st century, for example, if we have a dropout rate in this country of 29 percent of all our 18-year-olds who do

not finish high school, while the Japanese, for example, have a dropout rate of only about 1.5 percent.

If we waste tragically our human resource potential in that fashion, if we end up being a country where two-thirds of the population are having to carry the other one-third on their backs because we have neglected them and we have not given them the opportunity to develop their own potential, there is no way in the world that we can lead the world. Therefore, Mr. President, when we talk about education and human resource potential, we are talking about the very essence of America's national security interest in the 21st century.

It has been said that those that mill around at the crossroads of history do so at their own peril. Mr. President, we must realize that this is a time of real testing for the United States. Do we have the vision to see in this period of great change and upheaval what is required of us in the next century? Do we have the vision to understand that improvements in the quality of education in this country are at the very heart of the decision about what role this country will play in the 21st century and what opportunities the next generation of Americans will have?

This is why, Mr. President, I am proud to be a cosponsor of S. 695. I commend the Senator from Kansas and those on both sides of the aisle who have joined in bipartisan support for an initiative which has been offered to us by the President of the United States. I commend the President for his recognition of education as the most pressing national needs of this decade. The educational summit which he convened in Charlottesville last fall with the Nation's Governors was an important first step. Today I hope the Senate will pass the President's education initiatives with the same strong bipartisan support which the Labor and Human Resources Committee showed in reporting this bill.

There are many important initiatives in it: initiatives to encourage a drug-free environment in our schools, initiatives to encourage States to develop new and more flexible standards for teacher certification. And how important that is. We have many people, some have been forced to take early retirement from corporations due to corporate restructuring, that have immense talent, background in math and science and foreign languages and other subjects which need to be taught with great capability to our elementary and secondary students. The talents of these people must be utilized.

The talents of our best students coming out of colleges and universities in our country must be utilized in the classroom. I talked recently with somebody who was telling me about a young woman who graduated with a

Ph.D. from Harvard. She wanted to teach after she got out. She wanted to give back. She wanted to teach in the public high schools of an inner-city school system so she could give back and make a contribution to her society. And her Ph.D. adviser was very surprised when she came in one day and asked him to write a letter of recommendation to an institution, which could hardly be called rigorous, where she was going to have to go for another 2 years beyond her Ph.D. at Harvard. Here, one of the most outstanding students he ever taught in graduate school was ordered to take about 60 hours of educational methods courses so she could teach in this inner-city school which was crying out for people with her kind of talent.

Mr. President, there are many young people who are simply not going to be that committed after spending so many years in higher education and getting a Ph.D. from a university like Harvard that are then going to be willing to turn around and take 2 more years of their lives to take courses that have nothing to do with the subject matter or field that they are going to teach in or to go in the classroom and make that kind of contribution back to society.

So there has to be flexible methods adopted. States like New Jersey have adopted such methods. Other States hopefully will follow suit allowing for a minimum amount of methods courses—and there are some needs for methods courses—but a minimum amount of those courses for those teachers who indicate a great aptitude to be able to teach in the classroom and who have great expertise in the subject matter or field that they are going to teach. And a good balance can be struck between appropriate supervision from presently certified teachers to make sure that these people are capable of teaching and can adapt the methods that are necessary yet doing away with some of the barriers that are there now which keep many qualified people out of the classrooms as teachers at a time when we so desperately need them.

There are funds in this bill to encourage the establishment of magnet schools. Mr. President, the development of magnet schools is a very important development indeed in terms of saving the public schools of this country. Perhaps the finest high school, public high school, in my home State is a magnet school. It was developed in Tulsa, OK, during the period in which our schools were being desegregated. One of the schools was designated a magnet school, and the student body of this school is completely desegregated with at least 50 percent of the students from different minorities. This school was given the resources to offer all possible courses to be needed by these students. It teach-

es seven different foreign languages. It teaches everybody advanced math and science courses that would be demanded for admission with advanced placement at the finest universities in the country.

Last year when we selected the 100 most outstanding high school students in public schools in Oklahoma and designated them as Academic All-Staters, the top 100 academically out of 40,000 students, six students came from this one high school, the Tulsa Booker T. Washington High School, a magnet school. Those who might have taken their children out of the public school system because they were not being academically challenged, those with the financial means, community leaders that may have taken their children out of public school and put them in private school, in many cases left them in public school because that magnet school opportunity was there. And because the children of those community leaders are still in the public school system, those leaders remain strong voices in behalf of public education in the community.

Tragically, that has not happened in many other cities across the country and the children of the community leaders have gone out of the public schools and into the private education. Not that private education does not have a valid role to play, but once the public schools have the cream skimmed off and once the community leaders no longer have any stake in the public schools, support for the public schools—so critically important, because a majority of the students in the country, the vast majority, will always be in public schools—begins to erode. So the development of magnet schools, which hold together and challenge the very best of our students in the public school system, is incredibly important.

So there are many features of this bill which are extremely valuable and extremely positive and that is why I hope my colleagues will join in strong support.

I also rise in strong support of title X of this bill specifically, which would authorize \$25 million in matching funds to the National Board of Professional Teaching Standards, the NBPTS. This board will use those funds to develop the assessment systems needed so that experienced teachers can, if they wish, become certified, obtaining recognition as outstanding professionals, a recognition which they very much deserve.

This is very much like the medical profession. Those at the highest levels of that profession can be recognized as members of the Academy of Surgeons, and other professions have very special recognition of very high professional achievement.

President Bush and the Governors of the various States recognized the need to develop an ambitious, realistic set of education performance goals. They recognize the need to ensure an adequate number of excellent teachers and to continue the work already begun in various States on school restructuring projects.

Federal funding for this board will help to accomplish these goals. The professionalizing of our teaching force is an important first step, both toward attracting more of our best and brightest students into teaching and toward keeping our best teachers in the classroom.

The PRESIDING OFFICER. The hour of 11 has arrived. If the Senator wishes to go on, he may ask permission.

Mr. BOREN. May I ask unanimous consent that I might just complete my remarks, Mr. President?

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

Mr. BOREN. It will certainly help many of the restructuring movements which recognize that successful restructuring must begin at the front line—with the teacher in the classroom.

Mr. President, the Senator from Connecticut has already corrected the record as to many misconceptions about this board and the role it would play. It does not represent a step toward Federal control of certification standards. It would in no way take the power of licensing teachers away from State and local government. It would merely establish a high set of standards which could be met by some teachers at their option, which would give them a recognizable credential of professional excellence. It has nothing to do, for example, with the question of teaching school students at home schools, which have developed in some parts of the country.

Many people are being misled, as a matter of fact, about the nature of this board. They are told it is for Federal control of licensing. They are told it has something to do with home schools. It has nothing to do with either one. That is misinformation which is out there to confuse and mislead the public. I would never support those kinds of proposals.

They are being told it represents a special agenda of some educational groups and interest groups in this country. Again, nothing could be further from the truth. It has broad support and representation from the most conservative leaders of our business community in this country, the CEO of Xerox Corp., the chairman of the finance committee of Du Pont. It is a broad-based effort. It has very, very strong bipartisan support from the Nation's Governors.

Former North Carolina Gov. Jim Hunt, long a leading national figure in

education, is the chairman of this board. Gov. Bill Clinton of Arkansas, Democratic cochairman of the President's Education Summit, mentioned by the President in his State of the Union Address, is a strong supporter of the board and has written to many of our colleagues to urge support for funding for this board.

Former Gov. Tom Kean, of New Jersey, has just ended a term on the board. I just mentioned his great efforts in the State of New Jersey toward educational reform. He strongly supports this board, as does Gov. Terry Branstad, of Iowa, recently elected a member of the board, who is very enthusiastic about the board's potential to help education. Many of my colleagues have also recently received a letter from Governor Branstad urging support for this provision and another from Governor Clinton.

I ask unanimous consent that the letters from both of these Governors expressing bipartisan support for this provision for title X be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OCTOBER 6, 1989.

Hon. DAVID LYLE BOREN,
U.S. Senate, Senate Russell Office Building,
Washington, DC.

DEAR SENATOR BOREN: When the Senate considers S. 695, the "Educational Excellence Act of 1989", an effort may be made to weaken or delete a provision which is vitally important to efforts to attract and retain high quality teachers. As governors and business leaders we have formed a partnership with the education community to support federal funding for the National Board for Professional Teaching Standards' research and development activities. The Board is a non-profit organization, chaired by former North Carolina Governor Jim Hunt, which is developing a voluntary assessment program to identify and certify this nation's most accomplished teachers. These voluntary examinations will help professionalize teaching—making it a more rewarding field, improving teacher education programs, and helping to reshape the structure of American schools.

The Board is composed of business leaders, the Presidents of both teacher unions, school board representatives, union and non-union teachers, governors, and almost every other segment of the education community. Every dollar that the Board receives from the Federal Government will be matched with private funds. DuPont, Xerox and Chrysler Corporation have already made major fiscal commitments to the Board along with the Carnegie and Ford foundations.

The committee measure requires every dollar of federal funds to be spent on a fully competitive basis. In addition, the bill imposes full and complete federal oversight—holding the Board accountable. Once the assessments are established the Board will be self-sustaining.

Again, we believe that this public-private partnership is a vital component of any program to improve American education. No matter how much money is available, or how many programs are enacted, the qual-

ity of our schools is only as good as the teachers we hire and retain. We urge you to support the Committee provision and oppose efforts to weaken it.

Sincerely,

Bill Clinton, Governor of Arkansas;
Richard E. Heckert, Chairman, Finance Committee, E.I. du Pont de Nemours and Company; Thomas H. Kean, Governor of New Jersey; David T. Kearns, Chairman and Chief Executive Officer, Xerox Corporation.

OFFICE OF THE GOVERNOR,
STATE CAPITOL,

Des Moines, IA, February 5, 1990.
Hon. EDWARD M. KENNEDY,
Chairman,
Hon. ORRIN G. HATCH,
Ranking Member,
Labor and Human Resources Committee,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN AND SENATOR HATCH: I am writing to you today to tell you of my support for Title X of S. 695. This provision provides support for a voluntary, advanced certification system for teachers. It addresses a critical component of our effort to improve education and recognizes the importance of having quality teachers in our schools. The certification system will be administered by the National Board for Professional Teaching Standards (NBPTS). I am honored to be a newly elected member of the National Board.

Title X authorizes federal matching support for the research and development activities necessary to build the standards and assessments for National Board Certification. The provisions of Title X, as reported by the Labor and Human Resources Committee, requires that all of the funds authorized be allocated by contract to colleges, universities and other research institutions on a competitive basis with merit review. Title X also ensures that the National Board will remain independent. This legislation is not intended to establish mandated national teaching standards or a national curriculum.

I hope that you will support Title X, as approved by the Labor and Human Resources Committee, so that the National Board can continue its work to strengthen the single most important factor for success in our schools—teaching.

Thank you for your leadership on this very important issue.

Sincerely,

TERRY E. BRANSTAD,
Governor.

Mr. BOREN. The spirit of bipartisan support has also characterized sponsorship of S. 478, the original NBPTS bill, and its inclusion in the President's education initiatives.

Both Chairman TED KENNEDY and ranking minority member ORRIN HATCH were original cosponsors of the provision for the board.

So, Mr. President, I again commend the President of the United States, the Senator from Kansas, and others who have brought this important Excellence in Education Act to the floor of the U.S. Senate.

We must recognize the critical national interest involved in passing this legislation with an overwhelming majority as soon as possible.

The PRESIDING OFFICER (Mr. ROBB). The Senator from Kansas. There is a unanimous consent order at this time.

Mrs. KASSEBAUM. I ask unanimous consent to respond for 1 minute to Senator BOREN.

The PRESIDING OFFICER. Without objection, the Senator is recognized for 1 minute.

Mrs. KASSEBAUM. Mr. President, I commend Senator BOREN for some very thoughtful, eloquent, really, observations on the importance of education as the United States prepares itself for a new leadership role in the coming years.

More important, Mr. President, I think on and beyond just words, Senator BOREN, as Governor of Oklahoma, cared a great deal about the educational system in Oklahoma. He has also now a foundation in Oklahoma which recognizes and rewards the outstanding teachers and students. So, going on and beyond just words, he has followed through with actions in Oklahoma.

We disagree on the National Board for Professional Teaching Standards, but we will discuss that later this afternoon.

I wanted to say, Mr. President, he is a good example of someone who has really put into place efforts that have benefited the teachers and students in Oklahoma and has spoken, I think, with extraordinary vision about the importance to us, as a Nation, or education for the future.

Mr. BOREN. Mr. President, if I might ask unanimous consent to briefly respond to my colleague.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for a brief response.

Mr. BOREN. Mr. President, I thank my colleague from Kansas for her very kind and generous remarks. It is a privilege to be able to work with her as a working partner on behalf of this legislation. She is also a neighbor.

She has been to our State to talk to 9 groups of outstanding students and teachers we have honored in the past, and has made a real contribution. She is doing the same thing in her home State, and I am very proud to be associated with her this afternoon.

NATIONAL GLOBAL CHANGE RESEARCH ACT

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate will proceed to consideration of Calendar No. 78, S. 169, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 169) to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific under-

standing of the Earth system and the effect of changes in that system on climate and human and well-being, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "National Global Change Research Act of 1989".

SEC. 2. Section 102(a)(6) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6602(a)(6)) is amended to read as follows:

"(6) The development and implementation of long-range interagency research plans to support policy decisions regarding identified national and international concerns, and for which a sustained and coordinated commitment to improving scientific understanding will be required."

SEC. 3. (a) Section 401 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651) is amended to read as follows:

"FUNCTIONS OF COUNCIL

"SEC. 401. (a) The Federal Coordinating Council for Science, Engineering, and Technology (hereinafter referred to as the 'Council') shall consider problems and developments in the fields of science, engineering, and technology and related activities affecting more than one Federal agency, and shall recommend policies and other measures designed to—

"(1) provide more effective planning and administration of Federal scientific, engineering, and technological programs;

"(2) identify research needs, including areas requiring additional emphasis;

"(3) achieve more effective utilization of the scientific, engineering, and technological resources and facilities of Federal agencies, including the elimination of unwarranted duplication; and

"(4) further international cooperation in science, engineering, and technology.

"(b) The Council may be assigned responsibility for developing long-range and coordinated plans for scientific and technical research which involve the participation of more than two Federal agencies. Such plans shall—

"(1) identify research approaches and priorities which most effectively advance scientific understanding and provide a basis for policy decisions;

"(2) provide for effective cooperation and coordination of research among Federal agencies; and

"(3) encourage domestic and, as appropriate, international cooperation among government, industry, and university scientists.

"(c) The Council shall perform such other related advisory duties as shall be assigned by the President or by the Chairman of the Council.

"(d) For the purpose of carrying out the provisions of this section, each Federal agency represented on the Council shall furnish necessary assistance to the Council. Such assistance may include—

"(1) detailing employees to the Council to perform such functions, consistent with the purposes of this section, as the Chairman of the Council may assign to them; and

"(2) undertaking, upon request of the Chairman, such special studies for the Council as come within the scope of authority of the Council.

"(e) For the purpose of developing interagency plans, conducting studies, and making reports as directed by the Chairman, standing committees, and working groups of the Council may be established."

(b) Section 207(a)(1) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6616(a)(1)) is amended by striking "established under title IV".

SEC. 4. The National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 et seq.) is amended by adding at the end thereof the following new title:

"FINDINGS AND PURPOSE

SEC. 601. (a) Congress finds and declares the following:

"(1) Industrial, agricultural, and other human activities, coupled with an expanding world population, are contributing to processes of global change that may significantly alter our habitat within a few human generations.

"(2) Such human-induced changes may lead to significant global warming and the depletion of stratospheric ozone, and thus have the potential to alter world climate patterns, increase global sea levels, and reduce the ability of the atmosphere to screen out harmful ultraviolet radiation. Over the next century, the consequences could seriously and adversely affect world agricultural and marine production, coastal habitability, regional economic well-being, human health, and biological diversity.

"(3) Development of effective policies to mitigate and cope with human-induced global changes will rely on greatly improved scientific understanding of global environmental processes and on our ability to distinguish between the effects of human activities on one hand and the results of natural change on the other.

"(4) New developments in interdisciplinary Earth sciences, global observing systems, and computing technology make possible significant advances in the scientific understanding and prediction of these global changes and their effects.

"(5) Efforts are ongoing in several Federal agencies which could contribute to a well-defined and coordinated national program of research, monitoring, assessment, information management, and prediction.

"(6) The United States, as a world leader in Earth system science, should continue to provide leadership in developing and implementing an international global change research program.

"(b) It is the purpose of Congress in this title to provide for a national global change research plan which when implemented will assist the Nation and the world to understand, assess, predict, and respond to human-induced and natural processes of global change.

"NATIONAL GLOBAL CHANGE RESEARCH PLAN

SEC. 602. (a)(1) The President, through the Council, shall develop a National Global Change Research Plan (hereafter in this title referred to as the 'Plan') in accordance with section 401(b) of this Act and the provisions, findings, and purpose of this title. Consistent with the responsibilities set forth under subsection (d) of this section, the Plan shall contain recommendations for a ten-year national research effort, to be submitted to Congress within one year after the date of enactment of this title and to be revised at least once every three years thereafter.

"(2) The Plan shall—

"(A) establish the goals and priorities for Federal global change research for the ten-year period beginning in the year the Plan (or revised Plan) is submitted;

"(B) set forth the role of each Federal agency and department in implementing the Plan;

"(C) describe specific activities, including research activities, data collection and analysis requirements, predictive modeling, participation in international research efforts, and information management, required to achieve such goals and priorities; and

"(D) consider and utilize, as appropriate, reports and studies conducted by Federal agencies and departments, the National Research Council, or other entities.

"(3) The Plan shall address, where appropriate, the relevant programs and activities of the following Federal agencies and departments—

"(A) the Department of Commerce, particularly the National Oceanic and Atmospheric Administration;

"(B) the National Science Foundation;

"(C) the National Aeronautics and Space Administration;

"(D) the Department of the Interior;

"(E) the Department of Energy;

"(F) the Department of Agriculture;

"(G) the Environmental Protection Agency;

"(H) the Department of Defense, particularly the Department of the Navy;

"(I) the Department of Transportation;

"(J) the Department of State; and

"(K) such other research agencies and departments as the President, or the Chairman of the Council, considers appropriate.

"(b) The Council shall—

"(1) serve as lead entity responsible for oversight of the implementation of the Plan;

"(2) coordinate the global change research activities of Federal agencies and departments and report at least annually to the President, through the Chairman of the Council, on any recommended changes in agency or departmental roles that are needed to better implement the Plan;

"(3) prior to the President's submission to Congress of the annual budget estimate, review each agency budget estimate in the context of the Plan and make the results of that review available to each agency and to the appropriate elements of the Executive Office of the President, particularly the Office of Management and Budget;

"(4) work with Federal agencies, with the National Research Council, and with academic, State, and other groups conducting research and assessments of global changes and their effects;

"(5) cooperate with the Department of State in the coordination of Federal inter-agency participation in international activities related to global change research and assessment; and

"(6) consult with actual and potential users of such research and assessments.

"(c) The Plan shall provide for, but not be limited to, the following research elements:

"(1) Global measurements, establishing worldwide observations necessary to understand the physical, chemical, and biological processes responsible for changes in the Earth system on all spatial and time scales.

"(2) Documentation of global change, including the development of mechanisms for recording changes that will actually occur in the Earth system over the coming decades.

"(3) Studies of earlier changes in the Earth system, using evidence from the geological and fossil record.

"(4) Predictions, using quantitative models of the Earth system to identify and simulate global trends.

"(5) Development of an information base, assembling the information essential for effective decisionmaking to respond to the consequences of global change.

"(6) Focused research initiatives directed toward resolving scientific uncertainties regarding specific aspects of the Earth system.

"(d)(1) The Plan shall take into consideration, but not be limited to, the following existing agency missions and responsibilities:

"(A) The National Science Foundation shall be responsible for maintaining the health of basic research in all areas of Earth, atmospheric, and ocean science, including the relevant biological and social sciences and research in the polar regions. Such basic research may include ground-based studies on regional and global scales; large-scale field programs; interpretation and use of remotely sensed data and geographic information systems; theoretical and laboratory research; research facilities support; and development of numerical models, information and communication systems, and data bases.

"(B) The National Aeronautics and Space Administration shall be responsible for Earth-science research missions from space, including those studies of broad scientific scope that study the planet as an integrated whole. Associated efforts may include related studies of physical, chemical, and biological processes; suborbital and ground-based studies; remote-sensing and advanced instrument development; improvement of techniques for the transmission, processing, archiving, retrieval, and use of data; related scientific models; and other research activities in atmospheric, oceanographic, and land science.

"(C) The National Oceanic and Atmospheric Administration shall maintain a balanced program of observations, analysis and research, climate prediction, and information management. Responsibilities shall include operational in situ and satellite observation and monitoring systems; related research on physical and biogeochemical processes in the climate system, including their effect on marine ecosystems and resources; development, testing, and application of models and diagnostic techniques for the detection and prediction of natural and human-induced climatic changes; and the acquisition, maintenance, and distribution of long-term data bases and related climate information.

"(D) The Department of the Interior shall be responsible for the collection, maintenance, analysis, and interpretation of information on terrestrial, aquatic, biological, and other natural resources, including monitoring of hydrologic and geologic processes and resources, of land-use, of land-cover, and of biological habitats, resources, and diversity. Research areas may include past changes recorded in the physical, chemical and biological record; the hydrologic cycle; land-surface and solid-Earth processes that relate to environmental change; geography and cartography; ecosystem modeling and dynamics; and ethnology. Research findings shall be used in assessing and responding to the effects of global change on aquatic, terrestrial, biological, and other natural resources.

"(E) The Environmental Protection Agency shall conduct research to assess, evaluate, and predict the ecological, environmental, and human-health consequences of global change, including the interaction

of plant and animal communities and ecosystems with the climate system. Additional areas of responsibility may include assessment, research, and development of techniques to mitigate and adapt to climate change, development of emission factors, inventories and models for radiatively important trace gases, and evaluation of the relationship between global atmospheric change and regional air and water quality.

"(F) The Department of Energy shall be responsible for research on emissions of carbon dioxide and other gases from energy production and use, including the study of climatic responses to those emissions and the development of an information base for evaluating the effects of various energy and industrial policy options on climate. Associated efforts may include assessment and application of predictive models; evaluation of global and regional climate responses to various energy policy options; research on industrial sources of trace gases; and studies to assess how responses to climate change affect energy options.

"(G) The Department of Agriculture shall be responsible for research to assess the effects of global change on the agricultural food and fiber production systems and on forests and forest ecosystems, including research on biological response mechanisms to increasing greenhouse gases, improvement of plant and animal germplasm to respond to global change, and development and implementation of plans for changing agricultural and forestry practices to ameliorate the observed increases of greenhouse gases. An additional responsibility shall include research on applications of agricultural climatology to improve management decisions and conservation of resources while maintaining quality and quantity of crop yields.

"(H) The Department of Defense shall be responsible for research into environmental processes and conditions that affect defense operations, tactics, and systems. Additional responsibilities shall include facilitating exchange of relevant information with civilian agencies, participation in planning of national research efforts, and cooperative development of data management systems to ensure effective coordination and transfer of information among military and civilian agency programs.

"(I) The Department of Transportation shall be responsible for evaluating the effects of transportation policy options on the global environment, particularly the use of fuels in transportation systems that result in the emission of combustion gases, including aircraft emission into the stratosphere. An additional responsibility shall be the assessment of the ways in which climate changes affect the efficiency and safety of transportation on land, sea, and rivers, and in the air.

"(2) The Plan shall reflect the need for collaboration among agencies with respect to—

"(A) the establishment and development of an information system for Earth system science; and

"(B) research into the development of new conceptual and numerical models of the Earth system.

"(e) The Secretary of State shall consult with the Chairman of the Council in—

"(1) providing representation at international governmental meetings and conferences on global change research and assessment in which the United States participates; and

"(2) coordinating the Federal activities of the United States with the global change research and assessment programs of other na-

tions and international agencies and organizations, including the World Meteorological Organization and the United Nations Environmental Program.

"(f) Each Federal agency and department involved in global change research shall, as part of its annual request for appropriations to the Office of Management and Budget, submit a report identifying each element of its proposed global change activities, which—

"(1) specifies whether each such element (A) contributes primarily to the implementation of the Plan or (B) contributes primarily to the achievement of other objectives but aids Plan implementation in important ways; and

"(2) states the portion of its request for appropriations that is allocated to each such element.

The Office of Management and Budget shall review each such report in light of the goals, priorities, and agency responsibilities set forth in the Plan, and shall include, in the President's annual budget estimate, a statement of the portion of each agency or department's annual budget estimate that is allocated to each element of such agency or department's global change activities. Annual budget estimates shall be submitted to Congress that reflect the activities outlined in the Plan. The Office of Management and Budget shall ensure that a copy of the President's annual budget estimate is transmitted to the Chairman of the Council at the same time as such budget estimate is submitted to Congress.

RELATION TO OTHER LAWS

"SEC. 603. (a) The President, the Chairman of the Council, and the Secretary of Commerce shall ensure that relevant research activities of the National Climate Program, established by the National Climate Program Act (15 U.S.C. 2901 et seq.), are considered in developing national global change research efforts.

"(b) The President, the Chairman of the Council, and the heads of the agencies represented on the Council shall ensure that the research findings of the Council and of Federal agencies and departments are available to—

"(1) the Environmental Protection Agency for use in the formulation of a coordinated national policy on global climate change pursuant to section 1103 of the Global Climate Protection Act of 1987 (15 U.S.C. 2901, note); and

"(2) all Federal agencies and departments for use in the formulation of coordinated national policies for responding to human-induced and natural processes of global change pursuant to other statutory responsibilities and obligations.

ANNUAL REPORT

"SEC. 604. The Chairman of the Council shall prepare and submit to the President and Congress, not later than January 31 of each year, an annual report on the activities conducted pursuant to this title during the preceding fiscal year, including—

"(1) a summary of the achievements of Federal global change research efforts during that preceding fiscal year;

"(2) an analysis of the progress made toward achieving the goals and objectives of the Plan;

"(3) a copy or summary of the Plan and any changes made in such Plan;

"(4) a summary of agency budgets for global change activities for that preceding fiscal year; and

"(5) any recommendations regarding additional action or legislation which may be re-

quired to assist in achieving the purposes of this title."

SEC. 5. The National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 et seq.), as amended by sections 2, 3, and 4 of this Act, is further amended by adding at the end the following new title:

TITLE VII—OZONE DEPLETION WORKING GROUP

FINDINGS AND PURPOSE

"SEC. 701. (a) Congress finds and declares the following:

"(1) The ozone layer in the upper atmosphere is deteriorating as a result of chemical interactions with chlorofluorocarbons and halons emitted into the atmosphere in the course of human activity.

"(2) The United States is a party to and is implementing the Montreal Protocol, which calls for a 50 per centum reduction in 1986 worldwide production levels of chlorofluorocarbons by 1998 and a freeze at 1986 production levels of halons.

"(3) The Ozone Trends Panel Report of the National Aeronautics and Space Administration presents new and disturbing information that should intensify efforts to develop safe alternatives to the existing chlorofluorocarbon and halon compounds.

"(4) Further reductions in the production and use of chlorofluorocarbons and halons are likely to be necessary in light of this new information.

"(5) Chlorofluorocarbons and halons are pervasive industrial components and the United States should be commercially and industrially prepared for further reductions.

"(6) The Federal Government is one of the largest purchasers of products containing chlorofluorocarbons and halons.

"(7) The rapid development of and transition to safe substitutes for chlorofluorocarbons and halons and alternative technology are vital to the national and international interest.

"(8) The Federal Government should—

"(A) devise initiatives and assist industry to facilitate the development of safe substitutes for chlorofluorocarbons and halons and alternative technology;

"(B) identify statutory and regulatory impediments to chlorofluorocarbon and halon reduction and recycling;

"(C) cooperate with the private sector to identify opportunities for additional such recycling and conservation initiatives;

"(D) identify governmental procurement and use of chlorofluorocarbons and halons;

"(E) undertake initiatives, including government-supported research, to assist industry in accomplishing the transition to safe substitutes and alternative technology as soon as practicable.

WORKING GROUP

"SEC. 702. (a) The President, through the Council, shall establish a working group which, in accordance with title IV and the provisions, findings, and purposes of this title, shall—

"(1) coordinate, develop, and help implement initiatives on research and other activities of Federal agencies and departments to facilitate the development of and transition to safe substitutes for chlorofluorocarbons and halons and alternative technology;

"(2) conduct a comprehensive study for the purpose of determining the steps which can be taken to reduce the emission of chlorofluorocarbons and halons.

"(b) In carrying out the study required by subsection (a), the working group shall—

"(1) determine whether any Federal, State, or local laws and regulations are impeding the reduction of chlorofluorocarbons and halons and the transition to safe substitutes and alternative technology;

"(2) recommend Federal research programs and other activities to assist industry in identifying alternatives to the use of chlorofluorocarbons and halons as refrigerants, solvents, fire retardants, foam-blowing agents, and other commercial applications and in achieving a transition to those alternatives;

"(3) identify steps to promote or assist in chlorofluorocarbon and halon recycling and conservation;

"(4) examine Federal procurement practices with respect to chlorofluorocarbons and halons and recommend measures to promote the earliest possible transition by the Federal Government to the use of safe substitutes where they are available;

"(5) specify initiatives, including appropriate intergovernmental, international, and commercial information and technology transfers, to promote the development and use of chlorofluorocarbon and halon substitutes, and alternative technology;

"(6) identify steps and initiatives to foster proper handling processes and field practices involving chlorofluorocarbons and halons to reduce ozone-depleting emissions; and

"(7) take other such steps as are necessary to fulfill the purposes of the working group as set forth in subsection (a).

"(c) The working group shall address, where appropriate, the relevant programs and activities of, and shall include representatives from, the following Federal agencies and departments:

"(1) the Department of Commerce, particularly the National Oceanic and Atmospheric Administration and the National Institute for Standards and Technology;

"(2) the National Science Foundation;

"(3) the National Aeronautics and Space Administration;

"(4) the Environmental Protection Agency;

"(5) the Department of Energy;

"(6) the Department of Agriculture;

"(7) the Department of the Interior;

"(8) the Department of Defense;

"(9) the Department of State; and

"(10) such other agencies and departments as the President, or the Chairman of the Council, considers appropriate, including the General Services Administration and Office of the United States Trade Representative.

"(d)(1) The President, or the Chairman of the Council, shall designate one of the members of the working group to serve as chairman.

"(2) The President shall call the first meeting of the working group prior to the expiration of the one hundred and twenty-day period following the date of enactment of this title.

"(e) The Council shall, not later than twelve months after the date of enactment of this title, report the results of the study required by subsection (a) to the President and to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives. Such report shall include the findings of the working group and its recommendations for such statutory and regulatory changes, research programs, and other initiatives as the working group determines necessary in order to assist in the effort to reduce the use of chlorofluorocarbons and halons in the United

States, to assure a smooth transition to the use of safe substitutes, and to meet the purposes of this title.

"ADVISORY BOARD"

"SEC. 703. (a) The Director shall establish an advisory board to assist the Council and the working group established under section 702 in carrying out the purposes of this title.

"(b) The advisory board shall consist of at least six members, two of whom shall be industry representatives from chlorofluorocarbon and halon manufacturers and four of whom shall be industry representatives from chlorofluorocarbon and halon users.

"(c) Members of the advisory board shall serve without compensation in addition to compensation they may otherwise be entitled to receive, but shall be reimbursed for travel, subsistence, and other expenses incurred in the actual performances of duties vested in the advisory board.

"(d) The advisory board shall be established not later than three months following the date of enactment of this title and shall continue to exist as long as the working group established under section 702 is in existence.

"DEFINITIONS"

"SEC. 704. For purposes of this title—

"(1) the term 'chlorofluorocarbon' means any controlled substance listed in Group I of Annex A of the Montreal Protocol;

"(2) the term 'halon' means any controlled substance listed in Group II of such Annex A of the Montreal Protocol; and

"(3) the term 'Montreal Protocol' means the Montreal Protocol on Substances that Deplete the Ozone Layer, done at Montreal on September 16, 1987."

The PRESIDING OFFICER. Under the order, debate on this bill will conclude by 12 noon. Debate will be equally divided between and controlled by the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Arizona [Mr. McCAIN].

Who yields time? The Chair recognizes the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I yield as much time as necessary to present the bill very briefly.

Let me thank my distinguished colleague from Arizona for his leadership in this particular regard. We have become concerned, in the Committee on Commerce, Science, and Transportation, for some time now about global change and research on the nature of global change, to know exactly what we are doing to the Earth environment.

The distinguished Senator from Tennessee [Mr. GORE], the chairman of our Subcommittee on Science, and I went down to the South Pole, the Antarctic, the year before last, to visit and meet with our scientists down there, NOAA officials and others, and to see the hole in the atmosphere.

We have tried to follow through. When we came back, we realized that there were many, many agencies and departments charged with various facets of global change. We have the National Aeronautics and Space Administration, which has the Earth observing systems, the mission to planet Earth; we have the National Oceanic

and Atmospheric Administration, which has climate modeling and atmospheric, oceans, and polar monitoring; we have the National Science Foundation, responsible for the basic research on global Earth processes; we have the Department of the Interior, which has programs on climate change and research on sea level rise; we have the U.S. Department of Agriculture, assessing climate impacts on crops, including weather and State research services; the Department of Energy, which has an environmental program on carbon dioxide and other greenhouse gases; and of course the Environmental Protection Agency, with the global climate change effect on the populace itself, and stratospheric ozone research.

In 1976, we enacted the National Science and Technology Policy, Organization, and Priorities Act. In that Science Act of 1976, we created in the White House an Office of Science and Technology Policy, and the Federal Coordinating Council for Science, Engineering, and Technology, FCCSET, pronounced "Fix It."

FCCSET is the Government's interagency committee on science which coordinates the Federal global change research through its Committee on Earth Sciences. What we are doing now is trying to coordinate and fix it namely, this global warming process that is taking place, see if we can get control of Federal activities in this particular regard, and do it in an intelligent, informed fashion.

In developing the national global change research plan, we would take—now that you have all the players in the departments and agencies represented—that one Committee on Earth Sciences, the CES, as they call it, and under the bill they would establish national goals. CES is supposed to draw the picture for the program and say, "Here are the national goals and priorities for global change research."

Second, we want the CES to define the roles of each agency and department in implementing the plan; thirdly, to review related agency budget estimates; and, finally, make an annual report to Congress each year to outline Federal progress in implementing the plan so we can take inventory of just how well or not so well we are proceeding.

Again, to emphasize, when we say to define the roles of each agency and department in implementing the plan, this particular initiative was unanimously endorsed by all these departments and agencies early last year.

The Committee had extensive hearings and reported the bill out in April. S. 169 has languished on the calendar since that time due to a lack of coordination at this particular level, within the Congress, to move it along. The bill would enable us to understand each agency's role and responsibility,

and then we could ask what budget changes should be made to make a comprehensive assault upon the problem.

The annual report to Congress would allow us to do that.

The PRESIDING OFFICER. The Senator from Arizona [Mr. McCAIN].

Mr. McCAIN. Mr. President, I yield myself whatever time I may consume.

Mr. President, I would like to start out by expressing my gratitude to the distinguished chairman of the Commerce Committee, Senator HOLLINGS, whose commitment to our environment is well known to all of us for many, many years.

I also think it appropriate to mention that action on this legislation was taken many months ago. It is regrettable that it took so long to come to the floor of the Senate. The issues that are addressed in this legislation, of which Senator HOLLINGS is the prime motivator and architect, should have been passed long ago. I, nevertheless, commend him not only on this issue but his sensitivity and understanding of the needs and the concerns of the American people. It is not atypical of him to take a leadership role in this issue which, frankly, in my State, is the No. 1 concern, and that is the future of our environment.

Mr. President, the United States and other nations of the world are becoming increasingly concerned about global environmental issues, particularly global climate change. Concerns have been raised that human activities may be contributing to global-scale environmental impacts such as stratospheric ozone depletion and global warming.

OZONE DEPLETION

The scientific community has determined that manmade chlorine chemicals such as chlorofluorocarbons, or CFC's, are responsible for depleting the ozone layer, which blocks the harmful ultraviolet radiation that the Sun emits. CFC's are used in air-conditioners, foam food containers, industrial solvents, and propellants for aerosol sprays. A reduced ozone layer permits more ultraviolet radiation to reach the Earth's surface, as we all know. This causes certain forms of skin cancer and portends harmful consequences for marine life and agriculture.

Related to this problem of ozone depletion is the phenomenon of growing, major ozone decreases over Antarctica. The existence of this seasonal "ozone hole," which has been observed since 1985, has been established through satellites and other scientific observations.

THE GREENHOUSE EFFECT

Another phenomenon of great concern is the effect of the "greenhouse" gases on the Earth's surface temperature. Many believe that increases in this century in carbon dioxide and

methane, as well as CFC's, will contribute to an increase in the average global surface temperature.

Computer models predict that the result of a doubling of atmospheric carbon dioxide would be a global warming of 2 to 3 degrees Celsius. While this effect may not seem large, it is comparable to all changes in the 18,000 years since the last ice age. Furthermore, this expected warming would occur over only a few decades to a century.

Mr. President, this increase in carbon dioxide has been attributed primarily to the burning of fossil fuels and the deforestation of land.

While the greenhouse effect is a widely accepted scientific theory, predicting its exact consequences is a subject of intense debate. Further research is critical to help us better understand the problem and to determine what actions should be taken in response to the buildup of carbon dioxide and other greenhouse gases.

THE BUSH ADMINISTRATION COMMITMENT TO GLOBAL CHANGE RESEARCH

This legislation is consistent in my view with President Bush's commitment to U.S. leadership in global change research. As part of his fiscal year 1991 budget, President Bush proposed over \$1 billion in funding for global change research, an increase of 57 percent over the 1990 level.

Mr. President, arguments have been made and will be made that more funding is necessary. I think that the administration and the Congress would be willing and eager to spend more moneys as we identify areas where we can put additional resources to effective use.

I caution, as we have so often in the past, at throwing money at programs, because of the immediacy of a crisis, when, sometimes additional moneys cannot be efficiently spent.

President Bush reiterated his commitment to aggregate U.S. research efforts on global change yesterday in a speech to the United Nations-sponsored Intergovernmental Panel on Climate Change.

The administration has committed to hosting a global change conference of top scientific, economic, and environmental officials from around the world in the spring of this year. This effort, together with the research efforts resulting from the National Global Change Research Act, should provide significant scientific information on which to base the development of sound response to this international critical global environmental issue.

SUMMARY OF THE LEGISLATION

Mr. President, the National Global Change Research Act directs the Federal Coordinating Council for Science, Engineering, and Technology to coordinate the research efforts of all the Federal agencies involved in global change research. Chaired by the Presi-

dent's Science Adviser, its membership is composed of representatives of those Federal agencies and departments involved in scientific research.

The legislation requires the Council to develop a comprehensive 10-year global change research plan.

The National Aeronautics and Space Administration [NASA], the National Oceanic and Atmospheric Administration and the National Science Foundation, would continue current research efforts on global change. The Council would build on these current responsibilities by assigning to these agencies new initiatives within the framework established by the 10-year research plan.

The bill also specifies roles for the Departments of Energy, Agriculture, Defense, Transportation, and State, the Environmental Protection Agency and the United States Geological Survey.

The bill furthermore directs each Federal agency and department involved in global change research to specify in its annual budget request to the Office of Management and Budget those portions of the request related to global change research. OMB is directed to review these reports while taking into account the priorities and agency responsibilities announced in the 10-year research plan.

Mr. President, again, I want to commend my colleague from South Carolina, and all Members of the Commerce Committee and of this body who have worked together to bring about this legislation. It is timely; it is important; it goes some distance in addressing the global environmental threats with which the international community is faced. I look forward to rapid passage of this legislation by Congress so that we can move forward in addressing the difficult environmental issues that face us.

Mr. President, I yield the floor at this time and reserve the remainder of my time.

Mr. HOLLINGS. Mr. President, these are critical times for America and for planet Earth—critical because the course we set here in Washington and the policies we pursue will have profound effects on the Americans of tomorrow, their standard of living, and the quality of their lives. In less than 10 years, the 20th century will come to an end, and the decisions which we make now have already begun to shape the challenges of the next century.

If current global trends continue, those challenges may be formidable. In recent months, world attention has focused increasingly on a litany of climate and environmental concerns. Average global temperatures in the past decade have been the warmest on record. Droughts have devastated parts of India, Africa, and North America, and at the same time, heavy

rainfall has occurred in traditionally arid regions of South America. Floods have threatened thousands in Bangladesh, and the Sahara Desert continues its slow spread over northern Africa. The atmosphere's protective ozone layer is thinning perceptibly, and each spring, ozone concentrations over Antarctica drop dramatically. The extinction of plant and animal species continues at a rate of about 10,000 species lost each year.

Some of these global changes may be a result of natural causes, but there is increasing evidence that human activity is having profoundly negative effects on our climate and our world. Like the canary in the coal mine, planet Earth is sending us loud and clear warning signals that its ability to sustain human life may face a long-term threat. And in response to those signals, the nations of the world have initiated a debate on steps which should be taken now to deal with greenhouse warming, climate change, and stratospheric ozone depletion.

Thus far, the quality of that debate has been impressive. In 1987, the World Commission on Environment and Development produced the report, "Our Common Future," calling for an international strategy to reverse long-term global environmental trends. Many of the actions identified—reducing energy consumption, increasing scientific and renewable energy research, improving transfer of technologies to developing nations—are steps which we can and should begin immediately.

Then, in 1988, the World Meteorological Organization and the United Nations Environment Program brought together delegates from 30 nations to initiate an Intergovernmental Panel on Climate Change [IPCC]. The tasks of the IPCC—to formulate realistic responses for dealing with the climate change issue and to develop recommendations for a convention on climate change—are ambitious goals. In its initial year, however, the panel has demonstrated a willingness to tackle the challenges head on and has adopted a three-part approach to policymaking which appears to be working effectively. Through this approach, scientific investigation, impact assessment, and policy formulation progress as complementary, yet independent panel responsibilities.

And how have we, in the United States, responded to growing international pressure for policies to deal with global change? Our response thus far has been a little like the wealthy man who speaks out loudly in support of worthy causes—but when the collection plate is passed, he finds that he has left his wallet at home. At yesterday's speech on global warming, President Bush's rhetorical commitment to addressing the issue was very strong.

Unfortunately, strong words are not an adequate substitute for forceful action. I think that few of us here would agree that planting trees and voluntary industry efforts are satisfactory tradeoffs for a comprehensive national energy policy or for effective environmental pollution controls. While other nations are discussing response strategies, it seems we in the United States have yet to get around to admitting there is a problem. We are teetering and tottering with the need to take action on the issue, and all the while, its effects appear to be manifesting themselves around us.

On this score, I am personally committed to seeing that this Congress leads the way in improving our understanding of global climate change, and in mobilizing an international response. I know that many of my colleagues share that sense of commitment—in fact, there are some 25 cosponsors of this measure, a bipartisan effort—and hope that passage of the legislation before us today will be effective in moving us closer to those goals.

Unfortunately, the solutions to the myriad of environmental problems which we face are often unclear. And the gravity of the threat is not fully understood. Last summer, scientists waged a battle on the editorial pages of the New York Times and the Washington Post over whether greenhouse warming had actually begun. We are bombarded with new, and sometimes contradictory, research findings almost daily.

Throughout the discussion and the debate, however, there is one point on which all sides—scientists, politicians, environmentalists, and businessmen—agree. The point is that we need better information on how our planet works. I think that the analogy made by Dr. Francis Bretherton at a Commerce Committee hearing in April is an appropriate one. Dr. Bretherton, a noted atmospheric physicist, compared the global environment to an automobile. He pointed out that when we have a car problem, we take the car to a repair shop or fix it ourselves using the operator's manual. For the global environment, however, there are no mechanics or manuals. We don't understand how the machinery of the planet works.

Consequently, we don't have a very good idea of how to fix it—or in some areas, even a very clear understanding of what's wrong. The task before us now is to obtain the knowledge we need to train the mechanics and write the manual before this global machinery is irreversibly damaged.

Scientists have already recognized the need to start that task. Researchers have embarked on a study of the Earth as a complex, interdependent system, in which oceans, atmosphere, and life all affect one another and all

help shape the face of the planet. They are making major strides in understanding how changes in the oceans and atmosphere in one part of the world drastically affect weather conditions, lives, and livelihoods in another.

A case in point is the climate phenomenon known as El Nino, a variation in air-sea conditions that can extend across the entire tropical Pacific. Every 3 to 4 years, warm water spreads eastward across the Pacific and the easterly trade winds diminish. This slowdown cuts off the upwelling of cold, nutrient-rich water along the west coast of South America and causes fishery catches to drop. Local winds change direction, blowing in from the sea and bringing torrential rains.

The costs can be staggering. During the 1982-83 El Nino, 600 people died in South America. Peru's economic losses due to severe weather and poor fishing were estimated at \$2 billion. On the other side of the Pacific during the same period, El Nino brought record-breaking drought to Australia, Indonesia, India, and the Philippines. In the United States, the west coast and the gulf were hit by severe winter storms that led to beach erosion, flooding, and mudslides.

The same complex forces which produce an El Nino have now been credited as the principal cause of 1988's killing drought in the United States. In addition, the event has been linked to the unusually heavy monsoon rains that brought record floods, death, and misery to Bangladesh in 1988.

And we do not know, of course, if such weather events are linked, but this Senator and all others in our section of the country experienced in a 90-day period the most extreme of weather change and damage. In late September, for example, we had Hurricane Hugo, the most devastating storm to ever hit the United States in its history, with estimated damage around \$12 billion originally. Those estimates have gone up now to about \$14 billion, three times more damage than Camille, that hit down in the gulf.

Now, 90 days after the tropical hurricane, we get an arctic blizzard. I have lived 60-some years in Charleston, and we never had snow, much less 8 inches. Twelve inches fell in Myrtle Beach. And on Christmas morning I was not looking for Santa Claus; I was looking for a plumber to fix frozen pipes.

I am interested in what is causing these extreme changes in weather and the devastating effect it has been having—in seeing that if there is a cause, what we can do about it.

The ability to accurately forecast such events would allow improved planning and preparation which could save hundreds of lives and prevent

millions of dollars in economic losses. However, such an ability can only be achieved through a sustained and coordinated multidisciplinary research effort. A similar approach will be essential to addressing global change.

One powerful new tool that we can bring to bear on the problem is the perspective from space. Space observations provide a view of the Earth that is both detailed and comprehensive. Space observations give us—at a time when it is most critically needed—the means to efficiently collect information on the many aspects of our planet needed to answer complex environmental questions.

This synoptic view from space is also important for a less prosaic reason. The beauty, the intricacy of planet Earth are readily apparent from 20,000 miles away—the political boundaries that separate nation from nation are not. This perspective gives us a much more compelling awareness of the common heritage of mankind. And a much stronger sense of our common destiny if we harm it.

The global view from space, combined with advances in computer technology and new multidisciplinary approaches, provide scientists with the tools for productive and valuable research into the Earth system. An extraordinary effort has begun, involving scientists from many different backgrounds and nations. Government and university researchers, working with their colleagues overseas, have initiated planning efforts to ensure the necessary research for answering our critical questions. This issue now is how best to encourage that planning, particularly here in the United States.

The bill before the Senate today, the National Global Change Research Act of 1989, as amended, would provide needed support and a national framework for that effort. S. 169 mandates a Federal research plan to study global change, including greenhouse warming and ozone depletion. The bill would direct and strengthen the new interagency global change research program, leading to improved coordination. The Federal Government already spends millions of dollars on programs which could contribute to our understanding of global change and a number of different Federal agencies are involved. S. 169 does not authorize additional research funding, but would instead pull together these existing agency programs and activities and form the basis for building a comprehensive national effort.

S. 169 is written as a series of amendments to the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Science Act). The Science Act created both the White House Office of Science and Technology Policy (OSTP) and the

Federal Coordinating Council for Science, Engineering, and Technology [FCCSET]. FCCSET, the Government's interagency committee for science, already coordinates Federal global change research through its Committee on Earth Sciences [CES]. FCCSET, through CES, is the logical group to assume responsibility for the new program.

In developing a National Global Change Research Plan, CES would establish national goals and priorities for global change research, define the roles of each agency and department in implementing the plan, and review related agency budget estimates. An annual report to Congress would outline Federal progress in implementing the plan.

In summary, the problem that we face is potentially enormous. Global warming could radically change world climate and world agriculture. Ozone depletion could cause tens of thousands of new cases of skin cancer. Sea level rise threatens coastal communities throughout the world. No one should underestimate the seriousness of our situation.

But if the challenge is enormous, the skill and tools of our scientists have never been better. Good answers to the pressing questions we face will not come easily, and probably not cheaply. We need a determined and coordinated research effort, both here in the United States and with other nations, to get the facts about the exact causes and consequences of global change. For our children and grandchildren, now is the time to start that effort. I thank my many colleagues who have cosponsored this legislation, and I urge support for its passage.

Mr. President, our distinguished colleague from Tennessee is on the way to the floor. I am sure he will have a statement.

I ask unanimous consent, since this was brought up out of order, that the RECORD be kept open today for other Senators on both sides of the aisle until the close of business so they can submit their statements in the debate.

The PRESIDING OFFICER. Without objection, the RECORD will be open for inclusion of statements by any Senators who wish to contribute to this particular debate.

Who yields time?

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona [Mr. McCAIN].

Mr. McCAIN. I ask my colleague from South Carolina. I believe we will submit an amendment at some point. I wonder if he is prepared to proceed.

Mr. HOLLINGS. Good. We will proceed with that.

AMENDMENT NO. 1232

(Purpose: To make an amendment in the nature of a substitute)

Mr. HOLLINGS. Mr. President, 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 South Carolina [Mr. HOLLINGS] for himself and Mr. BAUCUS, proposes an amendment numbered 1232.

Mr. HOLLINGS. 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:

Strike all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "National Global Change Research Act of 1990".

SCIENCE AND TECHNOLOGY POLICY

Sec. 2. Section 102(a)(6) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6602(a)(6)) is amended to read as follows:

"(6) The development and implementation of long-range interagency research plans to support policy decisions regarding identified national and international concerns, and for which a sustained and coordinated commitment to improving scientific understanding will be required.".

FEDERAL COORDINATING COUNCIL FOR SCIENCE, ENGINEERING, AND TECHNOLOGY

Sec. 3. (a) Section 401 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651) is amended to read as follows:

FUNCTIONS OF COUNCIL

"Sec. 401. (a) The Federal Coordinating Council for Science, Engineering, and Technology (hereinafter referred to as the 'Council') shall consider problems and development in the fields of science, engineering, and technology and related activities affecting more than one Federal agency, and shall recommend policies and other measures designed to—

"(1) provide more effective planning and administration of Federal scientific, engineering, and technological programs;

"(2) identify research needs, including areas requiring additional emphasis;

"(3) achieve more effective utilization of the scientific, engineering, and technological resources and facilities of Federal agencies, including the elimination of unwanted duplication; and

"(4) further international cooperation in science, engineering, and technology.

"(b) The Council may be assigned responsibility for developing long-range and coordinated plans for scientific and technical research which involve the participation of more than two Federal agencies. Such plans shall—

"(1) identify research approaches and priorities which most effectively advance scientific understanding and provide a basis for policy decisions;

"(2) provide for effective cooperation and coordination of research among Federal agencies; and

"(3) encourage domestic and, as appropriate, international cooperation among government, industry, and university scientists.

"(c) The Council shall perform such other related advisory duties as shall be assigned by the President or by the Chairman of the Council.

"(d) For the purpose of carrying out the provisions of this section, each Federal agency represented on the Council shall furnish necessary assistance to the Council. Such assistance may include—

"(1) detailing employees to the Council to perform such functions, consistent with the purposes of this section, as the Chairman of the Council may assign to them; and

"(2) undertaking, upon request of the Chairman, such special studies for the Council as come within the scope of authority of the Council.

"(e) For the purpose of developing interagency plans, conducting studies, and making reports as directed by the Chairman, standing committees and working groups of the Council may be established."

(b) Section 207(a)(1) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6616(a)(1)) is amended by striking "established under Title IV".

NATIONAL GLOBAL CHANGE RESEARCH PLAN

Sec. 4. The National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 et seq.) is amended by adding at the end the following new title:

FINDINGS AND PURPOSE

"SEC. 601. (a) Congress finds and declares the following:

"(1) Industrial, agricultural, and other human activities, coupled with an expanding world population, are contributing to processes of global change that may significantly alter our habitat within a few human generations.

"(2) Such human-induced changes are destroying stratospheric ozone and may lead to significant global warming, and thus have the potential to alter world climate patterns and increase global sea levels, and have reduced and will continue to reduce the ability of the atmosphere to screen out harmful ultraviolet radiation. Over the next century, the consequences could seriously and adversely affect world agricultural and marine production, coastal habitability, regional economic well-being, human health, and biological diversity;

"(3) Development of effective policies to mitigate and cope with human-induced global changes will rely on greatly improved scientific understanding of global environmental processes and on our ability to distinguish between the effects of human activities on one hand and the results of natural change on the other.

"(4) New developments in interdisciplinary Earth sciences, global observing systems, and computing technology make possible significant advances in the scientific understanding and prediction of these global changes and their effects.

"(5) Efforts are ongoing in several Federal agencies which could contribute to a well-defined and coordinated national program of research, monitoring, assessment, information management, and prediction.

"(6) The United States, as a world leader in Earth system science, should continue to provide leadership in developing and implementing an international global change research program.

"(b) It is the purpose of Congress in this title to provide for a national global change research plan which when implemented will assist the Nation and the world to understand, assess, predict, and respond to

human-induced and natural processes of global change.

“COMMITTEE ON EARTH SCIENCES

“SEC. 602. (a) The President shall establish a Committee on Earth Sciences (hereafter in this title referred to as the ‘Committee’) within the Council. The Committee shall consist of one representative each from—

- “(1) the National Science Foundation;
- “(2) the National Aeronautics and Space Administration;
- “(3) the National Oceanic and Atmospheric Administration;
- “(4) the Environmental Protection Agency;
- “(5) the Department of Energy;
- “(6) the Department of State;
- “(7) the Department of Defense;
- “(8) the Department of the Interior;
- “(9) the Department of Agriculture;
- “(10) the Department of Transportation;
- “(11) the Office of Management and Budget;
- “(12) the Office of Science and Technology Policy;
- “(13) the Council on Environmental Quality; and
- “(14) such other agencies of the United States as the President considers appropriate.

Such representatives shall be high ranking officials of their agency or department, wherever possible the head of the portion of that agency or department that is most relevant to the purpose of the Committee described in subsection (c).

“(b) The Committee biennially shall select as Chairman a member representing one of the following agencies or departments:

- “(1) the National Aeronautics and Space Administration;
- “(2) the National Oceanic and Atmospheric Administration;
- “(3) the National Science Foundation;
- “(4) the United States Geological Survey; and
- “(5) the Environmental Protection Agency.

Representatives of the same agency or department may not serve as Chairman of the Committee for consecutive terms.

“(c) The purpose of the Committee is to increase the overall effectiveness and productivity of Federal research and assessment efforts directed toward an understanding of the Earth as a global system. In fulfilling this purpose, the Committee shall address significant national policy matters which affect more than one agency. A primary function of the Committee shall be to develop and implement the National Global Change Research Plan established under section 603.

NATIONAL GLOBAL CHANGE RESEARCH PLAN

“SEC. 603. (a)(1) The President, through the Committee, shall develop a National Global Change Research Plan (hereafter in this title referred to as the ‘Plan’) in accordance with section 401(b) of this Act and the provisions, findings, and purpose of this title. Consistent with the responsibilities set forth under subsection (d) of this section, the Plan shall contain recommendations for national research, to be submitted to Congress within one year after the date of enactment of this title and to be revised at least once every three years thereafter.

“(2) The Plan shall—

“(A) establish the goals and priorities for Federal global change research for the 10-year period beginning in the year the Plan (or revised Plan) is submitted;

“(B) set forth the role of each Federal agency and department in implementing the Plan;

“(C) describe specific activities, including research activities, data collection and analysis requirements, predictive modeling, participation in international research efforts, and information management, required to achieve such goals and priorities; and

“(D) consider and utilize, as appropriate, reports and studies conducted by Federal agencies and departments, the National Research Council, or other entities.

“(3) The Plan shall address, where appropriate, the relevant programs and activities of the following Federal agencies and departments:

“(A) the Department of Commerce, particularly the National Oceanic and Atmospheric Administration;

“(B) the National Science Foundation;

“(C) the National Aeronautics and Space Administration;

“(D) the Department of the Interior;

“(E) the Department of Energy;

“(F) the Department of Agriculture;

“(G) the Environmental Protection Agency;

“(H) the Department of Defense, particularly the Department of the Navy;

“(I) the Department of Transportation;

“(J) the Department of State; and

“(K) such other research agencies and departments as the President, or the Chairman of the Council, considers appropriate.

“(b) The Committee shall—

“(1) serve as lead entity responsible for oversight of the implementation of the Plan;

“(2) coordinate the global change research activities of Federal agencies and departments and report at least annually to the President, through the Chairman of the Committee, on any recommended changes in agency or departmental roles that are needed to better implement the Plan;

“(3) prior to the President’s submission to Congress of the annual budget estimate, review each agency budget estimate in the context of the Plan and make the results of that review available to each agency and to the appropriate elements of the Executive Office of the President, particularly the Office of Management and Budget;

“(4) work with Federal agencies, with the National Research Council, and with academic, State, and other groups conducting research and assessment of global changes and their effects;

“(5) cooperate with the Department of State in the coordination of Federal interagency participation in international activities related to global change research and assessment; and

“(6) consult with actual and potential users of such research and assessments.

“(c) The Plan shall provide for, but not be limited to, the following research elements:

“(1) Global measurements, establishing worldwide observations necessary to understand the physical, chemical, and biological processes responsible for changes in the Earth system on all spatial and time scales.

“(2) Documentation of global change, including the development of mechanisms for recording changes that will actually occur in the Earth system over the coming decades.

“(3) Studies of earlier changes in the Earth system, using evidence from the geological and fossil record.

“(4) Predictions, using quantitative models of the Earth system to identify and simulate global trends.

“(5) Development of an information base, assembling the information essential for ef-

fective decision-making to respond to the consequences of global change.

“(6) Focused research initiatives directed toward resolving scientific uncertainties regarding specific aspects of the Earth system.

“(d)(1) The Plan shall take into consideration, but not be limited to, the following existing agency missions and responsibilities:

“(A) The National Science Foundation shall be responsible for maintaining the health of basic research in all areas of Earth, atmospheric, and ocean science, including the relevant biological and social sciences and research in the polar regions. Such basic research may include ground-based studies on regional and global scales; large-scale field programs; interpretation and use of remotely sensed data and geographic information systems; theoretical and laboratory research; research facilities support; and development of numerical models information and communication systems, and data bases.

“(B) The National Aeronautics and Space Administration shall be responsible for Earth-science research missions from space, including those studies of broad scientific scope that study the planet as an integrated whole. Associated efforts may include related studies of physical, chemical, and biological processes; sub-orbital and ground-based studies; remote-sensing and advanced instrument development; improvement of techniques for the transmission, processing, archiving, retrieval, and use of data; related scientific models; and other research activities in atmospheric, oceanographic, and land science.

“(C) The National Oceanic and Atmospheric Administration shall maintain a balanced program of observations, analysis and research, climate prediction, and information management. Responsibilities shall include operational in-situ and satellite observation and monitoring systems; related research on physical and biogeochemical processes in the climate system, including their effect on marine ecosystems and resources; development, testing, and application of models and diagnostic techniques for the detection and prediction of natural and human-induced climatic changes; and the acquisition, maintenance, and distribution of long-term data bases and related climate information.

“(D) The Department of the Interior shall be responsible for the collection, maintenance, analysis, and interpretation of information on terrestrial, aquatic, biological, and other natural resources, including monitoring of hydrologic and geologic processes and resources, of land-use, of land-cover, and of biological habitats, resources, and diversity. Research areas may include past changes recorded in the physical, chemical and biological record; the hydrologic cycle; land-surface and solid-Earth processes that relate to environmental change; geography and cartography; ecosystem modeling and dynamics; and ethnology. Research findings shall be used in assessing and responding to the effects of global change on aquatic, terrestrial, biological, and other natural resources.

“(E) The Environmental Protection Agency shall be responsible for conducting research to assess, evaluate, and predict the ecological, environmental, and human-health consequences of global change, including the interaction of plant and animal communities and ecosystems with the climate system. Additional areas of responsi-

bility shall include assessment, research, and development of techniques to mitigate and adapt to climate change, development of emission factors, inventories and models for radiatively important trace gases, and evaluation of the relationship between global atmospheric change and regional air and water quality.

"(F) The Department of Energy shall be responsible for research on emissions of carbon dioxide and other gases from energy production and use, including the study of climatic responses to those emissions and the development of an information base for evaluating the effects of various energy and industrial policy options on climate. Associated efforts models; evaluation of global and regional climate responses to various energy policy options; research on industrial sources of trace gases; and studies to assess how responses to climate change affect energy options.

"(G) The Department of Agriculture shall be responsible for research to assess the effects of global change on the agricultural food and fiber production systems and on forests and forest ecosystems, including research on biological response mechanisms to increasing greenhouse gases, improvement of plant and animal germplasm to respond to global change, and development and implementation of plans for changing agricultural and forestry practices to ameliorate the observed increases of greenhouse gases. An additional responsibility shall include research on applications of agricultural climatology to improve management decisions and conservation of resources while maintaining quality and quantity of crop yields.

"(H) The Department of Defense shall be responsible for research into environmental processes and conditions that affect defense operations, tactics, and systems. Additional responsibilities shall include facilitating exchange of relevant information with civilian agencies, participation in planning of national research efforts, and cooperative development of data management systems to ensure effective coordination and transfer of information among military and civilian agency programs.

"(I) The Department of Transportation shall be responsible for evaluating the effects of transportation policy options on the global environment, particularly the use of fuels in transportation systems that result in the emission of combustion gases, including aircraft emission into the stratosphere. An additional responsibility shall be the assessment of the ways in which climate changes affect the efficiency and safety of transportation on land, sea, and rivers, and in the air.

"(2) The Plan shall reflect the need for collaboration among agencies with respect to—

"(A) the establishment and development of an information system for Earth system science; and

"(B) research into the development of new conceptual and numerical models of the Earth system.

"(e) The Secretary of State shall consult with the Chairman of the Committee in—

"(1) providing representation at international governmental meetings and conferences on global change research and assessment in which the United States participates; and

"(2) coordinating the Federal activities of the United States with the global change research and assessment programs of other nations and international agencies and organizations, including the World Meteorologi-

cal Organization and the United Nations Environmental Program.

"(f) Each Federal agency and department involved in global change research shall, as part of its annual request for appropriations to the Office of Management and Budget, submit a report identifying each element of its proposed global change activities, which—

"(1) specifies whether each such element (A) contributes primarily to the implementation of the Plan or (B) contributes primarily to the achievement of other objectives but aids Plan implementation in important ways; and

"(2) states the portion of its request for appropriations that is allocated to each such element.

The Office of Management and Budget shall review each such report in light of the goals, priorities, and agency responsibilities set forth in the Plan, and shall include, in the President's annual budget estimate, a statement of the portion of each agency or department's annual budget estimate that is allocated to each element of such agency or department's global change activities. Annual budget estimates shall be submitted to Congress that reflect the activities outlined in the Plan. The Office of Management and Budget shall ensure that a copy of the President's annual budget estimate is transmitted to the Committee at the same time as such budget estimate is submitted to Congress.

"RELATION TO OTHER AUTHORITIES

"SEC. 604. (a) The President, the Chairman of the Committee, and the Secretary of Commerce shall ensure that relevant research activities of the National Climate Program, established by the National Climate Program Act (15 U.S.C. 2901 et seq.), are considered in developing national global change research efforts.

"(b) The President, the Chairman of the Committee, and the heads of the agencies represented on the Committee, shall ensure that the research findings of the Committee, and of Federal agencies and departments are available to—

"(1) the Environmental Protection Agency for use in the formulation of a coordinated national policy on global climate change pursuant to section 1103 of the Global Climate Protection Act of 1987 (15 U.S.C. 2901, note); and

"(2) all Federal agencies and departments for use in the formulation of coordinated national policies for responding to human-induced and natural processes of global change pursuant to other statutory responsibilities and obligations.

"(c) Nothing in this title shall be construed, interpreted, or applied to preclude or delay the planning or implementation of any Federal action designed, in whole or in part, to address the threats of stratospheric ozone depletion or global climate change.

"ANNUAL REPORT

"SEC. 605. The Chairman of the Committee shall prepare and submit to the President and Congress, not later than January 31 of each year, an annual report on the activities conducted pursuant to this title during the preceding fiscal year, including—

"(1) a summary of the achievements of Federal global change research efforts during that preceding fiscal year;

"(2) an analysis of the progress made toward achieving the goals and objectives of the Plan;

"(3) a copy or summary of the Plan and any changes made in such Plan;

"(4) a summary of agency budgets for global change activities for that preceding fiscal year; and

"(5) any recommendations regarding additional action or legislation which may be required to assist in achieving the purposes of this title."

Mr. HOLLINGS. Mr. President, in our negotiations with the distinguished Senator from Montana [Mr. BAUCUS] and the distinguished Senator from Rhode Island [Mr. CHAFEE] on the clean air bill, we agreed to some language that improves this particular effort that they were vitally interested in. That is the content of the amendment, which is the bill itself. I urge its adoption.

Mr. McCAIN. Mr. President, one aspect of the global change question of particular interest to me concerns the effect of man-made industrial chemicals known as chlorofluorocarbons, or, CFC's. These chemicals are thought to be responsible for much of the stratospheric ozone depletion. CFC's are also potent greenhouse gases.

CFC's are used pervasively throughout the world and perform a number of important functions, many of which still have no safe substitutes. They are used to refrigerate food, cool and insulate buildings, clean computer chips, and for a host of other important purposes. This Nation has almost 300 billion dollars' worth of capital equipment which use CFC's. Clearly, the development of and transition to safe CFC alternatives are crucial both environmentally and commercially and the effort to do so must be of the highest national priority.

This issue particularly affects my home State of Arizona where we depend heavily on air conditioning and refrigeration. Yet, by depleting the ozone layer, the continued use of CFC refrigerants which make those luxuries possible will subject us to greater amounts of ultraviolet radiation. Increased ultraviolet radiation means a higher incidence of skin cancer—a particularly frightening thought for those of us in the desert Southwest.

The private sector will no doubt lead the way in finding replacement chemicals and alternative technologies. The environmental and commercial gravity of this situation, however, requires the Federal Government to be a full and committed partner in this effort. In testimony before the committee, the CFC user and producer industries reiterated industry's desire to develop alternatives and the need for governmental scientific assistance in this effort.

The bill as reported from committee contains a section that I authored in response to these concerns. This provision is modeled after legislation I introduced in the 100th and 101st Con-

gress. It would establish a separate ozone depletion working group within the Federal Coordinating Council, which would coordinate and develop initiatives on alternatives to the use of ozone depleting chemicals.

The clean air legislation pending on the floor includes a title dealing more generally with the phase-out of ozone depleting chemicals. That legislation already includes some aspects of my proposal. After consulting with Senators BURDICK, BAUCUS, and CHAFFEE, I have worked out an amendment to that bill incorporating the substance of my ozone depletion section. Placing my provision in the clean air bill should strengthen its effectiveness. Accordingly, the existing provision in the National Global Change Research Act will be dropped.

My amendment to the clean air bill directs the Administrator of the Environmental Protection Agency to coordinate with the private sector and the relevant Federal agencies to develop and recommend research initiatives on substitute chemicals and alternative technologies to replace CFC's. Participating agencies would include the Departments of Commerce, Energy, Defense, Agriculture, and NASA. Each of these departments have research facilities, expertise, and other resources which could be employed in the efforts.

The amendment also directs the EPA Administrator to identify the governmental use of ozone depleting products and substances, and to recommend Federal procurement initiatives to make the transition to substitutes as quickly as possible. Government can facilitate the transition throughout our economy by taking the lead in employing alternative products and technologies.

The EPA Administrator is also directed to identify opportunities for intergovernmental, international, and commercial technology transfers relating to chemicals and technologies to replace CFC's. The community of nations is confronted by a common problem, and to overcome it we must act cooperatively. By sharing research and technology innovations at home and abroad, we will increase opportunity for scientific advances.

Finally, my amendment directs the EPA Administrator to establish a national clearinghouse of information on CFC substitute chemicals, alternative products, and technologies. The clearinghouse will serve as a valuable resource center for private citizens, industry, government, and the family of nations. Increased awareness of available CFC substitutes will facilitate a smoother and faster transition—one that will benefit the environment and the economy.

I would like to conclude by commending the chairman of the Commerce Committee, Senator HOLLINGS,

and the ranking member, Senator DANFORTH, for their roles in moving forward this important global change research legislation.

Mr. President, suffice it to say, this amendment is basically language, as the distinguished chairman pointed out, that will be included in the Clean Air Act. It is an amendment that I have worked on for a long period of time. I think it is an important one. Due to jurisdictional aspects of this issue it will be included in the Clean Air Act on which I will have a colloquy with Senators CHAFFEE and BAUCUS later on.

So, Mr. President, I urge the adoption of the amendment.

Mr. BAUCUS. Mr. President, as the chairman of the Commerce Committee, Senator HOLLINGS, and I discussed on the Senate floor last Wednesday, January 31, the Committee on Environment and Public Works and the Commerce Committee are often asked to address issues that fall within the jurisdiction of both committees. Over the years, we have managed to work together and usually manage to resolve the problem of jurisdictional overlap in an informal manner. The bill we are considering today is product of that approach.

The pending amendment in the nature of a substitute for S. 169, the National Global Change Research Act of 1990, was crafted by our two committees in a joint effort to resolve one of the most pressing scientific and environmental problems facing the Nation and the world. This bill is designed to develop data that will help us understand the nature and magnitude of the threat being presented by human-induced changes to the global climate system.

This bill seeks to assure that we have adequate coordination among the Federal agencies that are conducting global change research. The amendment we have developed makes a number of changes to the bill that was reported by the Commerce Committee last May. Four of the changes are of particular interest to the Environment Committee, and are the basis for my cosponsorship of the amendment.

First, the findings section of the bill is amended to reflect a greater degree of scientific certainty concerning the problem of and threats associated with destruction of the stratospheric ozone layer. The bill as reported suggested a greater degree of scientific uncertainty than actually exists. This amendment corrects this.

It is worth noting at this point, Mr. President, that even in the area of global climate change, the level of scientific uncertainty is not as great as stated in this bill or in recent press reports. It is true that scientists do not agree on the question of whether the dreaded, intensified greenhouse effect has begun. Similarly, there is not a sci-

entific consensus on the precise rate or magnitude of change that is likely to occur as atmospheric concentrations of greenhouse gases continue to accumulate.

Nevertheless, it is important to keep in mind that there is consensus on the fundamental point that, absent the appearance of some as yet unidentified force, our pattern of polluting the atmosphere with carbon dioxide, chlorofluorocarbons, methane, and other greenhouse gases, will lead to global climate changes at a rate and of a magnitude that will preclude natural evolutionary responses.

This bill will help reduce the uncertainties that remain. In the meantime, it is incumbent on the policymakers of the world to recognize that we have already waited too long to take actions in response to the threat. By the time we have resolved all of the questions, it will be too late to avoid the most devastating impacts of global climate change. We know enough today to start implementing measures that will reduce the threat. Fortunately, most of these measures, such as energy conservation, make economic sense independently of the global climate change issue.

For these reasons, new section 604(c) is added by the amendment to clarify that, notwithstanding the need for better scientific understanding of the problem, nothing in this act shall be construed, interpreted, or applied to preclude or delay the planning or implementation of any Federal action designed, in whole or in part, to address the threats of stratospheric ozone depletion or global climate change. This is an extremely important amendment that has been included at the recommendation of the Environment Committee.

The third amendment strikes the reference in the reported bill to a 10-year research program. Such a reference improperly suggests that a 10-year program will resolve the uncertainties and provide us with the answers we need to take action. As we saw with the National Acid Precipitation Assessment Program (NAPAP), such false promises often become barriers to the adoption of measures designed to address the problem in the intervening 10 years. Such a result would be disastrous in the area of global climate. We can not afford to wait 10 years before we take action to reduce emissions of greenhouse gases or to implement adaption strategies to prepare for the climate changes to which we are already committed.

The fourth amendment recognizes the fact that the Environmental Protection Agency has and will continue to serve as one of the leaders among the Federal family of agencies with respect to global change research. As such, the amendment adds EPA to the

list of agencies from which the chairperson of the Committee on Earth Sciences will be selected.

Mr. President, I want to thank my colleague, Senator HOLLINGS, for his interest and leadership on this matter and for his cooperation and willingness to work with the Environment Committee on an issue of mutual concern. I look forward to continuing our work together as this bill moves to the other body, through formal or informal conference, and to the President where it will be signed and enacted into law.

Mr. KERRY. Mr. President, I rise in strong support of S. 169, the National Global Change Research Act of 1989. I am pleased to have worked with Senator HOLLINGS on the development of this very important legislation that will enhance our knowledge of the greenhouse effect and ozone depletion by requiring a long-term coordinated research effort.

Scientific uncertainty on global climate issues has led to an intense debate and has hampered efforts to set policy. Researchers agree that concentrations of carbon dioxide and other greenhouse gases in the atmosphere raise the temperatures of the Earth and that the concentrations of these gases are increasing from burning fossil fuels. But scientific predictions of the magnitude of the temperature rise range from 3 or 4 degrees Fahrenheit to as much as 9 degrees. And the timeline varies from already occurring to the middle of the next century.

Despite some uncertainties, there is overwhelming consensus that global warming is a serious problem and action to address this cannot wait. The potentially alarming consequences, including droughts, flooding, and sea level rise, as well as the associated health risks, cannot possibly be translated into a research-only attitude for responsible scientists and policymakers. The U.N. Environmental Program and the World Meteorological Organization have already organized representatives of 30 countries into an Intergovernmental Panel on Climate Change (IPCC) to develop a strategy on global climate change.

Here in the United States, nearly half of the National Academy of Sciences joined with 49 Nobel laureates to urge President Bush to take the threat of global climate change seriously and to begin to take action. In addition, the President's own policy advisers have suggested a greater need for action. Unfortunately, President Bush once again fell short of his campaign promises and failed to show leadership in his address to the IPCC yesterday where he committed only to study the problem and not to take action. This is reminiscent of the past decade when the Reagan administration refused to acknowledge that the

country was suffering from acid rain and insisted on study versus action. Will we have to wait for another 10 years of administration-backed studies before we see any real progress on this devastating problem?

The Clean Air Act will give the Senate an opportunity to show some real leadership by taking actions to curb greenhouse gases. I hope that yesterday's speech by the President does not undermine the Senate's efforts to keep these strong provisions in the clean air bill that is currently pending before Congress.

There is a greater consensus that chlorofluorocarbons [CFC's] and other manmade chemicals destroy the Earth's stratospheric ozone layer. This ozone layer shields the Earth from harmful radiation. Not only has this effect been substantiated, but it has been measured. While it was once believed that ozone destruction was confined to areas over Antarctica, we now know that this is a problem over populated regions of the Earth, leading to increased incidences of cancer. About 50 nations have now signed the 1987 Montreal Protocol that sets international targets for reducing these compounds. I am pleased that the Senate clean air bill goes beyond the Montreal Protocol in phasing out ozone-destroying chemicals.

One of science's greatest challenges will be to provide the information necessary to develop sound policies on global change. The task is difficult, but as a member of the Senate Global Environmental Task Force and the Senate Commerce Committee, I am committed to seeing that the United States leads the way. This very important piece of legislation moves us closer to scientifically sound policies by setting national priorities and establishing national goals for global change research.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 1232) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on the committee substitute, as amended.

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

The PRESIDING OFFICER. The clerk will call the roll.

The time will be charged equally to both sides.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. 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. HOLLINGS. Mr. President, I urge that the committee substitute, as amended, be adopted.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time.

Mr. HOLLINGS. Mr. President, I thank the distinguished Chair. I will be momentarily seeing about the vote on final passage. It has been expressed that there is a desire for a rollcall vote, and a question on whether we should have it now or at another time. Another vote has been ordered at 2:15. While we await the agreement on the sides on this particular point, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HOLLINGS. I withhold that request.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. Senator SIMON.

Mr. SIMON. Mr. President, I ask unanimous consent to address the body on another matter for a few minutes here as in morning business.

The PRESIDING OFFICER. The Senator from Illinois is recognized for a period of 5 minutes in morning business.

THE LITERACY ACT

Mr. SIMON. Mr. President, at noon we will be voting on the Literacy Act that has emerged from the committee. I simply wanted to take a couple of minutes for our colleagues who may not have been here for the discussion yesterday, to point out that this passed committee unanimously. We have 35 cosponsors here, from both political parties. It is the first comprehensive, goal-oriented, coordinated look at literacy in this Nation. It is a major problem in this Nation.

We have 23 million adult Americans who are described as functionally illiterate. That means, in all practical terms, about 4 million of them cannot read a word. The rest of that balance, of 23 million, cannot read a headline. And so we have this opportunity, for the first time, to establish goals at the

Federal level and at the State level, if we follow through.

This bill by itself is not going to do the trick. But if we follow through—and I hope that we will, and I will do everything I can to see that we do—by the end of this decade, we can, for all practical purposes, eliminate illiteracy in this country. It will be a major step forward.

Mr. President, I see that my colleague from Tennessee desires to speak. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. I yield what time we have remaining to the distinguished Senator from Tennessee.

The PRESIDING OFFICER. The Senator has 5 minutes within his control remaining. The Senator from Tennessee is recognized for up to 5 minutes.

Mr. GORE. I am pleased to rise as a cosponsor of the Hollings bill, Mr. President, concerning the U.S. research effort into the causes and consequences of the greenhouse effect and global change. Those of us who have been involved in this issue deeply appreciate the leadership of Senator HOLLINGS and the work he has done on S. 169.

One of the important lessons our country has learned over the last several years is that although we already know enough to justify actions with regard to the problem of global warming, we do need more research and better research and better focused research. Of course, we do need to act now, without waiting. Our future, the quality of our lives, and the quality of our children's lives, is tied to our commitment to confront these issues and our ability to meet that commitment.

As we begin to act, we need research even more in order to understand which solutions are going to be most effective. Some of them will involve difficult societal transitions, and research can help us understand some of the correct choices to make early in the process.

For every issue related to global change, international cooperation will be essential. Success will rest on our ability not only to protect the air above our homes, but also on our ability to work with our global neighbors.

The United States is responsible for a large number of the pollutions threatening the global environment. Other nations of the world also generate considerable quantities of carbon dioxide, CFC's, methane, sulfur and nitrogen oxides and other gases that fall into the pollutant category. Developed nations have been the principal polluters in the past and are today. But emissions from developing nations are now increasing rapidly as their economies expand and as their people aspire to higher standards of living.

The problem we are discussing here is not the stuff of science fiction. Even though it is unprecedented in its scale in magnitude and seriousness, it is nevertheless real.

Just this morning I put into the RECORD a letter signed by 700 scientists and 49 Nobel laureates, half the membership of the National Academy of Sciences. All of them are calling upon President Bush to begin action now, to confront the problem of global warming, and the global environmental crisis.

I do believe that the United States is the only nation which can lead the world as we begin to confront this threat. If we are going to undertake that responsibility, we need action now, and we need the kind of research program to guide those actions and to help build a stronger consensus here and around the world on the need for these actions.

So once again, in closing, Mr. President, I want to commend the Senator from South Carolina, Senator HOLLINGS, the chairman of the committee on which I am privileged to serve, the Commerce Committee, for taking the lead, for organizing this excellent piece of legislation, and I look forward to continuing to work with him on this issue.

The administration has been foot-dragging, I must say, and the Congress is moving into that vacuum and attempting to cause the kinds of changes needed.

Yesterday, I was reminded of Yogi Berra's phrase, "It is déjà vu all over again," when the administration was urging action and Mr. Sununu prevailed upon the President to do nothing, to say that it is not time to act. But the Congress is acting. The Senate is acting. Thanks to the leadership of Senator HOLLINGS, we have an opportunity to vote in favor of this excellent legislation, which is an important step in the right direction. I urge my colleagues to vote yes for this bill.

Mr. HOLLINGS. Mr. President, as we all know, our distinguished colleague from Tennessee, Senator GORE, is the chairman of our Science Subcommittee, and he is a workhorse and a leader on the Senate side with respect to global change and climate change and has been in the forefront even as a Member of the House.

I ask unanimous consent to vote on final passage of S. 169 occur at 2:15 p.m. I think that has been cleared on both sides.

The PRESIDING OFFICER. Is there objection?

Without objection, final passage of S. 169 will occur at 2:15 p.m.

Mr. HOLLINGS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The time controlled by the Senator from South Carolina has expired.

The Senator from Arizona controls the remaining time between now and noon.

Does any Senator seek recognition?

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. Senator BOSCHWITZ.

Mr. BOSCHWITZ. Mr. President, I join in complimenting my colleague from South Carolina for the bill on the National Global Change Research Act of 1989, and I think it is a timely bill, and it is important that we get on the front side of the curve of that issue, and I have been critical of the administration, as have others here on the floor, that they do not seem to have that same vigor in wanting to do that.

I noted the President's speech at Georgetown, moving him in that direction, though some would say not fast enough. I believe that the President wants to be known as the environmental President. He certainly has been active in that regard, having offered the first environmental bill, the first clean air bill that has come before this Chamber in well over a dozen years.

So that the President is moving in the right direction.

Some of us would wish that he would move somewhat faster in regard to the whole business of CO₂ in the atmosphere and global warming. I think that I do see some movement on his part and I welcome that. I hope that pace of movement accelerates.

I must say, Mr. President, I do not claim to be a scientist who understands every element of this nor do I suppose that I am as well-informed as some of my colleagues, particularly my friend from Tennessee, with whom I have introduced some legislation on this subject and who really has made a careful study of it.

However, my feeling is that over the course of my lifetime the population on the globe has gone from 2 to 5 billion and will probably go to 8 billion during the course of my lifetime, and that standards have risen, and the use of energy has risen exponentially, and the result is that more and more CO₂ is puffed into the atmosphere and that simply cannot go on without some effect over a period of many years.

So I think it is important that we get on the front end of the curve with respect to global warming, with respect to reducing not only the impact on the ozone layer but with respect to reducing CO₂ emissions into the air. It is an international thing.

When I was recently in East Germany, one could just smell in the air, it smelled there as it did here in the 1940's before any effort was made to clean up the air. And that is indicative

of what goes on in much of the world. So that it is important that it be done not only by the United States but it be done internationally, and I was pleased that the President addressed the international panel that is here in Washington.

Mr. President, I once again compliment my friend from South Carolina who does many constructive things in this Chamber. I think that he is leading us on the right track with respect to global warming. I yield the floor.

Mr. HOLLINGS. I thank my distinguished colleague.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

NATIONAL LITERACY ACT

The PRESIDING OFFICER. Under the previous order, the hour of 12 o'clock having arrived, the clerk will report Calendar Order No. 365, S. 1310.

The assistant legislative clerk read as follows:

A bill (S. 1310) to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes.

The Senate continued with the consideration of the bill.

Mr. COCHRAN. Mr. President, a year ago, as the 101st Congress was beginning and George Bush had been sworn in as the 41st President of the United States, the administration and the Congress agreed to make the battle against illiteracy a top national priority. Today, I am pleased that we are considering a comprehensive legislative initiative to eliminate illiteracy in the United States by the year 2000.

We all agree that too many adults in our society suffer from illiteracy. In my State of Mississippi, an estimated one in three adults is functionally illiterate, and 40 percent of adults do not have a high school diploma. Illiteracy contributes to unemployment, job dissatisfaction, and lack of self-esteem. Many illiterate adults transmit their problems to their children, creating a persistent cycle of illiteracy.

The cost of illiteracy to the Nation is enormous, resulting in low productivity, accidents, employee error, and costly remedial training programs. Costs have been estimated to be as high as \$200 billion annually in lost productivity alone.

But illiteracy is not an incurable disease. Our Nation must promote liter-

acy, which one literacy volunteer, testifying before the Subcommittee on Education, Arts, and Humanities, defined as:

The ability to read and write and progress. Literacy is self-sufficiency and hope. Literacy is the shortest distance to individual, social, and economic development.

After hearing testimony by numerous witnesses and carefully examining successful model programs across the country, the subcommittee was able to develop this bill, S. 1310, which builds on several existing programs that are successfully reducing illiteracy. The legislation increases the authorization level for adult education programs, including workplace literacy partnerships, and strengthens the role of State advisory councils on adult education and literacy. I am pleased the administration supports these efforts and has requested a 23.8-percent increase in programs under the Adult Education Act in the budget for fiscal year 1991. The administration request includes \$20 million for the Workplace Literacy Program and \$200 million for basic grants to States to serve an additional 460,000 adults in basic skills programs and an additional 200,000 individuals in secondary-level programs.

I am particularly interested in issues of family literacy. First Lady Barbara Bush, one of literacy's strongest advocates, has targeted the family as the key to establishing literacy as a "universal value in the Nation." I am convinced that children need home environments that support literacy if they are to thrive educationally, and that parents with literacy problems are more likely to raise children with the same problems. I firmly believe that preventive measures with children and corrective measures with adults must be taken if we are to become a truly literate nation. S. 1310 promotes family literacy by increasing the authorization for the Even Start Program to help parents of educationally disadvantaged children become full partners in the education of their children. The administration has joined in support of this important program by requesting \$48 million in the budget for fiscal year 1991, twice the 1990 level. In addition, S. 1310 establishes the Families for Literacy Demonstration Program to target services to newborns and their parents to provide literacy parenting education for adults.

S. 1310 also recognizes the valuable contribution our public libraries make in helping us become "a nation of readers." The subcommittee heard compelling testimony from a witness from Sunflower County in Mississippi, where 40 percent of the population is in poverty and 43 percent of adults have not completed high school. A library literacy grant, funded through title VI of the Library Services and Construction Act, allowed the county to train 80 prisoners as tutors to teach

their fellow inmates. The Library Literacy Program is modestly funded. In order to focus these grants on communities in greatest need, S. 1310 authorizes the Secretary of Education to give priority in awarding library literacy grants to areas with the highest concentrations of adults without secondary education and to organizations that coordinate with other agencies providing literacy services.

S. 1310 also authorizes Library Literacy Centers to provide States with resources on a competitive basis, to support the development of innovative library literacy programs, and to offer literacy materials to adults in a non-threatening environment. These features are similar to provisions I added to the Library Services and Construction Act under a new title VIII. I am also pleased that S. 1310 provides a one-time grant for the development of video materials to be used by libraries and television stations for adult literacy education.

Voluntarism is among the best and most valuable of American traditions. America's literacy movement began with volunteers, and we cannot wipe out illiteracy without them. The volunteers for literacy section of this bill continues this tradition by authorizing funding for student literacy activities and community volunteer programs.

As a cosponsor of this legislation, I am proud the administration has joined us to address this most serious problem. The eradication of illiteracy is part of an overall strategy for the future to improve the quality of our education system, strengthen the skills of our work force, and enhance the quality of life for all Americans. S. 1310 makes a significant contribution to this goal as the first of several education bills that will come before the Senate within the next few weeks, including the Educational Excellence Act, the Library Services and Construction Act reauthorization, and the Carl Perkins Vocational Act reauthorization. These bills are interwoven to form the fabric of significant reforms the Nation needs in education today.

Mr. BINGAMAN. Mr. President, I rise today in strong support of S. 1310, the National Literacy Act of 1990. I commend my good friend and distinguished colleague from Illinois [Senator SIMON] for his dedicated and compassionate leadership in the Nation's effort to eliminate illiteracy by the year 2000. Over the past several years, Senator SIMON has worked tirelessly toward that goal—often alone. Tomorrow, through passage of this comprehensive measure, we in the Senate will signify our support for Senator SIMON's noble effort and to achievement of this vital goal.

Like the current drug epidemic, the problem of illiteracy is one of epidemic proportions. Its impact is no less dev-

astating. But unlike the drug epidemic, illiteracy is a silent, hidden problem. How many people in the country know that nearly 23 million Americans are illiterate or that 45 million adults cannot read beyond the fourth grade level? These are significant, troubling statistics for the Nation. But we do not hear a national outcry. Well, it is time for a national outcry. It is time that we recognize the seriousness of this problem and the need for national leadership.

For too long, we as a nation have ignored the needs of those in our society who cannot read or write. Now we are faced with rising illiteracy rates, high dropout rates, lost productivity, weakened economic growth, and deteriorating social stability. If this Nation is to reverse these alarming trends and continue as a competitive force into the 21st century, we must no longer turn our backs on these critical problems. We must meet these challenges head on. We must equip all of our citizens with the tools necessary to participate actively in society. The key, I believe, lies in education—education at all levels, for all people.

The National Literacy Act will help make educational opportunities more readily available in all of our Nation's communities and States, and it will provide a national focal point for literacy attainment. It will establish the National Literacy 2000 Federal Interagency Council to coordinate governmentwide literacy initiatives. It will establish a national center on literacy and assist States in establishing State literacy resources centers. The bill also will enhance literacy research and information dissemination; make books more accessible to everyone through library literacy programs; strengthen volunteer and student literacy programs; and break the intergenerational cycle of illiteracy by focusing on parents and families.

Naturally, many people believe that our schools, rather than families or community-based organizations, should have the major responsibility for literacy instruction. Yet, every year more and more of our young people drop out of high school. Last year, the New Mexico State Department of Education reported yet another increase in the annual high school dropout rate. I am deeply troubled to report that during the 1988-89 school year, the Department estimated that 10.4 percent of our high school students dropped out. Native American students have the highest dropout rate at 13.3 percent—14.6 percent of all native American male students dropped out—followed by black students, who dropped out at a rate of 11.28 percent, and Hispanic students at 11.15 percent. The dropout rate for anglo students, at 8.9 percent, is lower than the minority rates, but it is still too high. What these figures don't tell

us is what the dropout rate would be over a 4-year period, which I believe would be a more accurate assessment of how many students remain in school.

Intervention for these at-risk students poses a tremendous challenge to States, schools, and parents alike. Fortunately, many of the excellent programs authorized under the National Literacy Act are targeted at this group of young people, through families, community-based organizations, and schools. All of these programs are worthy of our utmost support.

A 1986 study conducted for the education forum of New Mexico found a strong correlation between the accessibility of reading material and a community's literacy rate. Some counties in my home State of New Mexico have no libraries, few or no bookstores, and some do not even have mobile library units to service their communities. The discrepancy in accessibility to reading material among counties is directly related to the level of poverty and unemployment in each county. This measure will help bring vital reading material to communities throughout the United States, whether they be rich or poor, in the rural mountains of New Mexico, or in the inner cities of New York.

Also targeted under the bill are limited English-speaking adults. In New Mexico, more than 20 percent of the total population—or more than 282,000 individuals—have never completed high school or earned an equivalent diploma. Of this total, nearly half have 8 years or less of formal education. Adult basic education programs typically try to meet the needs of these adults, but they do not reach all of those in need. This bill will assist communities in expanding these vital programs.

Mr. President, any legislative effort to combat illiteracy and strengthen English proficiency must address the often unique problems facing those minority populations whose native tongue is not English, including Hispanics, native Americans, and Native Alaskans. The demographic trends of our Nation indicate that by the year 2000, one out of every three Americans will be a member of a minority group. If we fail to address the special educational needs of these groups, we deny them and our entire Nation a more productive future.

In the 100th Congress, I authored legislation that was but a modest first step in combating this particular social and economic problem. As Department of Education statistics indicate, those whose native language is not English are disproportionately represented among our Nation's illiterate population. And while I am pleased that the English Literacy Act has become law, I believe we must do more to ensure an educated and contributing citizenry.

The National Literacy Act—the most comprehensive literacy legislation developed to date—is a significant component of our national strategy to remain a strong, productive nation in the 21st century. Again, I commend Senator SIMON for his leadership in our effort to combat illiteracy in America. Thank you.

Mr. JEFFORDS. Mr. President, I rise in support of S. 1310, the Illiteracy Elimination Act of 1989. I want to commend Senator SIMON for his leadership and recognize the contribution of Senator KASSEBAUM and her efforts to forge a bipartisan bill.

Illiteracy is universally recognized as one of the most pervasive problems in our society. Not solely because thousands of Americans are functionally illiterate, but more so because of the impact of illiteracy upon those individuals.

It is estimated that between 23 and 27 million adult Americans are functionally illiterate; 23 and 27 million adults is a staggering number—that represents approximately 1 out of every 7 adults. But, I don't think anyone in this Chamber will deny the critical need to eliminate illiteracy.

Nor is anyone unaware of how pervasive this issue is in the lives of so many Americans. Those who cannot read cannot perform some of the most rudimentary tasks from reading a prescription to reading road signs to filling out taxes or job applications. Without these basic skills life becomes a prison without parole.

This bill effectively gives people a chance, gives them the opportunity to escape the four walls and impregnable barriers that bind them. This is the first bill that establishes a comprehensive, substantial Federal role in the fight against illiteracy.

Up to this point the role of the Federal Government has been fragmented and dispersed. A number of Federal programs, administered by several Federal agencies, attempt to address the growing problem of illiteracy. This bill brings those efforts together and provides a systematic, concise, and effective approach to the laudable goal of illiteracy elimination by the year 2000.

Further, S. 1310 amends the Adult Education Act to provide for additional emphasis on teacher and volunteer training in the workplace literacy program. S. 1310 encourages intergenerational learning programs for children and their parents as well as expands the inexpensive book distribution program.

These are just a few of a number of exemplary initiatives included within this bill. The comprehensive approach of S. 1310 incorporates all sectors of society—from our very young to our adult population—recognizing that literacy must be a goal for everyone. It is

never too early nor too late to bring the world of reading into the lives of all Americans. I am glad to be a co-sponsor of such a bill.

Thank you, Mr. President.

Mr. FOWLER. Mr. President, I rise today in support of the National Literacy Act of 1989. This legislation is essential in combating the tragedy of illiteracy in our Nation.

Some 23 million Americans are classified as illiterate. Another 45 million adults can read only at a severely limited level. Even more alarming, a 1983 study found that 17 percent of high school graduates are functionally illiterate.

The human toll of illiteracy is great. Imagine not being able to read a newspaper, complete a job application, or understand a road map. Illiterate adults cannot fully participate in their children's education. All too often they raise children who will themselves be illiterate as adults. Illiteracy robs its victims of their pride and self-confidence. It leaves them only a darkened future.

As Thomas Jefferson recognized 200 years ago, illiteracy prevents citizens from becoming involved in the civic duties and privileges of our Nation. It is no less than tragic that just as the people of Eastern Europe are celebrating the return of democracy to that region, millions of Americans lack the skills to participate in our Nation's great democratic traditions.

Illiteracy also takes a tremendous economic toll. As technology continues to advance, every day it becomes more important that our workers bring basic skills to the workforce. It has been estimated that illiteracy in the workplace costs \$9 billion a year in Georgia alone.

American businesses now spend \$1 billion a year on basic education programs, in addition to the billions spent on teaching occupational skills. In a time when our Nation is struggling in an increasingly competitive world economy, our businesses cannot fairly compete when they are being forced to teach their workers basic literacy skills.

Illiteracy carries with it other costs. As our crime rate continues to soar, the fact that 75 percent of adult prison inmates are functionally illiterate cannot be ignored. All told, our Nation loses more than \$200 billion a year from the lost tax revenues and productivity, crime, and necessary remedial education stemming from illiteracy.

The National Literacy Act attacks illiteracy in a variety of ways. It establishes a national council to coordinate Federal literacy efforts and expands literacy programs under the Adult Education Act. The bill also creates a program to advance intergenerational approaches to illiteracy and encourages the distribution of inexpensive

books to children with special needs. Finally, the bill expands programs which encourage college students to help fight illiteracy and establishes new volunteer programs.

I have witnessed and heard from hundreds of individuals in Georgia who have become involved in efforts to eliminate illiteracy. We must supplement the work of these hard-working people with Federal leadership and a coordinated Federal effort.

Last September, the Nation's Governors established the goal of substantially reducing illiteracy by the year 2000. President Bush reiterated this laudable goal in his State of the Union Address. We have before us an initiative which can take us a long way toward meeting that goal, and I urge its swift adoption.

BARBARA BUSH—A LEADER FOR LITERACY

Mr. KASTEN. Mr. President, as we in this Chamber address ourselves to S. 1310, the National Literacy Act of 1990, we would do well to honor the leadership of one of the true architects of this important legislation.

It was none other than America's first lady—Barbara Bush—who focused our country's attention on the scourge of illiteracy and made today's Senate action possible.

Traveling across this land, Mrs. Bush has seen face-to-face the human tragedy that is the result of illiteracy—the hopes disappointed, the dreams deferred. She knows that illiteracy is like a second-class passport that prevents millions of Americans from participating fully in the life of their country.

Today, we are making an important first step toward giving these people their full rights. So let us pause to thank the gentle and noble lady who lighted the path for us.

Mr. CONRAD. Mr. President, I rise to wholeheartedly support S. 1310, the National Literacy Act of 1989. Senator SIMON has distinguished himself by his leadership on education issues, and his early championship of the problem of illiteracy. This bill is another example of PAUL SIMON's commitment.

It's difficult to address our national literacy problem, largely because there is no clear definition of just what the problem is. There is no agreement on the causes of the problem, and no clear solution.

There is not one common definition of illiteracy that experts can agree on, but generally accepted estimates put the number of Americans considered to be illiterate at 23 to 27 million. Of those, fully 4 million cannot read at all. Some estimates put the number of American adults who read with only minimal comprehension at 45 million.

There is no agreement on what causes illiteracy. Some point to poor academic standards. Others point to the breakup of the traditional American family, the lack of reading to pre-

school children by parents, the impact of television, and the abuse of drugs.

Whatever the definition, whatever the cause, it is clear that illiteracy is a serious problem in our society. Costs have been estimated by some experts to be as high as \$200 billion in lost productivity alone.

But illiteracy is far more than an economic problem. It is a national tragedy. Each of those 23 million illiterate Americans is a human being struggling to get by in an increasingly complicated world, without the most basic skills. We live in a world where the ability to communicate is the key to personal success, independence, and happiness.

I have tried, but I cannot imagine what it must be like to be illiterate. To be unable to read a street sign, look up a telephone number, balance a checkbook, write a letter to a friend, read a book to my daughter.

We are lucky enough to live in a country where there are few restrictions on the written word. We are free to read what we wish, and write what we wish. It is a precious freedom. But illiteracy denies this freedom to millions of Americans. They suffer for it; and the Nation is diminished by their suffering.

Finally, illiteracy is crippling our Nation's ability to compete in the modern world. Every man, woman, or child who cannot read represents lost potential. The modern workplace demands higher skills than were required just 20 years ago.

How can we hope to compete economically without a well-trained, literate work force? Years ago, we needed strong backs and willing hands. Today, we need nimble minds as well. We cannot afford to waste a single human life through illiteracy.

We owe it to ourselves to wage an all-out battle against illiteracy. We owe it to each individual—child or adult—to give him or her a fighting chance to succeed. This bill begins to provide that chance.

This bill authorizes an increase of just \$229 million in fiscal year 1991 for key literacy programs—a modest increase, given the magnitude of the problem. This funding represents an investment in the future that will be returned many times over.

I am especially pleased with the increased authorization for the Even Start Program. I have long advocated a family approach to education that enhances the crucial role the parents' involvement plays in education. As Barbara Bush put it, the home is the child's first school, and the parent is the first teacher. A parent struggling with illiteracy can hardly help a child succeed, at home or in school. Even Start will help.

The programs in this bill are proven successes. Their value is diminished,

however, if they operate individually. This bill pulls them all together with a Federal coordinator—the Assistant Secretary for Vocational and Adult Education. That coordination will provide a focal point for planning, and establish literacy programs as a national priority.

I applaud the effort that has gone into developing this comprehensive approach to addressing the problem of literacy in America. I support it, look forward to its implementation, and once again commend Senator SIMON for his leadership.

Mr. CHAFEE. Mr. President, the National Literacy Act goes a long way in addressing one of the primary goals President Bush outlined in his State of the Union Speech last week: the elimination of illiteracy in America by the year 2000.

We have all heard the grim statistics about illiteracy in our society. Twenty percent of the American work force, 23 million adults are illiterate. The United States ranks 49th among 158 United Nations member countries in its literacy levels. These are daunting statistics, but they represent people with real needs—needs we can't afford to ignore any longer.

The National Literacy Act will better equip the United States to regain its leadership in education. The new and expanded programs, as well as many demonstration efforts authorized by this bill, will put a literate—and competitive—society within our reach.

The effort against illiteracy in this country has been well-intentioned, but often disjointed and fragmented. This legislation at last recognizes the need for a coordinated literacy effort to be led by the Department of Education and the newly created "National literacy 2000 Federal interagency council." The Department of Education and the council will report to Congress and steer the Nation's efforts to increase literacy skills among all Americans.

One of the major thrusts of the act is to improve work force literacy. When employees are functionally illiterate, America's security is in danger. If the United States is to remain a leader in the world community we must provide people with the skills to perform jobs. This legislation recognizes the importance of helping American workers remain competitive by providing \$100 million in additional authorization for the expansion of the Adult Education Act.

I am particularly pleased with title III of this legislation, families for literacy, which expands and provides increased funding for legislation I sponsored, the Even Start Act.

Both the committee and the President agree on the need for additional Even Start funding. The \$60 million authorization proposed for Even Start

is a welcome addition in the battle against illiteracy.

The purpose of the tremendously successful Even Start Program is to break the cycle of generation-to-generation illiteracy. All too often, children of nonreaders also grow up to be nonreaders. These children begin their formal education at a distinct disadvantage compared to their classmates who come from reading households. This gap often grows even larger as disadvantaged children fall further and further behind as their school years progress. Their parents are bystanders—unable to offer even the most basic help.

The Hawkins-Stafford, Elementary and Secondary Improvement Act of 1988 established the Even Start Program. Grants are made directly to local education agencies or school districts. Even Start funding is used to provide early childhood education to young children aged 1-7, while simultaneously providing basic skills and literacy training to their parents.

Even Start provides parents with the tools to be true participants in their children's education. The program helps parents become their children's teacher for life.

In my home State of Rhode Island, the first Even Start funds have arrived and parents are reaching out for this innovative training. The school department of the city of West Warwick was recently awarded a \$214,000 Even Start grant—renewable for the next 4 years—to raise the literacy levels of children and their parents. Just 4 months after its inauguration, 38 families are involved in the Rhode Island program.

I am delighted to be part of legislation that assists America's brightest hopes in the effort to end illiteracy in our Nation—parents.

In conclusion, I want to acknowledge the efforts of those who are already doing so much to fight illiteracy. America's schools, teachers, libraries, volunteer organizations and businesses have accepted the challenge that faces us today. To them I say, thank you, and good luck as we strive together to meet the goal of total literacy by the end of this decade.

ADVANCING A LITERATE NATION: THE NATIONAL LITERACY ACT OF 1989

Mr. HATFIELD. Mr. President, as an original cosponsor of S. 1310, the National Literacy Act, I rise to commend my colleague from Illinois, Mr. SIMON, for his leadership and commitment to this crucial national issue. I am tremendously pleased that Congress has mobilized to respond to the massive problem of illiteracy in the United States.

We are all familiar with the appalling statistics. Of the 158 members of the United Nations, the United States ranks a shameful 49th in literacy. Over 27 million adult Americans—fully

1 in 5—are functionally illiterate and 2.3 million more are added to that total every year. And many of these adults hold high school diplomas! Furthermore, one out of every three Americans is incapable of reading anything more than a child's book, and 1 million teenagers between the ages of 12 and 17 cannot read above the third grade level.

Mr. President, these statistics reflect what we know about illiteracy in the United States. What is even more frightening is what we don't know. The fact is that illiteracy is, in many ways, a hidden crisis. It embarrasses both its victims and our education system in general. And we cannot be sure about the magnitude of the crisis.

Although this problem is overwhelming, Mr. President, we must not surrender. We can—we must—bring an end to illiteracy in this, the wealthiest nation in the world.

Exciting progress is already being made. Just a few weeks ago I had the opportunity to visit the "front lines" of literacy activity in my State. I was invited by the students of Forest Grove High School to visit their computerized literacy project. Forest Grove High School was one of the first schools on the west coast to implement PALS—Principle of the Alphabet Literacy System.

Students and adults work with the computers at their own pace to enhance their reading and writing skills, following instructions given by the PALS Program. In a cooperative learning style, the computer program gives students immediate feedback, and most importantly, nobody else in the class knows if the students did something right or wrong or had to repeat a step—thereby eliminating the pressure of classroom failure. This program touches both teenagers and adults. Currently, 25 students are attending PALS classes at Portland Community College as well.

PALS students are showing an average of increased reading abilities from 1½ levels to 2½ levels. They are staying with the program and, they are staying in school. The PALS Program has captured the interest of our learners and has allowed them to explore the English language in an individualized manner, without publicly identifying or exploiting the inadequacy of their skills. The program's visual orientation is also extremely effective—students can use the computers to teach themselves and they can develop keyboard skills at the same time.

The PALS Program is merely one example of applying creativity to the illiteracy problem. I believe that the components of the National Literacy Act will further encourage and enhance these efforts. Through this legislation, we will establish a long overdue national policy for literacy.

achievement, and better coordination of the multiple programs currently administered among various Federal agencies. The National Literacy 2000 Federal Interagency Council established by this legislation is the appropriate vehicle for coordination of government-wide literacy initiatives and for appropriate movement toward eliminating illiteracy by the year 2000.

Mr. BOSCHWITZ. Mr. President, I rise in support of S. 1310, the National Literacy Act of 1989, and ask unanimous consent that I be added as a cosponsor.

I can relate to the difficulties that people face when they lack the skills to read and write the English language. My family immigrated to America in 1937 and had to learn to read and write the English language in order to succeed. While this is not the same as never having learned to read and write, it certainly gives me a better understanding of what it is like to lack these basic skills.

Also, as a businessman I can well appreciate the need for these skills in our work force. Employees who are well skilled in reading and writing are much better equipped to work and advance in today's rapidly changing world. Technology has changed all aspects of the work force and demands an ever-increasing ability to read and comprehend technical instructions.

As you probably know, Mr. President, last year Congress passed legislation that declared 1989 as "the year of the young reader," an effort that I strongly support. However, we need to focus on improving reading skills for all ages and I believe that the National Literacy Act is a big step in that direction.

I have also listened to my colleagues praise the First Lady, Barbara Bush, and her efforts to promote reading. She promotes reading and visits libraries wherever she goes. She even made a stop at a library on her way to the doctor's office in Rochester, MN.

President Bush has made education a top priority in his administration. His 1991 education budget is the highest ever. He proposes increasing Head Start by \$500 million and chapter I by \$366 million, two programs that provide educational assistance for the disadvantaged. He is also requesting a substantial increase in the adult education programs. While we all would like to do more for education, we in Congress must come to grips with the difficult issue of deficit reduction.

Mr. President, I believe that good education is one of the best investments that Americans can make. I believe that the National Literacy Act is a step in that direction. I ask for unanimous consent to be added as a cosponsor and urge my colleagues to vote in favor of the bill.

Thank you, Mr. President, and I yield the floor.

Mr. BREAUX. Mr. President, I rise to speak in support of the National Literacy Act of 1990. This legislation represents what could be one of the most important achievements of Congress this year. For the first time, we would have a national, mandated goal of eliminating illiteracy by the year 2000. I am proud to be a cosponsor of this effort.

I am speaking as a Senator from a State where the rate of illiteracy is among the highest in the Nation. The National Center for Education Statistics estimates that as many as one of every six people in Louisiana is to some degree illiterate. Most of the new jobs created in the United States over the last several years and in the near future will require a better educated work force than ever before. Louisiana is currently in the painful process of trying to convert from an economy largely dependent on a single industry to an economy that is diverse and more stable. If Louisiana is to attract new industry and improve the standard of living of its population, our people must be better educated. The process of educating our work force must begin with a full scale attack on illiteracy.

The same pattern holds true for the Nation as a whole. Just as States and regions compete to attract and develop new industries, the United States must compete in an international economy that is more competitive and interconnected than it has ever been before. In economic competition with Japan and a soon to be United European Community, the United States must be assured of a workforce that is well educated and equipped to deal with the coming high tech world of the 21st century. To do this, we need a commitment at all levels in this country to stamp out illiteracy.

Aside from the depressing effect of illiteracy on economic growth, this problem is devastating on a personal level for the individual who must live and work in a literate society without being able to read write or compute basic math. We have all heard stories of parents who are unable to read a bedtime story to their children and who go through life using a variety of tricks to hide from their family and friends the fact that they cannot read. Then there are those people who were born into situations where the ability to read was not considered important. The children of illiterate parents are, obviously, likely to also be illiterate. It is a cycle that we can and must stop.

The programs that this bill addresses are very important as we begin the Federal effort to eradicate illiteracy. Assistance will go directly to States to set up State Literacy Resource Centers, to target illiterate adults who need assistance and to provide additional funds for teacher training. The cycle of illiteracy that exists in families

where parents cannot read is addressed through an increased authorization for the Even Start Program and a new Families for Literacy Program. The provisions that send additional literacy aid directly through the States will ever be helpful in States like Louisiana, where financial resources are tight.

Additional funds are also made available for the Student Literacy Corps, for College Work Study literacy-related jobs, and for the distribution of inexpensive books to poor families through the Reading is Fundamental [RIF] Program.

Mr. President, as many as 23 million Americans are illiterate. We cannot allow this to continue. We live in a wealthy, productive and progressive nation, yet 23 million of our citizens are not able to read and write beyond an eighth grade level. One act of Congress will not solve the problem. It is a situation that needs to be addressed by everyone; the Federal Government, State and local educational agencies and, most importantly, families and individuals who want to learn how to read and to teach other people how to read.

Mr. DASCHLE. Mr. President, I rise in strong support of S. 1310, the National Literacy Act and would like to thank my colleague, Senator SIMON, for his effort in bringing this bill to the floor. I know he and his staff have spent many hours working on this legislation, and I appreciate their efforts.

For the first time, our Nation will attack, in a coordinated and comprehensive manner, the growing literacy problem that afflicts over 27 million adult Americans who cannot read. For too long, our Government has tried to combat illiteracy in a piecemeal fashion—never quite sure who was actually responsible for addressing the problem, let alone measuring levels of success.

I am afraid we have sacrificed vital national resources due to our failure to prioritize our national literacy agenda. Just last week, the New York Times reported that an estimated 13 percent of adults in this country cannot read well enough to perform daily activities. Other estimates of illiteracy, functional incompetency and marginal competency range from 0.5 percent to more than 50 percent of the adult population. These are adults who have not maximized their full employment potential. Furthermore, the Literacy Volunteers of America estimate that over \$237 billion per year is lost in unrealized earnings forfeited by those who lack basic skills.

Our Nation cannot afford to ignore the potential economic contributions of 13 percent of its adult population if we are to remain the world's economic leader. To do so would be a real threat to both our national security and to

our economic stability as a Nation. I am reminded of the words of John Kenneth Galbraith who knew the vital ingredient for economic progress:

People are the common denominator of progress. So *** no improvement is possible with unimproved people, and advance is certain when people are liberated and educated. It would be wrong to dismiss the importance of roads, railroads, powerplants, mills and the other familiar furniture of economic development *** but we are coming to realize *** that there is a certain sterility in economic monuments that stand alone in a sea of illiteracy. Conquest of illiteracy comes first.

S. 1310 sets out to conquer illiteracy first by establishing the Literacy 2000 Council Federal Interagency Council for the purpose of coordinating, monitoring and developing existing and new Federal literacy initiatives, and establishing specific and measurable goals for the Federal effort to combat illiteracy. The Literacy 2000 Council will be chaired by the Secretary of Education and comprised of the Secretaries or Administrators of the major Federal departments and agencies operating literacy-related programs. Not only will the council be charged with coordinating Federal literacy initiatives, but, most importantly, it will serve as a partner with the States in conquering illiteracy. In South Dakota, we are proud to have many fine literacy programs that have strived to combat illiteracy in both the workplace and in our State prison population. With the partnership of the Literacy 2000 Council, I am confident these programs will receive a long overdue boost to their efforts to combat illiteracy in our State.

I am hopeful that the Literacy 2000 Council, as the coordinator of the Federal effort to combat illiteracy, will also attempt to address the illiteracy problem that exists in our U.S. Armed Forces. As a long-time advocate of literacy programs at Ellsworth Air Force Base in South Dakota and throughout the country, I am keenly aware of the need to address the magnitude of the illiteracy problem that exists in our Armed Forces. During this session of Congress, I will closely examine the issue and work with my colleagues on the Senate Armed Services Committee to find the most cost-effective and least-intrusive solution to the problem.

Again, let me extend my gratitude for Senator SIMON's fine work in bringing this important piece of legislation to the forefront of our national legislative agenda.

Mr. METZENBAUM. Mr. President, I rise today in support of S. 1310, Senator SIMON's thoughtful and comprehensive bill on literacy.

For years we have been talking about the skills American workers will need to keep our country competitive in the 1990's. Now the 1990's are here, we must act.

Today some 23 million adults cannot read, write, or calculate well enough to get by in their jobs or their daily lives. Yet more than half of all jobs require technical training beyond high school.

There is no way America can get ahead—or even keep pace—if our citizens are not literate. America cannot compete if America cannot read.

The literacy challenge is greater than ever.

That is why I am pleased to join Senator SIMON and so many of our colleagues in moving this bill.

The National Literacy Act makes major strides in coordinating current literacy efforts at the State, Federal, and local levels. It brings together the best of governmental, private, and nonprofit works.

I am particularly pleased with the bill's provision to develop a television program helping parents build their children's language and literacy skills.

My wife Shirley and I read to our daughters even when they were small. Now they read to their own children. It has always made sense to me that learning begins at home.

But what we are discovering now is that parents can make a difference in their children's educational development even if they themselves cannot read well—or at all. They can make a great deal of difference in breaking the cycle of illiteracy that moves from one generation to the next. But not all parents know this. Some parents do not even know that they should talk to their babies! Those babies are in great danger of having trouble later communicating and reading.

Our family literacy television program would be developed through the corporation for public broadcasting—the group that brought us such innovations as "Sesame Street." In addition, my amendment—incorporated into the bill reported out by the Labor Committee—requires that the program be distributed on video and audio cassettes to libraries, day care centers and other sites in the community. Parents could use a tape at these sites, or they could borrow a tape and learn from it in the privacy of their own home.

Will this video cassette program work? As one tool in a comprehensive literacy program, the answer is absolutely yes. Here is why. First, with video cassettes, we can reach people who are isolated from literacy services. If they are afraid or embarrassed because their skills are not up to par, a video cassette is an ideal way to help them learn at their own pace. There is no doubt about the power of television, and video cassettes are becoming more and more a part of American life. Some 78 percent of families with children have vcr's.

My hope is that parents who use our family literacy video tape will get a new perspective on learning—and be

inspired to learn more. These video cassettes may be the first step in an adult's decision to connect with the fine volunteers and professionals who promote literacy in Ohio and across the country every day.

My amendment allots \$100,000 for the video cassette program—a small amount, but enough to pay for 10,000 copies of our program and accompanying written materials. That is 10 video cassettes at 1,000 sites across the country—getting to many many more families who use and return the tapes on a loan basis.

I am hopeful that these tapes—and the entire literacy bill—will help us reach out to the people who most need help.

Mr. President, Senator SIMON is to be commended for his leadership on this critical issue. Literacy is an important investment in America, and I am proud to be a part of this effort.

Mr. DIXON. Mr. President, I am pleased to be a cosponsor of S. 1310, the National Literacy Act of 1989.

I want to express my gratitude to the distinguished junior Senator from Illinois [Mr. SIMON] for his untiring efforts to combat this national education problem of illiteracy. He has been a leader in this effort for many years, and I especially commend him on this excellent product.

Although the Federal Government currently spends approximately \$300 million per year on all literacy programs in this country, there are no existing national policies relating to literacy. S. 1310 establishes a national mandate to combat illiteracy and increases the Federal funding of literacy programs. It adds more substantial and comprehensive Federal leadership to fighting illiteracy. It also gives emphasis and focus to fragmented programs now aimed at increasing literacy. In addition, S. 1310 provides Federal initiatives to coordinate, strengthen and mobilize efforts at all levels of government, and within the private sector, to combat illiteracy by the year 2000.

Mr. President, I understand that Senator SIMON was moved to introduce S. 1310 after having been told by a Chicago high school dropout that she was stuck on welfare because she couldn't read. We are told by the U.S. Department of Education, that there are approximately 1 million functional illiterates being graduated from high school each year. Additionally, according to a study by the Chicago Literacy Coordinating Center, it has been established that the highest percentage of illiteracy in Chicago neighborhoods is in areas that offer few or no literacy services.

With the enactment of the National Literacy Act, we intend to see that these problems, and similar ones, will no longer exist. We intend to be an

education Congress and act to eradicate this troubling hidden and shameful education problem which keeps our country and millions of its citizens from reaching their full potential.

THE NATIONAL LITERACY ACT AND THE EDUCATIONAL EXCELLENCE ACT

Mr. DOMENICI. Mr. President, today we are considering, and will shortly complete action on, two very important pieces of legislation. I would like to take a minute to comment on these bills, and the issues they address, for they both concern perhaps the most important issue facing America today—how can we improve the education of our people.

The first bill we are considering is the National Literacy Act. A devastating problem inhibiting the tremendous potential of nearly 23 million Americans, illiteracy deserves our forthright attention.

Unfortunately, illiteracy continues to grow in this country. This is consequence of two trends: the growing number of immigrants and refugees who do not speak native English, and the disturbingly large number of American students who fail in our educational system.

Across the Nation some 3,600 students drop out of school every day, placing them at clear risk at failing throughout their life. Probably more disturbing, are the large number of students who complete high school, yet, seem to get almost nothing out of it. A 1983 study estimated that 17 percent of high school graduates are functionally illiterate.

Fortunately, though, we can do something about it. Literacy and adult education programs—often operated by volunteers—have been giving many a new chance in life. I have had the opportunity to meet with several remarkable New Mexicans who, with the help of organizations such as the Southwestern New Mexico Literacy Volunteers of America, are making tremendous gains.

We need to support and improve upon these programs. The literacy legislation we are considering today moves to coordinate and expand upon existing public and private literacy improvement efforts, as well as help boost some new ideas.

The bill would establish the goal of eliminating illiteracy by the year 2000, and help coordinate Federal resources to fight illiteracy. In addition, the bill would expand upon the Adult Education Act, the Even Start Program, and authorize new initiatives to involve families and students to combat illiteracy, and establish book distribution programs.

This bill establishes an important goal and will take positive steps toward eradicating this problem. I am pleased to support it.

Yet, Mr. President, our need to address America's illiteracy problem demonstrates our dire need to improve America's educational system. We must find ways to reach all students before they quit on education, and we cannot continue to tolerate graduating students who cannot read.

The second bill we are considering today intends to deal directly with this fundamental problem. The Educational Excellence Act encompasses a series of initiatives proposed by President Bush last year to encourage educational improvement, and reward excellence.

This bill would establish several programs to reward success. The Merit Schools Program would give schools cash awards for making substantial educational improvements. A National Science Scholars Program would reward the accomplishment of excellent science students throughout the Nation.

This bill would encourage reform through establishment of the Schools of Excellence Program. This program would provide competitive grants to schools to help facilitate important school reforms, such as open enrollment programs allowing parental choice.

The bill would also assist States in developing alternative teacher and principle certification requirements. This is an important reform that will enable our schools to take greater advantage of scientists, businessmen, and others who have much to offer our schools. My State of New Mexico has been a leader in this area, and instituted an alternative certification program several years ago.

Finally, S. 695 would expand upon the educational programs of special national importance. Support is expanded for drug free schools by authorizing funds for urban and rural emergency grants. Expanded support is also provided for historically black colleges and universities, and school dropout demonstration programs.

These initiatives take several important steps to reforming American education—providing incentives for success in a system that for too long has not encouraged innovation and improvement. This bill will do much to encourage our schools to become more effective. I commend the President, and the committee for their work on the program. I am pleased to be a co-sponsor of this legislation.

In an increasingly complex world—one in which jobs will require ever higher levels of literacy—improving the effectiveness of our educational system is of even greater importance. The legislation we are considering today will help us meet that challenges of the future, but we still have far to go. I look forward to working with the administration and the Presi-

dent to continue improving our schools.

Mr. LEVIN. Mr. President, the legislation which was just passed by the Senate, which I was pleased to cosponsor, addresses a very serious problem in our Nation. The problem of illiteracy. Let me commend my colleague from Illinois, Senator SIMON, for the passion, tenacity and unwavering commitment that has stayed with him as he has sought to ways to combat illiteracy.

Mr. President, illiteracy is a human tragedy. If we, as a nation, expect a fruitful future of competing in the global arena, then we must make certain that all of our citizens are able to master the basic skills of reading and writing.

The National Literacy Act provides a comprehensive package of literacy initiatives to coordinate and strengthen efforts at the Federal, State, local levels of government as well as with the private, nonprofit sector to combat the extensive problem of illiteracy in the United States. It is a necessary step in achieving this essential goal.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Virginia [Mr. WARNER] is necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. WARNER] would vote "yea."

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

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 4 Leg.]

YEAS—99

Adams	Fowler	McCain
Armstrong	Garn	McClure
Baucus	Glenn	McConnell
Bentsen	Gore	Metzenbaum
Biden	Gorton	Mikulski
Bingaman	Graham	Mitchell
Bond	Gramm	Moynihan
Boren	Grassley	Murkowski
Boschwitz	Harkin	Nickles
Bradley	Hatch	Nunn
Breaux	Hatfield	Packwood
Bryan	Heflin	Pell
Bumpers	Heinz	Pressler
Burdick	Helms	Pryor
Burns	Hollings	Reid
Byrd	Humphrey	Riegle
Chafee	Inouye	Robb
Coats	Jeffords	Rockefeller
Cochran	Johnston	Roth
Cohen	Kassebaum	Rudman
Conrad	Kasten	Sanford
Cranston	Kennedy	Sarbanes
D'Amato	Kerrey	Sasser
Danforth	Kerry	Shelby
Daschle	Kohl	Simon
DeConcini	Lautenberg	Simpson
Dixon	Leahy	Specter
Dodd	Levin	Stevens
Dole	Lieberman	Symms
Domenici	Lott	Thurmond
Durenberger	Lugar	Wallop
Exon	Mack	Wilson
Ford	Matsunaga	Wirth

NOT VOTING—1

Warner

So, the bill (S. 1310), as amended, was passed, as follows:

S. 1310

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 "National Literacy Act of 1990".

SEC. 2. FINDINGS.

The Congress finds that—

(1) there are between 23 and 27 million adult Americans who are functionally illiterate, a number which is increasing due to disproportionately high drop out rates in the public schools among minorities;

(2) the Adult Education Act is the only major program to reduce illiteracy in the United States and serves only 10 percent of eligible participants, while all public and private literacy programs serve only about 19 percent of those who need help;

(3) illiteracy is a problem of intergenerational nature;

(4) effective literacy training in our Nation's schools, particularly at the elementary level, is essential to preventing further growth in national illiteracy rates;

(5) as many as 50 million workers may have to be trained or retrained between now and the year 2000; and

(6) the supply of unskilled workers is increasing and the demand for unskilled labor is decreasing.

SEC. 3. DEFINITION.

As used in this Act the term "literacy" means the knowledge and skills necessary to communicate, including the reading, writing, basic skills, computation, speaking, and listening skills normally associated with the ability to function at a level greater than the 8th grade level so that education, employment, citizenship and family life is enhanced.

TITLE I—LITERACY COORDINATION

SEC. 101. SHORT TITLE.

This title may be cited as the "Literacy Coordination, Research, and Dissemination Act of 1990".

SEC. 102. NATIONAL LITERACY 2000 FEDERAL INTERAGENCY COUNCIL.

(a) ESTABLISHMENT.—There is established the National Literacy 2000 Federal Interagency Council (hereafter in this title referred to as the "Council").

(b) COMPOSITION.—(1) The Council shall consist of—

(A) the Secretary of Education (hereafter in this title referred to as the "Secretary"), who shall serve as Chairperson;

(B) the Director of the ACTION Agency;

(C) the Secretary of Health and Human Services;

(D) the Secretary of Labor;

(E) the Attorney General of the United States;

(F) the Director of the Office of Personnel Management; and

(G) such other officers of the Federal Government as may be designated by the President of the United States or the Chairman of the Council to serve whenever matters within the jurisdiction of the agency headed by such an officer are to be considered by the Council.

(2) Each individual described in paragraph (1) may designate an individual to represent such individual on the Council.

(3) Each member shall be appointed for as long as such member serves as the head of the appropriate agency.

(4) The Chairman of the Council shall be the President's principal advisor on literacy.

(c) QUORUM.—One more than one-half of the members of the Council shall constitute a quorum for the purpose of transmitting recommendations and proposals to the President, but a lesser number may meet for other purposes.

(d) MEETINGS.—The Council shall meet at least 4 times each year. When a Council member is unable to attend, the Council member shall appoint an appropriate Assistant Secretary or an equivalent individual from the department or agency of the member to represent the member for that meeting.

(e) DUTIES OF THE COUNCIL.—The Council shall—

(1) devise, coordinate, and monitor existing and other government initiatives to—

(A) facilitate the elimination of illiteracy, and

(B) integrate the resources of literacy programs across various departments or agencies of the Federal Government;

(2) solicit information and advice from representatives and experts with experience in literacy-related programs, including members of State and local governments, individuals from education, labor, and business, National literacy organizations, State literacy organizations, and local literacy organizations, volunteer organizations, service providers, and community-based organizations;

(3) set specific and measurable goals for the Federal effort in the education of illiterate adults, children, and their families so that all appropriate Federal agencies have specific objectives and strategies for meeting such goals;

(4) track progress on meeting the goals and objectives set forth in paragraph (4);

(5) issue a biennial report to Congress and the President on the progress made by the Federal Government and the Nation toward enhancing the literacy skills of its people, including recommendations for legislation required to improve and expand Federal literacy programs;

(6) develop model systems for implementing and coordinating Federal literacy programs which can be replicated at the State and local level;

(7) review and make recommendations regarding ways to achieve uniformity among reporting requirements, the development of performance measures, and the development of standards for program effectiveness for literacy-related Federal programs; and

(8) advise the Director of the National Center with regard to—

(A) the formulation of policy guidelines and issues related to the administration of the Center;

(B) the development and implementation of the activities and projects of the Center and the identification of those activities and projects that address high priority needs identified by the Council; and

(C) the selection and operation of major research and demonstration projects and activities of the Center.

(f) AVAILABILITY OF FUNDS; PERSONNEL.—The Department of Education, the Department of Health and Human Services, the Department of Justice, the Department of Labor, the Office of Personnel Management, and each department participating in the Council shall contribute a total of \$100,000 in salaries, expenses and personnel to support the administrative expenses of

the Council. The ACTION Agency and each agency participating in the Council shall contribute at least \$20,000 in salaries, expenses and personnel to support the administrative needs of the Council. The administrative needs of the Council may include staffing, consultants, supplies and travel.

SEC. 103. LITERACY RELATED PROGRAMS IN THE DEPARTMENT OF EDUCATION.

(a) COORDINATION.—Section 202 of the Department of Education Organization Act is amended by adding the following new subsection at the end thereof:

(h) The Assistant Secretary for Vocational and Adult Education shall, in addition to performing such functions as the Secretary may prescribe, shall have responsibility for coordination of all literacy related programs and policy initiatives in the Department. The Assistant Secretary for Vocational and Adult Education shall—

(1) coordinate the staff resources and the assistance provided to the Council;

(2) assist in coordinating the related activities and programs of other Federal departments and agencies; and

(3) assist the Secretary in carrying out his or her responsibilities as chairperson of the Council."

SEC. 104. NATIONAL CENTER FOR LITERACY.

(a) PURPOSE.—It is the purpose of this part to enhance the national effort to eliminate the current problem of illiteracy by the year 2000 by improving research, development and information dissemination through a national research center.

(b) FINDINGS.—The Congress finds—

(1) far too little is known about how to improve access to, and enhance the effectiveness of, adult literacy programs, assessment tools, and evaluation efforts;

(2) there is no reliable nor central source of information about the existing knowledge base in the area of literacy;

(3) a National Center for Literacy would provide a national focal point for research, technical assistance and research dissemination, policy analysis, and program evaluation in the area of literacy; and

(4) such a National Center would facilitate a pooling of ideas and expertise across fragmented programs and research efforts.

(c) PROGRAM AUTHORIZED.—(1) The Secretary shall, make a grant to, or enter into a contract with, a qualified non-profit organization or institution or consortia of such organizations or institutions to establish and operate a non-profit National Center for Literacy (hereafter in this section referred to as the "Center") to carry out the purposes set forth in subsections (a) and (b). Such grant shall be awarded on a competitive basis and shall be for a period not to exceed 5 years, and is renewable.

(2) The Center shall be composed of—

(A) a director of the Center (hereafter in this section referred to as the "Director");

(B) experts in the literacy field;

(C) directors and supervisors for each of the major functions of the Center set forth in paragraphs (1) through (8) of subsection (e); and

(D) professional and support staff.

(3) The Secretary, in consultation with the Council, shall select a panel composed of individuals who are not Federal employees and who are recognized nationally as experts in adult and child literacy to assist in the selection of a grant recipient under this section.

(4) The Center shall have the ability to enter into contracts and joint ventures, and to form cooperative relationships with State

and local agencies, educational entities, community-based organizations, volunteer literacy organizations, business and labor organizations, and service providers, consistent with the purposes of this Act and the functions of the Center.

(5) The Center may accept, but not solicit, private contributions, foundation grants, and other grants to support the research and dissemination activities of the Center.

(6) The Center shall, to the extent practicable, coordinate and utilize existing resources that relate to the mission of the Center.

(d) APPLICATION.—Each organization or entity desiring a grant under this section shall submit an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(e) USE OF FUNDS.—Funds provided pursuant to this section may be used by the Center to—

(1) conduct basic and applied research on—

(A) the process by which children and adults learn to read and develop basic skills;

(B) problems in diagnosing and treating the learning disabled;

(C) developing instructional techniques and assessment tools;

(D) the use of technology and other studies which would advance the literacy knowledge base, and which would not duplicate the work of other research services but would build on such research efforts;

(E) the development of models for the effective intergenerational education of illiterate adults and their children;

(F) improving curriculum, software, and other literacy materials and to encourage the training and use of full-time professional adult educators; and

(G) addressing problems facing the limited English proficient, in coordination with the national clearinghouse on literacy education of the Center for Applied Linguistics authorized under section 372 of the Adult Education Act;

(2) provide technical assistance including—

(A) tracking the development of literacy and basic skills programs;

(B) disseminating research findings;

(C) disseminating information regarding exemplary program models, curricula, and training models, particularly models that offer effective approaches to diagnosing and serving the learning disabled, prisoners and ex-offenders;

(D) the use of technology and materials development; and

(E) supplementing the technical assistance provided by the State literacy resource centers to local literacy providers;

(3) act as a clearinghouse in providing information on Federal, State, local and private sector literacy efforts and programs, teaching and assessment methods, and evaluation tools, to Federal, State, and local agencies (including the State literacy resource centers established in section 354 of the Adult Education Act), as well as to businesses, labor organizations, and voluntary groups;

(4) conduct policy analysis and program evaluation activities, including—

(A) the development of a data base on literacy programs;

(B) the development of assessment tools;

(C) evaluation of progress made toward national goals;

(D) developing, collecting, and providing information, including information about

State and local programs, to facilitate national planning and policy development in adult and child literacy;

(E) developing model systems for implementing and coordinating Federal literacy programs which can be replicated at the State and local level; and

(F) reviewing and making recommendations regarding—

(i) ways to achieve uniformity among reporting requirements;

(ii) the development of performance measures, and

(iii) the development of standards for program effectiveness for literacy-related Federal programs;

(5) conduct a model demonstration program, in consultation with State educational agencies, to demonstrate innovative approaches to remediate, train, retrain and place persons who do not complete secondary school or possess a general equivalency diploma;

(6) provide a toll-free hotline for literacy related information for individuals and for literacy providers, which may use private contributions;

(7) coordinate with the national clearinghouse on literacy education of the Center for Applied Linguistics established pursuant to section 372 of the Adult Education Act; and

(8) engage in activities related to the development of data and collection of statistics related to literacy and illiteracy.

(f) DATA.—The Center shall, in accordance with regulations published pursuant to subsection (a)(8), provide all interested parties, including public and private agencies and individuals, direct access to data collected by the Center for the purposes of research and acquiring statistical information.

(g) PRIORITY.—The Center shall give priority to the activities described in paragraphs (2), (3), and (6) of subsection (e).

(h) EVALUATION.—The Director of the Center shall report annually to the Congress and to the Council on progress made in achieving national literacy goals. This report shall include the results of an evaluation of Federal, State, and local public, as well as private sector, literacy programs.

(i) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated \$10,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993, to carry out the provisions of this section.

(2) Of the amount authorized to be appropriated pursuant to paragraph (1) for each fiscal year, not more than 5 percent of such funds shall be used to conduct the model demonstration program described in section 103(e)(5).

SEC. 104. STATE LITERACY RESOURCE CENTER.

Subpart 6 of part B of the Adult Education Act is amended—

(1) by inserting at the end thereof the following new section 354:

"SEC. 354. STATE LITERACY RESOURCE CENTER.

"(a) PURPOSE.—It is the purpose of this section to assist State and local public and private nonprofit efforts to eliminate illiteracy through a new program of State literacy resource center grants to—

"(1) stimulate the coordination of literacy services,

"(2) enhance the capacity of State and local organizations to provide literacy services, and

"(3) facilitate the sharing of literacy resources within the State.

"(b) PROGRAM AUTHORIZED.—(1) The Secretary is authorized to make grants to pay the

Federal share of the costs of establishing and operating State literacy resource centers in such States that apply for grants. Such grants shall be awarded for a period not to exceed 3 years and shall not exceed \$500,000 per year.

"(2) Each State shall contract on a competitive basis with the State educational agency, a State office on literacy, a volunteer organization, a community-based organization or another nonprofit entity to operate a State literacy resource center. If the State educational agency does not operate the Center, the State educational agency shall be provided the opportunity to comment on the selection of the entity selected to operate the Center.

"(3) No State may receive financial assistance pursuant to the provisions of this section for more than 3 fiscal years.

"(c) USES OF FUNDS.—Funds provided pursuant to this section may be used for—

"(1) the development of innovative approaches to the coordination of literacy activities within the State and with the Federal Government;

"(2) activities related to improving access to literacy services in the State through the promotion of technology utilization, the provision of technical assistance to service providers to improve overall literacy program design and evaluation, the dissemination of information among literacy service providers, and other activities which enhance the delivery of literacy services; and

"(3) the establishment of a State literacy resource center which may—

"(A) serve as a link between State and local service providers and the National Center for Literacy for the purposes of disseminating research and other information generated by the National Center for Literacy to service providers;

"(B) upgrade the system of diffusion and adoption of state-of-the-art teaching methods and technologies;

"(C) assist in coordinating the delivery of literacy services by public and private agencies;

"(D) encourage government and industry partnerships, including partnerships among small business, private nonprofit organizations, and community-based organizations;

"(E) encourage innovation and experimentation in literacy services;

"(F) provide technical and policy assistance to State and local governments, community-based literacy organizations, and correctional education programs to improve literacy policy and programs;

"(G) train and provide technical assistance to literacy instructors in—

"(I) computer assisted instruction,

"(II) video tapes,

"(III) interactive systems, and

"(IV) data link systems;

"(ii) reading instruction in methods such as Basal reading method, exposure method, intensive systematic phonics method, linguistic method, Orton-Gillingham method, sight word ('look-say') method, or whole word method; and

"(iii) assessing learning style and screening for learning disabilities, and providing individualized remedial reading instruction;

"(H) encourage and facilitate the training of full-time professional adult educators; and

"(I) address new literacy issues, including family literacy, workplace literacy, and Eng-

lish literacy, and to provide technical assistance as such issues emerge.

(d) SPECIAL RULE.—(1) Each State receiving funds pursuant to this section may use not more than 10 percent of such funds to establish a State advisory council on adult education and literacy pursuant to the provisions of section 332 of the Adult Education Act.

(2) Each State receiving funds pursuant to paragraph (1) may use such funds to support an established State council to the extent that such council meets the requirements of section 332 of the Adult Education Act.

(e) APPLICATION.—(1) Each State desiring a grant under this section 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. Each such application shall—

“(A) describe the activities and services for which assistance is sought;

“(B) include a statewide plan with measurable goals for the elimination of illiteracy within the State, including an implementation plan describing—

“(i) strategies to facilitate the maximum participation of community-based organizations, volunteer organizations and other nongovernmental entities in statewide literacy efforts; and

“(ii) procedures for the coordination of literacy activities in the State conducted by public and private organizations, and for enhancing the systems of service delivery.

“(C) contain assurances that the State will use funds provided pursuant to this section in accordance with the provisions of this section.

(2) Each State desiring a grant under this section shall submit a copy of the plan required by paragraph (1)(B) to the State Advisory Council of Adult Education and Literacy 60-days before submission for review and comment. The State Advisory Council on Adult Education and Literacy shall transmit such comments to the Secretary.

(f) PAYMENTS; FEDERAL SHARE.—(1) The Secretary shall pay to each State having an application approved pursuant to subsection (d), the Federal share of the cost of the activities described in the application.

(2) The Federal share—

“(A) for the first 2 fiscal years in which the State receives funds under this title shall not exceed 75 percent; and

“(B) for the third fiscal year in which the State receives funds under this title shall not exceed 50 percent.

(g) NON-FEDERAL SHARE.—(1) The non-Federal share of payments under this section may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(h) AUTHORIZATION OF APPROPRIATIONS.—For the first fiscal year in which the amount appropriated to carry out part A of the Adult Education Act exceeds \$160,000,000 and each fiscal year thereafter, there are authorized to be appropriated \$15,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993 to carry out the provisions of this section.

TITLE II—WORKFORCE LITERACY

SEC. 201. SHORT TITLE.

This title may be cited as the “Workforce Literacy Act of 1990”.

SEC. 202. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to provide financial assistance to improve educational opportunities for adults who lack the level of literacy skills requisite to effective citizenship and productive employment;

(2) to expand and improve the current system for delivering and accessing adult education services, including the use of community based organizations, and including the delivery of such services to educationally disadvantaged adults;

(3) to encourage the expansion of adult education teacher training programs; and

(4) to increase the number of full-time professional adult educators.

SEC. 203. ADULT EDUCATION AMENDMENTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 313(a) of the Adult Education Act is amended by—

(1) striking “There” and inserting “(1) Except as provided in paragraphs (2) and (3), there”;

(2) striking “and such sums as may be necessary for each succeeding fiscal year through fiscal year 1993” and inserting “and fiscal year 1990”; and

(3) inserting at the end thereof the following new paragraphs:

(2) There are authorized to be appropriated for each of fiscal years 1991, 1992, and 1993 an amount equal to the appropriations for the previous fiscal year plus \$100,000,000.

(3) If the Secretary determines in any fiscal year that a majority of the illiterate population assisted under this title has been served, the amount authorized to be appropriated for each of the succeeding fiscal years listed in paragraph (1) shall be equal to the amount authorized to be appropriated for the fiscal year in which the determination is made.”.

(b) USE OF FUNDS; LOCAL APPLICATIONS.—Section 322 of the Adult Education Act is amended—

(1) in the second sentence of subsection (a)(1) by striking “only if the applicable local educational agency has been consulted with and has had the opportunity to comment on the application of such agency, organization, or institution” and inserting “only if the grant application from such entities to the State has been made available to the applicable local educational agency for review and comment”;

(2) in the third sentence of subsection (a) by inserting “if any,” after “agency.”;

(3) at the end of subsection (a)(1) by inserting the following new sentence: “Each State educational agency receiving financial assistance under this subpart shall assure direct and equitable access to Federal funds to local educational agencies, public or private nonprofit agencies, community-based organizations, and institutions which serve educationally disadvantaged adults.”;

(4) in subsection (a)(3) by—

(A) striking “any consultation” and inserting “the opportunity to comment”; and

(B) striking “taken place is” and inserting “been”;

(5) at the end of subsection (a)(4)(A), strike the period and insert: “, particularly those adults with a reading ability below the fifth grade level, and those adults who reside in areas with a high proportion of adults who do not have a certificate of graduation from a school providing secondary education or its equivalent.”; and

(6) in subsection (b)(2) by striking “20 percent” and inserting “25 percent”.

(c) STATE ADVISORY COUNCIL.—(1) The heading to section 332 of the Adult Educa-

tion Act is amended by inserting “AND LITERACY” before the period.

(2) Section 332 of the Act is amended—

(A) in the first sentence of subsection (a)(1) by striking “adult education, appointed by the Governor” and inserting “adult education and literacy, appointed by, and responsible to, the Governor”;

(B) in the second sentence of subsection (a)(1) by striking all beginning with “consist” through the end period and inserting “consists of—

“(A) representatives of public education;

“(B) representatives of public and private sector employment;

“(C) representatives of recognized State labor organizations;

“(D) representatives of private, voluntary, and community-based literacy organizations;

“(E) the chief administrative officer of a State, or the designee of such individual; and

“(F) representatives of each of the following State agencies:

“(i) the State education agency;

“(ii) the State job training agency;

“(iii) the State human services agency;

“(iv) the State public assistance agency;

“(v) the State library program; and

“(vi) the State economic development agency.

The Council shall also include officers of the State government whose agencies provide funding for literacy services or who may be designated by the Governor or the Chairperson of the Council to serve whenever matters within the jurisdiction of the agency headed by such an officer are to be considered by the Council. The Council shall also include classroom teachers who have demonstrated outstanding results in teaching children or adults to read.”.

(C) by striking the first sentence of subsection (d) and inserting “The Governor’s senior advisor on literacy shall serve as chairperson of the Council. One member more than one half of the members on the Council shall constitute a quorum for the purpose of transmitting recommendations and proposals to the Governor, but a lesser number of members may constitute a quorum for the other purposes.”;

(D) in subsection (d) by inserting the following new sentence after the first sentence: “The State advisory council shall meet at least 4 times each year.”; and

(E) in subsection (f) by—

(i) redesignating paragraphs (2) and (3) as paragraphs (9) and (10), respectively;

(ii) inserting after paragraph (1) the following new paragraphs:

(2) review and comment on the plan submitted pursuant to section 354(d)(2) and submit such comments to the Secretary;

(3) set specific and measurable goals for the State effort in the long-term education of illiterate adults, children, and their families that are consistent with the Federal effort so that all appropriate State agencies have specific objectives and strategies for meeting such goals and there is a comprehensive approach to achieving such goals;

(4) track progress on meeting the goals and objectives set forth in paragraph (3);

(5) coordinate and monitor initiatives to—

(A) facilitate the elimination of illiteracy, and

(B) integrate the resources of literacy programs across various departments or agencies of the State government;

"(6) disseminate information on State, local, and private sector literacy efforts;

"(7) recommend policies for establishing model systems for implementing and coordinating State literacy programs which can be replicated at the local level; and

"(8) implement reporting requirements, standards for outcomes, performance measures, and program effectiveness in State programs, that are consistent with those proposed by the National Literacy 2000 Federal Interagency Council;" and

(iii) in paragraph (9) (as redesignated in clause (i)) by inserting "the Governor and" after "advise".

(d) STATE PLAN.—Section 342(c) of the Adult Education Act, is amended—

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

(2) by striking the period at the end of paragraph (13) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(14) report the amount of administrative funds spent on program improvements; and

"(15) contain assurances that financial assistance provided pursuant to this title shall be used to assist and expand existing programs, and to develop new programs for adults whose lack of basic skills—

"(A) renders such adults unemployable;

"(B) keeps employed or unemployed adults from functioning independently in society; and

"(C) severely reduces the ability of such adults to positively impact the literacy of their children."

(e) TEACHER TRAINING.—(1) Section 353 of the Act is amended by—

(A) striking "and" at the end of subsection (a)(1)(B);

(B) striking the period at the end of subsection (a)(2) and inserting a semicolon;

(C) inserting at the end of subsection (a) the following new paragraphs (3) and (4):

"(3) training professional teachers, volunteers, and administrators, with particular emphasis on training—

"(A) full-time professional adult educators;

"(B) minority adult educators;

"(C) limited English proficiency adult educators; and

"(D) teachers to recognize and more effectively serve illiterate individuals with learning disabilities, and with a reading ability below the fifth grade level; and

"(4) training the individuals described in paragraph (3) in reading instruction methods such as the Basal reading method, exposure method, intensive systematic phonics method, linguistic method, Orton-Gillingham method, sight word ('look-say') method, or whole word method;"

(D) redesignating subsection (b) as subsection (c); and

(E) inserting the following new subsection (b) after subsection (a):

"(b) SPECIAL RULE.—If the amount allotted to a State in any fiscal year exceeds the amount allotted to such State in fiscal year 1990, 15 percent of such excess shall be used to carry out the training described in subsection (a)(3)."

(2) Section 353 of the Act, as amended by paragraph (1) of this subsection, is further amended—

(A) in subsection (a) by striking "10" and inserting "15"; and

(B) by amending subsection (b) to read as follows:

"(b) SPECIAL RULE.—At least 7.5 percent of the 15 percent reserved pursuant to subsection

(a) shall be used to carry out the provisions of paragraphs (2) and (3) of subsection (a)."

(3)(A) The amendments made by paragraph (1) shall take effect on the date of enactment of this Act.

(B) The amendments made by paragraph (2) shall take effect at the beginning of the first fiscal year in which the amount appropriated to carry out the provisions of part B of the Adult Education Act exceeds \$200,000,000 and each fiscal year thereafter.

(f) BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY.—Section 371 of the Adult Education Act is amended—

(1) in subsection (a)(1) by inserting ", in consultation with the Secretary of Labor and the Administrator of the Small Business Administration," after "Secretary";

(2) in subsection (a)(4) by redesignating subparagraphs (C), (D), and (E), as subparagraphs (D), (E), and (F), respectively, and inserting after subparagraph (B) the following:

"(C) for fiscal year 1991 and each succeeding fiscal year, contain assurances that not more than 15 percent of the funds received pursuant to this section shall be used for professional teacher or volunteer training (including training regarding the identification and teaching of learning disabled individuals) or technical assistance (including technical assistance in implementing programs);"

(3) by inserting the following new paragraph at the end of subsection (a):

"(5) In awarding grants under this section, the Secretary shall give priority to applications from partnerships which include small businesses."; and

(4) in subsection (c) by striking paragraph (1) and inserting in lieu thereof the following:

"(1) There are authorized to be appropriated \$50,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993 to carry out the provisions of this section."

(g) EDUCATION PROGRAMS FOR COMMERCIAL DRIVERS.—Part C of the Adult Education Act is amended by inserting at the end thereof the following new section 373:

"SEC. 373. EDUCATION PROGRAMS FOR COMMERCIAL DRIVERS.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants on a competitive basis to pay the Federal share of the costs of establishing and operating adult education programs which increase the literacy skills of commercial drivers which are necessary to successfully complete the knowledge test requirements under the Commercial Motor Vehicle Safety Act of 1986.

"(b) FEDERAL SHARE.—The Federal share of the costs of the adult education programs authorized in subsection (a) shall be 50 percent. Nothing in this subsection shall be construed to require States to meet the non-Federal share from State funds.

"(c) ELIGIBLE INDIVIDUALS.—Individuals eligible to receive a grant under this section include—

"(1) private employers employing commercial drivers;

"(2) colleges, universities, or community colleges;

"(3) approved apprentice training programs; and

"(4) labor organizations, the membership of which includes commercial drivers; and

"(5) any other public or private organization the Secretary finds that would most efficiently educate commercial drivers.

"(d) DEFINITION.—The term 'commercial driver' means an individual required to possess a commercial driver's license under the Commercial Motor Vehicle Safety Act of 1986.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$5,000,000 for each of the fiscal years 1991 and 1992."

SEC. 204. TARGETED ASSISTANCE.

Section 1531(b) of the Elementary and Secondary Education Act of 1965 is amended by—

(1) redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively; and

(2) inserting the following new paragraph (5) after paragraph (4):

"(5) programs of training to enhance the ability of teachers and school counselors to identify, particularly in the early grades, students with reading and related problems which place such students at risk for illiteracy in their adult years;"

SEC. 205. GAO STUDY.

The Comptroller General of the United States shall update the 1975 study entitled "The Adult Basic Education Program: Progress in Reducing Illiteracy and Improvements Needed" within 18 months of the date of enactment of this Act.

TITLE III—FAMILIES FOR LITERACY

SEC. 301. SHORT TITLE.

This title may be cited as the "Families for Literacy Act of 1990".

SEC. 302. STATEMENT OF PURPOSE.

The purpose of this title is to break the intergenerational cycle of illiteracy by improving the parenting and basic skills of adults in order to—

(1) foster learning among the children of illiterate adults;

(2) foster family-oriented approaches to reducing illiteracy;

(3) address illiteracy through the social environment in which children are born and raised; and

(4) foster the detection of disabilities or developmental problems that might hinder future learning.

SEC. 303. EVEN START.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 1059 of the Elementary and Secondary Education Act is amended to read as follows:

"SEC. 1059. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated \$60,000,000 for the fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, and 1995 to carry out the provisions of this part."

(b) INDIANS.—Section 1052 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2742) is amended—

(1) by inserting ", and to Indian tribes and tribal organizations," after "such agencies" in subsection (a),

(2) by inserting ", Indian tribes, and tribal organizations" after "States" each place it appears in subsection (b), and

(3) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) DEFINITIONS.—For purposes of this part—

"(1) The term 'State' includes each of the 50 States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) The terms 'Indian tribe' and 'tribal organization' have the respective meaning

given to each of those terms under section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).".

SEC. 304. FAMILIES FOR LITERACY PROGRAM.

(a) PURPOSE.—The purpose of this section is to provide assistance to nonprofit entities, or consortia of businesses, nonprofit entities, State educational agency, local educational agencies, or other public agencies, to initiate education programs and services for children aged 3 and under and their parents to enhance the early literacy developmental process of such children, particularly targeting functionally illiterate parents and their children to enhance the literacy building capabilities of such parents and their children.

(b) FINDINGS.—The Congress finds that children participating in State Parents as Teachers programs and similar programs have more advanced cognitive skills, language ability, and social skills than their preschool age counterparts.

(c) GRANTS AUTHORIZED.—(1) The Secretary is authorized, in accordance with the provisions of this section, to make grants to nonprofit entities, or consortia of businesses (including small business), nonprofit entities, State educational agency, local educational agencies, or other public agencies to pay the Federal share of the cost of establishing intergenerational learning programs and services for children aged 3 and under and their parents, in order to monitor, and improve the early developmental progress of the children, especially in literacy developmental skills.

(2) In awarding grants under this section, the Secretary shall give priority to applicants whose programs primarily serve hard-to-serve populations, including—

- (A) teenaged parents;
- (B) illiterate parents;
- (C) economically disadvantaged parents;
- (D) offenders and their families;
- (E) unemployed parents;
- (F) learning disabled parents; and
- (G) non-English speaking parents.

(3)(A) Each grant awarded under this subsection shall be in an amount which is not less than \$100,000 nor more than \$750,000.

(B) In determining the amount of the grant awarded under this subsection, the Secretary shall take into consideration the size of the population to be served, the size of the area to be served, and the financial resources of such population and area.

(4) The Federal share—

(A) for the first fiscal year for which a grant is awarded under this subsection shall be 90 percent;

(B) for the second fiscal year for which a grant is awarded under this subsection shall be 80 percent;

(C) for the third fiscal year for which a grant is awarded under this subsection shall be 70 percent;

(D) for the fourth fiscal year for which a grant is awarded under this subsection shall be 60 percent; and

(E) for the fifth fiscal year for which a grant is awarded under this subsection shall be 50 percent.

(d) APPLICATION.—Each nonprofit entity, or consortia of businesses, nonprofit entities, State educational agency, local educational agencies, or other public agencies desiring a grant under this section 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. Each such application shall—

(1) describe the activities and services for which assistance is sought; and

(2) contain such information and assurances as the Secretary may require to ensure compliance with the requirements of this section.

(e) STAFF TEAMS.—(1) Each nonprofit entity, or consortia of businesses, nonprofit entities, State educational agency, local educational agencies, or other public agencies receiving assistance pursuant to this part shall employ and train staff teams of early childhood educators, literacy educators or parent educators to provide—

- (A) literacy education for adults;
- (B) parenting education for adults;
- (C) screening for language disorders, learning disabilities, and hearing and vision problems;

(D) prereading and other developmental skills for children aged 3 and under;

(E) structured time for parents to use newly acquired skills with their children; and

(F) referral services for families, including referrals for drug rehabilitation, counseling, health care, or assessment and remediation of learning disabilities.

(2) Each nonprofit entity or consortia of businesses, nonprofit entities, State educational agency, local educational agencies, or other public agencies receiving assistance pursuant to this section shall employ, select, and provide training for, staff teams on the basis of—

- (A) experience in working with children and families;
- (B) a degree in special education or learning disabilities;

(C) a bachelor's degree in child development, psychology, or education;

(D) experience in social work, child care, pediatrics, family counseling; and

(E) experience in teaching reading.

(f) COMMUNITY ADVISORY COUNCILS.—(1)

Each nonprofit entity, or consortia of businesses, nonprofit entities, parents, State educational agency, local educational agencies or other public agencies which receives a grant under this section shall establish community advisory councils to provide—

(A) outreach services, including outreach services to non-English speaking parents,

(B) notification to local family courts of the existence of the Families for Literacy Program,

(C) family referral services,

(D) public relations services, and

(E) recruiting drives.

(2) The community advisory council established under paragraph (1), shall hire staff as well as utilize volunteers. Volunteers may refer individuals into the Families for Literacy Program and from the Families for Literacy Program into services such as—

(A) the Special Supplemental Food Program for Women, Infants, and Children;

(B) well-baby clinics;

(C) literacy programs;

(D) speech, language, and hearing specialists;

(E) learning disabilities specialists; and

(F) child abuse services.

(g) NON-FEDERAL SHARE.—(1) The portion of the costs described in subsection (c) that are not paid from a grant provided under this section may be paid in cash or in kind fairly evaluated, including equipment or services.

(2) Each nonprofit entity, or consortia of businesses, nonprofit entities, State educational agency, local educational agencies or other public agencies receiving assistance pursuant to this Act may use funds received under chapter 2 of the Augustus F. Hawkins-Robert T. Stafford Elementary and

Secondary School Improvement Amendments of 1988 to pay the portion of the costs described in subsection (c) that are not paid from a grant provided under this section.

(h) DEFINITIONS.—As used in this section—

(1) The term "local educational agency" has the same meaning given that term in section 1471 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Act of 1988.

(2) The term "parent" includes a legal guardian or other person standing in loco parentis.

(3) The term "family" includes all primary child care givers in addition to parents.

(i) FAMILY LITERACY PUBLIC BROADCASTING PROGRAM.—(1) The Secretary is authorized, subject to the availability of appropriations, to enter into a contract with the Corporation for Public Broadcasting to arrange for the production and dissemination of family literacy programming and accompanying materials which would assist parents in improving family literacy skills and language development. In producing and developing such programming, the Corporation for Public Broadcasting shall work in cooperation with local public broadcasting stations to avoid duplication of efforts.

(2) After the program described in paragraph (1) is produced, the Corporation for Public Broadcasting shall arrange to have audio and video instructional media materials for distribution at sites chosen from among—

(A) State and local libraries operating literacy programs, and

(B) nonprofit entities serving hard-to-serve populations as defined in section 304(b)(2), including community-based organizations, volunteer organizations and other nongovernmental entities.

(3) The audio and video instructional media materials described in paragraph (2) shall be used at sites described in paragraph (2), and on a loan basis, distributed to families.

(4) One year after distribution of the audio and video instructional media materials, the Corporation for Public Broadcasting shall report to the Congress on the distribution and use of the audio and video instructional media materials produced pursuant to this subsection and such audio and video instructional media materials' contribution in promoting literacy.

(j) AUTHORIZATION OF APPROPRIATIONS.—

(1) Except as provided in paragraph (2), and for the first fiscal year in which the amount appropriated for section 1059 of the Elementary and Secondary Education Act of 1965 exceeds \$30,000,000 and each fiscal year thereafter, there are authorized to be appropriated \$10,000,000 for fiscal year 1991 and such sums as may be necessary in each of fiscal years 1992, 1993, 1994, and 1995 to carry out the provisions of this section.

(2) There are authorized to be appropriated \$2,000,000 for fiscal year 1991 to carry out the provisions of subsection (i), of which \$100,000 shall be reserved for reproducing and distributing programming or audio and video instructional media materials.

TITLE IV—BOOKS FOR FAMILIES

SEC. 401. SHORT TITLE.

This title may be cited as the "Books for Families Literacy Act of 1990".

SEC. 402. STATEMENT OF PURPOSE.

It is the purpose of this title to enhance the capacity of State and local public libraries to combat illiteracy and to improve the quality of public literacy services as such

services relate to overcoming the condition of illiteracy in the Nation.

SEC. 403. INEXPENSIVE BOOK DISTRIBUTION PROGRAM.

(a) **PRIORITY.**—Section 1563(b) of the Elementary and Secondary Education Act of 1965 is amended by—

(1) striking “and” at the end of paragraph (2);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by adding the following new paragraph after paragraph (2):

“(3) beginning in fiscal year 1991 and each fiscal year thereafter, the contractor will give priority in the selection of additional local programs to programs and projects which serve children and students with special needs including, but not limited to—

“(A) low-income children (particularly such children in high poverty areas);

“(B) children ‘at-risk’;

“(C) disabled children;

“(D) emotionally disturbed children;

“(E) foster children;

“(F) homeless children;

“(G) migrant children;

“(H) children without access to libraries;

“(I) institutionalized or incarcerated children; and

“(J) children whose parents are institutionalized or incarcerated; and”.

(b) **STUDY.**—The Contractor shall report to the Department of Education annually regarding the number and description of the additional programs funded under subsection 1563(a)(3) of the Elementary and Secondary Education Act of 1965.

SEC. 404. LIBRARY LITERACY PROGRAMS.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 4(a) of the Library Services and Construction Act is amended by—

(1) striking “and” after paragraph (4);

(2) striking the period at the end of paragraph (5) and inserting a semicolon; and

(3) inserting after paragraph (5) the following new paragraphs (6) and (7):

“(6) for the purpose of making grants as provided in section 603 there are authorized to be appropriated \$2,000,000 for fiscal year 1991 and such sums as may be necessary for each of the succeeding fiscal years 1992, 1993, 1994, and 1995; and

“(7) for the purpose of making grants as provided in section 603, there are authorized to be appropriated \$2,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, 1994, and 1995.”.

(b) **BOOKS, TAPES, AND COMPUTER SOFTWARE.**—Section 601(c)(2) of the Library Services and Construction Act is amended by inserting after “programs” a comma and “including books, tapes, and computer software”.

(c) **PRIORITY.**—Section 601 of the Library Services and Construction Act is amended by inserting at the end thereof the following new subsection:

“(f) In awarding grants under this section the Secretary shall give priority to programs and services which—

“(1) will be delivered in areas of greatest need which have highest concentrations of adults who do not have a secondary education or its equivalent, and which—

“(A) have few community or financial resources to establish the program described under this section without Federal assistance, or

“(B) have low per capita income, unemployment or underemployment; and

“(2) coordinate with literacy organizations and community based organizations providing literacy services.”.

SEC. 405. STATE AND LOCAL PUBLIC LIBRARY GRANTS.

Title VI of the Library Services and Construction Act is amended by inserting the following new sections at the end thereof:

“SEC. 602. MODEL LIBRARY LITERACY CENTERS.

(a) **STATEMENT OF PURPOSE.**—It is the purpose of this section to provide for a library literacy demonstration grant program to help overcome illiteracy throughout the Nation by establishing model library literacy centers with resources and facilities to assist those in need of literacy training and access to reading materials.

(b) **GRANTS AUTHORIZED.**—(1) The Secretary is authorized to carry out a program of grants to State and local public libraries to establish exemplary model programs.

(2) Grants made pursuant to this section may not exceed \$200,000 in any fiscal year.

(3) Each State or local public library receiving assistance pursuant to this section may receive 1 grant per fiscal year for a maximum of 5 fiscal years.

(4) The Secretary may reserve 2 percent of the funds appropriated pursuant to the authority of section 4(a)(6) for the administrative costs of the grant program set forth in this section.

(5) The Secretary shall select an expert in library literacy activities to administer the grant program set forth in this section.

(c) **APPLICATION.**—(1) Each State or local public library desiring a grant under this section shall submit an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall—

(A) describe the activities and services for which assistance is sought;

(B) describe an innovative approach to public library literacy activities;

(C) substantiate the potential as to how the library profession will benefit from the demonstration grant and the national significance of the demonstration grant;

(D) provide a detailed description of how the demonstration grant will impact on illiteracy within the applicant’s community;

(E) set forth any special evidence for the need for such a demonstration grant;

(F) describe how the results of the demonstration grant will be evaluated and disseminated;

(G) indicate the potential of the demonstration grant for achieving replicability and for serving as a viable model; and

(H) provide evidence that the demonstration grant—

(i) was developed in consultation with the State library agency and with leading experts in adult literacy, and

(ii) takes into account literacy research.

(2) The Secretary, in consultation with the peer review panel established pursuant to subsection (d), shall develop regulations regarding the criteria for awarding grants and approving applications under this section.

(d) **PEER REVIEW PANEL.**—The Secretary shall establish a peer review panel to assist the Secretary in establishing criteria for awarding grants and approving applications under this section. The Secretary may appoint such technical experts and consultants to the peer review panel as may be useful in carrying out the functions of the peer review panel.

“SEC. 603. INEXPENSIVE BOOK DISTRIBUTION PROGRAM.

(a) **IN GENERAL.**—The Secretary is authorized to contract with Reading is Fundamental, a private nonprofit organization which motivates children to learn to read, to support and promote the establishment of reading motivation programs which include the distribution of inexpensive books. Such contract shall give priority to programs and projects which target rural and urban areas with large concentrations of economically disadvantaged children and students.

(b) **USE OF FUNDS.**—The contract authorized pursuant to subsection (a) shall provide that Reading is Fundamental use the funds provided pursuant to this title to—

(1) increase access to children’s books for parents, with priority being given to parents of newborns through children aged 5; and

(2) develop motivational materials to reach parents most disconnected from the education community, by making children’s books available in such places as welfare offices, health facilities, homeless shelters, migrant labor facilities, public housing developments, and local offices which administer the Supplemental Food Program established pursuant to section 17 of the Child Nutrition Act of 1966.”.

TITLE V—STUDENTS FOR LITERACY

SEC. 501. SHORT TITLE.

This title may be cited as the “Students for Literacy Act of 1990”.

SEC. 502. STATEMENT OF PURPOSE.

It is the purpose of this title to promote the development, location, and placement of community service jobs for students in the area of literacy tutoring, outreach, and training under the Work-Study Programs set forth in part C of title IV of the Higher Education Act of 1965.

SEC. 503. STUDENT LITERACY CORPS.

Section 146 of the Higher Education Act of 1965 is amended to read as follows:

“SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out the provisions of this part \$11,000,000 for fiscal year 1991.”.

SEC. 504. WORK-STUDY PROGRAMS.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 441(b) of the Higher Education Act of 1965 is amended to read as follows:

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this part \$656,000,000 for fiscal year 1991.”.

(b) **CONTENTS OF AGREEMENT.**—Section 443(b) of the Higher Education Act is amended—

(1) in paragraph (2)(A) by inserting after the comma the following: “except that the provisions of this subparagraph shall not apply to literacy training programs pursuant to section 447(b)(2)”; and

(2) in paragraph (5) by—

(A) striking “and” at the end of subparagraph (A);

(B) inserting “and” at the end of subparagraph (B); and

(C) inserting the following new subparagraph at the end thereof:

“(C) the Federal share of the compensation of students employed in the literacy work-study training programs described in section 447(b)(2) shall be 100 percent.”.

(c) **JOB LOCATION AND DEVELOPMENT PROGRAMS.**—Section 446(a) of the Higher Education Act is amended by inserting the following new paragraph at the end thereof:

(3) The provisions of paragraph (1)(B) shall not apply to institutions of higher education which enter into agreements with the Secretary to use funds allocated pursuant to section 442 for the creation and placement of literacy related positions for students, including students working with existing local literacy organizations.”

TITLE VI—VOLUNTEERS FOR LITERACY

SEC. 601. SHORT TITLE.

This title may be cited as the “Volunteers for Literacy Act of 1990”.

SEC. 602. STATEMENT OF PURPOSE.

It is the purpose of this title to develop, strengthen, supplement, and expand the capacity of both public and private agencies and organizations to combat illiteracy through the use of volunteers.

SEC. 603. UNIVERSITY YEAR FOR LITERACY.

Part B of title I of the Domestic Volunteer Service Act of 1973 (hereafter in this title referred to as the “Act”) is amended by inserting after section 114 the following new section:

“UNIVERSITY YEAR FOR LITERACY

“SEC. 115. (a) Pursuant to the authority and conditions in sections 112 and 113, the Director shall make grants and contracts for, or both, a program of full-time volunteer service to be known as University Year for Literacy. The purpose of the program shall be to establish and support innovative ways to use full-time students enrolled in institutions of higher education as volunteers in addressing and solving the broad range of problems facing illiterate and functionally illiterate individuals, and in providing assistance to organizations involved in combating illiteracy and the problems of illiterate individuals.

(b) In recruiting University Year for Literacy volunteers, priority shall be given to individuals pursuing a course of study that is related to, or likely to lead to, a career in a field related to addressing the problem of illiteracy.”

SEC. 604. LITERACY CHALLENGE GRANTS.

Part C of title I of the Act is amended by adding at the end thereof the following new section:

“LITERACY CHALLENGE GRANTS

“SEC. 125. (a) The Director is authorized to award challenge grants to eligible public agencies and private organizations to pay the Federal share of the costs of establishing, operating or expanding community or employee literacy programs or projects that include the use of full-time or part-time volunteers as one method of addressing illiteracy.

(b) Each eligible organization desiring a grant under this section shall submit to the ACTION Agency an application in such form and accompanied by such information as the Director may reasonably require. Each such application shall—

“(1) describe the activities for which assistance is sought;

“(2) contain assurances that the eligible organization will provide from non-Federal sources the non-Federal share of the cost of the program or project;

“(3) provide assurances, satisfactory to the Director, that the literacy project will be operated in cooperation with other public and private agencies and organizations interested in, and qualified to, combat illiteracy in the community where the project is to be conducted, and

“(4) contain such other information and assurances as the Director may reasonably require.

(c)(1)(A) The Federal share of the cost of a program or project authorized by this section administered by a public agency, a non-profit organization other than an organization described in paragraph (2), or a private, for-profit organization shall not exceed—

(i) 80 percent in the first fiscal year;
(ii) 70 percent in the second fiscal year; and

(iii) 60 percent in the third fiscal year.

(B) The non-Federal share paid by a private, for-profit organization shall be in cash.

(2) The Federal share of the cost of a program or project administered by a non-profit community-based organization shall not exceed—

(A) 90 percent in the first fiscal year;
(B) 80 percent in the second fiscal year; and

(C) 70 percent in the third fiscal year.

(3) The non-Federal share provided by a public agency or a nonprofit organization may be provided in cash, or in kind, fairly evaluated, and may include the use of plant, equipment, and services.”

SEC. 605. AUTHORIZATION OF APPROPRIATIONS.

(a) PART B OF TITLE I.—Section 501(b) of the Act is amended by—

(1) inserting “(1)” after the subsection designation; and

(2) inserting at the end thereof the following new paragraphs:

(2) Except as provided in paragraph 3 and in addition to the amount authorized to be appropriated in paragraph (1), there is authorized to be appropriated \$3,000,000 in each of the fiscal years 1991, 1992, and 1993 to carry out the provisions of section 115(a).

(3) No funds shall be appropriated pursuant to paragraph (2) in any fiscal year unless—

(A) the funds available in such fiscal year for the VISTA Program under part A of title I are sufficient to provide the years of volunteer service specified for such fiscal year under section 501(d)(1) for the VISTA Program; and

(B) the funds available in such fiscal year for the VISTA Literacy Corps under part A of title I are sufficient to provide at least the same years of volunteer service as were provided in the fiscal year preceding such fiscal year.”

(b) PART C OF TITLE I.—Section 501(c) of the Act is amended by—

(1) inserting “(1)” after the subsection designation; and

(2) inserting at the end thereof the following new paragraph:

(2) Except as provided in paragraph (3) and in addition to the amounts authorized to be appropriated pursuant to paragraph (1) there is authorized to be appropriated \$5,000,000 for fiscal year 1991, \$7,000,000 for fiscal year 1992, and \$10,000,000 for fiscal year 1993 for Literacy Challenge Grants under section 125.

(3) No funds shall be appropriated pursuant to paragraph (2) in any fiscal year unless—

(A) the funds available in such fiscal year for the VISTA Program under part A of title I are sufficient to provide the years of volunteer service specified for such fiscal year under section 501(d)(1) for the VISTA Program; and

(B) the funds available in such fiscal year for the VISTA Literacy Corps under part A of title I are sufficient to provide at least the same years of volunteer service as were provided in the fiscal year preceding such fiscal year.”

SEC. 606. TECHNICAL AMENDMENT.

(a) IN GENERAL.—Section 2 of Public Law 81-874 is amended by inserting at the end thereof the following new subsection (e):

(e) The United States shall be deemed to own Federal property, for the purposes of this Act where—

(1) prior to the transfer of Federal property, the United States owned Federal property meeting the requirements of subparagraphs (A), (B), and (C) of subsection (a)(1); and

(2) the United States transfers a portion of the property referred to in paragraph (1) to another non-taxable entity, and the United States—

(A) restricts some or any construction on such property;

(B) requires that the property be used in perpetuity for the public purposes for which it was conveyed;

(C) requires the grantee of the property to report to the Federal Government (or its agent) setting forth information on the use of the property;

(D) prohibits the sale, lease assignment or other disposal of the property unless to another eligible government agency and with the approval of the Federal Government (or its agent); and

(E) reserves to the Federal Government a right of reversion at any time the Federal Government (or its agent) deems it necessary for the National Defense.”

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1989.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

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

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, the second vote, which had previously been scheduled for this time, has been moved to 2:15 p.m. Accordingly, I now ask unanimous consent that there be a period for morning business until 1 p.m. with Senators permitted to speak therein.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

LENGTHENING THE SCHOOL YEAR—S. 2034, S. 2035

Mr. BINGAMAN. Mr. President, recently I introduced two important pieces of education legislation: S. 2034, which would establish a national council on educational goals and establish a national report card; and S. 2035, which would create a national commission to examine the advisability of lengthening the school year and school day.

Mr. PELL. I am familiar with both pieces of legislation. In fact, lengthening the school year is a matter that I have championed for years. I believe, however, that any such effort must recognize that an increase in either

the school year or the school day must be predicated upon a very needed increase in teacher compensation.

Mr. BINGAMAN. I am very aware of the longtime interest and leadership shown by Senator PELL, the chairman of the Education Subcommittee, in this very important issue. He is a co-sponsor of S. 2035, and was most helpful in suggesting language that would make clear that a lengthening of either the school day or the school year, or both, must involve an increase in teacher pay for the additional teaching responsibilities that would be required.

Mr. President, I would like to inquire of the distinguished chairman of the Education Subcommittee what kind of consideration he envisions for these bills, which have been referred to the Committee on Labor and Human Resources.

Mr. PELL. The issues addressed by both bills have been the subject of hearings chaired by the distinguished Senator from New Mexico in the Committee on Government Affairs, but we have yet to consider them in the Committee on Labor and Human Resources. Since both bills deal with education and touch directly upon instruction, my hope would be that we might consider them during the scheduled hearings on teacher legislation. I would also hope that my distinguished colleague from New Mexico might be willing to testify at one of those hearings and give us the benefit of the information gathered at the hearings he chaired in the Committee on Government Affairs.

Mr. BINGAMAN. I appreciate the invitation to appear before the subcommittee, and am especially grateful that my bills will be considered in the context of the teacher legislation now pending in the Education Subcommittee. I thank the distinguished chairman, and look forward to working with him in this important area.

Mr. PELL. Mr. President, as a final note, I would like to reemphasize my strong and long-held interest in a longer school year. For years I have carried with me a chart showing how the United States ranks with other nations when comparing the length of the school year. We do not fare well. The average length of the school year in the United States is 180 days. In Japan, however, it is 243. In South Korea, 220; in Italy, 216; in the Soviet Union, 210; in Thailand, 200; in the United Kingdom, 196; in Canada, 196; and in France, 190.

I have long been an advocate of the increased school year, and believe the idea of a commission to study the concept is an excellent one. I would point out, however, that any such study must not neglect that a lengthened school year must be based upon an increase in teacher compensation. Any study that did not involve recognition

of that precept would be "not worth its weight in gold."

Finally, we must also look carefully at the quality of the instruction that is offered in a lengthened school year. Our work will go for naught if the instruction of a lengthened school year fails to be of the highest quality possible. That is why this question is so critically linked to strengthening the quality of instruction in the classroom. This means attracting more talented men and women into the teaching profession, and it also means inservice programs that will enable those already in the classroom to improve their teaching methods and add depth to the understanding of their discipline.

I thank the Senator from New Mexico for the interest he has shown in a matter that is dear to my heart, and I, too, look forward to working with him.

HONORING THE DUPREE, SD, EDWIN HODGDON AMERICAN LEGION POST 124

Mr. PRESSLER. Mr. President, I recently received a short letter from Dorothy Serr of Dupree, SD, describing the activities conducted by the local American Legion Post and Auxiliary in commemoration of Veterans Day. I thought that this narrative would be fitting to enter in the RECORD at this time as an example of the spirit of voluntarism and community involvement championed by our President in his State of the Union Address. The Edwin Hodgdon Post involves the entire community in its observance of Veterans Day. This is how that important holiday should be observed in every community in this country. I ask unanimous consent that Dorothy Serr's letter be printed in the RECORD at this point.

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

EDWIN HODGDON UNIT 124,
AMERICAN LEGION AUXILIARY,
Dupree, SD, Jan. 29, 1990.

Senator LARRY PRESSLER,
Washington, DC.

THE HONORABLE SENATOR PRESSLER: The Dupree, South Dakota Edwin Hodgdon Post 124 and Auxiliary Unit 124 each year present a Veterans' Day Program at the school. The entire school enrollment attend the program. Also, the public is invited. Briefly, our program consists of the Pledge to the Flag, prayer, special music, special presentations by Legion and Auxiliary members, and usually a patriotic film. The Legion always advances the colors.

Prior to Veterans' Day, I—the Auxiliary Americanism Chairman—visit the First Grade rooms and present small flags to each youngster after listening to them recite the Pledge to the Flag and instructing them on the care of the flag.

Respectfully,

DOROTHY M. SERR.

DRUG EDUCATION—IT WORKS, IN SPITE OF DR. BENNETT

Mr. KENNEDY. Mr. President, last Friday William Bennett, Director of National Drug Control Policy, testified before the Judiciary Committee in defense of the administration's drug strategy. I rise today to call to the attention of my colleagues a shocking assertion Dr. Bennett made at that hearing.

I had noted in my opening statement that drug education is a crucial ingredient of any sensible national drug strategy. I made the observation that comprehensive drug education programs can serve to inoculate children against drug abuse. To my surprise, Dr. Bennett hotly disputed the importance of drug education.

"Should we have drug education programs or should we have tough policy?" Bennett asked rhetorically. "If I have the choice of only one, I will take policy every time because I know children." Later, Dr. Bennett grudgingly called drug education "a helpful auxiliary," but said he thought strict sanctions for using drugs served as a more effective deterrent to schoolchildren.

Mr. President, for some time now I have faulted the administration for advancing an imbalanced drug strategy, one that underestimates the importance of treatment and education. Nonetheless, I had assumed that we were all in substantial agreement about the fundamental need for such programs. I was frankly amazed to hear the architect of our Nation's drug policies offer such a dim assessment of drug education efforts.

Education is not a mere "helpful auxiliary" to law enforcement. Education must be a centerpiece of our anti-drug strategy.

Is Dr. Bennett unaware of the statistics that demonstrate the importance of education? The National High School Survey reveals that a 48-percent increase in the perceived harmfulness of cocaine use among high school seniors corresponded to a 31-percent decrease in cocaine use among those students.

Is Dr. Bennett unaware of the testimony offered at a Labor and Human Resources Committee hearing on September 26, 1989? At that hearing, leading drug prevention experts and educators spoke of the vital importance of both school and community-based education in the effort to combat the epidemic of drug abuse.

Is Dr. Bennett unaware of the scientific literature that proves the effectiveness of comprehensive drug education programs? The Kansas City "Students Taught Awareness and Resistance" [STAR] Program has been in place since 1984, and its results are highly encouraging. Students exposed to the education programs were 24

percent less likely to engage in gateway drug use by the fifth grade, 57 percent less likely to engage in heavy marijuana use by the 10th grade and 38 percent less likely to engage in cocaine use by the 10th grade.

Another pioneering drug prevention program, the Seattle Social Development project, targets children in the early primary grades. By the time students in the project reached the fifth grade, their use of gateway drugs was 25 percent lower than students not participating in the project.

To be sure, there is much research to be done to determine which kinds of programs are most effective and which students are most susceptible to these efforts. But at this stage it is absolutely clear that drug education works. When reinforced by community and church-based efforts, drug education in our schools can give our children the basic information and social skills they need to resist the destructive allure of drugs.

In fact, to understand the importance of drug education, all Dr. Bennett needs to do is read the booklet that the Department of Education published in 1986 while he was Secretary of Education. This booklet, entitled "What Works: Schools Without Drugs," contains a useful summary of the drug prevention literature. It also sets forth a series of practical recommendations for implementing drug education programs in schools and other community settings.

As the introduction to the booklet states on page 6:

[W]hen parents, schools and communities pull together, drugs can be stopped . . . Schools are uniquely situated to be part of the solution to student drug use. Children spend much of their time in school. Furthermore, schools, along with families and religious institutions, are major influences in transmitting ideals and standards of right and wrong. Thus, although the problems of drug use extend far beyond the schools, it is critical that our offensive on drugs center in the schools.

The author of that introduction was Dr. William Bennett.

I believe wholeheartedly in what Dr. Bennett wrote in 1986. The question is, What does Dr. Bennett know, and when does he know it?

I share the President's goal to end the scourge of drugs. But to achieve that goal, drug education must be the central part of our efforts. Schools can teach students the self-esteem and social skills they need to resist the temptation of drugs. Young people can be persuaded by their parents, their teachers and other role models that drug use is a harmful activity that destroys their lives.

I hope that Dr. Bennett will reconsider the ill-considered views he expressed to the Judiciary Committee. I urge the administration to bring a sense of balance to its antidrug efforts, to recognize that law enforcement

cannot do the job alone, and to give drug education and drug treatment their necessary place of prominence in the national drug control strategy.

VETERANS RADIATION-EXPOSURE LEGISLATION

Mr. CRANSTON. Mr. President, as my colleagues know, I have long been interested and involved in congressional efforts to address the needs of veterans who had been exposed to radiation in the course of their military service, including providing compensation for disabilities that might be linked to that exposure. That effort culminated in the enactment in 1988 of the Radiation-Exposed Veterans Compensation Act of 1988, Public Law 100-321, which was a compromise between House-passed legislation, H.R. 2616, and S. 1002, which I introduced and which the Committee on Veterans' Affairs subsequently reported in S. 9.

The Senate bill relied heavily on the findings from the 1980 report of the National Academy of Sciences Committee on the Biological Effects of Ionizing Radiation. This report—known as BEIR III—represented the best information available at that time on the cancer risks faced by those veterans who participated in the post-bombing occupation of Hiroshima and Nagasaki and those who participated on-site in nuclear weapons tests. Various members of Congress contributed proposals that ultimately were reconciled in Public Law 100-321, and I believe the final result was both a compassionate and a fiscally responsible response to the serious and continuing needs and concerns of radiation-exposed veterans and their families.

In late December of last year, the National Academy of Sciences released the newest report of the committee, BEIR V. This report contains new and important analyses based on recently developed and conducted studies of the effects of radiation. First, the researchers had available 10 more years of information on the health status of the Japanese who survived the atomic blasts. Second, a bi-national group of scientists developed a new way of measuring the doses received by individuals at various sites in Hiroshima and Nagasaki, and the scientists now are able to adjust estimated exposures based on whether, for example, people were shielded by buildings. And, finally, the NAS committee made use of new biostatistical techniques for analyzing the complicated array of data available. The BEIR V findings appear, on first review, to be very significant. They include estimates of three to four times greater lifetime excess cancer risk following radiation exposure than previously estimated. This change strengthens concern about the health effects of low-level

ionizing radiation and seems to support the approach to compensation which Congress took in Public Law 100-321 and which the legislation I am developing would continue.

At my request, Veterans' Affairs Committee staff and the Office of Technology Assessment are now reviewing BEIR V. I have also asked VA's Advisory Committee on Environmental Hazards to advise me about its plans for reviewing this report. In the next few weeks, I will be introducing legislation, reflecting the BEIR V findings, to expand the diseases considered presumptively service-connected and the manifestation period under Public Law 100-321. My goal is to continue to ensure that the latest scientific knowledge about the true effects of ionizing radiation is taken into account in the Government's response to the health problems of veterans who were exposed to ionizing radiation from atomic detonations during their service, while, of course, giving these veterans the benefit of reasonable doubt.

Mr. President, I ask unanimous consent that my January 23, 1990, letter to the VA's Advisory Committee on Environmental Hazards and my January 24, 1990, letter to the Office of Technology Assessment be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, January 23, 1990.
Mr. OLIVER MEADOWS,
Chairman, Veterans' Advisory Committee
on Environmental Hazards, Department
of Veterans Affairs, Washington, DC.

DEAR OLIVER, as you know the National Research Council of the National Academy of Sciences recently issued the fifth report of its Committee on the Biological Effects of Ionizing Radiation—the so-called BEIR V report. The report, "Health Effects of Exposure to Low Levels of Ionizing Radiation," expresses significant new concerns about the type and risk of adverse health effects that might result from exposure to low-level radiation. My understanding is that this latest report contains significant new findings regarding the risk of low-level radiation exposure, the diseases that may be associated with such exposure, and manifestation periods. I expect shortly to introduce legislation to make changes, based on BEIR V, in the Radiation-Exposed Veterans Compensation Act of 1988 (P.L. 100-321).

I would appreciate you advising me of the plans of the Advisory Committee on Environmental Hazards to review BEIR V and the timetable for such a review. In your reply, please include a description of any assignment the Committee has received from the Secretary to review BEIR V or other radiation issues that might affect veterans' compensation or medical care.

Thank you for your prompt attention to this request. As always, I greatly appreciate your cooperation with regard to matters relating to veterans who may have been exposed to environmental hazards.

With warm regards,
Cordially,

ALAN CRANSTON,
Chairman.

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, January 24, 1990.

Dr. JOHN H. GIBBONS,
Office of Technology Assessment, U.S. Congress,
Washington, DC.

DEAR JOHN, the National Research Council of the National Academy of Sciences recently issued the fifth report of its Committee on the Biological Effects of Ionizing Radiation—the so-called BEIR V report. The report, "Health Effects of Exposure to Low Levels of Ionizing Radiation," expresses important new concerns about the type and risk of adverse health effects that might result from exposure to low-level radiation. My understanding is that this latest report contains significant new findings regarding the risk of low-level radiation exposure, the diseases that may be associated with such exposure, and manifestation periods.

I expect shortly to introduce legislation to make changes, based on BEIR V, in the Radiation-Exposed Veterans Compensation Act of 1988 (P.L. 100-321). Thus, I would appreciate your review and comment on this study, particularly your evaluation of the methods used and the conclusions drawn from the data.

Thank you for your prompt attention to this request. As always, I greatly appreciate your cooperation and OTA's valuable opinions and perspective about matters relating to veterans who may have been exposed to environmental hazards.

With warm regards,
Cordially,

ALAN CRANSTON,
Chairman.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I emphasize to Senators that the party caucuses will begin as scheduled. There are, I believe, two or three Senators who wish to address the Senate on various subjects during this period. I know both Senator Dole and I plan to cover a great deal of material during the caucuses so Senators should attend the party caucuses as if on the regular schedule.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. I thank the Chair.

(The remarks of Mr. LEAHY pertaining to the introduction of S. 2074 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. I thank the Chair.

(The remarks of Mr. JEFFORDS pertaining to the introduction of S. 2074 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

Mr. MOYNIHAN. I thank the Chair.

(The remarks of Mr. MOYNIHAN pertaining to the introduction of S. 2074

are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

THE 1990 FARM BILL

Mr. BOSCHWITZ. Mr. President, I would like to speak at some length about the farm bill and about the various elements of agriculture that we are going to be considering in the near future as the farm bill of 1990 comes before the Agriculture Committee.

We have watched with fascination and amazement at the events of the past few months in Eastern Europe. The people are throwing off the bondage of communism and the shackles of planned economies of Communist states. It is a powerful testimony to democracy, as those once oppressed, seek to emulate the political and economic systems of the West.

Congress is in the process of crafting a new farm bill and whether or not these nations of Eastern Europe, or Third or Fourth world nations are going to make any progress will largely depend upon agriculture. All of those economies are rooted in agriculture, even though those countries are rather small physically and have a large population per square mile. Nevertheless, a large percentage of their population live on the farms.

Agriculture is the most basic industry of Poland, Hungary, Czechoslovakia, and Romania. The basic industry of those countries will remain agriculture. The kind of agriculture systems they adopt is really going to be the key to whether or not they develop as free and open societies and economies. Whether or not they take price restraints away from agricultural goods early is going to determine whether or not price restraints on other elements of their economy will be freed up later.

It is critical that we continue, in the United States, the leadership we have shown in making our economic system a model for others to seek to emulate. To that end, the policy decisions we make in the farm bill will directly affect not only U.S. farmers and consumers, and those who provide supporting technology for food and fiber systems, but also it will affect how competitive the U.S. food and fiber system will be in the rest of the world.

Mr. President, tomorrow the Secretary of Agriculture, Clayton Yeutter, will be before the Senate Agriculture Committee to present the administration's views. My hope is that he comes with ideas on budget savings that were presented in general terms in the administration's budget last week.

Quite frankly the budget document was far too vague in specifying how

savings are going to be accomplished. Secretary Yeutter has spoken often of the need for flexibility in the next farm bill. Flexibility has become the buzzword in foreign policy this year.

I am pleased to say that last year I took a 62-county tour of Minnesota. It was a repeat of my 1988 tour of Minnesota when I went to 62 farms in 62 different counties to look at the impact of the drought. I said I would come back in 1989 and see whether or not the bill that we passed allowed them to survive and to continue in the business of farming.

So last year I went back and began to talk about the 1990 farm bill. They had survived. The bill that we passed in 1988 was useful in creating that result.

I spoke about flexibility, about the fact that the present bill does not allow much of that, and that we should do more of it in the 1990 bill. Flexibility can take many shapes and forms. It is my hope that the Senate tomorrow can be quite specific on what the administration will recommend to add flexibility to our farm program.

Farmers and policymakers have come to realize that the 1985 farm bill was too rigid in directing farmers to plant certain crops in order to receive income payments. We must allow farmers to react to market signals to retain our competitive edge. An example of the rigidity of the 1985 farm bill is the loss of world markets in the soybean trade. This chart illustrates how world soybean trade has grown from 20 million metric tons in 1970-71 to nearly 60 million metric tons today.

During that same period, the United States share of the world soybean market declined from 80 percent in 1970-71 to 37 percent in 1988-89. Although our total tonnage increased from 16 million tons in 1970-71 to just over 22 million tons in 1988-89, we missed an enormous opportunity, really a golden opportunity in agriculture, to take full advantage of the rapid growth of the world oilseed trade—perhaps the most graphic growth of world trade in agriculture that has ever occurred in a single lifetime. We started dominating the field. We ended up losing it principally to the South Americans as I was showing you.

The primary reason the United States did not take advantage of that opportunity was the inflexibility of the 1985 farm bill. Farmers were forced to continue to plant corn, cotton in some cases, so that they could receive income support in the form of deficiency payments and also preserve their crop acreage bases.

The market was telling farmers to plant more soybeans. This second graph, illustrates that the market returns over variable costs of soybeans

exceeded corn in 1986, 1987, and 1988. However, farmers were prevented from responding to this clear economic signal by the farm program for corn.

As you can see, the market signals certainly did not favor the corn, it favored soybeans. Nevertheless, soybean planting during that period went down, because the farm program sent the overwhelming, overriding signal that you have to plant corn and, to some degree, cotton.

This problem is further emphasized by the next chart on oilseed planting trends from 1980 to 1990. The chart includes sunflowers, and canola as well as soybeans. While American farmers responded to the signals of our farm program, South American and European farmers were expanding their share of the world market and, indeed, replacing U.S. acres with their own. We must not allow that to continue. We simply must alter our farm program to remove Government barriers which prevent the farmers from responding to market signals.

As you can see, Mr. President, planting by the United States went down during the entire period. At the same time, oilseed plantings in South America went from about 30 million to about 50 million acres. For every acre we lost, the South Americans picked it up.

The same has happened in Europe. In this case it is not entirely because of our particular farm program; it is because of incentives they have given in Europe. But you can also see that acres in Europe have risen, too in oilseeds, mostly in rapeseed.

On November 8, I outlined a proposal for the 1990 farm bill that would allow farmers to respond to market signals without jeopardizing deficiency payments and crop bases. A farm acreage base would be established for each farm. It would be made up of the 1990 base acres of feed grains, wheat, cotton, and rice. A base would be created for oilseeds that would include soybeans, sunflowers, safflower, flaxseed, and canola, also included in the farm acreage base.

Deficiency payments would be paid on the 1990 crop acreage base, regardless of the mix of program and oilseed crops that were planted on that base. The payment rate would be determined as it is now—the amount by which the target price exceeds the higher of the loan rate or the average marketplace. The program payment yield would be the program payment yield for the 1990 crop.

For example, a farmer with 100 acres of corn base and 100 acres of wheat base that typically planted 100 acres of soybeans would have a 300-acre farm acreage base. That farmer could plant 50 acres of corn, 150 acres of wheat, 100 acres of soybeans and still receive a deficiency payment on

100 acres of corn and 100 acres of wheat.

In summary, this proposal gives farmers flexibility to react to market signals while still providing needed income supports.

On November 8, I stated that my flexibility proposal would not allow planting of nonprogram crops on a farm acreage base unless deficiency payments were forfeited on a composite acreage basis. As I continued to refine my proposal, it is apparent that this could create a considerable amount of inflexibility.

Right now, nonprogram crops can be freely planted and compete with soybeans as well as other oilseeds. By including oilseeds in the farm acreage base and requiring forfeiture of deficiency payments, nonprogram crops could not really compete with oilseeds for acreage as they do now.

This element of inflexibility was unintended. I am now exploring, allowing nonprogram crops to be grown on the part of the farm acreage base that was historically planted to oilseed without deficiency payment forfeiture. That would not be a change from current policy.

Let me speak about marketing loans. My flexibility proposal has interesting implications for the crops with marketing loans. It is apparent that limits will need to be placed on the quantity that may be eligible for marketing loans. Quantities will have to be limited to the production that can be grown on historical crop acreage bases. This will prevent the potential for double dipping, which I did not properly contemplate and foresee in putting together my speech here on the floor of November 8.

An example of double dipping would be if a farmer had a farm acreage base of 300 acres, again, the 100 acres of cotton, of wheat, and on oilseed. Let's say the farmer planted 150 acres of cotton, 50 acres of wheat, and 100 of oilseed. That farmer could potentially receive both the wheat deficiency payment and a marketing loan payment on the 50 extra acres of cotton that was planted on the wheat base if no limits were placed on marketing loan eligibility.

Let me talk, if I may, for a moment about the differences between the cotton and rice programs and the wheat and feed grains programs. The goal of my flexibility proposal is to continue the major thrust of the 1985 farm bill and incorporate constructive elements of planting flexibility. However, some changes will be necessary, because cotton and rice were treated differently than wheat and feed grains in the 1985 farm bill.

The 1985 farm bill set the loan rate for wheat and feed grains at 75 to 85 percent of the average price received by farmers during the immediately preceding years, excluding the high

and low years. Reductions of loan votes were limited to 5 percent a year. Cotton and rice were determined in a similar manner, except that 85 percent of the 5-year average was used. In addition, the loan rate for cotton and rice could not be lower than 50 cents per pound or \$6.50 per hundred weight respectively.

Wheat and feed grains have no such floors. "Findley" loan reductions, as they are called, of up to 20 percent were authorized for wheat and feed grains. No such authority was provided for cotton and rice.

The net effect of these differences was that cotton and rice loan rates have not been reduced as much as wheat and feed grains. Wheat loan rates have been reduced 41 percent from 1985 to 1990. Corn rates have been reduced 38 percent, rice 19 percent. Cotton loan rates have been reduced only 12 percent.

Differences also exist in the payment and calculation of deficiency payments. Wheat and feed grain farmers do not receive their entire deficiency payment until the 12-month marketing year is complete. Cotton and rice farmers receive their final deficiency payment after the first 5 months of their respective marketing years. Rice deficiency payments are based on prices farmers receive during the first 5 months of the marketing year, which typically have the lowest price of the year resulting in larger deficiency payments. Cotton, wheat, and feed grain deficiency payments are based on a 12-month average price. Thus, deficiency payments for these crops are less than if they were based on the first 5 months of the marketing year.

The duration of the loan is different as well. The duration of loans are 9 months for rice, wheat, and feed grains, while cotton loans are 10 months. In addition, cotton farmers have the option of an automatic 8-month loan extension. So, in effect, they have an 18-month loan. The combination of the initial 10-month loan and 8-month extension tends to confound the operation of the marketing loan making cotton less competitive in the world market.

Since the deficiency payments are set and the farmer has an automatic 18-month loan, he can simply hold onto the cotton and hope for better prices. And, because he is protected on the downside by the marketing loan, he holds on with no risk whatsoever.

Cotton and rice should be treated the same as wheat and feed grains in regards to loan rates and deficiency payments. The automatic 8-month cotton loan extension should be discretionary for the Secretary of Agriculture. I realize that many of the differences among commodity programs may be important to many of my col-

leagues. These comments are intended to inform my colleagues of these differences and to set the stage for a full discussion of these matters.

Let me speak for a moment about soybeans.

Mr. President, earlier I came out in support of a marketing loan for soybeans when I spoke on November 8. I am having second thoughts about that, as well. Problems arise in how a marketing loan would operate in the framework of my flexibility proposal. My proposal does not require a farmer to plant his base acreage to receive the deficiency payments associated with those bases. However, in the case of soybeans, a farmer would have to plant soybeans in order to receive income support via the marketing loan. This seems to be less than desirable for a truly flexible proposal.

Secretary Clayton Yeutter has said that marketing loans will be looked at with considerable skepticism because of their high price tag. I have received many solicited comments on my proposal. Most comments were that my proposal is a good one, but the marketing loan provision was criticized because of its potential to unfairly drive down soybean prices, which we do not want to achieve.

As a result, I am exploring the idea of making per acre payments on a farmer's oilseed base, which would also be established—the base and the payment would be established—by the new bill. This would provide income support for all oilseeds included in the oilseed base—not just soybeans. These payments would be made if oilseed prices were below specified levels and would be paid even if a farmer did not plant his entire oilseed base to oilseeds.

As it is now, the loan of \$4.53 on soybeans is enough above variable costs, and enough above variable costs so that it is more above variable costs than it is in some of the other commodities. Farmers, perhaps, would tend to choose to take the corn deficiency payment and then plant soybeans in order to get the higher loan in that case. We do not want to create those kinds of distortions. That is not the purpose of the bill.

Let me speak for a moment about stock policies. We will need to re-evaluate how the U.S. intends to manage its grain stocks. The food security wheat reserve, the farmer-owned reserve, and Government-owned stocks need to be more responsive to the market. The mechanisms for releasing these stocks is highly restrictive. Through creative uses of generic certificates, USDA has found ways of circumventing those restrictions and getting these stocks on the market. As the useful life of generic certificates appears to be coming to a close, the release mechanisms will

have to be liberalized in the 1990 farm bill.

Farmers realize that Government-owned stocks and reserve stocks depress grain prices and limit the upside potential of the market. Although these stocks can moderate costs of food for consumers, the fact that they hang over the market drives down the prices that farmers receive. A balance needs to be struck that provides some price stability without disrupting and depressing the marketplace.

Let me speak for a moment about acreage reduction programs.

I have long called for the elimination of setasides or acreage reduction programs or ARP's, as they are called. This program requires farmers to set aside part of their base, without compensation, as condition for receiving deficiency payments. The combination of target prices which signal greater production and set asides for the purpose of limiting production is absurd. It is like driving a car with one foot on the gas and the other on the brake. You can do it for awhile, but your brake linings eventually wear thin.

There are a number of compelling reasons to abolish ARP's. First of all, ARP's are an efficiency tax on farmers. Fixed costs on idled land, such as the mortgage payment and property taxes, do not go away. They must be spread over fewer bushels. This raises the cost of production for each and every farmer and each and every bushel.

If ARP's are continued in the next farm bill, the target price should be increased when ARP levels are increased so that farm income is not reduced. This would take away the incentive for the Office of Management and Budget [OMB] to push USDA to have high ARP's in order to reduce Government outlays, because that is what happen now. The effort to reduce the cost of farm programs through excessive ARP's has increased food costs to consumers and cost the U.S. export share.

Second, ARP's are bad for the environment. Because farmers have to cover the same fixed costs over fewer acres, they compensate by applying more inputs, such as fertilizers and chemicals, on their permitted acres. This has an adverse effect on the environment, particularly on ground water. In addition, farmers have little incentive to establish anything more than minimal cover crops on idled land. In many cases, the potential for erosion is worse on idled land than if the land was cropped.

A basic problem with land idling, be it ARP's, paid land diversions, or the conservation reserve program, is that it generates the economic signal that land is a scarce commodity. This tells agricultural scientists, extension agents, farmers, and input suppliers that inputs other than land should be

substituted for land. As a result, efforts to research, develop and utilize more intensive cropping systems are encouraged.

This is not what American agriculture is about. One of the greatest assets of American agriculture is its rich, productive, and abundant farmland. It makes no sense at all to force land to be idled and then use more chemicals and fertilizers on the balance of the land. Intensive agricultural practices raise our costs of production making us less competitive in the world market and increase the potential to harm the environment.

We can learn a lesson on this from the Europeans. Their farm price support system for farm products is far above world prices. They support soybeans at \$18 per bushel, while the world price is only about a fourth of that. Secretary Yeutter observed during a recent hearing that "They could grow soybeans in the Alps at that price." Artificially high supports have caused European farmers to pour on the fertilizers, insecticides, and fungicides to the point that they are having serious environmental problems.

I recently suggested that maybe we ought to have some kind of countervailing duty or countervailing EPP, that where our competitors use very high chemical inputs that really foul the ground and the environment, that we should provide greater offsetting subsidies against competing exports where they use those high inputs.

Slippage is the third reason ARP's should be eliminated. Farmers try to minimize the impact of ARP's by idling their least productive acres. Obviously, the effect of a 10-percent ARP on a farm may reduce the production less than 5 percent if a farmer is able to idle land that is half as productive as the rest of the farm, which normally can be done. Land that normally does not get planted seems to find a way to qualify as land eligible to be idled. Take a look at a graph of U.S. acreage since 1965.

Notice that the acreage devoted to principal crops and their respective land idlings is higher in the years that have higher annual set-asides. Also notice that when annual set asides were reduced in 1967, 1971, 1973, 1980, 1984, and 1989, the acreage that was planted plus set aside also fell. Apparently, acreage that met the Government's standards for idling did not meet a farmer's requirement for crop production.

I know of at least two ways this can happen. The first occurs in cotton production. Cotton farmers are allowed to designate skip rows as set aside even though skip rows are a normal production practice. The second occurs in wheat production in which fallowing is practiced. Fallow land is eligible to

be designated as set aside which allows farmers to plant a nonprogram crop on the acreage that should have been idled.

Certainly there are other ways that innovative farmers can minimize the impact of ARP's. It is unfortunate that Government programs force farmers to devote their energies to farming the Government farm program rather than devoting those same energies farming for the market.

I want to balance supply and demand as much as supply management proponents. I simply believe that the marketplace can accomplish it better than the Government. If commodity programs are reformed so that farmers are planting according to market prices rather than target prices, the market will be able to balance supply and demand.

Sometimes I wonder if United States agriculture isn't taking the risk of getting too close to the kind of centralized planning that occurs in Eastern Europe and the Soviet Union. Frankly, I am convinced that bureaucrats at USDA and OMB are no more qualified to tell farmers what to plant than bureaucrats in the Kremlin. I think its high time we had a bit of perestroika in U.S. agricultural policy.

RECESS UNTIL 2:15 P.M.

THE PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of New Mexico, asks unanimous consent that the Senate stand in recess under the order until the hour of 2:15 p.m.

There being no objection, the Senate, at 1:05 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

THE PRESIDING OFFICER. The Senator from Wisconsin.

PRIVILEGE OF THE FLOOR

MR. KOHL. Mr. President, I ask unanimous consent that Janet Martin, a fellow in my office, be given the privilege of the floor during consideration of S. 695.

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

NATIONAL GLOBAL CHANGE RESEARCH ACT OF 1989

The Senate continued with the consideration of the bill.

MR. GORTON. Mr. President, I commend the chairman of the Senate Commerce Committee, Senator HOLLINGS, in sponsoring S. 169, the National Global Change Research Act. I was proud to join him as a cosponsor of this bill and enthusiastically urge its adoption today by the Senate.

This important legislation mandates a Federal research plan to study

global environmental change, including greenhouse warming and ozone depletion. It provides for a coordinated Federal response to this environmental challenge by better defining the role of each agency and integrating each agency's work within our overall policy objectives.

I was pleased to see that the President's budget contains over \$1 billion, an increase of 57 percent over 1990 levels, for the U.S. Global Change Research Program. This will allow NASA to proceed with "Mission to Planet Earth," and provides for the launch of the first U.S. Earth Observing System platform in 1998 as part of that mission. It also includes \$87 million for the National Oceanic and Atmospheric Administration's Climate and Global Change Program—an increase of \$69 million over fiscal year 1990 levels.

Much has been made over the last week regarding whether it is now time for research or research and action on global warming. I stand with those who believe we should do both. While I am pleased that the President's budget shows a new commitment to research and global change more needs to be done. Carbon dioxide is the single largest greenhouse gas, comprising nearly 50 percent of all such gases. In my view, one of the most effective ways of controlling CO₂ buildup lies within our reach. Nearly 30 percent of all CO₂ emissions comes from automobile exhaust. The single best way of reducing these emissions is to increase the fuel economy of automobiles—in itself, a major energy and environmental priority.

We must encourage manufacturers to continue the progress they have made on fuel economy since Congress passed the original law in 1975. Senator BRYAN has introduced, and I have cosponsored, S. 1224, the Motor Vehicle Fuel Efficiency Act of 1989. Our legislation would require each manufacturer by the year 1995 to increase its fleet performance by 20 percent over model year 1988 levels. A fleet average of 34 mpg for cars would reduce carbon dioxide emissions by 89.6 million tons over the lifetime of the vehicles from that model year, as compared to a fleet that averaged 27.5 mpg.

Mr. President, the bill before the Senate today is an important step forward in our Nation's understanding of global change. I hope it will be just the first of several major new initiatives passed by the Congress this year to lessen our planet's risk from the threat of global warming.

MR. WIRTH. Mr. President, I want to praise Senator HOLLINGS and his staff for developing this important bill. This legislation institutionalizes relationships that have been established by the Committee on Earth Sciences [CES]. By all accounts, the CES process is working very well—prevent-

ing duplicative research and streamlining scientific inquiry on the most pressing questions we must answer to better understand the planet and its environmental systems. We can measure the distance from Earth to the Moon within a matter of centimeters, but we do not fully understand all of the interactions between the geological, atmospheric and biological systems that make up the natural world.

Out in the forefront of global change research are many of the dedicated scientists that live and work in my home State of Colorado. They are strong supporters of this bill and I hope all of my colleagues will join me in support of this legislation.

Passage of this legislation is only a first step, however. It is time for this institution to step forward and take action to stop the assault we have launched on the atmosphere. The human species is a powerful agent of change in the natural world. Our capacity to understand this fact is being outpaced by the rate at which we are insulting the environment. We must slow down, be conservative and protect the integrity of our most vital environmental systems.

Unfortunately, the administration has abdicated its role as a leader in the effort to address our most pressing environmental problem—global warming. Mr. President, we know that we must act and that we must act now. The administration has demonstrated time and time again that it is unwilling or unable to craft the policies we need to respond to the rapid ecological changes that are afoot. In the absence of this kind of leadership, it is incumbent upon us, in this body, to live up to our responsibilities to this and future generations. I look forward to working with colleagues to craft aggressive policy responses to the global environmental challenge.

MR. BINGAMAN. Mr. President, I rise today to ask unanimous consent that I be added as a cosponsor to Senator HOLLINGS' bill, S. 169, the National Global Change Research Act of 1989. I am pleased that the Senate is acting on this important legislation, and I urge all of my colleagues to give their full support to this measure.

The likelihood of a major worldwide meteorological disturbance that would drastically affect climate and thus profoundly alter the Earth's ecological cycles has provoked much discussion among scientists, policymakers, and the public at large. We face a new wave of environmental trends that may challenge our very existence on this Earth. Avoiding destructive climate change may require a fundamental reordering of national energy priorities within the next decade. As one of the largest collective users of natural resources, Americans must initiate sound environmental practices. At the

Paris economic summit in June, the President signed a statement which declared that "decisive action is urgently needed to understand and protect the Earth's ecological balance."

We know that global warming is an environmental problem which must be addressed. In the United States, the Federal Government has spent tens of millions of dollars in recent years studying global change. Because of the breadth of the problem and its widespread effects on our society, a number of different Federal agencies are involved in global change research. As the challenges become better defined, additional research and funding will be necessary. It is essential that this national effort be well-planned and well-coordinated.

The bill I cosponsor today would provide a mechanism for planning such long-term efforts. It provides authority to the Federal Coordinating Council for Science, Engineering, and Technology [FCCSET], to develop long-range plans for research efforts involving more than two Federal agencies. This legislation reinforces FCCSET's existing responsibilities for coordinating the various agencies' research efforts in areas of national concern.

Furthermore, the bill also gives FCCSET specific responsibility for coordinating the Federal research on global change. The legislation would require FCCSET to develop a 10-year national global change research plan to carry out that responsibility.

I am confident that this research plan will give us the knowledge we need to address the environmental effects of global warming. I for one am committed to trying to ensure the resources needed to carry out this research program.

THE PRESIDING OFFICER. Under the previous order, the question is now on the passage of the bill, S. 169, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

(Rollcall Vote No. 5 Leg.)

YEAS—100

Adams	Cohen	Graham
Armstrong	Conrad	Gramm
Baucus	Cranston	Grassley
Bentsen	D'Amato	Harkin
Biden	Danforth	Hatch
Bingaman	Daschle	Hatfield
Bond	DeConcini	Heflin
Boren	Dixon	Heinz
Boschwitz	Dodd	Helms
Bradley	Dole	Hollings
Breaux	Domenici	Humphrey
Bryan	Durenberger	Inouye
Bumpers	Exon	Jeffords
Burdick	Ford	Johnston
Burns	Fowler	Kassebaum
Byrd	Garn	Kasten
Chafee	Glenn	Kennedy
Coats	Gore	Kerrey
Cochran	Gorton	Kerry

Kohl	Moynihan	Barbanes
Lautenberg	Murkowski	Sasser
Leahy	Nickles	Shelby
Levin	Nunn	Simon
Lieberman	Packwood	Simpson
Lott	Pell	Specter
Lugar	Pressler	Stevens
Mack	Pryor	Symms
Matsunaga	Reid	Thurmond
McCain	Riegle	Wallop
McClure	Robb	Warner
McConnell	Rockefeller	Wilson
Metzenbaum	Roth	Wirth
Mikulski	Rudman	
Mitchell	Sanford	

So, the bill (S. 169), as amended, was passed, as follows:

S. 169

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

SHORT TITLE

SECTION 1. This Act may be cited as the "National Global Change Research Act of 1990".

SCIENCE AND TECHNOLOGY POLICY

SEC. 2. Section 102(a)(6) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6602(a)(6)) is amended to read as follows:

"(6) The development and implementation of long-range, interagency research plans to support policy decisions regarding identified national and international concerns, and for which a sustained and coordinated commitment to improving scientific understanding will be required.".

FEDERAL COORDINATING COUNCIL FOR SCIENCE, ENGINEERING, AND TECHNOLOGY

SEC. 3. (a) Section 401 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651) is amended to read as follows:

FUNCTIONS OF COUNCIL

"SEC. 401. (a) The Federal Coordinating Council for Science, Engineering, and Technology (hereinafter referred to as the 'Council') shall consider problems and developments in the fields of science, engineering, and technology and related activities affecting more than one Federal agency, and shall recommend policies and other measures designed to—

"(1) provide more effective planning and administration of Federal scientific, engineering, and technological programs;

"(2) identify research needs, including areas requiring additional emphasis;

"(3) achieve more effective utilization of the scientific, engineering, and technological resources and facilities of Federal agencies, including the elimination of unwarranted duplication; and

"(4) further international cooperation in science, engineering, and technology.

"(b) The Council may be assigned responsibility for developing long-range and coordinated plans for scientific and technical research which involve the participation of more than two Federal agencies. Such plans shall—

"(1) identify research approaches and priorities which most effectively advance scientific understanding and provide a basis for policy decisions;

"(2) provide for effective cooperation and coordination of research among Federal agencies; and

"(3) encourage domestic and, as appropriate, international cooperation among government, industry, and university scientists.

"(c) The Council shall perform such other related advisory duties as shall be assigned

by the President or by the Chairman of the Council.

"(d) For the purpose of carrying out the provisions of this section, each Federal agency represented on the Council shall furnish necessary assistance to the Council. Such assistance may include—

"(1) detailing employees to the Council to perform such functions, consistent with the purposes of this section, as the Chairman of the Council may assign to them; and

"(2) undertaking, upon request of the Chairman, such special studies for the Council as come within the scope of authority of the Council.

"(e) For the purpose of developing interagency plans, conducting studies, and making reports as directed by the Chairman, standing committees and working groups of the Council may be established."

(b) Section 207(a)(1) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6616(a)(1)) is amended by striking "established under Title IV".

NATIONAL GLOBAL CHANGE RESEARCH PLAN

SEC. 4. The National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 et seq.) is amended by adding at the end the following new title:

"FINDINGS AND PURPOSE

"SEC. 601. (a) Congress finds and declares the following:

"(1) Industrial, agricultural, and other human activities, coupled with an expanding world population, are contributing to processes of global change that may significantly alter our habitat within a few human generations.

"(2) Such human-induced changes are destroying stratospheric ozone and may lead to significant global warming, and thus have the potential to alter world climate patterns and increase global sea levels, and have reduced and will continue to reduce the ability of the atmosphere to screen out harmful ultraviolet radiation. Over the next century, the consequences could seriously and adversely affect world agricultural and marine production, coastal habitability, regional economic well-being, human health, and biological diversity.

"(3) Development of effective policies to mitigate and cope with human-induced global changes will rely on greatly improved scientific understanding of global environmental processes and on our ability to distinguish between the effects of human activities on one hand and the results of natural change on the other.

"(4) New developments in interdisciplinary Earth sciences, global observing systems, and computing technology make possible significant advances in the scientific understanding and prediction of these global changes and their effects.

"(5) Efforts are ongoing in several Federal agencies which could contribute to a well-defined and coordinated national program of research, monitoring, assessment, information management, and prediction.

"(6) The United States, as a world leader in Earth system science, should continue to provide leadership in developing and implementing an international global change research program.

"(b) It is the purpose of Congress in this title to provide for a national global change research plan which when implemented will assist the Nation and the world to understand, assess, predict, and respond to human-induced and natural processes of global change.

"COMMITTEE ON EARTH SCIENCES

"SEC. 602. (a) The President shall establish a Committee on Earth Sciences (hereafter in this title referred to as the 'Committee') within the Council. The Committee shall consist of one representative each from—

"(1) the National Science Foundation;

"(2) the National Aeronautics and Space Administration;

"(3) the National Oceanic and Atmospheric Administration;

"(4) the Environmental Protection Agency;

"(5) the Department of Energy;

"(6) the Department of State;

"(7) the Department of Defense;

"(8) the Department of the Interior;

"(9) the Department of Agriculture;

"(10) the Department of Transportation;

"(11) the Office of Management and Budget;

"(12) the Office of Science and Technology Policy;

"(13) the Council on Environmental Quality; and

"(14) such other agencies of the United States as the President considers appropriate.

Such representatives shall be high ranking officials of their agency or department, wherever possible the head of the portion of that agency or department that is most relevant to the purpose of the Committee described in subsection (c).

"(b) The Committee biennially shall select as Chairman a member representing one of the following agencies or departments:

"(1) the National Aeronautics and Space Administration;

"(2) the National Oceanic and Atmospheric Administration;

"(3) the National Science Foundation;

"(4) the United States Geological Survey; and

"(5) the Environmental Protection Agency.

Representatives of the same agency or department may not serve as Chairman of the Committee for consecutive terms.

"(c) The purpose of the Committee is to increase the overall effectiveness and productivity of Federal research and assessment efforts directed toward an understanding of the Earth as a global system. In fulfilling this purpose, the Committee shall address significant national policy matters which affect more than one agency. A primary function of the Committee shall be to develop and implement the National Global Change Research Plan established under section 603.

"NATIONAL GLOBAL CHANGE RESEARCH PLAN

"SEC. 603. (a)(1) The President, through the Committee, shall develop a National Global Change Research Plan (hereafter in this title referred to as the 'Plan') in accordance with section 401(b) of this Act and the provisions, findings, and purpose of this title. Consistent with the responsibilities set forth under subsection (d) of this section, the Plan shall contain recommendations for national research, to be submitted to Congress within one year after the date of enactment of this title and to be revised at least once every three years thereafter.

"(2) The Plan shall—

"(A) establish the goals and priorities for Federal global change research for the 10-year period beginning in the year the Plan (or revised Plan) is submitted;

"(B) set forth the role of each Federal agency and department in implementing the Plan;

"(C) describe specific activities, including research activities, data collection and analysis requirements, predictive modeling, participation in international research efforts, and information management, required to achieve such goals and priorities; and

"(D) consider and utilize, as appropriate, reports and studies conducted by Federal agencies and departments, the National Research Council, or other entities.

"(3) The Plan shall address, where appropriate, the relevant programs and activities of the following Federal agencies and departments:

"(A) the Department of Commerce, particularly the National Oceanic and Atmospheric Administration;

"(B) the National Science Foundation;

"(C) the National Aeronautics and Space Administration;

"(D) the Department of the Interior;

"(E) the Department of Energy;

"(F) the Department of Agriculture;

"(G) the Environmental Protection Agency;

"(H) the Department of Defense, particularly the Department of the Navy;

"(I) the Department of Transportation;

"(J) the Department of State; and

"(K) such other research agencies and departments as the President, or the Chairman of the Council, considers appropriate.

"(b) The Committee shall—

"(1) serve as lead entity responsible for oversight of the implementation of the Plan;

"(2) coordinate the global change research activities of Federal agencies and departments and report at least annually to the President, through the Chairman of the Committee, on any recommended changes in agency or departmental roles that are needed to better implement the Plan;

"(3) prior to the President's submission to Congress of the annual budget estimate, review each agency budget estimate in the context of the Plan and make the results of that review available to each agency and to the appropriate elements of the Executive Office of the President, particularly the Office of Management and Budget;

"(4) work with Federal agencies, with the National Research Council, and with academic, State, and other groups conducting research and assessments of global changes and their effects;

"(5) cooperate with the Department of State in the coordination of Federal interagency participation in international activities related to global change research and assessment; and

"(6) consult with actual and potential users of such research and assessments.

"(c) The Plan shall provide for, but not be limited to, the following research elements:

"(1) Global measurements, establishing worldwide observations necessary to understand the physical, chemical, and biological processes responsible for changes in the Earth system on all spatial and time scales.

"(2) Documentation of global change, including the development of mechanisms for recording changes that will actually occur in the Earth system over the coming decades.

"(3) Studies of earlier changes in the Earth system, using evidence from the geological and fossil record.

"(4) Predictions, using quantitative models of the Earth system to identify and simulate global trends.

"(5) Development of an information base, assembling the information essential for ef-

fective decision-making to respond to the consequence of global change.

"(6) Focused research initiatives directed toward resolving scientific uncertainties regarding specific aspects of the Earth system.

"(d)(1) The Plan shall take into consideration, but not be limited to, the following existing agency missions and responsibilities.

"(A) The National Science Foundation shall be responsible for maintaining the health of basic research in all areas of Earth, atmospheric, and ocean science, including the relevant biological and social sciences and research in the polar regions. Such basic research may include ground-based studies on regional and global scales; large-scale field programs; interpretation and use of remotely sensed data and geographic information systems; theoretical and laboratory research; research facilities support; and development of numerical models, information and communication systems, and data bases.

"(B) The National Aeronautics and Space Administration shall be responsible for Earth-science research missions from space, including those studies of broad scientific scope that study the planet as an integrated whole. Associated efforts may include related studies of physical, chemical, and biological processes; sub-orbital and ground-based studies; remote-sensing and advanced instrument development; improvement of techniques for the transmission, processing, archiving, retrieval, and use of data; related scientific models; and other research activities in atmospheric, oceanographic, and land science.

"(C) The National Oceanic and Atmospheric Administration shall maintain a balanced program of observations, analysis and research, climate protection, and information management. Responsibilities shall include operational in-situ and satellite observation and monitoring systems; related research on physical and biogeochemical processes in the climate system, including their effect on marine ecosystems and resources; development, testing, and application of models and diagnostic techniques for the detection and prediction of natural and human-induced climatic changes; and the acquisition, maintenance, and distribution of long-term data bases and related climate information.

"(D) The Department of the Interior shall be responsible for the collection, maintenance, analysis, and interpretation of information on terrestrial, aquatic, biological, and other natural resources, including monitoring of hydrologic and geologic processes and resources, of land-use, of land-cover, and of biological habitats, resources, and diversity. Research areas may include past changes recorded in the physical, chemical and biological record; the hydrologic cycle; land-surface and solid-Earth processes that relate to environmental change; geography and cartography; ecosystem modeling and dynamics; and ethnology. Research findings shall be used in assessing and responding to the effects of global change on aquatic, terrestrial, biological, and other natural resources.

"(E) The Environmental Protection Agency shall be responsible for conducting research to assess, evaluate, and predict the ecological, environmental, and human-health consequences of global change, including the interaction of plant and animal communities and ecosystems with the climate system. Additional areas of responsi-

bility shall include assessment, research, and development of techniques to mitigate and adapt to climate change, development of emission factors, inventories and models for radiatively important trace gases, and evaluation of the relationship between global atmospheric change and regional air and water quality.

"(F) The Department of Energy shall be responsible for research on emissions of carbon dioxide and other gases from energy production and use, including the study of climatic responses to those emissions and the development of an information base for evaluating the effects of various energy and industrial policy options on climate. Associated efforts may include assessment and application of predictive models; evaluation of global and regional climate responses to various energy policy options; research on industrial sources of trace gases; and studies to assess how responses to climate change affect energy options.

"(G) The Department of Agriculture shall be responsible for research to assess the effects of global change on the agricultural food and fiber production systems and on forests and forest ecosystems, including research on biological response mechanisms to increasing greenhouse gases, improvement of plant and animal germplasm to respond to global change, and development and implementation of plans for changing agricultural and forestry practices to ameliorate the observed increases of greenhouse gases. An additional responsibility shall include research on applications of agricultural climatology to improve management decisions and conservation of resources while maintaining quality and quantity of crop yields.

"(H) The Department of Defense shall be responsible for research into environmental processes and conditions that affect defense operations, tactics, and systems. Additional responsibilities shall include facilitating exchange of relevant information with civilian agencies, participation in planning of national research efforts, and cooperative development of data management systems to ensure effective coordination and transfer of information among military and civilian agency programs.

"(I) The Department of Transportation shall be responsible for evaluating the effects of transportation policy options on the global environment, particularly the use of fuels in transportation systems that result in the emission of combustion gases, including aircraft emission into the stratosphere. An additional responsibility shall be the assessment of the ways in which climate changes affect the efficiency and safety of transportation on land, sea, and rivers, and in the air.

"(2) The Plan shall reflect the need for collaboration among agencies with respect to—

"(A) the establishment and development of an information system for Earth system science; and

"(B) research into the development of new conceptual and numerical models of the Earth system.

"(e) The Secretary of State shall consult with the Chairman of the Committee in—

"(1) providing representation at international governmental meetings and conferences on global change research and assessment in which the United States participates; and

"(2) coordinating the Federal activities of the United States with the global change research and assessment programs of other nations and international agencies and orga-

nizations, including the World Meteorological Organization and the United Nations Environmental Program.

"(f) Each Federal agency and department involved in global change research shall, as part of its annual request for appropriations to the Office of Management and Budget, submit a report identifying each element of its proposed global change activities, which—

"(1) specifies whether each such element (A) contributes primarily to the implementation of the Plan or (B) contributes primarily to the achievement of other objectives but aids Plan implementation in important ways; and

"(2) states the portion of its request for appropriations that is allocated to each such element.

The Office of Management and Budget shall review each such report in light of the goals, priorities, and agency responsibilities set forth in the Plan, and shall include, in the President's annual budget estimate, a statement of the portion of each agency or department's annual budget estimate that is allocated to each element of such agency or department's global change activities. Annual budget estimates shall be submitted to Congress that reflect the activities outlined in the Plan. The Office of Management and Budget shall ensure that a copy of the President's annual budget estimate is transmitted to the Committee at the same time as such budget estimate is submitted to Congress.

"RELATION TO OTHER AUTHORITIES

"Sec. 604.(a) The President, the Chairman of the Committee, and the Secretary of Commerce shall ensure that relevant research activities of the National Climate Program, established by the National Climate Program Act (15 U.S.C. 2901 et seq.), are considered in developing national global change research efforts.

"(b) The President, the Chairman of the Committee, and the heads of the agencies represented on the Committee, shall ensure that the research findings of the Committee, and of Federal agencies and departments are available to—

"(1) the Environmental Protection Agency for use in the formulation of a coordinated national policy on global climate change pursuant to section 1103 of the Global Climate Protection Act of 1987 (15 U.S.C. 2901, note); and

"(2) all Federal agencies and departments for use in the formulation of coordinated national policies for responding to human-induced and natural processes of global change pursuant to other statutory responsibilities and obligations.

"(c) Nothing in this title shall be construed, interpreted, or applied to preclude or delay the planning or implementation of any Federal action designed, in whole or in part, to address the threats of stratospheric ozone depletion or global climate change.

"ANNUAL REPORT

"Sec. 605. The Chairman of the Committee shall prepare and submit to the President and Congress, not later than January 31 of each year, an annual report on the activities conducted pursuant to this title during the preceding fiscal year, including—

"(1) a summary of the achievements of Federal global change research efforts during that preceding fiscal year;

"(2) an analysis of the progress made toward achieving the goals and objectives of the Plan;

"(3) a copy or summary of the Plan and any changes made in such Plan;

"(4) a summary of agency budgets for global change activities for that preceding fiscal year; and

"(5) any recommendations regarding additional action or legislation which may be required to assist in achieving the purposes of this title."

EDUCATIONAL EXCELLENCE ACT OF 1989

The Senate continued with the consideration of the bill.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I rise in support of S. 695, the Educational Excellence Act which is now about to be debated on the floor of the Senate.

This bill includes proposals made by President Bush aimed at strengthening the educational quality in American schools. Timely action on this bill should indicate to the President that we want to cooperate with him to improve the educational performance in this country, and to improve the educational performance of our individual students. It should show that we will listen and act on his education proposals, but we expect that he will listen to congressional viewpoints on education as well.

This bill contains some good initiatives as far as it goes. It is an authorization bill. It authorizes \$414 million in new programs for the fiscal year 1991. The list of initiatives is impressive: Presidential merit schools, schools of excellence, alternative certification for teachers and principals, national science scholars, drug free schools, urban renewal emergency grants, endowment grants for black colleges and universities, and school dropout demonstration grants. A national board for professional teaching standards is also authorized.

All of these proposals represent meritorious efforts that can help improve the quality of education in the United States. All of these proposals deserve our strong support, and I give my strong support to the President in making such proposals. But as we vote on this bill today, it is important that we do not lose sight of the reality as we get caught up in the rhetoric. The reality is that while this bill authorizes \$414 million in new education spending, it does not appropriate a single dollar. To do that, we must act within the confines of the budget process, and the budget reality as presented by this President of the United States is distressing to this Senator. The President of the United States has asked Congress for a 2 percent nominal increase in overall education spending. With an inflation rate expected to exceed 4 percent in the

coming year, in reality, this represents a 2-percent-plus real cut in Federal education spending in the upcoming year. In other words, if we are to fund this \$414 million new initiative the President is calling for, we are going to have to cut other education programs to do it.

I do not think that the President's rhetoric is matching his reality. His budget does not match his State of the Union speech. His budget does not match what he is asking for in this bill. I am going to vote for this bill. I support it. I support the items in it. But can we stand here and be so naive as to call this progress, when we have no money allocated—or even spoke for, or pushed, or placed in any way—in the budget to pay for these initiatives?

As we debate the condition of American education, let us do so with our eyes wide open to a reality that the largest security threat to our country today does not come from communism or some foreign military force; rather, it comes from an inability of our kids to excell academically in a world increasingly dominated by nations who outperform us in the classroom and in the boardroom, not on the battlefield.

Talking about the problem is not enough. Shifting education expenditures from one education initiative to another is not enough. It is time for some bold action. The inequalities of educational opportunity between rich and poor in this country are unacceptable, Mr. President. This "Tale of Two Cities" can end up being the Achilles heel of our future.

Through the turn of the century, nearly half of the net growth of the labor force must be provided by members of historically poor populations within our Nation, where education is clearly inadequate and underfunded. All of the talk about education reform has to date yielded few tangible results. Some States, including my home State of Washington, have been at the forefront in designing innovative approaches to this complex problem. Our Governor, Booth Gardner, I am pleased to say, is in the city this week, together with three other Governors who have tried to deal with this complex problem. Yet, in instances where innovative steps have been taken, the recently released results of the national assessment of education programs reflect an alarming lack of progress.

Only 42 percent of our 17-year-olds can read well enough to understand a 12th-grade history textbook. And only 4.8 percent of those students can read at a level required in most professional and technical working environments. The Washington State educational assessment for reading, language arts, and mathematics, places our students only average among this dismal national performance.

President Bush calls himself the education President. He has outlined a

series of impressive national goals in education as part of the State of the Union Message. At the same time, he proclaims we do not need to increase Federal spending, or do anything else in terms of really shifting priorities to address this dismal performance. He claims we already spend more on education than other nations. He says it is not the amount we spend but how we spend it. Let us look at that.

If you look at the study released on January 17 by the Economic Policy Institute, it shows the fallacy of the President's assertion. The study finds that the 13 other industrialized countries spend more on grade K through 12 than does the United States. The study calculates that if the United States were to increase spending for primary and secondary school—and that is where our problem is, Mr. President—up to the average of these other countries, we would need to increase annual spending on education in the United States by \$25 billion. Instead, we are cutting it in real terms by 2 percent.

It is only when you fold in higher education that the President's assertion holds. We are spending more on higher education, but we are failing at the basic building blocks on which all of our education must stand, and that is wrong.

The dismal performance reflected in the national assessment cannot be addressed by higher education. We should not have, as we often have, higher educational institutions having to teach what are our secondary and, in some cases, primary education goals. Rather, these must be addressed at the preschool, primary, and secondary school levels.

Two major pieces have been missing in this debate on education reform. The first is the notion that every child in this country—rich, poor, of moderate means, black, white, Native American, Hispanic—must have equality of opportunity to secure quality education. That has been missing. Second, we cannot end discrimination in education and implement true school reform without additional investment in education. We are simply deluding ourselves if we continue to believe otherwise.

We probably cannot come up with the \$25 billion to bring our education spending up to par with our international competitors, though I bet I can find a few places in the defense budget and elsewhere where we can get a part of this money. And maybe we cannot come up to par this year with our international competitors, but we can productively begin to increase educational spending this year.

Full funding of the Educational Excellence Act, the one we are talking about, without requiring cutbacks in other education programs, is a very good place to start, and that is my

point, Mr. President. On the Appropriations Committee, that is precisely what I hope to do. If we can start meeting these kinds of goals, then we will have an opportunity to have a true education program.

It is largely our choice in this body as to whether or not we create a peace dividend from the encouraging changes taking place in Eastern Europe and the Soviet Union—and whether or not we choose to spend some of it on education. To do otherwise, in my judgment, would be to surrender to a rising tide of mediocrity, which we have been repeatedly warned about by experts. Stopping this prophecy from coming true is perhaps the greatest domestic challenge we face today. Meeting this challenge is possibly and probably the greatest legacy we can give to our children and to our grandchildren.

I urge the adoption of the bill, and I hope it will not be amended and it will be the first of a series of education initiatives we will have on the Senate floor. And then, I hope we fund them. I thank the President and yield the floor.

AMENDMENT NO. 1233

(Purpose: To establish the Student Athlete Right-to-Know Act)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. BRADLEY], for himself, Mr. KENNEDY, and Mr. COCHRAN, proposes an amendment numbered 1233.

Mr. BRADLEY. 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:

On page 133, after line 24, insert the following:

TITLE XIII—STUDENT ATHLETE RIGHT-TO-KNOW

SEC. 1301. SHORT TITLE.

This title may be cited as the "Student Athlete Right-to-Know Act".

SEC. 1302. FINDINGS.

The Congress finds that—

(1) education is fundamental to the development of individual citizens and the progress of the Nation as a whole;

(2) there is increasing concern among citizens, educators, and public officials regarding the academic performance of student-athletes at institutions of higher education;

(3) an overwhelming majority of college presidents (86 percent) in a survey by the U.S. News and World Report believe that the pressure for success and financial rewards in intercollegiate athletics interferes with the educational mission of the United States' colleges and universities;

(4) more than 10,000 athletic scholarships are provided annually by institutions of higher education;

(5) prospective student athletes and their families should be aware of the educational commitments prospective colleges make to athletes; and

(6) knowledge of the graduation rates of student-athletes would assist prospective students and their families in making an informed judgment about the educational benefits available at a given institution of higher education.

SEC. 1303. REPORTING REQUIREMENTS FOR INSTITUTIONS OF HIGHER EDUCATION.

(a) **REPORTS TO THE SECRETARY.**—Each institution of higher education which receives Federal financial assistance and is attended by students receiving athletic scholarships shall annually submit a report to the Secretary which contains—

(1) the number of students at the institution of higher education who received athletically related student aid for football, basketball, and all other sports, broken down by race and sex;

(2) the number of students at the institution of higher education, broken down by race and sex;

(3) the graduation rate for students at the institution of higher education who received athletic scholarships for football, basketball, and all other sports, broken down by race and sex;

(4) the graduation rate for first-time, full-time students, broken down by race and sex;

(5) the average graduation rate for the 4 most recent graduating classes of students at the institution of higher education who received athletically related student aid for football, basketball, and all other sports, broken down by race and sex;

(6) the average graduation rate for the 4 most recent graduating classes of all students, broken down by race and sex; and

(7) the average graduation rate for the 10 most recent graduating classes of students at the institution of higher education who received athletically related student aid for football, basketball, and all other sports, broken down by race and sex.

(b) **STUDENT NOTIFICATION.**—When an institution described in subsection (a) offers a potential student-athlete athletically related student aid, such institution shall provide to the student and his parents, his guidance counselor, and coach the information contained in the report submitted by such institution pursuant to subsection (a).

(c) **SPECIAL CIRCUMSTANCES.**—If an institution of higher education described in subsection (a) finds that the information collected pursuant to subsection (a), because of extenuating circumstances, does not provide an accurate representation of the school's graduation rate, the school may provide additional information to the student and the Secretary.

(d) **COMPARABLE INFORMATION.**—Each institution of higher education described in subsection (a) may provide supplemental information to students and the Secretary showing the graduation rate when such graduation rate does not include students transferring into, and out of, such institution. The Secretary shall ensure that the data presented to the student and the data submitted to the Secretary are comparable.

SEC. 1304. REPORT BY SECRETARY.

(a) **IN GENERAL.**—The Secretary shall, using the data required under section 3, shall compile and publish a report containing the information required under section 3, broken down by—

(1) individual institutions of higher education, and

(2) athletic conferences recognized by the National Collegiate Athletic Association and the National Association of Intercollegiate Athletics.

(b) **REPORT AVAILABILITY.**—The Secretary shall make available copies of the report required under subsection (a) to any individual or secondary school requesting a copy of such report.

SEC. 1305. INFORMATION.

The Secretary may, at his discretion, obtain the information required by section 3 from a private, not-for-profit organization when, in the Secretary's opinion, such collection will reduce the paperwork burden imposed on higher education institutions.

SEC. 1306. WAIVER.

The Secretary shall waive the requirements of this Act for any institution of higher education which is a member of an athletic association or athletic conference that voluntarily publishes graduation rate data or has already agreed to publish the data that, in the opinion of the Secretary, is substantially comparable to the information required under this Act.

SEC. 1307. DEFINITIONS.

For the purpose of this title—

(1) The term "athletically related student aid" means any scholarship, grant, or other form of financial assistance whose terms require the recipient to participate in an institution of higher education's program of intercollegiate athletics in order to be eligible to receive such assistance.

(2) The term "institution of higher education" has the same meaning given such term by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

SEC. 1308. EFFECTIVE DATE.

The amendment made by this title shall take effect on October 1, 1991.

Mr. BRADLEY. Mr. President, I rise to offer an amendment requiring colleges to provide graduation rates to their potential student athletes. Joining me in this amendment is the distinguished Senator from Massachusetts, the chairman of the Senate Labor and Human Resources Committee, Mr. KENNEDY and Mr. COCHRAN. This amendment incorporates the thrust of my legislation—the Student Athlete Right-to-Know Act—as reported by the Senate Labor and Human Resources Committee.

Mr. President, we have all heard about both the highlights and pitfalls of participating in intercollegiate athletics. Many high school and college athletes dream of playing for a Division I team and, perhaps, of a professional sports career. Yet only 1 out of every 100 high school athletes will receive a scholarship to play at a Division I college. Most of those lucky few can expect a pressure-packed environment where academics and athletics collide in a world with heavy demands and little time. And even fewer of those who do play in this high pressure league will ever make it to the pros. In 1986, 12,000 men played college basketball, but only 161 were drafted by the NBA. Of the 161 who were drafted, only a few will play more than 3 or 4 years.

Single-minded devotion to athletics among our Nation's schools and col-

leges can lead to exploitation and abuse of the student athlete. The result can be a sad story. Too frequently the student athlete, failing his or her courses or not carrying a full course load, exhausts eligibility, loses an athletic scholarship, and drops out of school—with no education, no training, and only a few memories for comfort. A recent General Accounting Office report indicated that the graduation rate of basketball and football student athletes who attend division I schools is very poor. It is my understanding that at one division I institution, the graduation rate was a pathetic 7 percent for students on basketball scholarships during the decade of 1972-83.

Mr. President, that should not happen. With the proper balance between academics and athletics, sports can provide the means to an education that might otherwise be unattainable. Many athletes have applied the discipline of the arena to the classroom and have gone on to satisfying careers. We need more success stories built on good habits and opportunities seized.

That is why I introduced the Student Athlete Right-to-Know Act in the Senate. This is a consumer information bill for student athletes and their families. Student athletes about to enter college should be consumers of education and participants in sports, if our priorities are in order. As such, they are entitled to the relevant and basic consumer information that is an essential element of an informed choice. The choice of which college or university to attend is likely to be one of the most important decisions of a young person's life. A potential student athlete and his or her family are entitled to a direct and valid answer to the question, "If I enter your college or university as a freshman on an athletic scholarship in my sport, what are the chances that I will graduate within a year of those in my entering class?"

This amendment requires colleges and universities to report graduation rates, including the graduation rates of student athletes broken down by sport, race, and sex and the proportion of students who earn a degree within 5 years, reported by sport, race, and sex. The information is to be made available to high school student athletes, their families, and high school guidance counselors and principals, to aid the student athletes as they choose the schools they will attend.

Mr. President, since the legislation was reported by the Labor Committee, the NCAA in January—in a nearly unanimous vote—adopted requirements consistent with this legislation. I applaud their action. But while the NCAA action is important, Federal legislation is still needed because many student athletes don't go to

NCAA colleges. There are 500 colleges in the National Association of Intercollegiate Athletics and 500 in the National Junior College Athletic Association. These colleges enroll an unknown but sizeable number of student athletes. The future students at these schools need this information.

The amendment now before us is different from the legislation reported by the committee in only one respect: It directs the Secretary of Education to waive Federal requirements for colleges that have already agreed to provide this information as part of their athletic association. Since the NCAA has already adopted the requirements, its member colleges will not be affected. And when and if the National Association of Intercollegiate Athletics and the National Junior College Athletic Association adopt similar regulations, their colleges will also be exempted from the legislation.

Mr. President, education is the passport to a productive and rewarding life in our society. The challenge of a college experience should not be making the team or becoming an all-star, but preparing to be a good citizen, friend, and family member. Our student athletes must participate in sports as they pursue the primary goal of an education for life, rather than trying to obtain an education in the process of working in revenue-producing sports.

The Student Athlete Right-to-Know Act is one small step forward in straightening out some of the problems in athletics today. I seek to strengthen the role of education rather than weakening the role of athletics. I hope that an informed choice will lead to a real education and a college degree. Adoption of these requirements is the right thing to do, and it is right for Congress to do it now. I urge the adoption of the amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND addressed the Chair.

Mr. COCHRAN. Mr. President, will the distinguished Senator yield so we can get action on the amendment of the Senator from New Jersey?

Mr. THURMOND. I am glad to yield.

Mr. COCHRAN. Mr. President, I congratulate the Senator from New Jersey for developing this amendment in the form it is presented today to the Senate. I am delighted to be a cosponsor of this measure.

When it was before the full committee, I objected to reporting the legislation out, actually voted against it, and wrote minority views that were included in the committee report explaining why I thought this amendment, as originally drafted and proposed, imposed an unnecessary burden on the Department of Education. I also opposed it because the NCAA had scheduled a meeting in January to debate

this issue and to try to determine ways to encourage member colleges and universities to improve their monitoring of the academic progress and graduation rates of student athletes.

I support the goals and aims of the legislation, as I did at that time. The changes made by the Senator from New Jersey have certainly improved his proposal and the Senate ought to adopt it as an amendment to the Education Excellence Act. I am delighted to join him, and I thank him for his cooperation.

The PRESIDING OFFICER. The Senator from South Carolina yielded for a comment.

Mr. THURMOND. Mr. President, I am pleased to yield until the Senate finishes this amendment, and I yield to the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I thank the Senator very much indeed.

Mr. President, this is an amendment that passed out of our committee last November. It is a good proposal and I thank the Senator from New Jersey for making the modification he has in the amendment.

I suggest that we pass it.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from North Carolina.

AMENDMENT NO. 1234 TO AMENDMENT NO. 1233

Mr. HELMS. Mr. President, I send a second-degree amendment to the desk and ask it be stated.

The PRESIDING OFFICER. The clerk will state the second-degree amendment.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1234 to amendment numbered 1233.

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

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

The amendment is as follows:

On page 59, line 17, strike out "\$15,000,000" and insert in lieu thereof "\$25,000,000."

On page 117, strike out line 19 and everything that follows through line 15 on page 129 and insert in lieu thereof the following:

"TITLE X—MINIMUM COMPETENCY STANDARDS FOR TEACHERS"

"SEC. 1001. MINIMUM COMPETENCY FOR TEACHERS.—Title IV of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof a new part J to read as follows:

"PART J—MINIMUM COMPETENCY FOR TEACHERS PROGRAM"

"SEC. 4911. FINDINGS.—The Congress finds that—

(1) effective public elementary and secondary schools require competent teachers; and

(2) States should be encouraged and assisted to develop and implement written standards of minimum competency that are applicable to teachers in public elementary and secondary schools.

"SEC. 4912. PURPOSE.—It is the purpose of this part to enhance the quality of teaching in public elementary and secondary schools by encouraging and assisting States and consortia of States to develop and implement written minimum competency standards for teachers in such schools. States may require teachers to demonstrate compliance with such standards before teaching in a public elementary or secondary school with the State.

"SEC. 4913. AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000, for the period beginning October 1, 1990 to September 30, 1993 to carry out the purposes of this title.

"SEC. 4914. ALLOTMENTS.—(a) From the amount appropriated to carry out this part, the Secretary shall allot to each State whose application is approved an amount that is proportional to that State's share of the total population of children ages five through seventeen in all such States, based on the most recent data available that is satisfactory to the Secretary.

"(b) For the purpose of this part, the term 'State' means any of the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4915. STATE APPLICATIONS.—(a) Any State desiring to receive a grant under this part shall submit, through its State educational agency, an application at such time, such manner, and containing such information, as the Secretary may require.

(b) Each State application shall—

"(1) describe the activities to be undertaken to develop and implement new, or expand and improve existing, written minimum competency standards.

"(2) A State educational agency may carry out such programs, projects, or activities directly or through contracts or subgrants.

"(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

"(1) design, development, implementation, testing, and evaluation of written minimum competency standards;

"(2) establishment of administrative structures necessary to the development and implementation of such standards;

"(3) development and implementation of appropriate support programs, to assist teachers to demonstrate compliance with such standards; and

"(4) the development and implementation of appropriate reciprocity agreements between and among States.'

"SEC. 1002. EXPIRATION DATE.—Effective October 1, 1994, the provisions of section 1001 of this Act are repealed."

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. 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. HELMS. 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. HELMS. Mr. President, Senator THURMOND and others are waiting to deliver their comments on this legislation. If my amendment stands in the second degree, then there will be debate on that. I do not want to inhibit any Senator in making his opening remarks. Therefore, I withdraw the amendment temporarily.

The PRESIDING OFFICER. The Senator is permitted to withdraw his amendment.

AMENDMENT NO. 1233

Mr. PELL. Mr. President, what is the business presently before the Senate? Is not the Bradley amendment presently before the Senate?

The PRESIDING OFFICER. The Senator is correct.

The question is now on the Bradley amendment.

Is there further debate?

Mr. PELL. Mr. President, I believe it is a good amendment and recommend to my colleagues that it be approved.

Mrs. KASSEBAUM. Yes, Mr. President, it is supported on this side as well, particularly given the modification to meet Senator COCHRAN's concerns.

Mr. HELMS. Mr. President, I ask unanimous consent that I may be added as a cosponsor of the pending amendment.

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

The question is on agreeing to the amendment.

The amendment (No. 1233) was agreed to.

Mr. PELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of S. 695, the Educational Excellence Act of 1989. As an original cosponsor of this measure, I am pleased to endorse the initiatives of President Bush for strengthening and improving the educational system in the United States.

In his State of the Union Address last week, President Bush emphasized his commitment to establishing excellence in education in America. S. 695 authorizes the following proposals of our President for building a well-educated Nation:

The establishment of a Presidential Merit Schools Program, that would recognize, as well as reward elementary and secondary schools and teachers that make substantial progress in educational achievement.

Schools of Excellence would be established through the creation of a discretionary grant program that is

targeted to schools serving students from low income families. This program would be tied to increased funding of the Magnet Schools and Alternative Curriculum programs for the enhancement of excellence in academic and vocational disciplines.

States are encouraged to formulate and place into action alternative certification requirements for educators, so that our students may have the benefit of learning from those who possess a wealth of knowledge in specific subject areas, even though they do not have formal training in teaching.

The establishment of the National Science Scholars Program to provide scholarships for students who have demonstrated academic achievement in the areas of science and mathematics.

The development and implementation of comprehensive approaches to addressing the problem of drug abuse among students through expansion of the Drug-Free Schools State Formula Grant Program to include Drug Free Schools: Urban and Rural Emergency Grants.

Finally, an increase in funding for Endowment Challenge Grants to benefit Historically Black Colleges and Universities.

As a former teacher, athletic coach, and county superintendent of education, I am convinced that education is the key to the future. The citizens of our great country must have access to an educational system of the caliber that will prepare them to compete in an increasingly complex world. Our students should be second to none in educational achievement. The proposals of President Bush, which are authorized in S. 695, will contribute greatly to keeping Americans competitive in an age of rapidly expanding technology.

Mr. President, as originally proposed, S. 695 did not contain a provision authorizing \$25 million in funding for the National Board for Professional Teaching Standards. However, such a provision has been added as title X of this bill. I am opposed to this provision.

The National Board for Professional Teaching Standards, is a private non-profit organization that was established in 1987 by the Carnegie Forum on Education and the Economy. According to its certificate of incorporation, the Board is designed to: "Serve as an instrument for advancing the public interest through improving the quality of education available to the people of the United States and through strengthening teaching as a profession by setting high standards for what teachers need to know and be able to do." The Board is also to "create and administer a system for determining who meets those standards."

The creation of the National Board for Professional Teaching Standards was recommended in the May 1986 report of the Carnegie Forum, entitled, "A Nation Prepared: Teachers for the 21st Century." The report states that:

The Board's primary function would be to establish standards for high professional teaching competence and issue certificates to people who meet those standards.

Mr. President, the Subcommittee on Education, Arts and Humanities of the Committee on Labor and Human Resources, on February 18, 1988, held a hearing on the National Board for Professional Teaching Standards. At that time, I raised the issue of what role, if any, the Federal Government should play in the financial support of this board. Professional standards are commendable. However, I am unaware of Federal funds being used to establish standards in other professions. I am concerned that Federal funding of the National Board for Professional Teaching Standards could set a precedent for Federal funding of other private organizations with similar motives. Moreover, I am troubled by the prospect that such a move could lead this country to Federal control of teaching standards.

Mr. President, I have consistently opposed efforts to inject the Federal Government into areas of authority of the individual States. The Founding Fathers of our great country intended that the role of the Federal Government is to be of a limited nature, by providing only those services that the States cannot best perform for themselves. This is the concept of Federalism. The certification of educators is a responsibility that is appropriately within the authority of the States, not the Federal Government.

In recent years, Congress has been called upon by special interest groups to establish uniform national standards in various fields. In most instances, State and local governments have not fallen short in their responsibilities in areas where reformists seek to impose national standards. However, this has not deterred the efforts of those who would infringe upon the governmental authority of State and local governments through Federal regulation. The establishment of national professional standards for teacher certification could result in yet another unwarranted intrusion into the purviews of State and local governments.

The National Board for Professional Teaching Standards is a private organization that has the stated purpose of developing and promulgating voluntary professional standards for teacher certification. The report from the Carnegie Forum observes that:

In time, many States are likely to incorporate the national certification standard into

their licensing standards. Some might choose to waive their licensing requirements for people holding a Board certificate. Others might make Board certification a prerequisite for licensing, adding their own requirements to the national standard as they think appropriate.

Thus, it is clear that this organization seeks to influence the replacement of State standards for teacher certification with national standards that it will formulate, according to its own criteria. I am concerned that Federal funding of the work of the National Board for Professional Teaching Standards would imply that Congress supports the creation of a framework that could foster further Federal regulation of the school systems of this Nation.

Mr. President, Secretary of Education Cavazos conveyed in a letter dated October 18, 1989, to Senator HATCH, the ranking member of the Committee on Labor and Human Resources, that he is strongly opposed to title X of S. 695. The Secretary of Education believes that "there is no justification for the provision of Federal funds for this purpose." According to Secretary Cavazos, "there is no convincing reason for turning over public funds to a private entity to enable it to conduct research and development activities for which it is largely unaccountable to the custodians of those funds."

The American Legislative Exchange Council, known as ALEC is also opposed to Federal funding of the National Board for Professional Teaching Standards. ALEC is the largest organization of State legislators in the United States. Its membership is composed of Democrats and Republicans. In a resolution adopted by ALEC last September, these lawmakers expressed opposition to Federal funding for the work of the National Board for Professional Teaching Standards. The resolution provides that, "the ultimate result of this research will be to create Federal teaching standards which represent an implicit challenge to the principle of Federalism which has been an important cornerstone for success in national policy."

Mr. President, I caution my colleagues to carefully consider the implications of authorizing \$25 million in Federal funding for the National Board for Professional Teaching Standards. The Bush administration does not believe that this organization should receive Federal funding and I concur. Accordingly, I support deletion of title X from S. 695, the Educational Excellence Act of 1989, and will co-sponsor the amendment to be offered by Senator HELMS to that effect.

The PRESIDING OFFICER. The Senator from Rhode Island.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1235

(Purpose: To direct the Secretary of Education to issue regulations defining the terms "graduation rate" and "other student outcome measures")

Mr. PELL. Mr. President, I rise to offer the second Bradley amendment. This amendment would clarify the definition of "graduation rates," "other student outcome measures," and "institutions of higher education" used in the Bradley Right-to-Know Act.

I believe this has been agreed to by the ranking minority members, Senator COCHRAN, and Senator HELMS.

Mrs. KASSEBAUM. Yes, Mr. President, it is my understanding it has been agreed to. There is no objection on this side of the aisle.

The PRESIDING OFFICER. Do we have that amendment at the desk?

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

The PRESIDING OFFICER. Clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL], for Mr. BRADLEY (for himself and Mr. KENNEDY), proposes an amendment numbered 1235.

Mr. PELL. 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:

At the appropriate place insert the following:

SEC. . DEFINITION DEVELOPMENT.

(a) IN GENERAL.—The Secretary of Education, through the Commissioner of Education Statistics and in consultation with State governments and institutions of higher education, shall develop definitions of the term "graduation rate" and other student outcome measures as such terms apply to postsecondary education.

(b) DEFINITION.—For the purposes of this section the term "institution of higher education" has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965.

Mr. BRADLEY. Mr. President, I rise to offer an amendment that requires the Department of Education to develop workable definitions of student outcome measures. Joining me in offering this amendment is Senator KENNEDY, the chairman of the Senate Labor and Human Resources Committee.

Mr. President, it is clear that our country needs better information about the success rates of our students in higher education. But while many States and institutional research offices have information on graduation rates, retention rates and other stu-

dent outcome measures, no common definitions are used.

I have heard from T. Edward Hollander, the chancellor of the New Jersey Department of Higher Education and the chairman of the Federal Relations Committee of the State Higher Education Executive Officers about the importance of developing uniform definitions. State Boards of Higher Education need better information on student success rates so that more meaningful comparisons can be made among institutions.

The amendment before us requires the Department of Education, through the National Center for Education Statistics, in consultation with States and institutions of higher education, to develop these definitions. Mr. President, I urge the adoption of this amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 1235) was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1236

(Purpose: To strike title 10)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for himself and Mrs. KASSEBAUM, proposes an amendment numbered 1236:

On page 117, strike out line 19 and everything that follows through line 15 on page 129.

The PRESIDING OFFICER. The Senator from Rhode Island.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection—

Mr. DODD. I object.

THE PRESIDING OFFICER. Objection is heard.

MR. HELMS. Will the Senator withhold for just a minute?

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

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

MR. HELMS. Mr. President, momentarily I shall ask that my amendment be temporarily laid aside in order that the distinguished Senator from Kentucky [Mr. McCONNELL] can offer an amendment.

I do ask such unanimous consent.

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

MR. PELL. Mr. President, question.

THE PRESIDING OFFICER. The Senator from Rhode Island.

MR. PELL. Who would be recognized at the conclusion of Mr. McCONNELL?

THE PRESIDING OFFICER. Recognition would be at the discretion of the Chair on the basis of who sought recognition.

MR. PELL. I thank the Chair.

MR. McCONNELL. Mr. President, I had two amendments that I was originally going to offer today. Let me explain briefly the first one, which I shall not offer.

My first amendment would seek to provide educational assistance to what has been one of the country's most economically disadvantaged regions throughout the Nation's history. The amendment would cancel or pay the student loan payments of mathematics and science teachers who agree to teach in public elementary and secondary schools in the central Appalachian region.

MR. PRESIDING OFFICER. Mr. President, I ask unanimous consent to have printed in the RECORD a summary of my proposal on that amendment.

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

APPALACHIAN TEACHER STUDENT LOAN ASSISTANCE ACT

SUMMARY

Purpose.—To cancel or pay the student loan payments of mathematics and science teachers who agree to teach in public elementary and secondary schools in the Central Appalachian region.

Selection.—Secretary of Education is to select two teachers per eligible county from applications submitted by eligible teachers on the basis of academic record.

Eligibility.—Any recent college graduate with an undergraduate or graduate degree in education who has not held a teaching position other than a student teaching position.

Preference.—Additional preference is to be given to eligible teachers who are handicapped or disabled, members of a minority group, or residents of eligible states.

Agreement.—Selected teachers agree to teach in a public elementary or secondary school in an eligible county for a period of not less than one year. Selected teachers further agree to repay all or a portion of

paid or forgiven loan payments for that year should the teacher fail to fulfill his or her teaching obligations for that year.

Payment.—The Secretary shall cancel or pay 1/10th of the total amount of the selected teacher's eligible loans for each year the selected teacher teaches in a public elementary or secondary school in an eligible county. Maximum amount of cancellation or payment in any one year is \$4,000.

Effectiveness study.—The Secretary is authorized to conduct a study in the second year of the program to determine the program's effectiveness, potential for use in addressing acute teacher shortages in other areas of the country, and ability to enhance minority teacher recruitment.

MR. McCONNELL. I note the chairman's interest in the concept of loan forgiveness and look forward to testifying later before the subcommittee concerning the National Teacher Act of 1989. It will be the intention of this Senator to suggest that this amendment be adopted as part of that bill, which I understand will be considered before the subcommittee in the next couple of months.

Although I had intended to offer this amendment today to the Educational Excellence Act, I shall not do so. I will instead later introduce this legislation as a separate bill. In that regard I extend my appreciation to many of my colleagues who expressed an interest in this amendment, and I welcome their assistance in introducing this legislation as a stand-alone bill which we will be considering, as I indicated, in a couple of months.

My second amendment, Mr. President, restores a title in the President's original proposal which was removed in committee.

AMENDMENT NO. 1237

(Purpose: To provide for Presidential Awards for Excellence in Education, and for other purposes)

MR. McCONNELL. Mr. President, I send an amendment to the desk and ask that it be read.

THE PRESIDING OFFICER (Mr. KERRY). The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes an amendment numbered 1237.

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

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

The amendment is as follows:

On page 64, between lines 2 and 3, insert the following:

PART F—PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM

SEC. 131. PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM.

(a) TITLE HEADING AND TABLE OF CONTENTS.—(1) The heading for title II of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"CRITICAL SKILLS IMPROVEMENT AND PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION"

(2) Section 1 of the Elementary and Secondary Education Act is amended by inserting after "SEC. 2203. Authorization of Appropriations," the following:

"PART F—PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM

"Sec. 2301. Findings and purpose.

"Sec. 2302. Allocation to States.

"Sec. 2303. State applications.

"Sec. 2304. Selection of awards recipients.

"Sec. 2305. Amount and use of awards.

"Sec. 2306. Awards ceremony.

"Sec. 2307. Authorization of appropriations.

(b) AMENDMENT TO TEXT.—Title II of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof the following new part:

"PART F—PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM

"SEC. 2301. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) the success of America's elementary and secondary schools depends most heavily upon the Nation's educators;

"(2) when educators are highly motivated and committed to excellence, they succeed not only in imparting subject matter knowledge, but also in instilling in their students an appreciation of the value and importance of education;

"(3) elementary and secondary school systems should have in place standards of teacher excellence and fair and effective procedures for measuring teacher success; and

"(4) in return for their efforts, excellent elementary and secondary school educators deserve public recognition, respect, and appropriate financial awards.

(b) PURPOSE.—It is the purpose of this subpart to reward educators in every State who meet the highest standards of excellence.

"SEC. 2302. ALLOCATION TO STATES.

"(a) ALLOCATION FORMULA.—From the funds appropriated under section 2307—

"(1) 50 percent shall be allocated among the States in an amount which bears the same ratio to such amount as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all such States, according to the most recent available data that are satisfactory to the Secretary; and

"(2) 50 percent shall be allocated among the States on the same basis as funds are allocated among such States under section 1005 of this Act for the same fiscal year.

(b) ADMINISTRATIVE EXPENSES.—Each State may reserve up to 5 percent of its allocation under subsection (b) for administrative expenses, including the cost of convening the panel described in section 2304(c).

(c) STATE DEFINED.—For purposes of this part, the term 'State' shall include the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(d) INSULAR AREAS.—The provisions of Public Law 93-134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds allocated under this part.

(e) DISTRIBUTION OF AWARDS.—Other provisions of this title notwithstanding, each State shall make at least one Presidential Award for Excellence in Education in each congressional district.

"SEC. 2303. STATE APPLICATIONS.

(a) SUBMISSION OF STATE APPLICATIONS.—The Secretary is authorized to make alloca-

tions to States in accordance with the provisions of this part. In order to receive an allocation under this part, the Governor of each State shall submit a one-time application to the Secretary. Such application shall be filed at such time in such manner, and shall contain such information, as the Secretary may reasonably require.

(b) DESCRIPTION OF STATE CRITERIA AND PROCEDURES.—The application submitted pursuant to subsection (a) shall contain a description of the State's criteria and procedures for selecting recipients of Presidential Awards for Excellence in Education. The State's criteria and procedures shall be subject to the approval of the Secretary.

(c) ASSURANCES.—The application submitted pursuant to subsection (a) shall contain assurances that—

“(1) Presidential Awards for Excellence in Education shall be made in accordance with the provisions of this part;

“(2) the State shall provide such fiscal control and fund accounting procedures as the Secretary shall require; and

“(3) the State shall apply the selection criteria uniformly to nominations for recipients of Presidential Awards for Excellence in Education that are received from public and private schools, educators, associations of educators, parents, associations of parents and educators, businesses, business groups, or student groups, as well as those received from educational agencies.

“SEC. 2304. SELECTION OF AWARD RECIPIENTS.

(a) ELIGIBLE RECIPIENTS.—Any full-time public or private elementary or secondary school teacher of academic or vocational subjects or any full-time public or private elementary or secondary school principal or headmaster shall be eligible to receive an award under this subpart, except that teachers of religion (other than religion as an academic discipline) shall not be eligible.

(b) NOMINATIONS.—(1) Local educational agencies, public and private schools, educators, parents, associations of educators, associations of parents and educators, businesses, business groups and student groups may nominate teachers for awards under this part.

“(2) The State educational agencies shall notify local educational agencies, public and private schools associations of educators, associations of parents and educators, business groups, and the general public of the deadlines and procedures for making nominations, and inform them of the selection criteria which will be used in selecting award recipients in a given year.

(c) SELECTION BY STATE PANEL.—Selection of award recipients in each State shall be made from among the teachers nominated in accordance with subsection (b). Award recipients shall be selected by a panel which is chosen by the Governor in consultation with the chief State officer and is composed of members representing parents, school administrators, teachers, school board members, and the business community.

(d) SELECTION CRITERIA.—The State panel shall select award recipients in accordance with the criteria approved by the Secretary in the State's application. Such selection criteria may include an educator's success in—

“(1) educating 'at-risk' students, such as educationally or economically disadvantaged, handicapped, limited English proficient, or homeless children to their fullest potential;

“(2) educating gifted and talented students to their fullest potential;

“(3) encouraging students to enroll, and succeed, in advanced classes in subjects such as mathematics, science, and foreign languages;

“(4) teaching in schools educating large numbers of 'at-risk' students, including schools in low-income inner-city or rural areas;

“(5) introducing a new curriculum area into a school or strengthening an established curriculum;

“(6) acting as a 'master teacher' by helping new teachers make the transition into a teaching career;

“(7) encouraging potential dropouts to remain in school or encouraging individuals who have dropped out to reenter and complete their schooling;

“(8) improving daily attendance;

“(9) leadership qualities; and

“(10) success in employing other innovative educational techniques.

“SEC. 2305. AMOUNT AND USE OF AWARDS.

(a) AMOUNT OF AWARDS.—The amount of a Presidential Award for Excellence in Education shall be \$5,000.

(b) PRO RATA REDUCTION.—Should the amount allocated by the Secretary to a State not be sufficient to support one Presidential Award for Excellence in Education in each congressional district, the State is authorized to make pro rata reductions in the amount of other awards to enable the award of at least one Presidential Award for Excellence in Education in each congressional district.

(c) USE OF AWARDS.—An award to an individual recipient under this part shall be available for the recipient's use of any purpose, except that private school educators receiving a Presidential Award for Excellence in Education may only use such award for capital expenses at the school where such individual teaches as set forth in section 1017 (d) of the Elementary and Secondary Education Act of 1965.

“SEC. 2306. AWARDS CEREMONY.

The Secretary is authorized to accept gifts to pay for the costs of conducting awards ceremonies to recognize recipients of Presidential Awards for Excellence in Education.

“SEC. 2307. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated \$7,600,000 for the fiscal year 1991 and each of the fiscal years 1992 and 1993 to carry out the provisions of this part.”

On page 45, between lines 12 and 13, insert the following:

(3) DISTRIBUTION OF AWARDS.—Each State educational agency shall make at least one Presidential School of Distinction Award in each congressional district.”

On page 47, strike line 21 through line 25, and insert the following:

(d) AMOUNT OF AWARD.—(1) Each State educational agency shall establish criteria, subject to subsection (c)(4), including criteria relating to the size of the school and the economic circumstances of the student body, for determining the amount of Presidential School of Distinction Awards.

“(2) The amount of Presidential School of Distinction Awards shall be substantially equivalent among congressional districts.”

Mr. McCONNELL. For the information of my colleagues, I note that this amendment is identical to Senate amendment No. 1224 but for several technical changes to conform the text of my amendment to the underlying bill.

Mr. President, I ask unanimous consent that I be allowed to insert a summary of my amendment in the RECORD.

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

PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION

SUMMARY

Purpose

To recognize and reward outstanding elementary and secondary educators nationwide through Presidential Awards for Excellence in Education Program.

Eligible Educators

Any full-time public or private elementary or secondary school teacher of academic or vocational subjects, or any full-time public or private elementary or secondary school principal or headmaster.

Nomination of Educators

Educators are to be nominated by parents, students, educators, local educational agencies, schools, associations of parents and educators, business, and business groups.

Selection

Award recipients are selected by a State panel appointed by the Governor in consultation with the chief State educational officer. Panels are to be composed of members representing parents, school administrators, teachers, school board members, and the business community.

Criteria for Selection

Award recipients selected by State panel according to approved criteria including but not limited to: success in educating "at-risk" students, gifted and talented students, and encouraging potential dropouts to remain in school or dropouts to reenter school.

Ceremony and Award

Secretary of Education is authorized to accept gifts to pay for costs of conducting award ceremonies to recognize recipients of Presidential Awards for Excellence in Education. Recipients receive \$5,000, except where pro-rata reductions are necessary to assure geographic equity.

Geographic Equity

At least one Presidential Award for Excellence in Education and one Presidential School of Distinction Award must be made in each congressional district.

Mr. McCONNELL. Mr. President, America's educators are the key to turning American education around, both in terms of the application, as well as the genesis of innovative new educational ideas. The Presidential Awards for Excellence in Education Program will recognize and award outstanding elementary and secondary school educators from throughout the Nation. Enacting the Presidential Awards for Excellence in Education Program will be an important first step toward bringing educators the attention and recognition they deserve.

Mr. President, I firmly believe that President Bush deserves consideration of his first educational initiative as a whole, and particularly I am convinced that the Presidential Awards for Excellence in Education Program is an

integral part of the President's package.

I thank the managers of this bill for their cooperation in considering this amendment, and it is my understanding it has been agreed to by both sides of the aisle.

Mr. PELL. Mr. President, as we know, this amendment was part of the original bill proposed by the President. We did not note it as part of S. 695 because the Education Subcommittee is currently holding hearings on the teacher issue. It was our intention to incorporate it at that time, and I invited the Secretary of Education to testify. However, speaking for this side of the aisle, we would be happy to take the present proposal in this area and drop it from the teacher bill.

Mrs. KASSEBAUM. Mr. President, I think it is an excellent addition to the bill. I know that President Bush has felt strongly about Presidential Awards for Excellence in Education. I think this a good addition.

I also would like to add that the amendment of Senator McCONNELL regarding teacher loan assistance is something I think is a very worthy effort, and I am pleased that Senator PELL has agreed to make that a part of the hearing before the committee on teacher legislation that we will be considering.

Mr. McCONNELL. Will the Senator from Kansas yield for an observation?

Mrs. KASSEBAUM. I am happy to yield.

Mr. McCONNELL. The interest of the Senator from Kentucky in the amendment to which we have agreed predates the President's bill, and I was pleased to see it in President Bush's bill. I thank the managers for their willingness to include it at this particular time.

Mr. PELL. I thank the Senator very much. I hope the amendment will be approved.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1237) was agreed to.

Mr. PELL. I move to reconsider the vote by which the amendment was agreed to.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. KASSEBAUM. Mr. President, I rise today to congratulate my colleague, the junior Senator from Kentucky, upon adoption of his amendment to restore the Presidential Awards for Excellence in Education to S. 695, the Educational Excellence Act. Senator McCONNELL has been the leading advocate of recognizing outstanding educators throughout his Senate career.

Senator McCONNELL introduced his first teacher recognition bill in the

100th Congress, S. 1627, the Excellence in Education Incentive Act. Senator McCONNELL again championed the idea of teacher recognition in the 101st Congress by introducing S. 500, the Excellence in Education Act. His commitment, dedication, and hard work have paid off today with passage of his Presidential Awards for Excellence in Education.

I wish to correct the RECORD as to one particular point, Mr. President. It was Senator McCONNELL's leadership in introducing teacher recognition legislation which lead to inclusion of the Presidential Awards for Excellence in Education in President Bush's original initiative, rather than the reverse, as was represented on the Senate floor.

With adoption of the McCONNELL amendment, I believe we have taken a significant step toward bringing outstanding teachers and other educators the recognition they deserve. MITCH McCONNELL has been a leading education advocate throughout his career, and I greatly appreciate his assistance in restoring this title to President Bush's education initiative.

Mr. HELMS. Mr. President, I thank the Chair for recognizing me. At the outset, let me say to the distinguished managers of the bill that if they want to vote on final passage right now, I can tell them a way to do it. All we have to do is to make pending the bill that the President of the United States sent up to the Senate.

Unfortunately, the Labor Committee, in its wisdom or lack thereof, added title X, which would authorize a noncompetitive grant of \$25 million of the taxpayers' money to the privately selected entity known as the National Board for Professional Teaching Standards. We need to understand what this national board is, and who it is.

Mr. President, the National Education Association has nearly 2 million members and the American Federation of Teachers, also a teachers union, has 677,476 members by its own acknowledgment. If these two teachers unions would just kick in \$10 per member, then they would have more than \$25 million they are asking the taxpayers to cough up.

But, no. What the Board wants is to use the taxpayers' money to help set up a national teacher certification system. This is in direct contradiction to the wishes of the President of the United States and the Secretary of Education. The last time I checked, George Bush won the election.

Mr. President, the problem with the argument that this effort will improve education in this country is that the Board, the National Board for Professional Teaching Standards, is controlled by national teachers unions.

The Board's 64 members were chosen by the Carnegie Corp. of New York, which is a private, liberal education

think tank. The public did not have any say in this decision. Certainly they had no role in it. And the board's bylaws require that two-thirds of its members will always belong to the Nation's teachers unions.

In fact, the heads of the two major national teachers unions were originally board members. The National Education Association even makes its support of the board contingent on the commitment that certification standards will be set by a national board composed of a majority of practicing public school teachers. You can translate that to teachers who are members of one or both unions.

Consequently, it is not difficult to understand that the efforts to the board will be in furtherance of the agenda of the teachers unions, and the control of these unions over the board will thereby enable them to use the taxpayers' money not so much to professionalize teachers as to finalize union control over who does and who does not teach in America. That is their overriding goal.

Mr. President, as I pointed out before, the committee's proposal in title X is a direct contradiction of President Bush's agenda as outlined in his original bill. The President's goal is to open the Nation's school system to free market concepts of competition, and I always had the idea that is what this country was founded on—competition. The President wants to do that in order to revitalize the education establishment in this country. The base of our free enterprise system is that competition and freedom produce excellence.

I noticed that even that message has gotten to the Kremlin, and a lot of people in Poland understand it, and in Czechoslovakia, Hungary, and Romania.

The President's bill, which I will vote to approve forthwith if it should become the pending business, includes an alternative certification initiative to allow individuals possessing either the knowledge or experience or both needed in the schools—and I am talking about citizens such as retired doctors, and lawyers and professors—to allow them to teach in the public schools even though they were not graduated from a teachers' college. There are a lot of these citizens around. They have much to contribute, much to offer to the educational system. As the saying goes, they are raring to go.

The intent of the National Board for Professional Teaching Standards, on the other hand, is to close the ranks of the teaching profession by excluding specifically and explicitly those individuals who do not have formal training in so-called educational theory, and ivory tower teaching methodology—even when such individuals dem-

onstrate a knowledge of the requisite subject matter, together with an incredible ability to teach our young people.

Mr. President, even though the board is seeking taxpayers' funds, they are adamant that the Government—that is to say, the taxpayers—will have no say whatsoever in either the board's composition or even in its policy decisions.

As somebody said to other night, "How do you like them apples?" What this board wants is for it to be the sole source for setting the standard by which teachers will be judged. Their argument is that only teachers and their unions should decide who can and who cannot teach.

I thank that is an outrage.

Back in 1967, Mr. Sam Lambert, the executive secretary of the National Education Association, promised that "The NEA will become a political power second to none, second to no other special-interest group." Those are his words, not mine. He went on to say that the "NEA will have more and more to say about how a teacher is educated, whether he should be admitted to the profession, and depending on his behavior and ability whether he should stay in the profession."

That was said by Mr. Sam Lambert, the executive secretary of the National Education Association.

Then a couple of years later, in 1969, the NEA's newly elected president, George D. Fischer, was able to report to the NEA's representative assembly, "A good deal of work has been done to begin to bring about uniform certification controlled—this is his word, not mine"—"by the unified profession in each State." By unified, he means the labor union.

Mr. George D. Fischer continues. "A model professional practices act has been developed, and work has begun to secure passage of the act in each State where such legislation is needed. With these new laws," he said, "we will finally realize our 113-year-old dream of controlling who enters, who stays in, and who leaves the profession."

Then he said, "Once this is done, we can also control the teacher training institutions."

Mr. President, I have to commend both Mr. Fischer and Mr. Lambert for being candid.

What they were saying is, "We want to control education." The labor unions want to control education in America. Nobody else need apply. "We are going to do it." So here we are today, in the year 1990, and we see this 1969 agenda in the form of title X in this legislation, and that is the reason I am on my feet. I may be the only Senator to say no, but I say no.

They may try to camouflage it with terms like "private board" or "voluntary standard," but make no mistake

about it, it is a union attempt to gain control, and absolute control, of the teaching profession. Having failed to win a monopoly within each of the States, do you not see, now they come to Uncle Sugar with title X in this bill, which is pending before the Senate. They say, "not only do we want to control it, we want to make you finance it, and all we need for starters, for openers, is \$25 million of the taxpayers' money." as I said, I may be the only Senator saying no, but this Senator says no.

While the National Board talks about voluntary certification, the NEA's own current resolutions state emphatically that, "Professional standards boards should have exclusive authority to license and to determine criteria for how a national certificate will be recognized for professional educators."

Do you see the pattern? "We are going to control everything, and we are going to make the Federal Government pay for it." And when they say "Federal Government," they mean the taxpayers of America.

Further, "These boards should have the exclusive authority to establish the standard regarding licensure, including procedures for suspension and revocation."

Let me emphasize that these are not the words of JESSE HELMS from North Carolina. These are the words of the teachers union, in their own formal resolutions.

Furthermore, Mr. President, the NEA has made it clear that it intends to use its members on the National Board to guarantee that the Board carries out the agenda; of whom? You know the answer to that. To carry out the agenda of the National Education Association, period.

For example, the Board recently refused to make graduation from a teachers' college a prerequisite for certification. As I mentioned earlier, such a prerequisite would be directly contrary to the President's alternative teacher certification proposal. It was then reported in Education Week that the NEA directed its members on the Board to attempt to reverse the Board's decision. Gary Sykes, a professor at the College of Education at Michigan State University, who served as a consultant to the National Board, stated that the Board's decision not to require a teaching degree "was based in part on the fact that the Board faces a formidable fundraising task." And therefore, "the sentiments among the politicians for relaxed intellectual standards certainly influenced the Board's vote." That means they will not raise their own money. They want to spend your money, Mr. American Taxpayer, and they demand absolute, unquestioned control.

The National Board president, James A. Kelly, acknowledges that al-

though the question is still a live issue and the Board's decision could be changed, I think we all know what the scenario really is. I am sure the Board's decision will not change until we give them the \$25 million provided for in title X of this bill, which I seek to strike with the pending amendment now at the desk, because once they get the money, our sentiments about alternative certification will not matter. They will say, "Go away, boy, do not bother me; we are running this show, and nobody but us is running the show." The Board would then have no oversight from Congress or by Congress, and the Board would be free to pursue its own agenda. It has already announced that that is their intent—control of the educational processes in this country.

Senator THURMOND was exactly right in his analysis a few minutes ago. I commend the distinguished Senator for what he said. If the Board wants Federal funds, the Board should be prepared to accept some Federal oversight over their policy decisions. But, no, that is unspeakable. "Do not do that," they say.

If the taxpayers are forced to pay, they have a right to demand that the standards and policies developed with Federal funds actually serve to improve the quality of teachers in our classrooms and are not used by teachers to insulate their members from an objectively determined competency standard.

Supporters of the Board—and there are some in my State—are very fond of proclaiming that what the Board really seeks to accomplish for the teaching profession is exactly what lawyers and doctors and engineers and accountants and nurses have done for their professions. If you believe that, you will believe anything, because when you look at the substance of their claim, it becomes clear that the NEA's first and foremost concern, not just today but for decades, has been protecting its members' power and its members' jobs, whether or not they are competent teachers. That is what we are talking about, and that is why I say that title X should be stripped from the bill.

For example—and there are so many examples—NEA flatly opposes all forms of objective competency tests for teachers. NEA has stated, "The competency testing must not be used as a condition of employment, license retention, evaluation, placement, ranking or promotion of licensed teachers."

Continuing the quote, "The Association also opposes the use of pupil progress, standardized achievement tests, or student assessment tests for purposes of teachers evaluation."

Mr. President, I have never claimed to be an authority on education, but I do have a daughter who is a principal

of a school in Raleigh, NC. We discussed this over the Christmas holidays at great length on a number of occasions. She tells me that the teachers do not like the arrogance of the unions. She named names. But in other words, the National Education Association opposes testing teachers to see if they are competent in their subject matter. Can you believe that?

The National Education Association objects to the idea of considering the success or failure of students in the determination of whether a teacher is effective.

Mr. President, if the American Bar Association, or the American Medical Association, or any of the other professions proposed doing away with all written examinations for their respective profession, they would be laughed off the stage, and they should be. But here we are considering this legislation which will lead to such a situation for teachers, the bar association, the medical association, the nurses association have developed, at their own expense, I might add—they did not reach into Uncle Sam's pocket, meaning your pocket—they have already developed standards for their professions in the form of written tests of subject matter competency. Entry into the profession is denied unless an applicant makes at least a minimum score. But NEA does not want it that way for their teachers union. No, sir.

That is meddling in education, don't you see?

Such minimum competency tests have been successful in keeping incompetent individuals out of the various professions, and the members of those professions have garnered a great deal of respect for themselves, not to mention their profession.

But, unfortunately, the national Board has no intention nor desire to develop this kind of objective competency test for teachers, even though that is exactly what they have led the public to believe they would do.

I hope that their own words have refuted the charade that they are presenting. They do not want to test for competency. They want power and they want the American taxpayers' money and they want to do it by themselves according to their own likes.

In fact, according to the Board's "Initial Policies and Perspectives," which was published just last year, the Board fully intends to establish what it calls "high and rigorous standards" by conducting interviews, viewing videotapes of teachers, examining sample lesson plans, simulating performances, examining portfolios, observing teachers at work, and assessing the teacher's reputation among his or her own peers.

Well, la-di-da.

Jane Vanderveen, the NEA's program development specialist, told

North Carolina educators this past December, and I guess with a straight face, "The most promising thing about early policy decisions by the board is that paper-and-pencil tests will be minimized to the greatest extent possible."

Mr. President, these are hardly the rigorous and objective teaching standards the board has tried to lead the public into believing that they would support. Quite to the contrary. What they want is: No. 1, power, unchallenged power, undisputed power; and, No. 2, they want the big bucks from the American taxpayers.

I say "No." Using subjective competency standards essentially allows the Board and the NEA to judge teachers according to the teacher's politics, beliefs, and strict adherence to what? To the NEA's educational policies and objectives.

Should we not, Mr. President, be judging teachers by their ability to convey their subject matter to their students? This was the point made over and over again during the holiday season by my daughter, whom we call the principal around the house. If there ever was a dedicated teacher, it is she. She has wanted to be a teacher since she was knee-high. That is what she liked most to play when she was 5 and 6 years old.

She loves the students and she loves the children and she wanted to see them get the best possible in terms of preparation for their future.

Another important difference between the other professions and teachers is that a majority in the other professions compete in the private marketplace. The free market weeds them out if they are incompetent. A majority of teachers, on the other hand, are paid by the taxpayer and they have their unions, don't you see, to protect them even when they are incompetent.

Teaching simply is not subject to the same free-market demand for excellence as are other professions, such as law, medicine, and so forth. If the Board's objective for national certification is not to implement objective standards of competency for teachers, just as lawyers, doctors, nurses, engineers, accountants, and so on, have done for their professions, then what is the Board's objective? "Read my lips," as a friend of mine said one time. It is power they are after and it is the taxpayers' money they are after. If this bill passes with title X in it, they are going to get it.

Mr. LOTT. Mr. President, will the Senator yield?

Mr. HELMS. I am glad to yield to my friend.

Mr. LOTT. I am listening with great deal of interest to what the Senator is having to say here. Let me ask him. Maybe he can tell me a little bit more. Exactly who is this National Board of

Professional Teaching Standards? Who is a member? How do they get to be a member? How did they get to be beneficiaries of a noncompetitive funding, as is called for in the title of the bill.

Mr. HELMS. That is an excellent question and I tried to allude to it. They select themselves. They select their own. It is a closed shop, and the Senator knows what that is.

Mr. LOTT. I understand there are some 64 members, is that correct, with the great majority of them, two-thirds of them or so, being members of NEA? Is that the Senator's understanding, something of that nature?

Mr. HELMS. My associate has just handed me a more definitive answer to the question which I alluded to earlier. The Board's 64 members were chosen by the Carnegie Corp. of New York, which is a private liberal education think tank. They picked all 64, and the Board's bylaws ensure that two-thirds of the members will always belong to the Nation's teachers union. Do you see what I mean by a closed shop?

Then I said earlier the heads of two major national teachers unions were original Board members and all vacancies will be filled through elections held by teachers certified by this Board. If that does not lock up the whole thing I want to see a situation that does.

I thank the Senator.

I raised the question just a moment ago of what is the Board's objective. The answer is found once again in the Board's own reports, where the Board's objectives for national certification parallel the collective bargaining and other functions of the teachers unions. In the Board's 1989 annual report, the Board expressed their desire that the Board certification will have an impact on collective bargaining between school boards and teachers unions, so that Board-certified teachers will be paid more. I do not know if that classifies as arrogance or not, but it comes pretty close to it as far as I am concerned.

The Board members even talk about using collective bargaining to require that only Board certified-teachers be hired in the schools of America.

The Board also wants to change what it calls the dynamics of union-school board conversations to focus on how schools can best be structured.

I take it to mean that that focuses on improving teachers' working environments and giving them greater control over how the schools are run, including resource allocations, teacher assignments, and curriculum choices.

(Ms. MIKULSKI assumed the chair.)

Mr. HELMS. Madam President, has this not always been the duty and re-

sponsibility and the function of the school boards? Of course, it has.

Finally, the Board hopes that its certification process will allow Board-certified teachers to operate—now get this—“unencumbered by external prescriptions that overlook the knowledge and expertise that teachers possess about the practices which best serve their students.” Now they left out one word, they left out union teachers. In other words, the Board and the union want teachers to be immune from any criticism by parents or the public or advice by anybody who happens to have an interest in the schools of America.

Madam President, if you think I am wound up thus far about this subject, I could inundate you with more and more examples of what I am talking about. I could talk and talk and talk about what is wrong with giving Federal funds to this private Board controlled by two labor unions.

I could mention that more than \$50 million already has been spent by the Federal Government in conducting the so-called Effective School's Studies. These studies provide volumes of information on teaching standards. However, there is just one thing wrong with them. The teachers unions do not like the information.

So the basic problem, I guess, with the national Board is that the Board's promises and rhetoric and propaganda about “rigorous” teachers standards are all talk and no substance.

One more time for the sake of emphasis, what they want is power, unchallenged power, and they want to make the American taxpayer pay for it.

For the NEA, this Board obviously is a golden opportunity to achieve what was referred to by one of its officials some years ago as its 113-year-old dream of controlling—and that is the operative word—controlling who does and who does not teach in America.

The President's alternative certification proposal, on the other hand—and I would vote for the President's proposal right now, and could put an end to all this discussion—the President's proposal would help break the unions' monolithic monopoly over the profession—which is stifling the profession—by allowing a larger pool of qualified applicants the compete for teaching positions.

At the same time, helping the States establish State-administered pencil and paper tests of teacher competency would help ensure that every teacher has at least the minimal qualifications for the job.

And I say again, for the purposes of emphasis, that this is what the bar exams and medical and accounting boards and engineering examinations do so well.

But that is not what the National Board for Professional Teaching

Standards will do, and the students of our schools will be the ones to suffer as a result.

So the pending amendment, which I have submitted, would delete title X, which is nothing more than a pork barrel grant to a private organization. Title X demands that the taxpayers ante up millions of dollars of their tax dollars when all they get in return are vacuous and flowery and incorrect and false assurances that the money will in some nebulous way improve education, which it will never, never do.

Madam President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There does appear to be a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. PELL. Madam President, I ask unanimous consent that there be a time limitation of say 30 minutes on the pending Helms amendment to be equally divided in the usual form. I would further ask unanimous consent that no amendments or motions be in order to the language proposed to be stricken or to the underlying committee substitute bill prior to the disposition or the laying aside of the Helms amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Madam President, reserving the right to object, I shall at least have to temporarily object until we could check with Senators who have indicated that they wish to speak on this amendment.

Incidentally, Madam President, I ask unanimous consent that Senators WALLOP, LOTT, and COATS be added as cosponsors.

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

Mr. HELMS. So I do object for the time being.

The PRESIDING OFFICER. Objection is heard to the chairman's request.

The Senator from New Hampshire.

Mr. HUMPHREY. Madam President I ask unanimous consent that my name be added as a cosponsor to the Helms amendment.

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

Mr. HUMPHREY. Madam President, after the revelations which were made by the Senator from North Carolina with the assistance of the Senator from Mississippi about the influence of the National Education Association on the constitution of this board, few can doubt that this is a grab for money by the National Education Association. The NEA is, like so many well-organized lobbying groups, very powerful, very influential in the Halls of Congress. And here is the proof. A \$25 million plum with virtually no strings attached; a noncompeti-

tive grant opposed by the Department of Education on the grounds that there is no accountability. And, indeed, there is no accountability, as I shall detail in just a moment.

The Senator from North Carolina, as he so often has done, has ferreted out a bad piece of legislation hidden in an otherwise innocuous bill. He has pointed out very tellingly I think that where the NEA opposes performance tests on the one hand, on the other hand it proposes to set up a national standard for certification. The NEA wants to tell all of the States and all of the school boards what credentials a teacher must have to be admitted into this cartel, on the one hand. On the other hand, they do not want any discussion of teacher testing. No discussion of results, but they want to start at the top and tell everybody what degrees they must have if they want to be admitted to this closed profession.

This Board, which is to be the beneficiary of this \$25 million plum with no strings attached, proposes to spend it for, among other things, the development of criteria for national standards. Well, surely this is the first step to yet another invasion of the traditional and proper bounds of State authority and local authority.

Let us leave the certification features to States, shall we? Let us not take the first step toward some national criteria which will be left to the States to adopt or not. But if they chose not to—I am making a prediction; this is the way it always goes—there will be a national standard set for the certification of teachers.

States will be free to adopt such standards or not. But, if they do not, they will not get all of their education credits. That will be the way it will be implemented. We have seen that 1,000 times already. This is the first step.

If that was not the plan, then why do they want the money to set up these certification standards in the first place? Is it just an academic exercise? Of course not. It is a practical exercise. It is the first step to national standards which will be ultimately forced upon the States in a few years' time. If they do not abide by these standards then they will lose some of their Federal money.

It is a pretty clever plan. I hope it is not going to work. Two-thirds of the members of this board are teachers. Mary Futrell, past president of the National Education Association, and Albert Shanker, president of the American Federation of Teachers, are both members of this board which will be the beneficiary of this \$25 million plum, no strings attached and no accountability.

Chester Finn, a former Assistant Secretary of Education, wrote in the Wall Street Journal that several

senior officials of the NEA and AFT are also on the board—senior officials of those organizations. In fact, Mr. Finn reports, of all of the teachers on the board, only one is not a union member.

If that is not bad enough, there is absolutely no accountability to the executive or to the legislative branch for the spending of this \$25 million. The Secretary of Education, who is not exactly on bad terms with the members of his profession and the members of the NEA and the AFT, Secretary Cavazos says this lacks accountability. It is not just Senator HELMS and Senator HUMPHREY saying that, Secretary of Education Cavazos says that. He said it before a House Subcommittee on Post-Secondary Education on July 25 of last year:

Mr. Chairman, we in the Department have serious doubts about the wisdom of granting Federal funds to support the work of the board. We have three major concerns. First, the Department, as a rule, opposes sole-source contracts, particularly when the recipient of Federal dollars does not have an established track record and the money is to be used for unspecified research and development activities. Second, the proposal under consideration lacks accountability to the Secretary of Education. And, third, the funds requested by the board are excessive and the research would likely duplicate some research activities that are currently underway or are planned by the Department.

Further in his testimony, the Secretary said:

While other forms of accountability are authorized, funds proposed for the board would not be subject to the administrative oversight commonly required in Federal grants and contracts.

"In fact," he said, "once a check was issued"—once this lovely \$25 million check is issued—those are my words. I am embellishing his.

His words are:

Once a check was issued, the Department of Education would have no authority whatsoever to control the manner in which the grant funds were used. The Department would have no way of knowing what activities would be supported with Federal funds, no way to determine that they are a good use of Federal resources, and no way to ascertain if a return on the investment can be expected.

To whom is this board and its spending of this \$25 million check accountable? Well, it is certainly not accountable to the Secretary of Education. He has pretty high credibility, I think, in this body. The Board has no proven track record. We do not know precisely how the money is to be used. The proposal lacks accountability. The requested funds are excessive, and it would probably be a duplication of, in some areas, existing efforts. Therefore, why this \$25 million earmark?

I want to point out, Madam President, that the Helms amendment strikes title X out of budget. It does nothing else. It touches no other part

of the bill. It does not divert that money elsewhere. It simply strikes title X, this \$25 million grant.

Madam President, the proposal is really scandalous. It is a handout. It is a giveaway. Let us face it, it is a political payoff.

The NEA has a lot of political power. It helps a lot of people get elected. This is one of the ways in which they get paid back, a nice tidy \$25 million check, no strings attached, over the objections of the Secretary of Education.

This is one item which we can do very nicely without. It certainly is not going to reduce the deficit much. But the principle is important. And apart from the dollars involved, there is the very important principle of safeguarding the traditional and rightful province of the States to decide what standards and what certification process they will have in the area of education and teachers.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Madam President, there is nothing more important to our Nation's future than the quality of our education. Toward that end I support educational goals that reward excellence, progress, and merit. I support actions on the Federal level toward that end that will erase the red tape in educational delivery. But I also support choice in education and I support loan control in education.

I basically support the tenets behind S. 695, the Educational Excellence Act of 1989. I thought the way it was originally introduced had a lot of very positive aspects.

Madam President, today I have received a number of calls from teachers from my State of Mississippi. Some of them teach in the public school systems. Some of them are members of the MAE, the Mississippi Association of Educators, which is a branch of the NEA, the National Education Association. Some of them teach in church-related institutions, some in schools. But they universally have been calling to express concern about title X in this bill.

My mother taught school for 19 years in Mississippi. Even though she only had about 3 years equivalency in college education, I think she did an outstanding job. Certainly she always was very supportive of the idea of trying to achieve excellence in education. It is one of the primary focuses of debate now in my own State of Mississippi and I think it appropriate that we have this legislation here on the floor today.

But unless we take title X out of this Educational Excellence Act, which authorizes the \$25 million for the National Board for Professional Teaching Standards, I would have a lot of difficulty voting for what would otherwise basically be very good legislation.

I do not like the idea, as we see in a couple of instances in this bill, where the committee authorizes a relatively small amount of funds but says that authorization will be contingent upon a much larger amount of money being appropriated.

One example, it says it makes the \$200 million authorization for the Presidential Merit Schools Program contingent on a growth in chapter 1 funding to \$5.09 billion in appropriations before fiscal year 1991. Chapter 1 is a good program but I do not understand this idea of making one good program, one authorization, contingent upon the appropriations for another good program.

Madam President, I cannot willingly stand by and allow this creation of the Carnegie Endowment in New York to determine who can and cannot teach in Mississippi.

We might say, well, it is voluntary, and would not do that, but I feel strongly this is opening the door to do just that. I understand it would be \$25 million in a noncompetitive award. We should at least have it in some sort of competitive form. But I worry about what it would hold in future years and what it would do in terms of usurping local control of education and those standards that should be determined locally and in the State of Mississippi or the State of Connecticut or New Hampshire, and about what would be the requirements for our teachers.

Establishing national teacher standards will lead, I think, to some sort of mandatory requirements for all teachers—public and private—either directly through a licensing process or indirectly through accreditation schemes, thus starting down the road that many of us do not want to go in education.

The National Education Association and the American Federation of Teachers may want to establish national standards so they can include them as a bargaining tool for increasing teacher pay or altering teacher working conditions. Some of those ideas are very good, but we cannot have this sort of national control of those standards at the local level.

That is not what the parents of the children in Mississippi want from the Federal Government. Surely, they want more funding, but they want to apply it to teaching the basics in education, basics that will enable their children to get a job, to go on to college, or to pursue a career. Most important, they want to retain that voice that elects the local school board, that sets the education goals for their community, that hires the teachers who will instruct their children and who will support the values those parents have installed at home.

Mr. President, a vote against title X, against that step toward, in my opin-

ion, what could be nationalized education, is a vote for parents and their continuing control of education of their children at the local level.

I urge the Senate to knock out this title X and let us go forward with the good provisions of this Excellence in Education Act.

I yield my time.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Madam President, I rise to support the provisions of S. 695 authorizing funds for the National Board for Professional Teaching Standards. This Board represents a unique opportunity for the Federal Government to enhance the teaching profession by joining as a partner with corporations and foundations across this country.

This bill will leverage our Federal investment by requiring every Federal dollar it authorizes to be matched with non-Federal funds and spent on a fully competitive basis. Already the Board has raised over \$6 million in business and foundation funds, and the Board is held strictly accountable for spending taxpayers' dollars.

As I understand the legislation, the Board must adopt audit procedures customarily used by nonprofit organizations. The Board must submit an annual report to the Secretary of Education and the Congress, including a detailed financial statement and a comprehensive description of its activities.

The Department of Education, the National Science Foundation, and the National Research Council must submit an annual report on the Board's activities. The Secretary can immediately cut off Board funds if he determines the Board is not complying with any provision of the act.

The General Accounting Office is provided complete access to the Board's books and records, and the Board would be subject to oversight review by both the authorizing and appropriating committees.

I think that is a series of safeguards that goes a long, long way. I fail to see the alarm with which some have greeted this, based on the considerable safeguards in this legislation.

Madam President, despite these provisions, some argue the bill is defective because it does not hold the Board accountable for use of Federal funds. I do not believe this to be the case.

In addition, I have received a number of phone calls from a number of constituents in my State who are sincerely concerned because they teach their children at home. These parents are concerned that if this bill becomes law, they will be required to become Board-certified in order to maintain the status quo.

I want to make it perfectly clear that this simply is not true. Under current law, home schoolers are not required to be State certified. There is

nothing in this legislation which requires any person to become certified by the National Board of Professional Teaching Standards. Board certification provides a standard of professionalism and a sense of integrity to those who take seriously their responsibilities to teach the young people of this country. The certification, however, will be made strictly on a voluntary basis. It is strictly voluntary and nothing could be clearer in the legislation.

I will ask Senator Dodd from Connecticut if I am correct on this. Maybe I am wrong, but it looks to me as if it is absolutely clear. I do not understand where this alarm is coming from in that respect.

Mr. DODD. The Senator from Georgia is absolutely correct. Section 1010 of the legislation—I ask our colleagues, if there is any doubt at all, to refer specifically to it. It is on page 128 of the bill. It goes on to page 129. I do not have it in front of me, but I have answered the question so many times that I can quote it chapter and verse. It explicitly prohibits this Board from in any way interfering with State licensing procedures.

Senator FORD of Kentucky and I entered this morning into a colloquy to reestablish and confirm that point. My colleague from Georgia is absolutely correct in that point. This legislation would in no way affect the licensing of teachers, whether they are teachers in schools, at home, in private academies, at universities, elementary schools, regardless of what it is. This legislation is prohibited explicitly from interfering with that process at the State level.

Mr. NUNN. Anything they do regarding certification is voluntary on their part.

Mr. DODD. Absolutely; completely.

Mr. NUNN. I thank my friend from Connecticut.

Madam President, in concluding my remarks, I believe if we are serious about improving education, we simply must try new approaches and challenges that have not been tried before.

I think one thing everyone can agree on is our educational system has serious deficiencies today and is causing tremendous concern about our competitive position in the world. I have not heard anyone rebut that, and this legislation challenges the private sector to get involved.

I believe the most positive thing that has happened in the last year or so in education is that businesses in this country are increasingly concerned about the quality of the skills of the work force, and they are beginning to get involved. That is exactly what is happening here and what this is trying to stimulate. The public-private partnership represented by the National Board for Professional Teaching Standards mobilizes the business and the foundation communities to

become involved in the education of the work force and the productivity of the country through investing in the quality of our teachers.

An investment in our teachers in an investment in the future of our Nation. We should make every effort to motivate and encourage teachers to excel in their fields and to take great pride in their profession, which is one of the most important professions we have in this country, even though certainly it is not one of the best paid. They have perhaps one of the most critical responsibilities, and in a Nation which cannot continue to rely on borrowed brain power to maintain our competitiveness in the world, the quality of our future work force will be determined by the quality of our teachers.

This may not be an answer to all the problems. I do not think anyone is standing up and saying it is. But it is an effort to start down a road that increases the professionalism of our teachers, increasing their pride, and, frankly, I am hoping it will help increase the pay of teachers over a period of time in the States of this country, although that it certainly not a decision that will be made in this body. The quality of our future competitiveness will be determined by the quality of our teachers.

Madam President, for these reasons, I strongly support the National Board for Professional Teaching Standards. It sheds light on the important work that teachers do. It acknowledges the fact that they have influence over our most treasured assets—our children. It inspires them to excel, and it will begin, I hope, to build a more solid foundation for our educational future and, therefore, for our economic future in this country.

I yield the floor.

The PRESIDING OFFICER. The chairman of the committee, the Senator from Rhode Island.

Mr. PELL. Madam President, I find it difficult to recall another profession that does not have a certification process. So, for that reason, since teaching is about the most important profession there is because our future depends on it, it should have this requirement.

This legislation is only voluntary. I would like to frankly see it as a requirement someday. In addition, it has a reverse advantage of giving to teachers the dignity and prestige they should have because they would be certified the same way members of other professions are certified. I think this bill is a mild step in this direction. It is a good step. I know I look forward to supporting it.

I want to follow up for a moment on what my friend from Georgia said, competitiveness is the new catch word. Previously, we used to talk about a

level playing field. Now the catch word is competitiveness.

When it comes to competitiveness, we have our choice whether 10 years from now we will be the industrial leaders of the world, or the European nations will or the Asiatic nations will. It is our choice. If we keep going the way we are, we will be No. 3. If we pull up our socks and start steps like this, we will be No. 1.

I very much hope this legislation will pass.

THE PRESIDING OFFICER. The Senator from Connecticut.

MR. DODD. Madam President, I hope to be very brief on all this, but I want to respond to some of the allegations. I have heard a lot of debate. I do not recall any legislation attracting more misinformation for what it does, frankly, than what I have heard in the last hour or so regarding this legislation.

Let me address some of those criticisms or attacks that have been raised by those who are in opposition to title X of this bill.

Madam President, I ask unanimous consent that the correspondence be printed in the RECORD, that supports this legislation.

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

OCTOBER 6, 1989.

Hon. CHRISTOPHER J. DODD,
U.S. Senate, Senate Russell Office Building,
Washington, DC.

DEAR SENATOR DODD: When the Senate considers S. 695, the "Educational Excellence Act of 1989", an effort may be made to weaken or delete a provision which is vitally important to efforts to attract and retain high quality teachers. As governors and business leaders we have formed a partnership with the education business community to support federal funding for the National Board for Professional Teaching Standards' research and development activities. The Board is a non-profit organization, chaired by former North Carolina Governor Jim Hunt, which is developing a voluntary assessment program to identify and certify this nation's most accomplished teachers. These voluntary examinations will help professionalize teaching—making it a more rewarding field, improving teacher education programs, and helping to reshape the structure of American schools.

The Board is composed of business leaders, the Presidents of both teacher unions, school board representatives, union and non-union teachers, governors, and almost every other segment of the education community. Every dollar that the Board receives from the Federal Government will be matched with private funds. DuPont, Xerox and Chrysler Corporation have already made major fiscal commitments to the Board along with the Carnegie and Ford foundations.

The committee measure requires every dollar of federal funds to be spent on a fully competitive basis. In addition, the bill imposes full and complete federal oversight—holding the Board accountable. Once the assessments are established the Board will be self-sustaining.

Again, we believe that this public-private partnership is a vital component of any program to improve American education. No matter how much money is available, or how many programs are enacted, the quality of our schools is only as good as the teachers we hire and retain. We urge you to support the Committee provision and oppose efforts to weaken it.

Sincerely,

Bill Clinton, Governor of Arkansas;
Thomas H. Kean, Governor of New Jersey; Richard E. Heckert, Chairman, Finance Committee, E.I. du Pont de Nemours and Company; David T. Kearns, Chairman and Chief Executive Officer, Xerox Corporation.

OFFICE OF THE GOVERNOR,
Des Moines, IA, February 5, 1990.

Hon. EDWARD M. KENNEDY,
Chairman,

Hon. ORRIN G. HATCH,
Ranking Member,

Labor and Human Resources Committee,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN AND SENATOR HATCH: I am writing to you today to tell you of my support for Title X of S. 695. This provision provides support for a voluntary, advanced certification system for teachers. It addresses a critical component of our effort to improve education and recognizes the importance of having quality teachers in our schools. The certification system will be administered by the National Board for Professional Teaching Standards (NBPTS). I am honored to be a newly elected member of the National Board.

Title X authorizes federal matching support for the research and development activities necessary to build the standards and assessments for National Board Certification. The provisions of Title X, as reported by the Labor and Human Resources Committee, requires that all of the funds authorized be allocated by contract to colleges, universities and other research institutions on a competitive basis with merit review. Title X also ensures that the National Board will remain independent. This legislation is not intended to establish mandated national teaching standards or a national curriculum.

I hope that you will support Title X, as approved by the Labor and Human Resources Committee, so that the National Board can continue its work to strengthen the single most important factor for success in our schools—teaching.

Thank you for your leadership on this very important issue.

Sincerely,

TERRY E. BRANSTAD,
Governor.

NATIONAL EDUCATION ASSOCIATION,
Washington, DC, February 2, 1990.

Hon. GEORGE J. MITCHELL,
Majority Leader, U.S. Senate, S-221 Capitol Building, Washington, DC.

DEAR SENATOR MITCHELL: On behalf of the 2 million professional educators and support personnel who comprise the National Education Association, I am writing in strong support of legislation to authorize federal funding for the National Board for Professional Teaching Standards. This funding would enable the Board to initiate much needed research into the fundamentals of effective teaching and would allow the Board to carry out its mission of promoting professionalism and excellence in the teaching profession.

I urge prompt consideration by the Senate of this key legislative proposal and pledge the active support of NEA for its passage. As always, if I can be of assistance to you on this or any other matter of mutual concern, please do not hesitate to contact me.

Sincerely,

DEBRA DELEE,
Director, NEA Government Relations.

AMERICAN FEDERATION OF TEACHERS,
Washington, DC, February 2, 1990.

Hon. GEORGE J. MITCHELL,
U.S. Senate Russell Office Building, Washington, DC.

DEAR SENATOR MITCHELL: The American Federation of Teachers strongly supports S. 695 as it applies to funding the research efforts of the Board for Professional Teaching Standards.

As you know, our nation is not producing the well-educated work force we must have if we are to meet the challenge of international competition. In fact, the National Assessment of Educational Progress shows U.S. students at, or near, the bottom in key subject areas when compared to students in most other industrialized countries. Unless we improve the quality of our education system and the achievement levels of our students, we cannot hope to compete successfully in world economic markets.

One of the keys to achieving these improvements is to professionalize teaching. The Board for Professional Teaching Standards represents the best hope for developing testing instruments that can leverage higher standards in teacher education and training, but the board needs short-term assistance to complete its research into these testing instruments. S. 695 would provide that assistance.

The relatively small investment that S. 695 calls for could pay big dividends in teacher quality, in higher achievement for our students, and in increased economic competitiveness for our nation in the 1990's and beyond. The 101st Congress will not offer you a better opportunity to help improve the teaching profession and our schools.

Sincerely,

ALBERT SHANKER,
President.

MR. DODD. Madam President, the question was raised about the composition of the Board. This board follows very routine procedures in terms of how its membership is constituted. In fact, it follows the same procedures that are used by the Boy Scouts of America, the Heritage Foundation, the United Way, the Masons and the Close-Up Foundation. I do not consider those boards necessarily to be ones that are improperly constituted. So to suggest somehow that this National Board of Teachers' Standards is constituted in some secret way, to only guarantee the participation of those who would like to control its decisions, is just not the case.

The fact is, there are 7 members from the NEA out of the 63 seats; 7 from the AFT. That is not what I would call control in this organization. My colleagues who raised the criticism failed to identify specifically what the bylaws require—7 and 7 out of 64.

There are teachers on this board. God forbid there should be teachers sitting on a board trying to decide what voluntary standards ought to be for teachers. Is anyone suggesting by the implication there should have been plumbers deciding who the lawyers ought to be in this country, or lawyers deciding who the plumbers ought to be? The argument that we have teachers trying to set up voluntary standards for teachers is patently ludicrous.

Of course there are teachers on this board. That is the idea, to attract quality people. Fourteen of them must be teachers who have achieved excellence in their professions and other members come from some of the major corporations in this country. The chief executive officer of Du Pont is hardly someone I would consider a radical in this country. I will be glad to provide my colleagues with a list of who the members are, what their backgrounds are. These are highly qualified people who, for 3 years, have served here.

To suggest somehow that it is a cabal that has met somewhere secretly and privately to come up with some standards which will only guarantee that the National Education Association teachers are going to be allowed to serve as members of the teaching profession is just ridiculous, I would say, Madam President.

Third, the argument is that there is going to be a \$25 million grant for the NEA. Not 1 cent of these funds by legislation can be used for the administration, not one penny. Every single nickel and dime of this money must go for the research and development programs. All administration costs of this board must be paid for out of non-Federal funds. How many times do we see that? The suggestion is that this somehow is going to be decided on a non-competitive basis, that this is just an absolute grant to one organization.

I would suggest again this organization goes back 3 years since its founding, but again there are other organizations that have received direct appropriations—the American Board of Emergency Medicine, the Close-Up Foundation, the American Red Cross, the Corporation for Public Broadcasting, just to name several that fall into the category. It is not unprecedented.

But I would suggest further the President is proposing a private non-profit foundation that would receive direct funding in his Points of Light Foundation. I suggest there is other legislation pending introduced by my distinguished colleague from Mississippi, who I see is on the floor, S. 2039, introduced January 30, and cosponsored by our colleagues PELL, KASSEBAUM, HEINZ, LOTT, DOLE, WILSON, McCAIN, CRANSTON, and HATFIELD. The legislation authorizes \$10.5 million for fiscal year 1991 and such sums

through 1995 for projects administered by the National Writing Program. That is a private nonprofit entity.

Where is the competition in that proposal? So we are carving out a special category for this? And yet the landscape is cluttered, if you will, with organizations that have received direct funding.

I point out that this board has done extensive work already. As I said this morning in our debate, we have worked on this legislation for some time. We worked out the compromises on this legislation back 2 years ago. It was worked out in the committee with Senators HATCH, QUAYLE, who is now our Vice President and was a member of the committee, and Senator STAFFORD. We had lengthy discussions in the committee about how this legislation ought to be shaped and it was shaped to the satisfaction of all members. It is only in the last few months that we provoked this kind of dissent over the bill. But this was not crafted by one party sitting in that committee with a handful of teachers someplace. It was put together on a bipartisan basis. It was the work in 1989 that led to the creation of title X in this legislation. So we have done an awful lot of work on this.

The Board is made up of very fine people, some of whom are very fine teachers. It is a totally voluntary operation. Again, we are told that this is the nose of the camel under the tent, that if you have voluntary standards today, disregard that; what we are really talking about here is Federal standards.

Again, as I just said in a short colloquy with Senator NUNN of Georgia, what we are talking about has nothing at all to do with licensing of teachers, regardless of what licensing requirements States have. Nothing in this legislation would permit this Board to interfere with that process. That is just a red herring, to suggest somehow that we are encroaching on the States' rights to determine licensing requirements for teachers in their own States, whether they be at-home teachers or in schools, private schools, parochial schools, or public institutions. That is left entirely to the States. The bill could not be more explicit on that point, and the colloquys that we have established make that clear.

Now, if my colleagues want to introduce legislation that would prohibit the Federal Government from setting teacher standards, submit that. That would certainly be something that I suppose a majority here might support. Leave it to the States.

But that is not in discussion here today. To raise an issue not in debate is to be unfair about what this proposal does. This bill sunsets the funding. It is \$8 million a year for 3 years,

roughly \$25 million. And then that ends the Federal funding.

It seems to me that ought to be something people would support, if we are trying to attract people into the teaching profession. Of all college graduates, the second lowest paid profession in America, after clergy, are the people who teach our young—the second lowest paid profession, Madam President. Now, we are trying to attract the best students in our colleges and universities to go into the teaching profession and all we can say to them today is, "You are about to become the second lowest paid profession in this country if you choose a teaching career."

All we are trying to do is to retain the good teachers, attract new ones, and provide some recognition for their accomplishments in what they are doing. That is all this really does. And the heat that it has generated is just uncalled for. As a Nation, we must produce 1 million teachers between now and the year 2000—a million citizens in this country must choose that profession. What is the likelihood of us achieving that goal if we offer them the second lowest paid profession and we fail to recognize their accomplishments through a certification program or we fail to invest \$8 million a year on how we can improve the teaching experience for those who are in it? And how we can make it attractive for those who are making career decisions?

Eight million dollars a year, we are objecting to that? There is nothing in this legislation that prohibits anyone else who wants to set up a voluntary certification process. If they want to, they can do that. No one else has at this point.

If you want quality education, Madam President, you have to have quality people in the profession. That is axiomatic. All this legislation does, in title X, is make a small effort to attain and improve the teaching profession. It is not going to solve it, I will guarantee you that. But here you have major corporations, major foundations, major teaching institutions, private and public, all across this country, that for the last 3 years have been wrestling with this problem. They have come up with 50 percent of the funding. They are asking for a little help for 3 years and we are debating this as if it were a discussion of nuclear war. It just does not warrant that. It ought not be taking 2 hours of the Senate's time to determine whether or not we ought to improve teaching quality in this country. That is all this legislation does. These notions of the nose of the camel under the tent, a Board that was formed in secret, that we are sitting here trying to provide direct funding to the NEA does not address the question at all. These are not

issues before us. They are not in legislation. Take 5 minutes. It is not that long. Read the bill.

I ask you to read the bill and you will find that most of the concerns you have heard raised are addressed directly in the legislation—legislation I would say several of my colleagues here worked on together and no one objected a year and a half ago when we finished. It has only come about recently because somehow we are going to mandate teaching standards, which is not the case at all and not in this legislation.

So I would urge, when the proper motion is made on this amendment and others, that we try in one way or another to eliminate the section. Do not go home over the recess and talk about the quality or the need for quality teachers in this profession after having shot down at least one board in this country, nonprofit, 501(c), committed to trying to help. We waste an awful lot of the taxpayers' money around here. This is not one of the ways. These are good people, competent people and there is a requirement of audit, accountability of the funds—hardly what we get in most agencies of the Government—in this legislation.

So I urge that we reject this proposal and that we pass this legislation. The President has submitted a good bill. We have added to it this section. My hope is that our colleagues here will support it, and we can say early on in this session that all the speeches that we have given about the quality, importance of education, and importance of this Nation being competitive in the year 2000 we will have done so early on in this session to contribute to that. I believe we can do that by supporting this board and giving it a chance to make that kind of a contribution. This is not something that you will regret as Members having done it.

Madam President, I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from the State of Washington.

Mr. GORTON. Madam President, I have listened with interest and care to the arguments that the distinguished Senator from Connecticut warmly, perhaps even passionately, argued, but not persuasive in the mind of this Senator. This debate is over an important bill, a bill which, in the mind of this Member, was probably better when it was introduced than when it was reported to the floor. In fact, I have the honor of being a cosponsor of the bill which the distinguished Senator from Kansas introduced. It has titles relating to Presidential merit schools, schools of excellence, national science scholars, school dropout programs, higher education amendments, and the like. It is obviously important that we pass this bill, and that we pass the

bill in the form in which it will be approved by the President.

This debate, however, is not over the entire bill but over an amendment to the bill by the distinguished Senator from Connecticut, which endangers its passage—if not in this body, certainly its passage into law. I feel we would be far better off to strike the Dodd amendment and pass the bill without it.

The distinguished Senator from Connecticut has argued that this \$25 million avoids doing so many things with respect to imposing national standards that it is difficult to see what is left for the \$25 million investment. Certainly there is nothing wrong with the Carnegie Foundation's forming a National Board for Professional Teaching Standards. On the other hand, it seems to me that there is something profoundly wrong in causing the Senate and the Congress of the United States to pick that particular board for substantial Federal support when there are a large number of groups and organizations who have worked in this field, who have come up with thoughtful studies and recommendations in this field, but who are entirely cut out of any competition for engaging in this field whatsoever.

Interestingly enough, not much more than a decade ago when the Department of Education was created, it was created by a statute which prohibits the Federal Government from exercising any "direction, supervision, or control over the curriculum, program of instruction, administration or personnel of any educational institution, school, or school system."

It is perhaps for that reason that while subverting the philosophy of the Federal interest in education the Department of Education, by this bill, is given no supervisory authority, and no audit authority, for that matter, over the spending of this \$25 million.

Once again, one can have no objection to the existence of this Board and any proposal which it may make to any State in the country. But when those proposals come with an imprimatur of \$25 million from the Congress of the United States, they will be more than mere recommendations. They will be more than equally competitive with the similar or dissimilar recommendations from other organizations, and they will have come largely by the recommendation of a huge majority of the members from two professional organizations, unions, whatever one wishes to call them, which have a tremendous investment in the status quo in education.

There is, for all practical purposes, no voice on the part of private education included on this Board, none at all for those relatively small but dedicated parents who prefer home education on this Board whatsoever.

It simply is not representative of those elements in our American society which are vitally interested in the various subject matter in which the Board is dealing. It represents a vitally important part of the current educational establishment, but very little else.

Under those circumstances, while I think it is totally appropriate to bless its effort and to allow its report to be considered on an equal plane with all other suggestions and reports on the same subject, to have it or to cause it to stand out and be given the sole imprimatur of the Congress of the United States in this field, at a cost of \$25 million, seems to me, Madam President, to be totally inappropriate. And I suggest we go back to S. 695 without title X.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Madam President, I would like to offer a few comments at this time as a cosponsor of the Helms amendment to eliminate title X, which establishes the National Board of Professional Teaching Standards.

However, Madam President, I do not agree with all of the objections to the proposal that have been made, and I would like to speak about why I am against it, and as to why some of the objections which have been raised should be clarified.

One, I ask unanimous consent that the names of the Board be made a part of the RECORD. The question was asked earlier during the debate: Who are the people who serve on this Board? It is a very distinguished group of men and women in their professions.

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

**NATIONAL BOARD FOR PROFESSIONAL
TEACHING STANDARDS, 1989-90**

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James A. Kelly, President, National Board for Professional Teaching Standards, 333 West Fort Street, Suite 2070, Detroit, MI 48226. 313-961-0830.

C. Leonard Anderson, Librarian/Media Specialist, Grant High School, 2245 NE 36th Avenue, Portland, OR 97212, 503-280-5160 x440. Mailing Address: 5595 SW Chestnut Ave., Beaverton, OR 97005.

Josephine Bennett, Biology Teacher, Whiteman High School, 4851 Elvis Presley, Memphis, TN 38116. 901-398-9152. Mailing Address: 1334 West Crestwood, Memphis, TN 38119.

Terry Branstad, Governor of Iowa, State Capitol, Des Moines, IA 50319. 515-281-3282.

Alan K. Campbell, Vice-Chairman of the Board and Executive Vice President, ARA Services, 1101 Market Street, Philadelphia, PA 19107. 215-238-3080.

Iris Carl, Elementary Mathematics Instruction Specialist, Houston Independent School District No. 14, 2600 Woodhead Road, Houston, TX 77098. 713-520-8406 or 623-5371.

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Richard E. Heckert, Retired Chairman of the Board, Chairman, Finance Committee, E.I. du Pont de Nemours and Company, Inc., 1007 Market Street, Wilmington, DE 19898. 302-774-4037.

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Patrick F. O'Rourke,¹ President, Hammond Teachers Federation, 5944½ Hohman Avenue, Hammond, IN 46320. 219-937-9554.

James R. Oglesby, Director of Facilities Utilization, 310 Jesse Hall, University of Missouri, Columbia, MO 65211. 314-882-6741.

Rebecca Ann Palacios, Bilingual Pre-Kindergarten Teacher, Zavals Special Emphasis School, 3102 Highland, Corpus Christi, TX 78405. 512-886-9354.

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Terry L. Wyatt, High School Physics & Consulting Teacher, Toledo Public Schools, DeVilbiss High School, 3301 Upton, Toledo, OH 43613. 419-472-6979.

Mrs. KASSEBAUM. Second, I would like also to say, Madam President, I have worked with the Carnegie Foundation on some of their educational work, and I highly commend, whether

¹ History teacher.

one would agree or disagree with all of the recommendations made by the Carnegie Foundation, that it is work of superior quality. I think we have been well served in this Nation by the work of the Carnegie Foundation on Education.

I heartily endorse efforts to enhance professionalism of teaching. I do not think there could be any disagreement on that. Board certification can be helpful in this regard. However, there are several reasons why I believe the provision of \$25 million to the NBPTS would be a mistake, and it is for that reason that I would like to offer these observations for a moment.

First, NBPTS' efforts have frequently been compared with the work of the medical society to provide special board certification to positions in a specialty field. Such certification is not required to practice medicine, but it is intended to demonstrate that a physician has more or less gone the extra mile to excel in his or her specialty areas.

Such efforts in the medical field have special validity because they were established and financed, I might say, Madam President, by the profession itself. The drive for special certification came from the profession itself. They were not imposed by an outside board or financed by the Federal Government.

Second, I think we need to be extremely sensitive to the signal which Federal funding sends in this area, particularly when financial support is given in such a large amount to one particular group.

I fully recognize that neither the Board nor the legislation is proposing a system of mandatory national certification for licensing, and in that respect, Madam President, I concur with the dialog that took place between Senator Nunn and Senator Dodd. Nevertheless, there are understandable fears which are raised once the Federal Government is made a partner in the effort.

As I am sure is the case with other Members of the Senate, I have heard from many individuals, particularly those involved with home schooling, who are very much opposed to title X. In many cases, it is obvious that they have received inaccurate information about the provision, believing that it overrides State laws, requires licensing of all teachers or establishes threshold criteria which all teachers must meet. In fact, as has been stated, the legislation does none of these things; but the worry remains that Federal participation in this effort may be a first step toward more extensive involvement in teacher licensing and certification.

Finally, although board certification may be helpful, particularly to those teachers who seek it, it will have very little impact in addressing the real needs of the teaching profession, and

it is really for that reason, Madam President, that I believe that this legislation does little and can be misleading in raising expectations. What is really needed is higher pay and greater respect for teachers, so that talented students will find the teaching profession an attractive option.

We need to address critical shortages in certain specialty areas. For instance, mathematics and science teachers among minorities. We need to strengthen opportunities for in-service training and to find means to reduce isolation of teachers. School discipline must be improved, and the number of interruptions in a teacher's day must be reduced. These are the important issues, Madam President. Developing voluntary certification standards is not of overriding importance, by comparison with other efforts for which we might allocate Federal dollars.

In this regard, I ask unanimous consent that a column by William Raspberry, which appeared in the July 19, 1989, edition of the Washington Post be printed in the RECORD.

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

[From the Washington Post, July 19, 1989]

WEAK MEDICINE FOR TEACHERS

(By William Raspberry)

The pay is too low; too few of the brightest college students are attracted to the field; too many of those who are lack the ability to inspire their students; there are too few rewards for excellent teachers; the proportion of minority teachers is shrinking as the proportion of minority students is increasing.

What should we do about it?

The National Board for Professional Teaching Standards has come up with an answer that may not merit the enthusiasm it is likely to provoke. The 64-member board, created by the Carnegie Forum on Education and the Economy in the wake of its 1986 report on public schools, is calling for national certification for outstanding teachers as a way of "ensuring educational excellence in elementary and secondary education."

The certification, which would be an addition to the minimum standards for state licensure, would focus on classroom results—not such ticket-punching procedures as taking the right courses.

The optimistic—the temptation is to say "pie in the sky"—expectation of the NBPTS is that it would "increase the supply of high-quality entrants into the profession, with special emphasis on minorities," help to provide a better atmosphere for learning and create a "new image for teachers in this country."

It might also increase pay for the best teachers, but that would be up to local school officials. "We're not employers," said James A. Kelly, president and chief executive of the board.

What the NBPTS has in mind is to define the "knowledge, skill and dispositions" required for success in as many as 29 teaching specialties—early childhood education, elementary school science, high school math and so on—and to award national certification to those who meet the yet-to-be devised standards.

The board, whose members include corporate executives, elected officials, teachers' union officials and—the majority—teachers, envisions all sorts of wonderful things flowing from certification.

"In view of their achievement," says Kelly, "board-certified teachers might be asked to assume the sort of increased responsibility that adds stimulation to the professional life of a teacher." Or as board member Susan Adler Kaplan, a Providence, R.I., English teacher says, a board-certified teacher "may become a mentor, may provide leadership for her colleagues by demonstrating new teaching methods, evaluating the latest instructional materials or organizing instruction. In short, she will have varied opportunities as a teacher."

But what has board certification got to do with it? Principals know already who their best teachers are, and if they want to use them to strengthen the weaker teacher, what's stopping them?

Moreover, why would outstanding teachers want the additional burden of training their colleagues unless it entailed additional compensation? And additional compensation raises the specter of "merit pay," which teachers and their unions have rejected for decades.

The results envisioned by the NBPTS make a lot of sense: teachers, led by their most effective peers, organizing instruction, choosing textbooks, setting curricula and in general exercising unaccustomed autonomy.

But it's hard to see how board certification would necessarily produce those results—or how it would inspire bright college students to switch their majors to education or increase the number of minorities entering the field.

Certification by a national board certainly seems preferable to the minimum-competency tests most of the states now use. But would it really enhance the skills of teachers?

The problems cited by the NBPTS are the critical problems. But the certification remedy sounds like an effort to cure chills and fevers by devising more accurate thermometers propounding new standards for bodily temperatures.

Mrs. KASSEBAUM. Mr. President, I commend this entire article to the attention of my colleagues. I particularly wish to cite his closing paragraph.

The problems cited by the National Board for Professional Teaching Standards are the critical problems. But the certification remedy sounds like an effort to cure chills and fevers by devising more accurate thermometers and propounding new standards for bodily temperatures.

There have been those who have said that a vote against title X is a vote against education. That is just not so. There are those of us who believe that our energies and focus can best be channeled in other directions, which could indeed enhance the professionalism of teaching.

I yield the floor.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Madam President, I have been supplied with an article from the January 17, 1990, issue of Education Week, that I think I should share with my colleagues because it

bears directly upon the amendment before us. The article is headlined, "NEA, Assails Board's Policy On Prerequisites For Certification."

It reads as follows:

The NEA is calling on its members who serve on the National Board for Professional Teacher Standards to lobby the board to revise its policy on who is eligible for national teacher certification. The union's 136-member board of directors oppose the national board's decision to offer the opportunity to become certified to any teacher with a bachelor's degree and 3 years of successful teaching experience at one or more primary or secondary schools. Instead, the NEA directors last month approved a motion stating that the union "will take whatever steps are necessary" to ensure that eligibility for national certification is tied to possession of a state teaching license and graduation from an accredited teacher preparation program.

The article goes on to state:

The union's concerns echoed those expressed in September by the American Association of Colleges for Teacher Education.

Madam President, the concern that I think many of us share is that however desirable some national consensus might be that would lead to an upgraded criteria and standards that would improve excellence in teaching, we have a concern that even though the mandate to the board is not to develop a mandatory national standard, that that might yet occur as a somewhat—in the mind of some—logical next step. And the concern that occasions in many, including educators in my State, is that those States that in fact have more rigorous standards would find themselves thereafter preempted by a national standard; and clearly they do not wish to find themselves in that situation, thinking they are proscribing a better standard of education within their States than would occur as a result of Board action.

Beyond that, there is a concern that I think is highlighted by this article. The National Education Association has lobbied its members of the board to reverse the Board's policy, to offer the opportunity to teach in a classroom to anyone who has successfully completed 3 years of teaching, and who is the holder of a baccalaureate degree or a bachelor of science in math or science or chemistry. It seems to me that we ought to be going very much in the opposite direction.

There has been concern expressed on this floor that we do not pay teachers enough to assure quality in the classroom. I think that what we ought to try to do is to see to it that we have well-compensated teachers in the classroom, who are rewarded for excellence in teaching and that in order to assist them, give them more individualized kind of attention and instruction that I think we would all agree to be desirable; that they have the opportunity to be assisted by qualified

teachers' aides of various kinds, and that we also not do anything to place impediments in the way of bringing into the classroom the very rare teaching assets of someone who, for example, has served a career in a laboratory as a research scientist for a leading manufacturer, or for a leading university, or for that matter, that we should not preclude the opportunity to serve as a teacher to someone who has been a successful career business person, or in the military, or who is a retired university professor, simply because they have not completed the kind of program that the NEA is insisting upon in this instruction to their members to undertake this lobbying to reverse the stated policy, which is to broaden, and not very far, not widely enough, it seems to me, opportunities for teaching to those who bring not simply a teacher's college credential, but successful experience in life into teaching. There is no guarantee that the lobbying effort will be successful.

(Mr. WIRTH assumed the chair.)

That is quite true.

But there is clearly not just an intent but great pressure being placed by NEA and by others upon the members of this Board; 33 members of a 64-member Board are teachers; another third, as I understand it, are appointed by teachers' organizations.

Mr. President, it seems to me that whatever the good intentions that prompted the creation of this Board—which I quite agree with the Senator from Kansas contains some very prestigious members—I think that in this article that reports a very clear instruction and a very clear conviction on the part of the National Education Association, there is not just implicit but expressed the danger that there would be a change in policy on the part of the national board and a change that would go a very long way toward narrowing the opportunity for qualified teachers to be in the classroom, to bring excellence, to bring the gifts that they have acquired through study of a kind different than is prescribed in this very narrow prescription.

It is just the wrong way to go, it seems to me. And while this is not a guaranteed turn of events, the danger that it could occur is very substantial. So for that reason I think that people who are concerned with excellence in teaching, concerned with broadening the opportunity to get qualified people of demonstrated ability, of wisdom and experience, into the classroom, and I might say particularly into the laboratories where we so desperately need people to teach physics and chemistry and the physical sciences, it seems to me this is going in the wrong direction.

So with some misgivings, because I think the intentions that prompted the action in the first place were very

good, I will support Senator KASSEBAUM and for the same reasons I think that we should be very careful and for that reason I will support the amendment and hope that what we will achieve in subsequent action is the kind of mechanism that will indeed prompt an improvement nationally without preempting what are in fact innovative local efforts or the kind of efforts that expressly broaden the opportunity for people to come into the classroom.

I think to do that would be to make a good step. It seems to me that inherent in the proposal before us or that is the target of the amendment carries a real danger of making a misstep.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I know the Senator from Rhode Island has a motion here and I will just take a couple minutes. And I think the Senator from Massachusetts also wants to speak.

I want to speak as someone who is a cosponsor of the President's education bill because I feel that the issue before us now, the provisions of title X in this bill, directly contradict a very important part of the President's original bill. Giving Federal money to a private board to research national certification standards is in direct opposition to the President's alternative certification section found in title I of the bill before us.

Alternative certification allows for schools to capitalize on the richness of knowledge contained by individuals who did not necessarily study to become teachers. These individuals now have expertise in the field and a desire to pass that onto our children through teaching and we may be running inadvertently or advertently—I am not sure which—into a conflict there between the goals of the two proposals.

I think that the voluntary process allows those who have expertise in various fields and particularly in technical fields like chemistry, math, science, to either use part of their time in an effort to teach part time in schools or to retire early and give back to the system, so to speak, the talent and knowledge that they have gained through practical experience.

I am concerned that the provisions of title X will directly or indirectly complete with the proposals that the President has outlined in title I of his proposal. We need to be encouraging parents, lawyers, scientists, social scientists, and others with expertise from other professions to enter into the field of teaching, to enter into our classrooms and share their real world knowledge with students.

I believe the national standards will discourage this variety.

The Indiana Department of Education has expressed to me a number of concerns that they have with title X. They indicate that they are concerned that it might have an adverse impact on State licensing rules. And while there is a legal and jurisdictional distinction between certification and licensing, in reality they are concerned that national certification may affect State teacher licensing rules and teacher preparation programs.

Second, in the area of teacher preparation, they are concerned there may be pressure on higher education institutions to provide programs which prepare teachers to compete and compete successfully with the national certification assessment requirements. The national certification thus may drive the curriculum of teacher preparation programs, and we have seen a proliferation of that over the past several decades and I think to the detriment of preparing teachers for the kind of things they need to take into the classrooms.

So these two issues are raised by the Indiana Department of Education.

I think, more importantly, the issue here is the conflict that exists between title I of the President's bill and title X of the committee amendment that is before us and that impact that that might have on voluntary association of professionals and others with promising greater teaching in the classroom.

I have concerns against title X. For that and other reasons, I intend to support the amendment of the Senator from North Carolina.

I thank the Senator from Rhode Island for his patience in allowing me to make the statement, and I yield back the time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I rise to support the committee provision authorizing \$25 million in matching funds for the National Board for Professional Teaching Standards. I believe that this initiative will help raise the professional standing of teachers and in doing so will make teaching a more attractive profession.

This provision was developed after careful deliberation. The Education Subcommittee held a hearing on the proposed National Board at the end of the 100th Congress. Senator STAFFORD, who chaired that hearing, commented at the end of it about the remarkable unanimity of support for the proposal at the hearing. In his words:

I have sat through hearings in this Congress now for 28 years, and I cannot recall a time when the witnesses who appeared in front of us were so unanimous in their viewpoint on an issue as they have been this morning.

The groups that support the National Board include the most important groups and associations that deal with education: The National Governors Association, the Association of School Administrators, the Council of Chief State School Officers, the National Association of State Boards of Education, the American Education Research Association, the National Association of Secondary School Principals, the National Education Association, and the American Federation of Teachers.

Critics of the proposal from the other side of the aisle note that this is a private organization that will receive Federal funds and argue that this is a new departure. In truth, there is ample precedent for funding the national board. Congress, for example, funds the Corporation for Public Broadcasting, which in turn gives grants to local stations to support local programs.

The American Red Cross receives \$13 million a year in Federal funds. The Close Up Foundation, a private nonprofit organization receives more than \$4 million in Federal appropriations every year to bring students to Washington, DC.

President Bush has proposed a private Points of Light Initiative Foundation that would receive \$25 million a year in Federal funds to encourage Americans to volunteer.

Mr. President, this is a modest proposal. It has been studied very carefully and numerous provisions have been added to ensure that Federal funds are matched from private sources, that Federal funds are used only for research, that the board awards Federal funds through competitive processes that are widely advertised, and that the board is accountable for the funds that it receives.

This modest Federal step will leverage significant private funds. It will, I believe, be an important step in improving the professionalism of the teaching profession. As a result, it will help improve American education.

We all talk about improving education. We talk about the importance of teachers and the need to get and keep the best possible teachers. This measure is an opportunity at last for the Federal Government to do something about the quality of education. I urge my colleagues to join me in voting to support this important initiative.

I have listened to the debate and I am frankly in disbelief of the way that this particular provision of the legislation has been distorted and misrepresented or not even understood. That has been really a characteristic of the descriptions that have been made by those who oppose this particular proposal.

I think all the Members of this body remember our very accomplished and dedicated and committed colleague,

the distinguished Senator from Vermont, Mr. Stafford, who was here when this particular proposal was developed, and I just quote his own words.

I have sat through the hearings in this Congress now for 28 years and I cannot recall a time when the witnesses who appeared in front of us were so unanimous in their viewpoint on an issue as they have been this morning.

Mr. President, that was Senator Stafford who did the initial work on this particular proposal, as a result of an extremely balanced set of hearings.

This we believe is consistent with what the administration, the President, has talked about in terms of developing additional kinds of certification, this idea that it is somehow going to be mandatory. We have seen the Governor's association and Governors themselves who supported it and said it was going to be complementary. That is why I have difficulty in following the arguments of those who say if we do not do this, if we permit this board to be in effect, we are somehow confusing the development of alternative certification. Those arguments just do not wash.

I believe that the arguments have been made by the chairman of the Education Committee, Senator PELL, and Senator DODD, and others, and I just would hope that the very strong record that was made during the consideration of this proposal will not be lost sight of, just to make a major difference in strengthening the kind of quality teachers and give them the kind of recognition which they deserve.

We believe that although it is not the total answer in terms of giving some additional recognition to teachers of quality, it certainly will make an important difference in the teaching profession.

I thank the chairman of the Education Committee for his strong statement.

Mr. BAUCUS. Mr. President, teaching is one of the most important professions in our society because the men and women who teach our children are shaping the future. Because of this, we can afford to have only the most qualified men and women in those positions.

In Montana, we're fortunate to have an excellent educational system. Much of the success of our schools can be traced to teachers who are well educated, skilled, and highly devoted.

But, in our Nation as a whole, the educational system needs to be improved. And one way to do this is to establish national voluntary standards for the teaching profession.

The purpose of the National Board for Professional Teaching Standards is to set rigorous standards for what teachers should know and for what

they should be able to do. These standards would be guidelines that States could follow if they chose to do so.

The purpose of the national board is not to force States to adopt the guidelines, nor will it try to supersede State or local authority. I feel very strongly that States should determine their own educational policy with very little interference from Washington.

I have heard from many parents who educate their children at home or who prefer religious-based instruction to public education. I feel very strongly that the Federal Government should not interfere with the rights of States to set their own education policy.

The National Board for Professional Teaching Standards does not interfere with the rights of States. It serves as a voluntary guide and will not—and should not—interfere with State educational sovereignty.

The standards developed by the national board should help improve our educational system. In addition, I hope it helps good teachers get the recognition they deserve. The teaching profession should be valued as much as the medical and legal professions. Because without good teachers, our Nation will have little chance to succeed in the global marketplace.

Mr. WALLEY. Mr. President, I join with my colleague from North Carolina [Mr. HELMS] in offering an amendment to correct a serious flaw in the Educational Excellence Act.

Last spring, President Bush proposed the Educational Excellence Act as the cornerstone of his educational program—and I was one of the original sponsors. My colleague from Kansas has already described the provisions of the bill. Its purpose is to recognize and support local school programs which excel in educating our youth. This is a worthwhile national objective which does not interfere with the local control of our public schools.

But, this bill has suffered a common legislative fate. It has undergone a strange metamorphosis since it was referred to committee. Members like to get their fingerprints all over legislation for better or worse. And, usually it is for the worse. In the case of the President's proposal, an amendment has been included to provide \$25 million for a professional teachers standards board. This is a precursor of a Federal teacher certification program—almost a National School Board.

The scheme is to have the Federal Government adopt a private entity set up by the Carnegie Endowment. This private board is controlled by the Teachers Union, since two-thirds of its members are from the unions. The idea is that the new Federal Board would develop national certification standards for teachers. These stand-

ards are portrayed as voluntary, but inevitably they would become mandatory.

Last week, many of my colleagues were visited by representatives of their local school boards. We asked the Wyoming School Board Association their opinion of a National Teacher Standards Board. They voiced strong opposition to the board, viewing it as an unnecessary intrusion in local control of public schools.

We seem to be engaged in a never-ending battle to protect local schools against the federalization advocated by various special interest groups. These groups do not want the public schools to be accountable to local communities. They want them to be subject to Federal bureaucrats. They believe they can manipulate the bureaucracy to impose their own agenda.

Why fear teacher standards? We don't. It makes sense for local school districts to develop written exams to test the basic skills of potential teachers. The bill already contains a program to financially assist school boards in developing such tests. There is no reason for us to fund a National Certification Board to preempt the States.

State and local school officials could then decide how to test and certify their teachers. We would eliminate a Federal teacher standards test which is an ill-disguised attempt to ensure that those entering the teaching profession have taken the NEA teaching curriculum while in college. Such a test has little to do with the ability to teach. Rather, it is an attempt to disrupt local control of schools, by imposing what amounts to a National School Board made up of Teacher Unions.

Once again, it is time to "just say no." No national teacher standards; no union control of teacher certification; no closed doors to those who have ability to teach our youth.

My home State of Wyoming does not want a National School Board. I urge the adoption of this amendment.

Mr. PELL. Mr. President, since there appears to be no further debate, I would suggest that we get on with a vote.

Mr. COCHRAN. Mr. President, if the Senator would please withhold, I have been advised that the Senator from North Carolina would like to have an opportunity to make some closing comments before the debate is concluded.

Mr. HELMS. Mr. President, let me say again what I said at the outset of my remarks awhile ago, that if title X is stricken from the bill, we can go to final passage because then there will be no contradiction, I say to my friend from Mississippi, with what the President proposed, which was absolutely wise and unassailable.

I am not going back over the ground that I covered earlier this afternoon. But I quoted the NEA time and time again wherein the NEA stated its goals, its purpose, and its intent. I do not understand why the English language is not understandable, particularly when the NEA, the National Education Association, one of the teachers unions, made clear what it has in mind.

I am not going to engage in any debate with any Senator who does not understand what the NEA was saying.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. HELMS. Mr. President, I believe I will finish my statement. I did not interrupt the Senator.

The Senator from Georgia and the Senator from Connecticut stated that the goal of the board is to produce standards for teachers similar to the standards that the American Medical Association and the American Bar Association have implemented for members of their professions. With all due respect to those Senators—and they are my friends—that simply is not so.

For example, the NEA, I repeat, opposes, and said so time and time again, all forms of objective tests, competency tests, for teachers. The NEA has stated, and I quote the NEA itself, "Competency in testing must not be used as a condition of employment, license retention, evaluation, placement, ranking or promotion of licensed teachers. The association also opposes the use of pupil progress, standardized achievement tests, or student assessment tests for purposes of teachers' evaluation."

That is not the Senator from North Carolina speaking. That is the National Education Association.

In short, the NEA opposes testing teachers to see if they are competent. The NEA also objects to the idea of considering the success or failure of students to determine whether their teachers are effective.

Mr. President, if the ABA, the American Bar Association, the AMA, the American Medical Association, or any of the other professions proposed doing away with all written examinations for their professions, they would be laughed off the stage. I said that earlier, and I will repeat it.

If we want to pass this bill tonight, I hope Senator PELL's motion to table will be defeated, because if it is not defeated, then we will go on and on tomorrow, maybe late into tonight, like Tennyson's brook.

I will say again that I do not want to offer any more amendments, but I shall. I have several. The Senate will have to vote on them and we will debate them and spend a lot of time. And then I imagine—and I cannot speak for the President of the United States—I imagine that he will consider

getting his pen out and saying if I may paraphrase a little bit, "Watch my signature" on a veto message.

Mr. President, I yield the floor.

Mr. LEVIN. Mr. President, I would not vote to keep title X, which authorizes funds for the National Board for Professional Teaching Standards, if it mandated national educational teaching standards, interfered with home instruction or undermined local control of schools. However, the language of title X clearly does not mandate any such national teaching standards and seeks to uphold the traditional role of States and localities in primary and secondary education. According to the words of the bill, "Nothing in this Act shall be construed to: First establish a preferred national curriculum or preferred teaching methodology for elementary and secondary school instruction; or second, infringe upon the rights and responsibilities of the States to license elementary and secondary school teachers."

The Board authorized by title X would include representatives of business, school administrators and teachers and would have the goal of improving the quality of teaching. The language and the legislative history make clear that any standards that it develops will be voluntary.

Mr. GRASSLEY. Mr. President, everyone supports educational excellence. And everyone supports endeavors to improve the quality and quantity of teachers. But we do not all support a federal system of elementary and secondary education, which is where title 10 of S. 695 would lead us.

Therefore I oppose this section of the bill and support the amendment by the Senator from North Carolina to strike it from the bill. I have several concerns regarding title 10. The first is the appropriation going to a private entity, as mandated in the bill. The National Board of Professional Teaching Standards is a creation of the private sector. With support from the Carnegie Foundation, the Board hopes to establish a set of criteria for national teacher certification.

Title 10 of the Educational Excellence Act would federalize the National Board with Federal funding and Federal objectives. Yet the Board would be only indirectly federally accountable.

While I do not support the authorization of title 10 of this bill, I am even more concerned that such a major influence on teachers would occur outside the realms of the Department of Education.

My second issue of concern is that federal certification won't result in all that the committee promises. The committee report specifies that the National Board of Professional Teaching Standards "could inject a large dose of added professionalism to teaching." I am puzzled how a Federal

board would add professionalism to any career.

Professionalism, in this context, I believe refers to the rather tenuous and elusive quality of perceived competence.

I strongly disagree that national certification will add to the public's perception of competence in the teaching profession. Respect is earned through consistent high quality performance. It can't be obtained simply by passing some examination.

The most significant concern I have with this legislation is the direction it would lead us toward Federal control of elementary and secondary education.

Mr. President, I am proud of the educational achievements of my State of Iowa. Iowa is indeed "first in the Nation" in education. In almost every measure, Iowa students rank first, second, or third highest in the country.

I am also proud of Iowa teachers. Their dedication to teaching young people is evidenced by the scholastic attainments of those students.

Mr. President, the accomplishments of Iowa students cannot be attributed to acts of Congress. Local education leaders in Iowa should be credited with identifying shortcomings in their schools. They have taken the needed steps to improve their schools.

Ever since "The Nation at Risk" received so much attention several years ago, states and local school districts have grasped the initiative to improve educational excellence in their schools.

Students and teachers in Iowa provide an excellent example of the success of local and State control of elementary and secondary education.

Local governments are more aware of the specific educational needs than the Federal Government ever could be. Additionally, local governments are more accessible to people in their local school districts than is the Federal Government. Therefore, licensure and certification of teachers should be left to the State and local government.

The committee included language that Federal certification should not infringe on the rights and responsibilities of States to license teachers. None the less, this section of the bill would establish national standards for teachers.

This leads our schools and our teachers in precisely the wrong direction. It should not be the business of the Federal Government to tell schools and teachers "what makes a good teacher."

It is the stated intention of the bill's proponents that this legislation will provide to teachers the same level of status that is supposedly available to physicians and attorneys. Neither these two professions, nor any other profession, is licensed or certified by

the Federal Government. Such credentials are left up to State governments.

State licensure has been the domain of State governments for good reason. Those same reasons hold true for this so-called voluntary certification. State licensure would be rendered almost meaningless in the face of the national certification. Any teacher who wanted to be anything would be compelled to seek the national certification—regardless of the rigors of State licensure—regardless of the professional standards those teachers set for themselves—regardless of the local or State recognition a teacher may have received already.

According to the committee report, it is hoped that teachers who obtain this national certification will be able to command higher salaries.

However, not all schools have sufficient financial resources available to compete for these teachers. Yet these schools, perhaps even more than those which are able to pay higher salaries, need high quality teachers. I ask the proponents of this legislation:

How do they hope to accommodate the needs of low income school districts which will have an even harder time attracting high quality teachers?

What is to prevent more affluent school districts from monopolizing the supply of Board-certified teachers?

Mr. President, title X does not contribute to "Excellence in Education." More specifically, it will not, I believe, contribute to excellence in teaching. I support the amendment to strike this title from S. 695.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. HELMS]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Nevada [Mr. REID] is necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. REID] would vote "nay."

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

The result was announced—yeas 35, nays 64, as follows:

[Rollcall Vote No. 6 Leg.]

YEAS—35

Armstrong	Grassley	Nickles
Bond	Helms	Packwood
Boschwitz	Humphrey	Pressler
Burns	Kassebaum	Rudman
Coats	Kasten	Simpson
D'Amato	Lott	Stevens
Danforth	Lugar	Symms
Dole	Mack	Thurmond
Domenici	McCain	Wallop
Garn	McClure	Warner
Gorton	McConnell	Wilson
Gramm	Murkowski	

NAYS—64

Adams	Exon	Lieberman
Baucus	Ford	Matsunaga
Bentsen	Fowler	Metzenbaum
Biden	Glenn	Mikulski
Bingaman	Gore	Mitchell
Boren	Graham	Moynihan
Bradley	Harkin	Nunn
Breaux	Hatch	Pell
Bryan	Hatfield	Pryor
Bumpers	Heflin	Riegle
Burdick	Heinz	Robb
Byrd	Hollings	Rockefeller
Chafee	Inouye	Roth
Cochran	Jeffords	Sanford
Cohen	Johnston	Sarbanes
Conrad	Kennedy	Sasser
Cranston	Kerrey	Shelby
Daschle	Kerry	Simon
DeConcini	Kohl	Specter
Dixon	Lautenberg	Wirth
Dodd	Leahy	
Durenberger	Levin	

NOT VOTING—1

Reid

So the amendment (No. 1236) was rejected.

Mr. PELL. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1238

Purpose: To amend the Higher Education Act of 1965 to clarify the administrative procedures of the National Commission on Responsibilities for Financing Postsecondary Education

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS] proposes an amendment numbered 1238.

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

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . ADMINISTRATION OF THE COMMISSION.

Section 1321 of the Higher Education Act of 1965 (20 U.S.C. 1221-1) is amended by inserting after subsection (d) the following:

“(e) ADMINISTRATION OF THE COMMISSION.—

“(1) RATE OF PAY.—Members of the Commission who are not full-time officers or employers of the United States and who are not Members of Congress may, while serving on business of the Commission, be compensated at a rate not to exceed the rate specified at the time of such service for Grade GS-18 of the General Schedule as authorized by section 5332 of title 5, United States Code, for each day, or any part of a day they are engaged in the actual performance of Commission duties, including travel time; and while so serving away from their homes or regular places of business, all members of the Commission may be allowed travel expenses, including per diem in lieu of substance, as authorized by section 5703

of title 5, United States Code, for persons in Government service employed intermittently.

“(2) TEMPORARY EXEMPTION.—Subject to such rules as may be adopted by the Commission, the Chairperson, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, shall have the power to—

“(A) appoint a Director or Executive Director who shall be paid at a rate not to exceed the rate of basic pay for GS-18 of the General Schedule; and

“(B) appoint and fix the compensation at a rate not to exceed the rate payable at the GS-18 rate of such other personnel as the Chairperson considers necessary.

“(3) AUTHORITY TO CONTRACT.—Subject to the Federal Property and Administrative Services Act of 1949, as amended, the Commission is authorized to enter into contracts with Federal and State agencies, private firms, institutions, and individuals for the conduct of activities necessary to the discharge of its duties and responsibilities.

“(4) SOURCE OF ADMINISTRATIVE SUPPORT.—Financial and administrative support services (including those related to budget and accounting, financial reporting, payroll and personnel) shall be provided to the Commission by the General Services Administration (or other appropriate organization) for which payment shall be made in advance, or by reimbursement, from funds of the Commission, in such amounts as may be agreed by the Chairperson of the Commission and the Administrator of General Services.

“(5) AUTHORITY TO THE HIRE EXPERTS AND CONSULTANTS.—The Commission is authorized to procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS-18. Experts and consultants may be employed without compensation if they agree to do so in advance.

“(6) AUTHORITY FOR DETAIL OF EMPLOYEES.—Upon request of the Commission, the head of any Federal agency is authorized to detail on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section.”;

and redesignating subsections (e) and (f) as (f) and (g) respectively.

Mr. JEFFORDS. Mr. President, this is purely a technical amendment. It has been cleared by both sides. Due to an oversight in the drafting of the reauthorization to the Higher Education Act of 1986, a provision was left out which would provide the technical language necessary for a Commission which is authorized in that bill.

The Commission refers to the responsibilities of the family and the State and the Federal Government in the financing of higher education. The Commission has been formed; the money has been appropriated, but the technical language necessary to expend the funds was not placed in the bill. All this does is provide that technical language in order to allow the Commission to go forward with its

work and guiding us in how we fund the higher education for our young people in the future.

During reauthorization of the Higher Education Act, a Commission was created to study the appropriate family, State, and Federal role in financing the cost of postsecondary education. The results and recommendations of this study will be presented to Congress and play a critical role during the 1991 reauthorization of the Higher Education Act.

The Commission is in place, the members appointed, and the money appropriated. However, an oversight in drafting omitted the authority for the Commission to spend money. Until that omission has been corrected, the Commission cannot proceed and hence Congress will not have the results of this important study during the next higher education reauthorization.

Let me reiterate: This is not appropriating any money. The money has been appropriated—it is a purely technical amendment to allow the money to be spent and the Commission to be underway to study the increasing burden of financing a higher education and make recommendations to Congress.

I want to thank both my colleague from Rhode Island and my colleague from Kansas for their assistance in this matter.

Thank you, Mr. President.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1238) was agreed to.

Mr. PELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1239

Purpose: To establish a Voluntary Teacher Assessment and Certification Research and Development Program

Mrs. KASSEBAUM. Mr. President, 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 Kansas [Mrs. KASSEBAUM] proposes an amendment numbered 1239.

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

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

The amendment is as follows:

On page 117, beginning on line 19, strike all through page 129, line 15, and insert the following:

TITLE X—VOLUNTARY TEACHER ASSESSMENT AND CERTIFICATION RESEARCH AND DEVELOPMENT PROGRAM

SEC. 1001. VOLUNTARY TEACHER ASSESSMENT AND CERTIFICATION RESEARCH AND DEVELOPMENT PROGRAM.

Section 405 of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended—

(1) in subsection (d), by adding at the end thereof the following new paragraph to read as follows:

“(7)(A)(i) From funds appropriated under subparagraph (F) of this paragraph, the Secretary shall support a National Center to conduct research and development activities related to the development of voluntary assessment and certification procedures for elementary and secondary school teachers.

“(ii) In developing assessment and certification procedures, the National Center shall give priority to research and development activities in—

“(I) mathematics;

“(II) the sciences;

“(III) foreign languages; and

“(IV) literacy, including the ability to read, write, and analyze.

“(iii) The National Center shall give priority to research and development activities for the certification of elementary and secondary school teachers and the need and ability of such teachers to teach special educational populations, including—

“(I) limited English proficient children;

“(II) gifted and talented children;

“(III) handicapped children; and

“(IV) economically and educationally disadvantaged children.

“(B)(i) To support the National Center, the Secretary shall award a cooperative agreement to a public or private institution of higher education, or other agency, organization, or institution, that is selected by the Secretary on a competitive basis, utilizing the procedures and principles of peer review. The Secretary may, to the extent the Secretary deems appropriate, conduct the competition on the basis of existing regulations for research and development centers.

“(ii) The Secretary shall require the National Center to pay at least 50 percent of the cost of its research and development activities under this paragraph from non-Federal sources.

“(iii) The Secretary shall ensure that the National Center will not use Federal funds to meet administrative and operating expenses.

“(C) The Secretary shall ensure that the research and development activities conducted by the National Center are planned and implemented in consultation with a broad spectrum of interested organizations and individuals, including but not limited to elementary and secondary school teachers, principals, school board members, business leaders, and university professors.

“(D) Each public or private institution of higher education, or other agency, organization, or institution desiring a grant from, or wishing to enter into a cooperative agreement with, the Secretary shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(E) The National Center may make awards of Federal funds competitively on the basis of merit, and, in the award process, the National Center will select, to the

extent practicable, and consistent with standards of excellence—

“(i) a broad range of institutions associated with educational research and development; and

“(ii) individuals who are broadly representative of the educational research and teaching communities with expertise in the specific area of research and development in question.

“(F) Notwithstanding section 504(e)(1), there are authorized to be appropriated for this paragraph \$6,000,000 for the period beginning October 1, 1991, and ending September 30, 1993.

“(G)(i) Notwithstanding any other provision of law, funds appropriated to carry out this Act shall remain available for obligation and expenditure until the end of the second fiscal year succeeding the fiscal year for which the funds were appropriated.

“(ii) No funds shall be made available to the National Center after September 30, 1993, except as authorized by clause (i) of this subparagraph.

“(H) Nothing in this paragraph shall be construed to—

“(i) establish a preferred national curriculum or preferred teaching methodology for elementary and secondary school instruction;

“(ii) infringe upon the rights and responsibilities of the States to license elementary and secondary school teachers; or

“(iii) provide an individual with a right of action against a State, local educational agency, or other public educational entity for any decisions related to hiring, promotion, retention, or dismissal.”

(2) in subsection (e)(1), by striking “section,” and inserting “section (excluding section 405(d)(7));” and

(3) in subsection (f)(1), by striking “section,” and inserting “section (excluding section 405(d)(7)).”

Mrs. KASSEBAUM. Mr. President, the amendment I am offering would delete the \$25 million authorization for the National Board for Professional Teaching Standards, which has been included in title X. As a substitute for those provisions, my amendment would, one, provide that any research on teaching standards would be subject to the same grant award procedures as other educational research and, two, would reduce the authorization for this purpose to \$6 million.

Mr. President, I would prefer to eliminate title X entirely. That not being possible, I am offering this amendment to assure that research funds made available for this purpose are open to competition in the same way that other educational research funds are. The National Board for Professional Teaching Standards could compete for these funds, as could other interested groups, but this amendment would not guarantee funding to the board.

I think it is important to point out that the fiscal year 1989 budget for education research is just over \$47 million. Consequently, the \$25 million authorized over 3 years by title X of S. 695 represents approximately 20 percent of the Department of Education's entire research budget. This is simply too large a sum to direct to one group

on a noncompetitive basis for one research purpose. We have sought to assure that funds are awarded on a competitive basis for the Department of Defense and other departments, and I believe we should apply this same standard to the Department of Education research grants, particularly when we are talking about such a substantial portion of that activity.

Mr. President, it could be that the board, as a matter of fact, will be the one who will win this competitive award. It is, I think, a good board.

The second part of my amendment reduces the authorized amount from \$25 to \$6 million. My purpose in reducing the authorized amount is to bring the scope of this research activity in better line with other national research center efforts supported by the Department of Education's Office of Educational Research and Improvement.

Funding levels for these national research centers vary from a range of about \$500,000 to \$2 million. The \$6 million authorization over 3 years provided by my amendment would place research on teaching standards at the high end of this scale. I would add, I think as most people know, this is money that is matched dollar for dollar by private sources in support of drawing up of the teaching standards of certification.

I believe my amendment offers a reasonable approach to the issue of research on voluntary teaching standards, and I would urge its adoption by the Senate.

I yield the floor, Mr. President.

Mr. PELL. Mr. President, while the funds flow to the established board, we have attached a requirement that the board must meet, which meets some of the points that have been raised by the Senator from Kansas. First, the board must be composed one-half by teachers, and, second, it must provide open competition of the grants for research and development, thus meeting the objection which has been raised.

Our subcommittee and committee also made significant changes in the original proposal—four, in fact. First, Federal money can be used only for research and development; second, the advisory committee to oversee research and development includes 2 of 10 members to be appointed by the Secretary of Education; third, open competition, merit review, wide dissemination of both merit competition announcements and results of research projects, all to guarantee wise and careful use of Federal funds, and four, submission of a 5-year plan by the board to indicate how Federal funds would be used in research and development. I have great respect for the ranking member and high regard for her, but I must in this case urge

my colleagues to oppose the amendment.

Mr. DODD. Mr. President, I think the chairman of the committee has outlined fairly accurately the problems with this amendment. I appreciate the point of view of the Senator from Kansas. I would note for my colleagues this is not an unprecedented action. There are any number of non-profit foundations and boards which receive Federal assistance directly without going through a competitive process, so it is not as if we are doing something we have never done before. I listed earlier a number of such groups such as the Red Cross, public broadcasting, Close Up Foundation, a number of others, which we have in our wisdom, rightly or wrongly, decided to fund directly without going through a competitive process. That is No. 1.

Mr. President, an important point to make to our colleagues, however, about this amendment, first of all, is that there is no indication whatsoever the Department of Education is interested in establishing such a center. It never has been in any intention I have seen to establish a center that would allow for this kind of a process to go forward, but more importantly than that, there is a technical problem of which we should all be aware. Under the law, the Department of Education has passed through the cycle already. They are not allowed to receive competitive bids for another 5 years, so that even if you wanted to go this route, under the law you would have to wait until 1995 to do so, which would destroy the very purpose I think all of us have in mind, and that is to at least create some sort of a vehicle for improving teacher quality in this country. So that even if you wanted to go the route suggested by the amendment of the Senator from Kansas, under the law you would have to wait 5 years to do so, at least based on what we have been told by the Department in terms of the cycle that they go through in receiving bids for such a competitive process.

Lastly, I would say to my colleagues regarding this proposal, this board will accept competitive bids for various aspects of the research and development to be done, so it is not as if this board is going to conduct all the research on its own; that it will in fact become a funnel through which research dollars can then go out to various institutions already established in this country which will do the kind of work that needs to be done in this area.

It has been estimated by the Carnegie Foundation that the cost of doing a good R&D program in this area would cost \$50 million. Some may argue with that number. The point is that through this vehicle you save about \$25 million. This board has agreed to take on 50 percent of the

cost through non-Federal funds. Not too often do we get the opportunity to support an organization that is willing to have 50 percent of its funds come from sources other than the Federal Government. I think we ought to take advantage of that. This is a well-established board made up of competent people who know what they are doing. To have 50 percent of those funds come from the private sector or other institutions ought to be something that we encourage rather than discourage.

Of course, you also ought to note that none of the \$25 million that this board receives can be spent on the administration of this board. Concerns were raised by some that these dollars would then go into the salaries of board members, their per diems, their meals, their lodging while they meet. That is absolutely prohibited under the law. This money can only go for research and development, that the foundation will have to assume the cost of the administration of the board on its own. That is an extremely important point.

So in terms of expeditiously moving forward in this area, doing it and doing it at far less cost and not establishing a precedent, since we have already done that in a number of areas, I urge this proposal by the Senator from Kansas be rejected, we accept what we have worked out in a bipartisan fashion and go forward with this proposal and adopt the President's commission on education legislation.

Mr. President, I yield the floor.

AMENDMENT NO. 1240 TO AMENDMENT NO. 1239

Mr. HELMS. Mr. President, I send an amendment in the second degree to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1240 to amendment numbered 1239.

Mr. DODD. Mr. President, I ask unanimous consent that the amendment be considered to have been read, and I note the absence of a quorum.

The PRESIDING OFFICER. Is there objection to the request?

The Chair hears none, and it is so ordered.

The amendment is as follows:

In lieu of matter proposed to be inserted, insert the following:

“TITLE X—MINIMUM COMPETENCY STANDARDS FOR TEACHERS”

“SEC. 1001. MINIMUM COMPETENCY FOR TEACHERS.—Title IV of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof a new part J to read as follows:

“PART J—MINIMUM COMPETENCY FOR TEACHERS PROGRAM

“SEC. 4911. FINDINGS.—THE CONGRESS FINDS THAT—

“(1) effective public elementary and secondary schools require competent teachers; and

“(2) States should be encouraged and assisted to develop and implement written standards of minimum competency that are applicable to teachers in public elementary and secondary schools.

“SEC. 4912. PURPOSE.—It is the purpose of this part to enhance the quality of teaching in public elementary and secondary schools by encouraging and assisting States and consortia of States to develop and implement written minimum competency standards for teachers in such schools. States may require teachers to demonstrate compliance with such standards before teaching in a public elementary or secondary school with the State.

“SEC. 4913. AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000, for the period beginning October 1, 1990 to September 30, 1993 to carry out the purpose of this title.

“SEC. 4914. ALLOTMENTS.—(a) From the amount appropriated to carry out this part, the Secretary shall allot to each State whose application is approved an amount that is proportional to that State's share of the total population of children ages five through seventeen in all such States, based on the most recent data available that is satisfactory to the Secretary.

“(b) For the purpose of this part, the term “State” means any of the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

“SEC. 4915. STATE APPLICATIONS.—(a) Any State desiring to receive a grant under this part shall submit, through its State educational agency, an application at such time, such manner, and containing such information, as the Secretary may require.

“(b) Each State application shall—

“(1) describe the activities to be undertaken to develop and implement new, or expand and improve existing, written minimum competency standards.

“(2) A State educational agency may carry out such programs, projects, or activities directly or through contracts or subgrants.

“(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

“(1) design, development, implementation, testing, and evaluation of written minimum competency standards;

“(2) establishment of administrative structures necessary to the development and implementation of such standards;

“(3) development and implementation of appropriate support programs, to assist teachers to demonstrate compliance with such standards; and

“(4) the development and implementation of appropriate reciprocity agreements between and among States.”

“SEC. 1002. EXPIRATION DATE.—Effective October 1, 1994, the provisions of section 1001 of this Act are repealed. The figure \$15,000,000 on page 59, line 17, is deemed to be \$25,000,000.”

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. Mr. President, I withdraw the amendment I just sent to the desk.

THE PRESIDING OFFICER. The Senator has that right. The amendment will be withdrawn.

The amendment (No. 1240) was withdrawn.

AMENDMENT NO. 1241 TO AMENDMENT NO. 1239

MR. HELMS. I send another second-degree amendment to the desk in its place and ask for its immediate consideration.

THE PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1241 to amendment No. 1239.

MR. HELMS. 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:

In lieu of the matter to be inserted, insert the following:

"TITLE X—MINIMUM COMPETENCY STANDARDS FOR TEACHERS"

"SEC. 1001. MINIMUM COMPETENCY FOR TEACHERS.—Title IV of the Elementary and Secondary Education Act of 1956 is further amended by adding at the end thereof a new part J to read as follows:

"PART J—MINIMUM COMPETENCY FOR TEACHERS PROGRAM"

"SEC. 4911. FINDINGS.—The Congress finds that—

"(1) effective public elementary and secondary schools require competent teachers; and

"(2) States should be encouraged and assisted to develop and implement written standards of minimum competency that are applicable to teachers in public elementary and secondary schools.

"SEC. 4912. PURPOSE.—It is the purpose of this part to enhance the quality of teaching in public elementary schools and secondary schools by encouraging and assisting States and consortia of States to develop and implement written minimum competency standards for teachers in such schools. States may require teachers to demonstrate compliance with such standards before teaching in a public elementary or secondary school with the State.

"SEC. 4913. AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000, for the period beginning October 1, 1990 to September 30, 1993 to carry out this purpose of this title.

"SEC. 4914. ALLOTMENTS.—(a) From the amount appropriated to carry out this part, the Secretary shall allot to each State whose appropriation is approved an amount that is proportional to that State's share of the total population of children ages five through seventeen in all such States, based on the most recent data available that is satisfactory to the Secretary.

"(b) For the purpose of this part, the term 'State' means any of the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

"**SEC. 4915. STATE APPLICATIONS.**—(a) Any State desiring to receive a grant under this part shall submit, through its State educational agency, an application at such time, such manner, and containing such information, as the Secretary may require.

"(b) Each State application shall—

"(1) describe the activities to be undertaken to develop and implement new, or expand and improve existing, written minimum competency standards.

"(2) A State educational agency may carry out such programs, projects, or activities directly or through contracts or subgrants.

"(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

"(1) design, development, implementation, testing, and evaluation of written minimum competency standards;

"(2) establishment of administrative structures necessary to the development and implementation of such standards;

"(3) development and implementation of appropriate support programs, to assist teachers to demonstrate compliance with such standards; and

"(4) the development and implementation of appropriate reciprocity agreements between and among States."

"SEC. 1002. EXPIRATION DATE.—Effective October 1, 1994, the provisions of section 1001 of this Act are repealed. The figure \$15,000,000 on page 59, line 17, is deemed to be \$25,000,000."

MR. HELMS. Mr. President, the amendment I sent to the desk would delete the pork-barrel grant to a private organization and in title X by re-channeling \$10 million of the Board's funds into the President's alternative teacher certification program to bring the authorization level up to the President's requested level of \$25 million. The remaining \$15 million would go into a competitive grant program for the States—individual States—to help them in their efforts to develop minimum written competency tests for teachers at the State, not national, level. That is precisely where such decisions belong.

As I said earlier, under title X, the taxpayers are expected to ante up millions in taxes while all they get in return are empty assurances that the money will somehow improve education.

The Board's supporters obviously want to give lip service to stringent teacher competency standards, but their real intent is to ensure that the NEA controls the development of any such standards so that even incompetent, dues paying teachers need not worry about losing their jobs. The only standards the Board and the NEA are really interested in are those that they can use to justify demands for increased pay and increased control over the schools.

As an attempt to ensure that Federal funds are used to develop truly stringent standards for teachers, I have included in the pending amendment a program to help the States—not the National Board—develop competency standards for the teachers

they employ. Helping the States establish State-administered pencil and paper tests would ensure that every teacher has at least the minimum qualifications for the job. That is what the bar exams, medical and accounting boards, and engineering examinations do so well.

Because minimum competency tests have been successful in keeping incompetent individuals out of the legal and medical professions, they have garnered a great deal of respect for themselves and the professions.

Unfortunately, the National Board has no intention of developing such objective competency tests for teachers—even though that is exactly what they have led the public to believe they would do.

Instead, according to the Board's "Initial Policies and Perspectives" published last year, the Board intends to establish "high and rigorous standards" by conducting interviews, viewing videotapes of teachers, examining sample lesson plans, simulating classroom performances, examining teacher portfolios, observing teachers on the job, and assessing a teacher's reputation among his or her own peers.

As I said in connection with the previous amendment, Jane VanderVeen, who is the NEA's program development specialist, spoke to North Carolina's educators 2 months ago and said that "the most promising thing about early policy decisions by the Board is that paper-and-pencil tests will be minimized to the greatest extent possible."

Mr. President, from statements like that and the Board's own policy statements, it should be obvious that the Board's eventual standards will hardly be the rigorous and objective teaching standards that the Board wants us to believe they will be.

Mr. President, using subjective competency standards, as the Board proposes, would essentially allow the Board and the NEA to judge teachers according to a teacher's politics, views, and adherence to the NEA's educational agenda. We should be judging teachers objectively based on their ability to convey the required subject matter to their students.

The pending amendment also seeks to give the President's alternative certification program a better chance at opening the teaching profession to many people who have arbitrarily been excluded from it in the past. It would do this by fully funding the Presidents alternative certification proposal.

Mr. President, something is out of place with a high school math instructor's own math professor at college is not permitted to teach in a high school simply because the professor does not have a degree in teaching. Such a state of affairs really stands logic on its head.

Of course, the reason retired college professors—not to mention lawyers, doctors, and other professionals—are not allowed to teach in our public elementary and secondary schools, even though they are very well qualified, is that college professors have not been trained in something called "pedagogy," which is only taught in our teachers' college.

Our Nation's public school educators, if you want to call them that, have been very effective in using high sounding phrases like "teaching methodology," "educational theory," or even "child behavioral psychology" to keep people without education degrees out of the public schools, no matter how well qualified they may otherwise be.

These terms may sound impressive to many people and to some Senators I am sure they sound absolutely indispensable to teaching. However, they lose their ability to impress once they find out that such educational theory courses include classes with titles like "Discovering Your Teaching Self," or "Lifestyle of a Secondary School Student," or "The Media and You."

Irving Kristol, I think, summed up the current education dilemma in an article that first appeared in the Wall Street Journal back in 1984. He asked the question, "Whatever happened to common sense?" That is the question we need to ponder here on this floor this evening, although I am not sure we will.

Mr. Kristol concluded, in answering his own question, that common sense had fallen victim to a tyranny of academic and pseudo-academic ideas, like "pedagogy," "behavioral psychology," and other meaningless academic jargon.

The National Board for Professional Teaching Standards acknowledges that it is not going to choose between assessing teachers based on their subject matter knowledge or their "pedagogical" knowledge. The Board will require both and thereby hijack the school reform movement by returning the teaching profession to an emphasis on teaching technique instead of assuring teachers' competence in their subject matter.

Once the Board puts education reform's focus back on technique instead of substance, the President's alternative teaching certification initiative will fail as well and the Board knows it.

Only teacher college graduates, you see, will possess the requisite pedagogical knowledge to become Board certified, or even licensed by the State, since the Board acknowledges that its long-term goal is to make compliance with the Board's standards a de facto prerequisite for obtaining a State teacher's license.

I do not know how Senators will vote on this one, but I think they ought to

analyze what the amendment proposes. I hope Senators will vote to fully fund the President's initiative, which is what the pending amendment does. The amendment restores the President's initiative.

By eliminating the Board, the pending amendment makes it possible to give the President of the United States the entire \$25 million he wanted for his alternative certification program. It would also enable the States to develop and implement truly stringent competency standards for the teaching profession in the individual States.

I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. 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. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, this Helms amendment is, in my view, another way to do away with the assistance for the National Board for Professional Teaching Standards. The increase of funds for altered certification in place of the proposed title X is not the same as what the national board would do.

The board would help teachers already in place, while alternative certifications would bring new people into the profession. In essence, it is very similar to the amendment that we just considered and voted on, and I move at this time to table the amendment.

Mr. HELMS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] and the Senator from Nevada [Mr. REID] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. PACKWOOD] is necessarily absent.

Mr. EXON. Mr. President, regular order.

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

The clerk will tally the vote.

The result was announced—yeas 60, nays 57, as follows:

[Rollcall Vote No. 7 Leg.]

YEAS—60

Adams	Exon	Levin
Baucus	Ford	Lieberman
Bentsen	Fowler	Metzenbaum
Biden	Glenn	Mikulski
Bingaman	Gore	Mitchell
Boren	Graham	Moynihan
Bradley	Harkin	Nunn
Breaux	Hatfield	Pell
Bryan	Heflin	Pryor
Bumpers	Heinz	Riegle
Burdick	Hollings	Robb
Byrd	Inouye	Rockefeller
Cochran	Jeffords	Roth
Cohen	Johnston	Sanford
Conrad	Kennedy	Sarbanes
Cranston	Kerrey	Sasser
Daschle	Kerry	Shelby
DeConcini	Kohl	Simon
Dixon	Lautenberg	Specter
Dodd	Leahy	Wirth

NAYS—37

Armstrong	Gramm	Murkowski
Bond	Grassley	Nickles
Boschwitz	Hatch	Pressler
Burns	Helms	Rudman
Chafee	Humphrey	Simpson
Coats	Kassebaum	Stevens
D'Amato	Kasten	Symms
Danforth	Lott	Thurmond
Dole	Lugar	Wallop
Domenici	Mack	Warner
Durenberger	McCain	Wilson
Garn	McClure	
Gorton	McConnell	

NOT VOTING—3

Matsunaga	Packwood	Reid
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So the motion to lay on the table amendment No. 1241 was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that Senator SIMPSON be added as a cosponsor to the underlying amendment, my amendment, and I ask for the yeas and nays on the underlying amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the amendment of the Senator from Kansas. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] and the Senator from Nevada [Mr. REID] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. PACKWOOD] is necessarily absent.

The result was announced, yeas 40, nays 57, as follows:

[Rollcall Vote No. 8 Leg.]

YEAS—40

Armstrong	Boschwitz	Chafee
Bond	Burns	Coats

Cochran	Heinz	Nickles
Cohen	Helms	Pressler
D'Amato	Humphrey	Rudman
Danforth	Kassebaum	Simpson
Dole	Kasten	Stevens
Domenici	Lott	Symms
Durenberger	Lugar	Thurmond
Garn	Mack	Wallop
Gorton	McCain	Warner
Gramm	McClure	Wilson
Grassley	McConnell	
Hatch	Murkowski	

NAYS—57

Adams	Ford	Lieberman
Baucus	Fowler	Metzenbaum
Bentsen	Glenn	Mikulski
Biden	Gore	Mitchell
Bingaman	Graham	Moynihan
Boren	Harkin	Nunn
Bradley	Hatfield	Pell
Breaux	Heflin	Pryor
Bryan	Hollings	Riegle
Bumpers	Inouye	Robb
Burdick	Jeffords	Rockefeller
Byrd	Johnston	Roth
Conrad	Kennedy	Sanford
Cranston	Kerrey	Sarbanes
Daschle	Kerry	Sasser
DeConcini	Kohl	Shelby
Dixon	Lautenberg	Simon
Dodd	Leahy	Specter
Exon	Levin	Wirth

NOT VOTING—3

Matsunaga	Packwood	Reid
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So the amendment (No. 1239) was rejected.

Mr. PELL. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I understand that the managers are about to accept an amendment to be offered by the Senator from Indiana, Mr. COATS, and I will therefore now propound a unanimous-consent request subject to the acceptance of the Coats amendment which will occur shortly, so my reference to limiting the amendments should be read not to exclude the Coats amendment that is coming up shortly. And if this agreement is accepted, as I hope and anticipate that it will, then there will be no further rollcall votes this evening.

Accordingly, Mr. President, I ask unanimous consent that the following amendments be the only amendments remaining in order to S. 695, the education bill, with the exception of the committee-reported substitute, as modified, and that they be limited to the following time limitations: A Wilson amendment regarding dollars for DARE, 40 minutes equally divided; a Wilson amendment regarding Healthy Start, 2 hours equally divided; a Helms amendment regarding title X, 90 minutes equally divided; a possible second-degree amendment to the Helms amendment on the same subject by Senator PELL or his designee, 60 minutes equally divided.

I further ask unanimous consent that following the conclusion of the above-listed amendments, the Senate proceed immediately to third reading

and final passage of S. 695, as amended, without any further debate or action other than the appropriate motions to reconsider and table.

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

Mr. MITCHELL. Mr. President, I thank my colleagues and I thank the distinguished managers, Senators PELL and KASSEBAUM, for their courtesy in handling this matter.

Mr. President, there will be no further rollcall votes this evening. There will be rollcall votes, I anticipate, on these amendments and on final passage tomorrow.

I now yield the floor.

AMENDMENT NO. 1242

(Purpose: To provide for the voluntarily, random, drug testing of student athletes)

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

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Indiana [Mr. COATS], for himself, Mr. THURMOND, and Mr. LOTT, proposes an amendment numbered 1242.

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

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

The amendment is as follows:

At the appropriate place in the bill insert the following:

SEC. DRUG TESTING.

Part B of the Drug-Free Schools and Communities Act of 1986 is amended by inserting at the end thereof the following new section:

SEC. 5128. DRUG TESTING.

“(a) PROGRAM AUTHORIZED.—(1) The Secretary is authorized to make grants to States for use by the Governor of the State to fund a program of drug testing for student athletes in secondary schools in the State in accordance with the provisions of this section.

“(2) Grants awarded pursuant to paragraph (1) shall be awarded on the basis of the number of secondary school students in the State.

“(b) LOCAL GRANTS.—(1) Each Governor of a State receiving funds pursuant to subsection (a) shall use such funds to make grants to eligible schools within the State to pay the costs of testing student athletes for drug use.

“(2) Funds awarded pursuant to paragraph (1) shall only be used to test secondary school athletes who—

“(A) voluntarily choose to participate in a random drug testing program; and

“(B) attend eligible schools.

“(c) STATE APPLICATION.—(1) The Governor of each State 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 shall reasonably require.

“(2) Applications submitted pursuant to paragraph (1) shall—

“(A) describe the drug testing program for which financial assistance is sought; and

“(B) contain assurances that the State will implement the drug testing program for which financial assistance is sought within 6

months of the date the funds become available to the State.

“(d) LOCAL APPLICATION.—Each eligible school desiring a grant pursuant to subsection (b) shall submit an application to the Governor of the State in which such eligible schools is located a such time, in such manner, and accompanied by such information as the Governor shall require.

“(e) DEFINITIONS.—For the purposes of this section—

“(1) The term ‘Governor’ includes the chief executive officer of any State;

“(2) the term ‘eligible school’ means a secondary school that—

“(A) the Governor of the State in which the school is located has determined to be a school at risk of experiencing a serious drug problem;

“(B) has a drug and alcohol abuse problem as demonstrated by appropriate data;

“(3) the term ‘secondary school’ has the same meaning given such term in section 1471(21) of the Elementary and Secondary Education Act of 1965; and

“(4) the term ‘Secretary’ means the Secretary of Education.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$5,000,000 for fiscal years 1991, 1992, and 1993 to carry out the provisions of this section.”

Mr. COATS. Mr. President, I understand the managers have looked at this amendment, have discussed it and accepted it, so I will be very brief, with just a minute or two explanation of what it is and then we will proceed to its adoption. I thank them for their courtesy.

This amendment is a follow-on to an amendment which I offered to the body last year and which was adopted into law providing for random, voluntary drug testing of student athletes in secondary schools.

Mr. President, the Senate adopted that language last year and it was signed into law by the President late in the year.

This particular amendment is a follow-on to that, as I said, because it establishes a supplemental grant program of \$5 million to be used over 3 years allocated to States on the basis of school enrollment. The rest of the language is the same as that in the previous amendment which passed this body.

McCutcheon High School in Indiana embarked upon a random drug testing program more than a year ago because it discovered a serious problem with its student athletes and the use of drugs.

The Tippecanoe County School Corp. adopted the program for its schools. It has been tested in the courts. The seventh district court has upheld the program unanimously and testing began in the fall of 1989. At the time it is important to note that since that time, there have been no, and I repeat no, failures at either of the two high schools which have instituted this drug testing program. That consists of approximately 500 tests, and we are excited about these results because it is a program that works. It

is a program that has demonstrated not only success but absolute success.

Now, we do not pretend that this will always be 100-percent successful, but here we have, while we stand on the floor and discuss the merits and demerits of particular programs and whether they will work, a tested program certified and approved by the courts, one which has been tested now with hundreds of students and has proven to be a real success.

We are all frustrated when dealing with the drug problem. We are all looking for programs that work, and this amendment is designed to advance a proposal which gives this some additional support and to see if we can spread it nationwide.

Other schools have called asking about the program. A school in Illinois has instituted a program, again without any indications of failures, and I think it provides a basis and a model for a successful way to deal with drugs and the athletes.

The reason we brought it up initially was because the temptation among athletes to take drugs to supposedly enhance their performance is very great. We have all read about this. We have seen the tragic results of that in newspapers and news programs across the country.

A lot of young people are thinking, "Do I need to take drugs in order to compete successfully?" And yet we know the dangers that are inherent in that. We are asking our students not to take drugs. Here is a program established in two Indiana schools that is working.

Again, I want to thank the Senator from Rhode Island and the Senator from Kansas for their willingness to look at this, analyze it, discuss it, and accept it.

Mr. President, unless someone else wants to talk on the amendment, I am happy to urge its adoption.

Mr. PELL. Mr. President, while I honestly prefer that we could have this amendment offered on a drug bill, I will agree to add the amendment of my colleague from Indiana to the Educational Excellence Act. It is a good amendment, and I congratulate the Senator.

Mr. COATS. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1242) was agreed to.

Mr. COATS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. PELL. What is the pending business, Mr. President?

The PRESIDING OFFICER. The committee substitute, as amended.

Mr. KENNEDY. Mr. President, I am pleased that we will incorporate the Student Athlete Right-To-Know Act into S. 695. This bill, which I cosponsored with Senator BRADLEY is designed to make information about graduation rates available to student-athletes who are being recruited by colleges and universities.

During hearings on this bill, we learned from the General Accounting Office [GAO] that student-athletes often leave school without completing their degrees. The legislation we are approving would help address that sad fact by simply requiring schools to publish the graduation rates of their student athletes.

A few weeks ago, the National Collegiate Athletic Association [NCAA] decided to provide a wide range of graduation rate data voluntarily. I commend them for making this decision and I applaud the leadership on this issue displayed by Dick Schultz, the executive director of the NCAA. I believe the action is long overdue and I am convinced that Mr. Schultz' leadership made it happen this year.

Senator BRADLEY and I agree that self-regulation, such as that displayed by the NCAA, is to be preferred in this area. As a result, the legislation allows the Secretary of Education to waive the requirements of this act for any institution that is voluntarily publishing information that is substantially comparable to the information required by this act.

I believe that the provisions adopted by the NCAA meet this test and I urge the Secretary of Education to waive the requirements of this legislation for NCAA institutions. I know that Senator BRADLEY shares my view that the NCAA's action is very comparable to the requirements of this act.

Our amendment also includes a provision requiring the Secretary of Education to develop a definition of graduation rate and to identify and define other student outcome measures. We included this provision because in the course of our hearings, we learned that there is no widely accepted graduation rate definition. I believe that having agreement on this important term will enable potential college students to evaluate graduation claims based on comparable information.

I emphasize that this provision is to be developed in consultation with State higher education agencies and representatives of colleges and universities. This definition is not to be written by the Department of Education and imposed on colleges and universities.

Mr. President, I thank Senators PELL and KASSEBAUM for their willingness to include this amendment in the Educational Excellence Act of 1990.

NATIONAL SCIENCE SCHOLARSHIP PROGRAM

Mr. GLENN. Mr. President, I rise in support of S. 695, and particularly in support of the National Science Scholars Program found in title II of the bill.

This scholarship program originated with a proposal Congressman Doug WALGREEN and I made in the 100th Congress to establish congressional scholarships for science, mathematics, and engineering. On the first day of the 101st Congress, I reintroduced this scholarship proposal in S. 134. Shortly thereafter, the President introduced his science scholarship initiative.

While there were important differences between the two proposals, I was glad that the President and I agreed on the most important point—the need for highly visible, prestigious national scholarships for the Nation's young science scholars.

I want to commend my colleagues on the Labor Committee for taking the best parts of both of our proposals and combining them in a measure that all of us can support.

The need for these scholarships is clear.

The United States faces a crisis in science and math education. One report after another confirms that the level of science literacy among the general school-age population is shamefully low. The children of our chief trading partners—the very nations against which the United States goes head-to-head in international markets—outperform our best students in science and math.

Moreover, there is a growing concern that American schools are not turning out enough scientists, engineers, and technical personnel to meet the demands of our industrialized, high technology economy. The proportion of American students studying in engineering, math, or the natural sciences has been declining over the last decade.

Equally important, demographic changes are looming ahead that could exacerbate the potential shortage of scientific personnel. We must encourage more minorities and women—groups that have been traditionally underrepresented in the sciences—to enter scientific occupations.

I am deeply concerned about these developments.

How is this country going to be able to compete with our trading partners if we cannot produce the scientists, engineers, and technicians necessary to make internationally competitive products? And if we can't compete in the global economy, how are we going to provide good jobs for our citizens? Or generate the tax revenues to help clean up the environment, fight drug abuse, provide health care, or defend this country?

For a variety of reasons, too many of our young people are not interested in pursuing scientific careers. We must do something to change that.

We no longer live in an age in which spectacular scientific enterprises capture the public's attention. Probably the best example of that was the U.S. space program in the 1960's. Its successes sparked the interest of millions of schoolchildren.

My proposal to create science scholarships is a modest attempt to fill some, I repeat, some, of the void in our culture today.

This proposal is very simple. The National Science Foundation will nominate one female and one male high school senior in every congressional district for a scholarship to study science, math, or engineering. The awards would be worth up to \$5,000 per year for 4 years.

I have also offered an important amendment which I am glad to say was accepted. I want to thank the floor managers for doing so.

My simple amendment could accomplish a great deal. I think that we could leverage these scholarships to obtain private sector funding for many more scholarships. For example, each congressional district will produce two winners, but up to eight finalists. Consider the multiplicative effect of our modest \$5,000 scholarships, if, say, a computer company, an engineering society, or a civic club were to contribute scholarship moneys to the finalists.

Some 900 scholarships could be used to leverage another 3,000 awards. That is exactly what my amendment is intended to accomplish. The NSF will be required to encourage this kind of participation by the private sector.

In conclusion, let me reiterate the principle aim of the National Science Scholarships: They are to raise the stature of scientists in our Nation's schools and to draw national attention to the importance of a well-trained technical work force. In other words, these scholarships are an important symbolic gesture. But we shouldn't forget that the program will help between 900 and 3,000 of America's brightest young people enter scientific occupations where they are desperately needed.

Mr. President, I urge my colleagues to support S. 695.

Mr. SYMMS. Mr. President, I rise today in opposition to Federal funding of the National Board of Professional Teaching Standards—an amendment which was attached to the President's education bill in the Senate Labor and Human Resources Committee.

This amendment provides \$25 million to a private organization for the research and development of teaching standards without any input from other interested groups or the Federal Government. I do not believe the Federal Government should have its

hands in every facet of American life, nor do I believe a single private organization should dictate regulations at the national level. This is what will happen if we insist on funding private groups for such purposes.

The amount of funding also concerns me—\$25 million is about 20 percent of the Department of Education's entire annual research budget. The Department of Education is currently studying teaching standards—why then do we ignore its efforts and give responsibility to a little known private group to dictate teaching standards for everyone? The administration is in place because the American people put it there; why not let it do the job it was elected to do.

I have heard from hundreds of my constituents who are violently opposed to Federal funding of this Board. This provision could lead to a mandatory certification system and, at a time when we are experiencing a shortage of teachers, this Board could deter individuals from the field.

Currently, home schooling is governed by the individual States; the Board in this bill would prohibit this type of teaching, regardless of the situation or the parents' wishes.

Moreover, the National Board for Professional Teaching Standards largely represents teachers' unions, rather than the individual teachers. This is a clear indication that the Board does not equally represent all regions.

As I have stated before, my concern is that this Board will lead to mandatory national requirements for all teachers—either through a licensing process or some accreditation scheme—which will then start us on the way to nationalized education. Thus, the Board would control who can and cannot teach and, eventually, education policies in public schools. This is a heavy, yet powerful burden for a single private organization.

America's education system should not be run in this manner. The education of our young people is of extreme importance and is the responsibility of many—parents, teachers, and lawmakers alike. It is not something to be dictated by a single private Board. Whose best interest are we focusing on? I do not believe it is that of the children who need the education.

Mr. DURENBERGER. Mr. President, I rise in support of S. 695, the Educational Excellence Act, a collection of initiatives proposed by President Bush and sponsored by Senator KASSEBAUM in an effort to improve the education in the United States.

We have all read the statistics that show how we are failing to provide our children with an education adequate to meet the challenges of tomorrow. The 700,000 students in 1987 who dropped out of school. And the another 700,000 students who graduated,

but who had deficiencies in basic skills equal to those who hadn't graduated. The fact that despite higher funding levels in education, U.S. students continue to rank at or near the bottom when compared to their counterparts in other industrialized countries in math and science skills. That only one poor black high school graduate in six attends college. That on a National Assessment of Educational Progress study, only 4.9 percent of all graduating 17-year-olds could use a bus timetable; 12 percent could solve problems using common fractions; and 5 percent could write a persuasive letter.

These are just a few of the grim statistics that present a frightening picture of America in the 21st century. For the first time in this Nation's history, we are leaving the next generation without the tools necessary to move this country forward. The answer to meeting the economic challenges of tomorrow rests in our ability to expand the productivity of every American worker today. That challenge depends on education. And it depends on a national commitment to educating all ages of Americans to meet tough challenges that help define the future.

S. 695 lays out the first step to meeting that challenge. It is based on four key principles essential to the improvement of our education system. They include: recognizing and rewarding our best schools and teachers, targeting those most in need, providing greater flexibility and choice for parents, teachers and principals, and enhancing accountability for progress toward high-quality education.

Underlying all four principles is the idea of empowering parents, teachers, students, and administrators to fundamentally change the way we think about education. To improve education by increasing available choices for all in the education community.

While Minnesota is leading the Nation in expanding parental and student choice, dozens of other States aren't far behind. At last count 30 States have implemented some type of choice program. Each of these programs is different. That's good. Because there is no answer that will solve the problems in our schools today. Our State and local districts have always been laboratories for trying new and better ways of educating our children. The bill before us today feeds into what educators are doing at the State and local level and challenges them to improve their programs to best meet the needs of the kids. S. 695 will expand funding for the merit schools program, for historically black colleges and universities, and for the drug free schools and school dropout programs. In addition, S. 695 would test new initiatives under the schools of excellence program to

test the significance of open enrollment programs. The alternative certification program to encourage more people to get involved in teaching. Finally, the national scholars program to reward our leading high school science students. Ensuring access to quality programs for the disadvantaged, expanding choices, and rewarding excellence; that is the job of an education President, and that is the focus of this bill.

While a strong supporter of S. 695, I must express reservations about a provision added to the bill during markup in the Labor and Human Resources Committee. This provision would authorize \$25 million in funding over 3 years for the National Board of Professional Teaching Standards [NBPTS]. The NBPTS would research and develop a program of voluntary teacher certification. While I applaud the Senator from Connecticut's attempt to improve and professionalize teaching in this country and a way to address the issue of differential of pay, I have concerns about certain aspects of the particular proposal. First is the cost. The \$25 million proposed over a 3-year period represents over 20 percent of the entire Department of Education's budget for education over the same period. At a time when we cannot meet the current demand for research dollars, I believe we need to look seriously at any proposal that would consume over 20 percent of the budget. I also have reservations about the noncompetitive nature of the grant process for the Board. In all other grant proposals of this kind, recipients are made to compete for funding based on need and the quality of their proposal. This is done in an effort to ensure that we as a Federal Government are getting the best program for our money.

I have also heard from many people who have expressed a concern that this program would eventually lead to a mandatory teacher certification process. I strongly support the traditional structure of our current education system that leaves certification authority to the States. The legislation, as I read it, is clear in defining this as a voluntary program in which teachers would apply for certification and that this program is not intended to lead to the Federal mandating of teacher certification. You can be sure that I will be following the development of this program to ensure that it continues to operate as intended in a voluntary manner.

Again, Mr. President, this is a good bill that will go a long way in improving education in this country. I urge my colleagues to support S. 695.

Mr. JEFFORDS. Mr. President, I rise in support of S. 695, the Educational Excellence Act of 1989.

Before I begin I would like to address concerns that I have heard re-

garding the National Board of Professional Teaching Standards. My office, and perhaps other Senators' offices, has been inundated with calls regarding this Board.

I am appalled by the nature of the rumors that have been spread regarding this program. Every one of my constituents has been misinformed and I repeat misinformed, that enactment of this bill would mandate that teachers in public and private schools and home schoolteachers be certified.

There is nothing further from the truth. This Board has been established to provide a voluntary certification for those teachers who choose to be certified. There is nothing mandatory in this provision and I know that I personally would not want and certainly would not support a Federal board to certify teachers, which has been the traditional role, and rightfully so, of each State.

Earlier today, Senator DODD, the author of this amendment, further clarified this provision and I appreciate his remarks. I hope that this will answer the concerns that have been raised and that the source of such rumors recognizes that the promotion of misinformation is neither appreciated nor acceptable.

Now, for the issue at hand, S. 695, the Excellence in Education Act of 1989. Let me commend the administration for this proposal which reflects its strong commitment to education. The Educational Excellence Act puts the Federal Government firmly on the record as committed to the needs of all students. It further reinforces the Hawkins-Stafford goal of providing educational opportunities for underserved and underprivileged youngsters.

The President's bill addresses some of the most difficult dilemmas this Nation has had to face. Preparing our future generation academically, controlling the rising social and financial costs of drug abuse and decreasing the unacceptably high dropout rate. The importance of this bill lies not solely in the fact that we have a President who has accepted the challenge to better prepare our youngsters—this bill is important because it recognizes that America's future generation is important and deserves time, attention, and recognition.

The economic necessity for such a bill derives from changes in both the demand side and the supply side of the U.S. labor market. On the demand side, there is an increase in international trade; changes in the standing of U.S. firms relative to their trading partners overseas, a rise in the role of services in all sectors of the economy; the rapid spread of computers and sophisticated communications equipment in the workplace and changes in the nature of markets and consumer demand.

These changes have had a precise impact on the types of skills needed to be a productive work force. An analysis of the national occupational data shows that over the last 15 years, occupations employing higher-educated workers have grown faster than those dominated by workers with 12 years of schooling or less. Modern production systems place increased intellectual and skill demands on lower- and middle-level workers. There is absolutely no question that there are many fewer opportunities for workers without basic literacy and numeric skills.

If statistics clearly point toward a higher level of knowledge and skill, then, how can our schools be prepared to meet the needs of individuals preparing for work? It is clear that there exists a need for an increased academic background and an extra incentive to remain in school and not be lured to the streets by drugs.

S. 695 makes it clear that education is the framework, the critical link to individual fulfillment, to economic growth, and to a competitive nation. This bill promotes quality education by rewarding efforts to improve educational achievement.

I am especially heartened, and fully supportive of the provision introduced by my colleague from Kansas [Mrs. KASSEBAUM], which provides grants to institutions of higher education for teacher training programs for middle school teachers. As a member of the Carnegie Foundation for Adolescent Development, I have been concerned by the lack of initiatives to promote special training for middle school teachers.

"Turning Points," a publication of the Carnegie Foundation, concludes that adolescents have been critically neglected. The adolescent years are a time of physical, social, and emotional change. It is a critical juncture for our young people—a time of questioning, experimenting, and self-analysis.

Middle school teachers play an important role in the development of these youngsters. The Middle School Teacher Training Program included in the bill recognizes the difficult task of such teachers and provides innovative models to train these teachers. Preparing middle school teachers is critical. This provision furthers that laudable goal.

The Excellence in Education Act includes Presidential Merit Schools and Schools for Excellence. This program provides a pat on the back for schools that have gone the extra mile for their students and succeeded in lowering dropout rates and drug abuse. The efforts of those schools, those teachers, and those administrators must be recognized. The work is hard and the rewards can be few.

S. 695 proposes the School Dropout Demonstration Programs. Such pro-

grams recognize that the key to success is not to give up on a child. Youngsters drop out for a number of reasons, be it drugs, academic failure, personal or emotional dilemmas. But that child should not be lost forever, forgotten by society. Instead, that child must be encouraged to try again and recognize that there is hope. The school dropout initiative does exactly that—it promotes programs that target dropouts and encourages them to return and finish their schooling.

Furthermore, the bill provides seed money to those schools most urgently in need of drug prevention programs. Our big cities have become inundated by the flow of drugs and drug users. But drugs are not contained in our larger urban cities alone.

There are no safe havens, no area completely free from the influence of drugs. Therefore, our efforts to educate our young people about the effects and influence of drugs has become one of the most critical lessons our schools, our teachers, our parents, and our country will have to teach our young people. The Drug-Free Schools Program provides this assistance to rural and urban schools in an effort to get the message across, and provide the help needed to get our children off of drugs.

I am particularly glad to note the National Science Scholars Program to award outstanding academic achievement in science and mathematics. Clearly, to keep this country competitive it is imperative that we encourage our young people to pursue careers in science and math.

The condition of our math and science programs, the declining number of scholars, teachers, engineers, and scientists has been an increasing concern of mine.

It doesn't require a great deal of insight to see the worsening condition of science education in this country. America is having difficulty remaining competitive in this world of increased technology. Our ability to fill highly skilled technical jobs has declined rapidly. It does not take much studying to determine that situation. In most instances, it is right on the front page of the newspapers.

So, even without the statistics it is easy to make a case in favor of science education in this country. During re-authorization of the Vocational Education Act we heard scores of witnesses testify that students were graduating less prepared and less skilled in the fields of math and science than ever before. Business is having to provide remedial education for its employees or else take the industry overseas where labor is cheaper and better prepared.

We are at a unique juncture in time. The Berlin Wall has fallen and perestroika is real. Countries that used to be isolated from the West are begin-

ning to shed their restraints and work cooperatively with us. This is a time of challenge and opportunity for all nations, including America. We must be able not only to keep pace, but to prepare our workforce for the increasing reality of a single global marketplace. If we cannot educate our youngsters to be prepared for this time in math and science education, language education and reading and writing skills, then we have drastically failed.

The President's bill takes an important step to solve this critical problem and recognize the importance of science to our future generation. I have only outlined a few of the proposals included within this important bill. I applaud the alternative certification for teachers and principals as well as the changes included within the bill to the Higher Education Act and the provision for We the People *** the Citizen and the Constitution.

It is refreshing to note the priority that this administration has placed on education and I want to commend Senator KASSEBAUM and her staff for the hard work they have put into this bill and the effort they put forth to forge a bipartisan package.

Mr. SIMON. Mr. President, I stand today in support of S. 695, the Excellence in Education Act. This legislation takes a few small steps on the long road toward paying off the Nation's education deficit.

Mr. President, our children today face a number of serious problems and obstacles that we never had to encounter—problems such as the growing presence of drugs in our society, an increasing number of illiterate adults, a startling dropout rate among high school students, and an imminent loss of America's competitive edge.

Our children are being exposed to drugs at an increasingly younger age. Americans, who comprise just 5 percent of the world's population, use 50 percent of its illegal drugs. And it is not only adults who are abusing substances, our children are being exposed to drugs at an increasingly younger age. Continually, drug dealers are using children between 8 and 12 years old to help work the drug trade. Fifteen percent of eighth graders in 1987 reported having tried marijuana. By the sixth grade, 44 percent of the students had tried drugs. Startling numbers to be sure but the drug war is only one of the battles that our children face.

Mr. President, few would argue about the importance of the ability to read in American society. Reading is essential to opening doors of opportunity that were previously closed but, far too many Americans do not hold that key. There are Americans who have gone through our schools, graduated, and still cannot read or write. Some 23 to 27 million people living in America are functionally illiterate. An-

other 45 million adults read with only minimum comprehension.

Studies show that with illiteracy comes a perpetuating cycle of poverty. To compete effectively in today's workplace, a worker must function at a 9th- to 12th-grade level—compared to a fourth-grade level during World War II. Yet 20 percent of America's adults can not even read well enough to read instructions on a bottle of medicine, fill out a job application or exercise their right to vote. Is it any wonder why 75 percent of this country's unemployed are illiterate? If we solve the problem of illiteracy, then we may be able to break the cycle of poverty for thousands of families.

The Senate has just passed the National Literacy Act I sponsored, S. 1310, to help combat this problem. S. 1310 would work toward eradicating the problem by the year 2000, particularly among the adult population, but we need to make sure that the children who go through our schools receive the quality education they deserve. We can no longer allow students to graduate without basic skills and the ability to read.

Literacy and basic skills cannot be taught if students do not stay in school. Twenty-eight percent of American students quit school before they have completed 12 years. That number is higher in urban areas. Furthermore, one out of every four high school graduates has the equivalent of an eighth-grade education. With Japan's dropout rate at only 2 percent, is it reasonable to expect that this Nation can stay competitive?

Mr. President, competition is a word that we all take very seriously. For years the United States dominated the world economically and socially. Post World War II production made this Nation the strongest the world has ever seen. But as the 1980's come to a close, the question must be asked: Are we still the all-powerful nation we once were? I believe that we all realize the answer is no. America's international edge is slipping.

What does the future hold? Experts tell us that by the year 2000 one-third of the newly created jobs will be in occupations requiring a high level of education and another 36 percent will require moderately high educational level. That leaves 69 percent of the available jobs completely unattainable by a worker who lacks a high school diploma. The same experts also inform us that nearly half of the work force at the turn of the century will be either black or Hispanic—yet today's statistics say that 44 percent of blacks and 65 of Hispanics are marginally or functionally illiterate. And these numbers do not include women or other minorities such as Asians or American Indians, all of whom have historically been discriminated against in the edu-

cation system and the job market. By the year 2000, 85 percent of the new workers on the market will be minorities. Even if literacy improves gradually, the mismatch is obvious. The future holds numerous skilled job opportunities with a shortage of workers to fill the positions. In our efforts to reform and improve education, we can be proactive in addressing these inequities and in preparing our work force for the future.

There is no question that the 1980's have been a time of automation and it does not look like the future holds much change. As machines replace the individuals, displaced workers must learn new skills to regain employment. This group must improve its technical knowledge to stay competitive in their respective fields. But technological fields are not increasing their numbers in the schools. In an 11-country study, including Canada, England, and Japan, United States students placed last in calculus and biology and near the bottom in geometry, algebra, physics, and chemistry. Just one out of five students is interested in studying science by the 10th grade, the time when most basic science courses have been taken. Studies show that in 1986, U.S. colleges and universities awarded 18,792 Ph.D.'s in science and engineering, only 12,572 went to American students. Just 4 percent of those degrees went to blacks and Hispanics. Studies predict a shortage of 560,000 scientists by the year 2020. We must do more. We must encourage the study of science and technology, especially among women and minorities.

Mr. President, who is to teach the students of the future these mathematical and scientific skills? One-third of today's faculty in colleges is over 50 and may retire in the next 10 to 15 years. When placed next to the rate at which natural science and engineering students have pursued doctoral work—50 percent since the 1960's—a future shortage can be predicted. Current competent teachers in the technical fields are simply not attracted to teaching positions. Why submit yourself to lower salaries and lower status as an educator when you could succeed as a published researcher? Teachers in math, science and even vocational education can earn 50 to 60 percent more in the private sector.

Currently, statistics show that 50 percent of all jobs require some amount of education beyond high school and that percentage will continue to rise as the century ends. Yet the cost of a college education has risen some 40 percent in the past 9 years while over the same time period Federal assistance for students rose just 3 percent. How can the minorities of America, who will form 85 percent of the new job force of the next decade, afford higher education with that kind of meager support?

Education is not a product that can be produced by a single institution. It is a system that combines the input from a number of factors. Beyond the students and faculty, a school must be supported by parents and the community. It is essential that public schools become important parts of the community, the State and, ultimately, the Nation. As a result there is no easy remedy for our education ills.

But I am willing to guess that no Senator, no Congressman, no American citizen would refute the assertion that our school system needs to be rejuvenated.

Mr. President, last year, the United States spent over \$300 billion on the military and \$20 billion on education. That difference is frightening. Less than 2 percent of our enormous budget is spent on the valuable resource known as the American mind. Many times I have stressed that education is the most important opportunity our Nation has to offer its youth. Through learning one is able to unlock the secrets of the world and contribute greatly to one's society. As the world becomes smaller and technology more advanced, education only grows in significance. If we plan to stay economically competitive in this changing international society, we must begin with education. Education must become a priority at all levels, Federal, State, and local. The President and the parents must get involved if reform and improvement is going to be successful. You could have the best educational program in the world with the best books and learning equipment, but if the child does not have the motivation and support from home and the community, that program and those tools are wasted.

Mr. President, I don't mean to paint an exceedingly dark picture of our educational system without a sign of light or hope, but the reality of the situation warrants a dark picture.

As I stated at the beginning of my statement, S. 695 takes a few small steps on the long road toward paying off the Nation's education deficit. One of the most important parts of the bill is title X, an effort to retain our excellent teachers by increasing the status of the profession.

NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

Mr. President, a few years ago researchers conducted a study to determine what types of audiovisual aids are most helpful to students learning foreign languages. In the end, what they found out had little to do with the various technologies they tested. They concluded that the teachers, not technology, had the greatest impact on student learning.

The simple fact is, students who have good teachers, learn; students who don't have good teachers, don't learn.

The problem is that many of our best teachers don't stay in teaching, and most of our best students don't go into teaching in the first place. The solution? More pay, higher standards, and the increased respect that these steps will bring to the teaching profession.

There is little that the Federal Government can do to increase teacher salaries. That is something that each of the almost 16,000 school districts across the country must address. Indeed, as many of these districts find it increasingly difficult to find qualified applicants, the salary issue will be forced upon even the most recalcitrant districts.

But here is a way that the Federal Government can help to raise the status of the teaching profession, to attract and retain the best and the brightest. It is the proposal before us today, to provide research funds for the National Board for Professional Teaching Standards.

Certification by the National Board will not be a substitute for existing state licensing procedures. It will be an additional, advanced certificate, available only to those with experience in the classroom. The concept is fairly simple. In our universities—unquestionably the best in the world—the position of full professor is a mark of distinction, a goal for young scholars. National Board Certification provides exemplary elementary and secondary school teachers with a similar type of recognition of their knowledge and talents.

National Board certification is voluntary. Teachers do not have to seek it; States and school districts do not have to recognize it. But for those who choose it, an assessment process would require candidates to demonstrate their command of subject matter and of the teaching and learning process. For the first time, experienced teachers would be challenged to meet a fair and demanding standard of excellence.

Board certification will not only give teachers greater recognition, but also the potential for greater responsibility and reward. School districts will engage in a healthy competition for Board-certified teachers, and will find ways to make the most productive use of their knowledge and talents.

To develop the standards to be met by this schoolhouse version of a full professor, the National Board for Professional Teaching Standards needs to conduct research.

Mr. President, some people have objected to the Federal Government providing funds to an outside, nonprofit organization. I have three comments on this concern. First, while this direct authorization is somewhat unusual, it is not unprecedented. Similar programs exist for the Close Up Founda-

tion, the American Red Cross, and the Corporation for Public Broadcasting.

Second, I consider this not an expenditure of public funds, but a savings. The Board will be paying for research that the Government should be doing in the first place. We are, in effect, doubling the return on our research investment because of the funds that the Board has been able to raise from foundations and businesses.

Third, the Board will consult with the Department of Education and will use the same high standards in contracting for research. Research awards will be granted on a competitive basis, with merit review, and the Board's activities will be subject to annual reports, audits, and other mechanisms to ensure accountability.

This national, voluntary program of advanced certification is one of the most promising opportunities we have to leverage improvements in the quality of teachers and teaching, and to stem the exodus of able teachers from the profession.

Mr. President, I support the committee's provision authorizing Federal funding for the National Board's research, and I urge my colleagues to oppose efforts that would slow down the Board's progress.

OTHER ELEMENTS OF S. 695

The discussion about the Board has taken the spotlight away from several other important parts of the bill. I would like to take this opportunity to mention a few of them.

The Nation's historically black colleges and universities are the major producers of black educators, scientists, and professionals. Yet, these schools continue to be hampered by lack of resources and inadequate financial support. Title IV of this bill extends the authorization for Federal matching funds to help build the endowments of the HBCU's, an initiative I authored in the Challenge Grant Amendments of 1983. S. 695 reflects my suggestion to authorize \$20 million for HBCU challenge grants in fiscal year 1990 and such sums as necessary in fiscal year 1991, fiscal year 1992, and fiscal year 1993, providing an increased level for this initiative beginning in fiscal year 1990. I am pleased to see that the administration has called for \$15 million in the proposed budget—triple this year's level. This will help to secure the future of these important institutions.

Grades six through nine are times of immense physical, emotional, and social change for youth. Yet middle schools may be the most neglected by policymakers. S. 695 would establish much-needed demonstration programs for teaching at the middle-school level. Because this is also the age when many young people first develop problems of drug and alcohol abuse, the bill includes language I proposed to ensure that teachers are trained to

prevent and detect high risk behavior and to build self-esteem.

S. 695 establishes the Presidential Merit School Award, grants given to schools that succeed in reducing drug abuse and dropout rates. In addition, schools that make extra efforts to cooperate with parents in enrollment procedures or strive to strengthen their academic and vocational programs for disadvantaged students will also be eligible for moneys.

This legislation also provides scholarships to one man and one woman in every congressional district who have demonstrated academic achievement in math and science. At my urging, the committee agreed to give a priority to economically disadvantaged students and those who have been traditionally underrepresented in math and science careers.

The bill also increases the authorization for the Drug-Free Schools and Communities Act, and targets some of the funds to school districts with the most severe drug problems. It authorizes funds to help States develop alternative routes to teacher certification. It continues the program, "We the People *** The Citizen and the Constitution."

Finally, Mr. President, I am pleased that the bill has been amended on the Senate floor to authorize the President's Awards for Excellence in Education. This program expands on the successful Christa McAuliffe Fellowship Program that I sponsored, under which excellent teachers in every State have been awarded funds for special projects or study sabbaticals. This provision of S. 695, creating a \$5,000 award program, will help to keep excellent teachers in the profession by recognizing and rewarding their exemplary efforts.

Mr. President, it is time that we as Americans address the ills of our public education system. All children, regardless of economic stature, should be able to enjoy the right to a good solid education and the unlimited possibilities that it can reveal.

No, Mr. President, S. 695 won't solve all of the problems in education; it is not a comprehensive education reform bill. The National Board for Professional Teaching Standards will not give the country an ample, diverse teaching force. It will not instantly make teaching a high-status profession. There are many more steps that the Congress, President Bush, State legislatures, Governors, local school boards—and the voting public—must take to address the ills in education.

But this is a start.

Mr. COATS. Mr. President, I am pleased to be a cosponsor of the President's education bill, Excellence in Education Act of 1989. This bill is an important step in improving the way we educate our children. It is becoming obvious to everyone involved in the

education debate that more and more money being spent on existing programs is not working. It is time for some spring cleaning. We need to challenge our teachers, ourselves as parents, ourselves as legislators, and our students to expect more from all parties involved.

The President's initiatives to hold schools accountable for student performance in merit schools; to apply free market competition to our schools through open enrollment and to broaden the base of teachers through alternative certification are bold ideas. These ideas have been proven by many schools and deserve a chance to reach more students and hopefully, one day, all students.

The concepts behind the innovative measures in title I are ones that I have been stressing through the American Family Act. I am pleased that President Bush recognizes that new programs must implement fundamental tenets of accountability, responsibility, and success in the classroom.

The bill also recognizes programs that have worked in the past and gives them the needed funds to keep working. Giving funds to encourage national science scholars and historically black colleges and universities makes sense if we are to continue to remain competitive as we face the next decade and century.

However, to the President's original proposal, a privately funded board would be given money to research a concept that to me seems in direct conflict with part C of title I, alternative certification. I don't understand why we should move in the direction of basing teacher quality on a subjective test developed by a special interest group. I believe there are all types of successful and inspirational teachers and that we should be opening ourselves to the untapped resources that exist, not limiting ourselves. I therefore cannot accept title X of this bill and will support any amendments that alter or delete its existence.

Mr. COCHRAN. Mr. President, on February 9, 1989, when President Bush made his first address to the Nation as the 41st President of the United States, he presented a plan to the Congress and to the American people for building a better America. The cornerstone of the plan was a package of educational initiatives to promote educational excellence.

The President based these initiatives on four principles:

As an incentive for all schools, teachers, and students to improve their performance, our best schools and our best teachers should be recognized and rewarded.

Federal dollars should be used to assist those most in need.

Greater educational flexibility and choice should be given, both to par-

ents in the selection of schools for their children and to local school systems in hiring of teachers and principals.

In order to ensure that students receive the highest quality education, greater accountability should be required through objective measurement and reward of progress.

Last week in his State of the Union Address, the President announced the educational goals recently developed in cooperation with the Nation's Governors:

By the year 2000, every child must start school ready to learn.

The United States must increase the high school graduation rate to no less than 90 percent.

By the year 2000, U.S. students must be the first in the world in math and science achievement.

Every American adult must be a skilled, literate worker, and citizen.

Every school must offer the kind of disciplined environment that makes it possible for our kids to learn, and every school in America must be drug free.

The Educational Excellence Act before us today incorporates the President's education proposals, these guiding principles, and the goals for our education future into an education bill of which we can be proud.

As the President explained when he submitted this proposal to Congress, we should build upon the historic accomplishments of the previous Congress. The Educational Excellence Act builds on and complements the accomplishments of the Hawkins-Stafford Elementary and Secondary School Improvement Amendments which took significant steps toward improving elementary and secondary education by enhancing parental involvement in programs for disadvantaged children, stimulating education reform, encouraging the development of innovative teaching methods through new programs such as the very successful Star Schools Program, reauthorizing the magnet schools program, and improving accountability.

I am particularly supportive of the provisions of S. 695 authorizing Presidential Merit Schools to provide Federal dollars to States to recognize and reward exemplary chapter 1 schools; schools of excellence to promote parental choice in education and to strengthen the knowledge of elementary and secondary students in academic and vocational subjects; alternative certification to allow States to examine alternatives to their current certification procedures in order to bring noncertified individuals with expertise in certain subjects into the classroom; and an increased authorization for the Historically Black Colleges and Universities Endowment Challenge Grant Program.

I also support the effort to develop a voluntary, advanced certification process for teachers. This would provide a way to recognize exceptional teachers and reward them to help retain our best teachers in the profession and attract bright college-bound students into the field.

As an original cosponsor of the Education Excellence Act, I applaud the President for making education a priority in this administration. A top quality education for every child in every State is something that parents should be able to expect and that we should strive for as lawmakers. The legislation builds on existing programs and establishes new programs to help States and local school districts achieve their full potential. I am glad to have had an opportunity to work with the White House and other members of the Labor and Human Resources Committee on this important legislation.

Mr. HATCH. Mr. President, I appreciate the opportunity to vote for the Educational Excellence Act today. This bill incorporates many of the proposals the President has chosen as the basis of his education program.

Our country is at a very crucial point. We are facing some of the greatest challenges that have ever come our way. Our ability to provide a quality education to all our citizens, regardless of their intellectual ability, wealth, race, or gender, will determine how strong this country will be.

It is hard to imagine that in only 11 years we will cross the threshold into the next century. Mr. President, in 11 years, my oldest grandchild, Stephanie, will be entering college. What we do on the floor of the Senate today will ensure that my granddaughter and her classmates are prepared for the challenges of postsecondary education and for the responsibilities of citizenship.

Proposed here is a mechanism for the President, in cooperation with State education agencies, to recognize quality schools and reward those schools for their efforts, especially those which have large numbers of disadvantaged students. These awards will be based on three primary criteria: First, proof of progress in educational achievement levels; second, the creation or maintenance of a drug-free environment; and third, a reduction in the dropout rate for secondary schools. Can you imagine how much stronger this country will be if we can make improvements in these three areas in all our schools?

There is a mechanism to provide schools of excellence for students who are educationally disadvantaged or from low-income families. These schools will focus on a particular educational approach or subject area. There will be competitive grants available to districts or groups of districts

for such schools. This program should help to reduce dropout rates by providing youth and their parents with various options regarding the type of schools they attend. If a traditional classroom format has not worked, this proposal does not limit a student's choice to dropping out. It offers alternatives.

Additional funding is authorized so that States can set up alternative programs for teacher certification. This is designed to encourage qualified professionals to enter the teaching profession without requiring them to go through traditional teacher certification procedures. It is estimated that this country will need at least 200,000 new teachers per year between 1990 and 1995. There is an increased need for math and science teachers and minority teachers, who are not entering the profession through traditional means. These alternative certification programs, run by the States, will be aimed at encouraging these nontraditional candidates to enter the ranks of teaching, especially in the areas of greatest need.

The bill also provides funds to encourage our young people to study math and science, two areas where we need more scholars. In 1978, 9,063 male citizens of the United States earned doctorates in science. In 1988, this number had decreased to 7,133. Fortunately, the number of U.S. women earning doctorates increased from 2,762 to 3,936. However, overall the total number of U.S. citizens earning doctorates in science decreased from 11,825 in 1978 to 11,069 in 1988. Our Nation cannot expect to compete in international markets, maintain our national security, or advance our quality of life without the brainpower to explore science and technology. Our future, in many ways, is at the mercy of America's future scientists. Our hopes of finding cures for a disease, protecting the environment, or developing new products depend on those boys and girls who will be scientists in the 21st century.

We must continue this emphasis on math and science. This bill does that by having the Department of Education work with the National Science Foundation to provide scholarships to our most promising math and science secondary school students who agree to pursue an education in the fields of physical, life, or computer sciences, mathematics, or engineering.

The bill also provides authorization for additional funds to combat the drug problems which face this Nation. The drug problem is creating real havoc in our schools and needs to be addressed by the schools in cooperation with the community. This bill addresses that problem by increasing the authorization for funds under the Drug Free Schools and Communities

Act of 1986 and by providing emergency grants to schools in urban and rural areas.

All of us have heard of the abuses in the Student Loan Program. I am sure that everyone wants to protect the students' access to a higher education while at the same time ensuring that taxpayers are protected from misuse of funds. We also want to protect schools, both public and private, who are providing students with an appropriate quality education.

The measures outlined in this bill are those needed in statute for the total program of the Department of Education regarding student defaults. These measures will protect the student by ensuring confidentiality of names, simplifying payment schedules, protecting the student from unfair collection procedures and reducing the amount of earnings a dependent student must contribute to education expenses.

The taxpayer is protected by ensuring that students provide more information so that defaulters can be tracked in future years, by requiring that students who default are reported to credit bureaus, and by giving the Secretary of Education the authority to require an institution to refund tuition and fees to the government and the student if the institution misrepresents itself to students.

The bill also provides additional requirements on lenders to report students in default, provides lenders with new mechanisms to locate students, and requires that lenders notify schools when former students are delinquent on loans. These measures, in conjunction with the rules and regulations proposed by the Secretary, should enable the Student Loan Program to remain a viable program capable of providing students with access to training and education, and capable of providing legitimate private and public institutions with the ability to offer funding packages to students.

In addition this bill has provisions for other important programs. This bill extends the school dropout demonstration program through 1993. It authorizes funds to increase the endowment funds of our historically black colleges and universities, something these schools need desperately. The bill also provides authorization for grants to institutions of higher education for developing innovative models for specialized training of teachers of grades 6 through 9, the crucial years that are discussed in the Carnegie report.

The bill also provides an authorization for funds for the National Board for Professional Teaching Standards to do research and development activities directly related to the development of teacher assessment and certification procedures for elementary and secondary school activities. I un-

derstand that the administration has some concerns regarding these funds. Frankly, so do I. I firmly believe that the licensing function must be kept at the State level. This provision should not be construed as an entree to mandatory national teacher standards or certification. I believe, however, that this provision has been carefully drafted to prevent this, and that these funds can truly benefit education if they are spent on research about methods which can be used most effectively to instruct students. This information can then be disseminated to local schools.

Overall, I believe that this bill is an excellent one which we should move expeditiously, and I urge the support of all Senators. This legislation will go a long way in helping the President to address the important needs in education.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PLAYING PARTISAN POLITICS

Mr. DOLE. Mr. President, Senate Democrats insisted on starting this session of the Congress on the partisan side, by trying to "slam dunk" President Bush on the China student-veto override vote. It did not work. The Senate wisely preserved the President's constitutional prerogative to set our foreign policy.

I hope that experience would be instructive to my friends on the other side of the aisle: that a partisan foreign policy assault on a President is not the wisest course.

Here we go again. Now I am hearing reports that the Foreign Relations Committee Democrats on Thursday intend to mark up the East European aid legislation they recently announced at a press conference. There will be no real hearing on the legislation prior to the markup. I guess they did offer one administration witness 1 hour to appear before they marked it up—not even giving the President the courtesy to have this bill introduced and considered by the committee. Just for the record, I think it should be indicated that the administration witness was invited.

It is not going to be significant, and I understand that the administration decided not to send anyone. There was no coordination with Republicans on the committee beyond informing them they are about to have the bill rammed down their throats. The ink is not even dry on the President's pro-

posal on Eastern European aid. There has been no serious committee consideration of that proposal either, and it has not been introduced. It will be ready tomorrow or Thursday, but it seems to me in the spirit of fair play, the President's bill ought to be pending, and it ought to be considered in the markup.

We went through this last year on Poland. It is an encore performance of "deja vu all over again." There are important new opportunities and needs in Eastern Europe. No one in the Senate has spoken out more strongly and frequently on that subject than I have. This session we should and will vote aid for emerging democracies of that region. We should do it in a responsible, nonpartisan, bipartisan way.

So let me offer my friends on the other side of the aisle some unsolicited advice: If they want to provide more money to meet the legitimate needs of the emerging democracies of Eastern Europe, I invite them to endorse the Dole proposal for reallocating 5 percent of earmarked aid. That would be a cut across the board of 5 percent, or at least review our foreign aid program in an effort to find the amount needed.

Let me point out that many of our friends in Latin America, Central and South America, are going to be zeroed out, and are not going to get one dime in aid, and are going to have their amounts of economic or military aid reduced because the President has no flexibility and because he was, in effect, shortchanged about \$650 million because of all the earmarks.

Maybe my plan does not make sense, but at least we ought to review our foreign aid program in an effort to find the amount needed, or some portion of the amount needed, for aid to these emerging democracies. If anyone in this Chamber can tell me that foreign aid is popular in their States, I would like to have a nice private visit. Foreign aid is not popular. Some say just "make the pie bigger, just spend more money or take it out of the defense budget." All that may sound good, except I doubt that there are the votes to make the pie bigger, and I doubt that there is going to be any "peace dividend" which has been used in a number of other places to increase foreign aid.

I suggest that if we want quick action instead of partisan action on this kind of issue, I hope that there would be some coordination between Republicans and Democrats. We do have something to say on how the agenda is made up and what comes to the floor and what we can give agreements on.

I visited with Secretary Eagleburger this morning about the rush by committee Democrats to get another bill out here and get it on the floor. But if

that happens, there will be a lot of opportunities to vote on foreign aid for other countries, maybe on foreign aid for some of the countries who have been zeroed out in Latin America, South America, and Africa.

So I hope that we can have a responsible nonpartisan American foreign policy, and I urge my friends and colleagues on the Democratic side of the Foreign Relations Committee to give up their dangerous and losing game of playing partisan politics when it comes to foreign policy. I reserve the remainder of my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. FOWLER. Mr. President, I ask unanimous consent that there be a period for morning business.

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

GOOD NEWS FROM CHINA

Mr. CRANSTON. Mr. President, good news from China is rare these days. But the New York Times of Sunday, February 5, reports that the Chinese Government—in an action we can heartily applaud—is joining with Wildlife Conservation International to create and manage, in Tibet, what may be the world's largest wildlife reserve.

The 100,000-square-mile reserve is to be in northwestern Tibet, in a region called Quian Tang, an area comprising 20 percent of the total land area of Tibet. Quian Tang is home to snow leopards, brown bears, wild sheep, gazelles, yaks, and asses unique to Tibet, antelopes, and wolves. Only a random herdsman or two make up the human presence. Under terms of the agreement, Wildlife Conservation International will work with the Tibet Institute of Plateau Biology to carry out scientific surveys of the region, including defining the ecosystem and its inhabitants. While some hunting by herdsman will continue, no other killing of wildlife will be permitted. Hunting of the snow leopard and the Tibetan brown bear will be forbidden.

The distinguished biologist, Dr. George Shaller, Science Director of WCI, joined with the representative of China's Environmental Protection Agency in late November of last year in a letter of agreement to create the reserve. Dr. Shaller's pioneering work in conservation has won him a worldwide reputation as a scientist, naturalist, and wildlife statesman.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT—PM 91

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 Agriculture, Nutrition, and Forestry:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for fiscal year 1988.

GEORGE BUSH.

THE WHITE HOUSE, February 6, 1990.

ANNUAL REPORT ON ALASKA'S MINERAL RESOURCES—MESSAGE FROM THE PRESIDENT—PM 92

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 Energy and Natural Resources:

To the Congress of the United States:

I transmit herewith the 1989 Annual Report on Alaska's Mineral Resources, pursuant to section 1011 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3151).

GEORGE BUSH.

THE WHITE HOUSE, February 6, 1990.

ANNUAL REPORT ON FEDERAL ADVISORY COMMITTEES—MESSAGE FROM THE PRESIDENT—PM 93

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 Governmental Affairs:

To the Congress of the United States:

In accordance with the requirements of section 6(c) of the Federal Advisory Committee Act, as amended (Public Law 92-463, 5 U.S.C., App.), I hereby transmit the Eighteenth Annual Report on Federal Advisory Committees for fiscal year 1989.

GEORGE BUSH.

THE WHITE HOUSE, February 6, 1990.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT—PM 94

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 Joint Economic Committee:

To the Congress of the United States:

The United States enters the 1990s as a prosperous nation with a healthy and dynamic economy. Our living standards remain well above those of other major industrialized nations, and our prosperity is spread widely. Since 1982, American firms and workers have produced the longest peacetime expansion on record and created more than 20 million jobs. The containment of inflation during this long economic expansion is a milestone in postwar U.S. history.

In 1989, we regained our position as the world's leading exporter and retained our position as the world's leading job creator, with the fraction of the population employed reaching its highest level ever. In all, 2½ million jobs were created in 1989. The unemployment rate fell to levels not seen since the early 1970s, as did jobless rates for blacks and teenagers. The unemployment rate for Hispanics was the lowest since 1980, when the United States began regularly reporting it.

We have proven to the world that economic and political freedom works. After years of economic decline, the people of Eastern Europe are turning toward free markets to revive economic growth and raise living standards. I remain strongly committed to aiding the efforts of these brave men and women to transform their societies—and thereby to change the world.

Despite our successes, we cannot be satisfied with simply sustaining the strong record of the 1980s. We must improve on that record, deal with inherited problems, and meet the new challenges and seize the new opportunities before us.

GOALS AND PRINCIPLES

The primary economic goal of my Administration is to achieve the highest possible rate of sustainable economic growth. Achieving this goal will require action on many fronts—but it will permit progress on many more. Growth is the key to raising living standards, to leaving a legacy of pros-

perity for our children, to uplifting those most in need, and to maintaining America's leadership in the world.

To achieve this goal, we must both enhance our economy's ability to grow and ensure that its potential is more often fully utilized than in previous decades. To these ends, as explained in the *Report* that follows, my Administration will:

- Reduce government borrowing by slowing the growth of Federal spending while economic growth raises revenue until the budget is balanced, and reduce the national debt thereafter;
- Support a credible, systemic monetary policy program that sustains maximum economic growth while controlling and reducing inflation;
- Remove barriers to innovation, investment, work, and saving in the tax, legal, and regulatory systems;
- Avoid unnecessary regulation and design necessary regulatory programs to harness market forces effectively to serve the Nation's interest; and
- Continue to lead the world to freer trade and more open markets, and to support market-oriented reforms around the world.

In advancing these principles, we must be both ambitious and realistic. There is room to improve, and there is much to be done to prepare for the next century. We must not fear to dream great dreams. But we must not fail to do our homework; the American people are ill-served by promises that cannot be kept.

MACROECONOMIC PROSPECTS AND POLICIES

The economy's performance during 1989, the seventh year of economic expansion, has set the stage for healthy growth in the 1990s. Growth in national output was more moderate in 1989 than the very rapid pace in 1988 and 1987. But, in sharp contrast to most past periods of low unemployment and high capacity utilization, inflation was kept firmly check. Measured broadly, the price level rose 4.1 percent during 1989, down from 4.5 percent during 1988.

If my budget proposals are adopted, and if the Federal Reserve maintains a credible policy program to support strong noninflationary growth, the economy is projected to expand in 1990 at a slightly faster pace than in 1989. Growth is projected to pick up in the second half of the year and to continue at a strong pace as the level of output rises to the economy's full potential.

Fiscal and monetary policies should establish credible commitments to policy plans aimed at maximizing sustainable growth over the long run. A steady hand at the helm is necessary to produce rapid and continuous in-

creases in employment and living standards.

My budget proposals reflect a strong commitment to the principles of the Gramm-Rudman-Hollings law, which has helped reduce the Federal deficit from 5.3 percent of GNP in fiscal 1986 to 2.9 percent in fiscal 1989. That is why I insisted last fall that the Congress pass a clean reconciliation bill and stood by the sequestration order that resulted from my strict adherence to the Gramm-Rudman-Hollings law.

I have also proposed a fundamental new rule for fiscal policy that would ensure that projected future Social Security surpluses are not spent for other purposes but are used to build the reserves necessary to guarantee the soundness of Social Security. Moreover, it would transform the Federal Government from a chronic borrower, draining savings away from private investment, to a saver, providing funds for capital formation and economic growth by reducing the national debt.

I remain strongly committed to the principles of low marginal tax rates and a broad tax base developed in the Economic Recovery Tax Act of 1981 and the Tax Reform Act of 1986. Steady adherence to these principles reduces government's distorting effect on the market forces that drive economic growth.

I strongly support the Federal Reserve's goal of noninflationary growth and share with them the conviction that inflation must be controlled and reduced in a predictable fashion. Accelerating inflation not only erodes the value of families' savings, it produces economic imbalances and policy responses that often lead to recessions.

The United States is part of an increasingly integrated global economy, in which domestic fiscal and monetary policies affect the economies of other nations, though the main impacts are on the domestic economy. My Administration remains committed to participating actively in the valuable process of coordinating macroeconomic policies internationally.

ENCOURAGING ECONOMIC GROWTH

As we begin the 1990s, a central focus of my economic policies will be to build on the successes of the 1980s by creating an environment in which the private sector can serve as the engine that powers strong, noninflationary economic growth.

America's continued economic progress depends on the innovation and entrepreneurship of our people. I will therefore continue to press for a permanent research and experimentation tax credit, for increased Federal support of research with widespread societal benefits and that private firms would not have adequate incentives to undertake, for removal of regulatory and legal barriers to innovation, and for a lower tax rate on capital gains.

We must remove impediments to saving and investment in order to enhance the economy's growth potential. The fiscal policy I described earlier will raise national saving. In addition, I have asked the Congress to enact the Savings and Economic Growth Act of 1990, which contains a comprehensive program to raise household saving across the entire income spectrum. This program would help American families plan for the future and, in the process, make more funds available to finance investment and spur productivity, thus raising living standards, enhancing competitiveness, and expanding employment opportunities.

One of my highest legislative priorities this year is to reduce the capital gains tax rate. This tax reform would promote risk-taking and entrepreneurship by lowering the cost of capital, thereby encouraging new business formation and creating new jobs. A capital gains tax cut would stimulate saving and investment throughout the economy.

Government can encourage economic growth but cannot manage it. I remain strongly opposed to any sort of industrial policy, in which the government, not the market, would pick winners and losers. Second-guessing the market is the way to raise government spending and taxes, not living standards.

The growth of our Nation's labor force is projected to slow in the 1990s, and demands for skilled workers are expected to continue to increase. These developments will shift attention away from worries about the supply of jobs that have haunted us since the 1930s and toward new concerns about the supply of workers and skills.

We cannot maintain our position of world leadership or sustain rapid economic growth if our workers lack the skills of their foreign competitors. As I demonstrated last fall at the Education Summit, the Federal Government can lead in improving the inadequate performance of our elementary and secondary schools. Because school systems must be held accountable for their students' performance, the Nation's Governors and I have developed ambitious national education goals. To meet these goals, we must give students and parents the freedom to choose their schools, and we must give schools the flexibility to meet their students' needs.

More disadvantaged Americans must be brought into the economic mainstream, not just to enhance our Nation's economic growth, but as a matter of simple decency. To this end, I have supported legislation to open new opportunities for the disabled, increased assistance to the homeless, helped implement welfare reform, proposed more effective job training pro-

grams, and introduced initiatives that will bring jobs and better housing to depressed inner cities. I have proposed substantial increases in spending for Head Start to prepare children from disadvantaged families for effective learning.

Those who cannot read and write cannot participate fully in the economy. Mrs. Bush and I will continue to support the difficult but important struggle to eliminate adult functional illiteracy.

REGULATORY REFORM

The improved performance of U.S. markets that were deregulated during the 1980s showed clearly that government interference with competitive private markets inflates prices, retards innovation, slows growth, and eliminates jobs. But in some cases, well-designed regulation can serve the public interest.

My proposals for reform of food safety regulation and the Clean Air Act follow the two key principles that apply in these cases: the goals of regulation must balance costs and benefits; and the methods of regulation must be flexible and cost-effective. One of my top legislative priorities is to improve the Clean Air Act in a way that preserves both a healthy environment and a sound economy.

When confronted with a threat to the solvency of our thrift institutions, my Administration moved swiftly to resolve the crisis. We must continue to reform the regulation of financial institutions and markets to preserve the soundness of the U.S. financial sector while encouraging innovation and competition.

THE GLOBAL ECONOMY

The 1980s have underscored the increased importance of global economic events in shaping our lives. We have all been touched by the movements toward political and economic freedom in Eastern Europe. We have been impressed by the rapid growth of market-oriented Asian economies. And we have great expectations for the movement in the European Community toward a single, open market by 1992.

Reductions in trade barriers between nations have raised living standards around the world. Investment has become more globally integrated, as citizens of other countries recognize the great strength and potential of our economy, and as Americans continue to invest abroad.

My Administration is strongly committed to supporting the historic efforts of the governments and people of Eastern Europe to move toward market-based economies. Similarly, under the Brady Plan, we will continue to support heavily indebted nations that adopt sound economic policies to revive economic growth. In both cases, reform must be comprehensive to suc-

ceed, but the rewards of success will be great.

America will continue to lead the way to a world of free, competitive markets. Increased global competition is an opportunity for the United States and the world, not a threat. But we cannot remain competitive by avoiding competition. My Administration will therefore continue to resist calls for protection and managed trade. To serve the interests of all Americans, we must open markets here and abroad, not close them. I will strongly resist any attempts to hinder the free international flows of investment capital, which have benefited workers and consumers here and abroad. And my Administration will work to reduce existing barriers to international investment throughout the world.

My highest trade policy priority is the successful completion this year of the current Uruguay Round of negotiations, aimed at strengthening and broadening the General Agreement on Tariffs and Trade (GATT). Successful completion of these negotiations will expand the world's gains from free and fair trade and raise living standards in all nations.

LOOKING AHEAD

When I look back on the 1980s, on what the American people have accomplished, it is with pride. And when I look forward to the 1990s, it is with hope and optimism. Our excellent economic health will allow us to build on the successes of the 1980s as we prepare for the next century. Clearly, there is much work to be done. But with the economic principles and policies that I have proposed, I am confident that the United States can enjoy strong, sustainable economic growth and use the fruits of that growth to raise living standards, solve longstanding problems, deal with new challenges, and make the most of new opportunities.

GEORGE BUSH.

THE WHITE HOUSE, February 6, 1990.

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 95

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, and the Committee on Armed Services:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 19 deferrals of budget authority now totalling \$2,193,850,000.

The deferrals affect programs of the Department of Defense. The details of these deferrals are contained in the attached report.

GEORGE BUSH

THE WHITE HOUSE, February 6, 1990.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 12:54 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 82. Joint resolution to designate February 8, 1990, as "National Women and Girls in Sports Day".

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. BYRD].

At 7 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 103. Joint resolution to designate the period commencing February 18, 1990, and ending February 24, 1990, as "National Visiting Nurse Associations Week"; and

S.J. Res. 217. Joint resolution to designate the period commencing February 4, 1990, and ending February 10, 1990, and the period commencing February 3, 1991, and ending February 9, 1991, as "National Burn Awareness Week".

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 256. Concurrent resolution providing for the adjournment of the two Houses.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 3792. An act to authorize appropriations for fiscal years 1990 and 1991 for the Department of State, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. BYRD].

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2275. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to remove limitations on the geographic areas in which United States armed forces and certain foreign military forces may furnish each other reciprocal logistics support to the Committee on Armed Services.

EC-2276. A communication from the General Counsel of the Department of the

Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of United States securities and obligations and to clarify existing authority to combat counterfeiting, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC-2277. A communication from the Board of Directors of the Corporation for Public Broadcasting, transmitting, pursuant to law, a report on the Corporation's plan for public television's national program financing in the 1990's; to the Committee on Commerce, Science, and Transportation.

EC-2278. A communication from the Deputy Under Secretary, Policy, Planning and Analysis, Department of Energy, transmitting, pursuant to law, a report on a study of policy issues relating to climate change and energy; to the Committee on Energy and Natural Resources.

EC-2279. A communication from the Director, Bureau of Land Management, United States Department of the Interior, transmitting, pursuant to law, a report on proposed administrative boundaries for 14 rivers that were added to the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

EC-2280. A communication from the Secretary of Defense, transmitting, pursuant to law, the annual report of the Department of Defense dated January 1990; to the Committee on Armed Services.

EC-2281. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize the Naval War College to confer on graduates of the college the degree of master of science in national security and strategic studies; to the Committee on Armed Services.

EC-2282. A communication from the Chairman of Appraisal Subcommittee of the Federal Financial Institution Examination Council, transmitting, pursuant to law, the annual report of the Subcommittee for 1989; to the Committee on Banking, Housing, and Urban Affairs.

EC-2283. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on electric vehicles; to the Committee on Commerce, Science, and Transportation.

EC-2284. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled "Report to the Congress on Energy Projections"; to the Committee on Energy and Natural Resources.

EC-2285. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2286. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2287. A communication from the Administrator of the United States Environmental Protection Agency, transmitting, pursuant to law, a report on progress in the prevention and control of air pollution; to the Committee on Environment and Public Works.

EC-2288. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the annual report regarding the accessibility standards issued, revised, amended, or repealed; to the Committee on Environment and Public Works.

EC-2289. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on progress in conducting environmental remedial action at Federally-owned facilities; to the Committee on Environment and Public Works.

EC-2290. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the number of children in foster care pursuant to voluntary placement agreements; to the Committee on Finance.

EC-2291. A communication from the Chairman of the United States International Trade Commission, transmitting a draft of proposed legislation to provide authorization of appropriations for the United States International Trade Commission for fiscal year 1991; to the Committee on Finance.

EC-2292. A communication from the Acting Administrator of the Agency for International Development, transmitting, pursuant to law, a report on funds appropriated for certain Development Assistance programs for fiscal year 1990; to the Committee on Foreign Relations.

EC-2293. A communication from the Chairman of the United States International Trade Commission, transmitting, pursuant to law, the sixtieth quarterly report on trade between the United States and non-market economy countries; to the Committee on Finance.

EC-2294. A communication from the Assistant Secretary, Policy, Budget and Administration, Department of the Interior, transmitting, pursuant to law, the annual report on competition in contracting for the Department of the Interior; to the Committee on Governmental Affairs.

EC-2295. A communication from the Chairman of the Advisory Commission on Intergovernmental Relations, transmitting, pursuant to law, the thirty-first annual report to the Commission; to the Committee on Governmental Affairs.

EC-2296. A communication from the Chairman of the United States Securities and Exchange Commission, transmitting, pursuant to law, the Commission's annual report on its Competition Advocacy Program for fiscal year 1989; to the Committee on Governmental Affairs.

EC-2297. A communication from the Assistant Secretary for Administration, Department of Transportation, transmitting, pursuant to law, notice of a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2298. A communication from the Chairman of the Federal Labor Relations Authority, transmitting, pursuant to law, a report on the competition advocacy program in each executive agency; to the Committee on Governmental Affairs.

EC-2299. A communication from the Chairman of the Equal Employment Opportunity Commission, transmitting, pursuant to law, the Commission's fifth annual report on competition; to the Committee on Governmental Affairs.

EC-2300. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-149, adopted by the Council on January 16, 1990; to the Committee on Governmental Affairs.

EC-2301. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-150, adopted by the Council on January 16, 1990; to the Committee on Governmental Affairs.

EC-2302. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-152, adopted by the Council on January 16, 1990; to the Committee on Governmental Affairs.

EC-2303. A communication from the Chairman of the United States Nuclear Regulatory Commission, transmitting, pursuant to law, the Commission's annual report on competition; to the Committee on Governmental Affairs.

EC-2304. A communication from the President of C&P Telephone Company, transmitting, pursuant to law, a report on receipts and expenditures of the Company for 1989; to the committee on Governmental Affairs.

EC-2305. A communication from the Comptroller of the Currency, transmitting, pursuant to law, a report on Equal Employment Opportunity and Affirmative Employment; to the Committee on Governmental Affairs.

EC-2306. A communication from the President of the National Safety Council, transmitting, pursuant to law, a report on the audit of the financial transactions of the Council for the fiscal years ended June 30, 1988 and 1989; to the Committee on the Judiciary.

EC-2307. A communication from the President and General Counsel of the Legal Services Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Freedom of Information Act for calendar year 1989; to the Committee on the Judiciary.

EC-2308. A communication from the Secretary of Education, transmitting, pursuant to law, a copy of a document entitled "Final Regulations for the Language Resource Centers Program"; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GLENN, from the Committee on Governmental Affairs:

Special Report entitled "United States Government Anti-Narcotics Activities in the Andean Region of South America" (Rept. No. 101-243).

Mr. GLENN. Mr. President, today I rise to file a report submitted by the Governmental Affairs Committee on behalf of the Permanent Subcommittee on Investigations. The chairmen of the subcommittee, Senator SAM Nunn and ranking Republican Senator BILL ROTH, have done an outstanding job in examining the status of U.S. Government antinarcotics activities in the Andean region of South America.

The subcommittee held 3 days of hearings on this issue, in September, and received testimony from United States officials as well as representatives of Colombia, Peru, and Bolivia.

The report, which I am submitting today, includes an analysis of the problems faced in source countries,

the full range of the multilateral efforts being conducted in the Andean region and details the level of commitment put forth by our governmental agencies.

Again, I commend the Senators and the appropriate subcommittee staff members involved in this investigation. I believe this report is an important resource for everyone who may be interested in evaluating the U.S. Government's antinarcotic efforts in South America. It is a very timely report.

Mr. President, I ask unanimous consent that a letter of Mr. Nunn to me on this report be printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, February 2, 1990.
Hon. JOHN GLENN,
Committee on Governmental Affairs,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you know, the Permanent Subcommittee on Investigations last year examined in depth the status of U.S. Government anti-narcotics activities in the Andean Region of South America. This investigation culminated in three days of hearings in September, 1989, at which testimony was received from officials representing the Departments of State, Defense, and Justice, the Office of National Drug Control Policy, official representatives of Colombia, Peru, and Bolivia, and other experts from both the U.S. and South America.

As a result of its investigation the Subcommittee found that U.S. anti-narcotics efforts in the Andean Region have been largely ineffective, as a result of ill-conceived policy initiatives, interagency disputes and lapses in coordination, and a persistent failure to allocate sufficient resources. The investigation also confirmed that the Andean countries are being victimized by coca cultivation, cocaine processing, and attendant international trafficking activities, and are limited in what they can do in response to this situation.

The investigation further indicated that while recent developments—e.g., the Government of Colombia's recent crackdown against the traffickers, the President's Andean Initiative, and changes underway in the U.S. approach to anti-drug activities—are promising, source country efforts alone cannot help us to win the war on drugs. Testimony before the Subcommittee suggested the supply side of the drug problem continues to be driven by the demand in the U.S. and in this sense, the final solution to the drug problem continues to rest in the hands of the millions of Americans who choose to use drugs.

In response to these findings and conclusions, the subcommittee has made a number of recommendations that are contained in the report I am submitting at this time. In transmitting the report, I would respectfully request that it be filed on the Senate Floor as expeditiously as possible.

Sincerely,

SAM NUNN,
CHAIRMAN, PERMANENT SUBCOMMITTEE
on Investigations.

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. 2073. An original bill to authorize certain United States assistance and trade benefits for Panama and certain assistance to support the transition to democracy in Eastern Europe.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Ronald J. Sorini, of the District of Columbia, for the rank of Ambassador during his tenure of service as the United States Negotiator on Textile Matters.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: Ronald J. Sorini.

Post: Rank of Ambassador.

Contributions, amount, date and donee:

1. Self, \$50, March 10, 1988, Re-elect Don Sundquist.
2. Spouse, none.
3. Children and spouses, not available.
4. Parents, none.
5. Grandparents, none.
6. Brothers and spouses, none.
7. Sisters and spouses, none.

By Mr. GLENN, from the Committee on Governmental Affairs:

George W. Haley, of Maryland, to be a Commissioner of the Postal Rate Commission for the remainder of the term expiring October 14, 1992.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PACKWOOD (for himself, Mr. ROTH and Mr. DOLE):

S. 2071. A bill to amend the Internal Revenue Code of 1986 to provide incentives for savings and investments in order to stimulate economic growth; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 2072. A bill to authorize a study of nationally significant places in American Labor History; to the Committee on Energy and Natural Resources.

By Mr. PELL, from the Committee on Foreign Relations:

S. 2073. An original bill to authorize certain United States assistance and trade benefits for Panama and certain assistance to support the transition to democracy in Eastern Europe; placed on the calendar.

By Mr. JEFFORDS (for himself, Mr. LEAHY, Mr. MOYNIHAN, and Mr. D'AMATO):

S. 2074. A bill to establish in the Environmental Protection Agency a Lake Champlain Program Office, and for other purposes; to the Committee on Environment and Public Works.

By Mr. McCAIN (for himself, Mr. BURDICK, Mr. CONRAD, and Mr. INOUE):

S. 2075. A bill to authorize grant to improve the capability of Indian tribal governments to regulate environmental quality; to the Select Committee on Indian Affairs.

By Mr. LOTT:

S. 2076. A bill to authorize a certificate of documentation for the vessel MARINER III; to the Committee on Commerce, Science, and Transportation.

By Mr. GRASSLEY:

S. 2077. A bill to amend the Federal Aviation Act of 1958 to limit the age restrictions imposed upon aircraft pilots; to the Committee on Commerce, Science, and Transportation.

By Mr. WARNER (for himself and Ms. MIKULSKI):

S. 2078. A bill to recognize the organization known as the National Center for Therapeutic Riding; to the Committee on the Judiciary.

By Mr. LIEBERMAN:

S. 2079. A bill to amend the Immigration and Nationality Act to provide for temporary protected status for Lebanese nationals; to the Committee on the Judiciary.

By Mr. BOSCHWITZ (for himself, Mr. DECONCINI and Mr. COATS):

S. 2080. A bill to provide law enforcement authority for criminal investigators of Offices of Inspectors General, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DANFORTH:

S. 2081. A bill to extend the existing temporary suspension of duty for toy jewelry, certain small toys and novelty goods, and for other purposes; to the Committee on Finance.

By Mr. INOUE:

S. 2082. A bill to establish a Gifted and Talented Program for certain Pacific Islanders; to the Committee on Labor and Human Resources.

By Mr. KERRY (for himself, Mr. KENNEDY, Mr. ADAMS, Ms. MIKULSKI, Mr. SIMON, and Mr. CRANSTON):

S. 2083. A bill to bring about a negotiated end to the war in El Salvador and for other purposes; to the Committee on Foreign Relations.

By Mr. HOLLINGS:

S. 2084. A bill to amend the Internal Revenue Code of 1986 to impose a value added tax, to reduce Social Security payroll tax rates, to encourage savings and investment through reinstatement of the investment tax credit, capital gains tax differential, and deductibility of contributions to individual retirement accounts and to increase competitiveness through revenue sharing with the States for educational purposes; to the Committee on Finance.

By Mr. GORE (for himself and Mr. DOMENICI):

S. 2085. A bill to amend the Organ Transplant Amendments Act of 1988 to change an effective date; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT
AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HATCH (for himself and Mr. GRASSLEY):

S. Res. 240. Resolution expressing the sense of the Senate regarding the admission of refugees to the United States in fiscal year 1991; to the Committee on the Judiciary.

By Mr. FOWLER (for Mr. MITCHELL (for himself and Mr. DOLE)):

S. Res. 241. Resolution amending Senate Resolution 171 of the 101st Congress (agreed to on August 4, 1989), and for other purposes; considered and agreed to.

By Mr. FOWLER (for Mr. FORD (for himself and Mr. STEVENS)):

S. Res. 242. Resolution authorizing the printing of a revised edition of the Standing Rules of the Senate as a Senate document; considered and agreed to.

By Mr. PELL:

S. Con. Res. 90. Concurrent resolution use of the rotunda of the Capitol for a dedication ceremony incident to the placement of a bust of Lajos Kossuth in the Capitol and authorizing the printing of a transcript of the proceedings of the ceremony; to the Committee on Rules and Administration.

By Mr. HATFIELD (for himself and Mr. BUMPERS):

S. Con. Res. 91. Concurrent resolution expressing the sense of the Congress with respect to achieving common security in the world by reducing reliance on the military and redirecting resources toward overcoming hunger and poverty and meeting basic human needs; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED
BILLS AND JOINT RESOLUTIONS

By Mr. PACKWOOD (for himself, Mr. ROTH, and Mr. DOLE):

S. 2071. A bill to amend the Internal Revenue Code of 1986 to provide incentives for savings and investments in order to stimulate economic growth; to the Committee on Finance.

SAVINGS AND ECONOMIC GROWTH ACT

Mr. PACKWOOD. Mr. President, I am introducing President Bush's savings and investment tax proposals which are included in his budget for fiscal year 1991. This bill, entitled the "Savings and Economic Growth Act of 1990," is substantially the same as the one transmitted to Congress by the President last week with some technical modifications worked out between the Finance Committee minority staff and the Treasury Department.

The bill contains three provisions which are intended to encourage savings, make sure that American businesses have a stable source of capital, and stimulate economic growth:

First, capital gains tax rate reduction. Individuals will receive a permanent reduction in the tax rate on capital gains. Long-term investment will be rewarded by a sliding scale exclusion:

[In percent]	
Assets owned for more than:	Gain excluded from tax:
1 year	10
2 years	20
3 years	30

Second, home ownership initiative. Individuals will be able to use individual retirement accounts to save for the purchase of a first home. Up to \$10,000 can be withdrawn penalty-free for this purpose.

Third, family savings account. A new savings program will be established under which earnings on long-term savings will be exempt from tax. Individuals with incomes under \$60,000 can put up to \$2,500 a year in this new account and couples with incomes under \$120,000 can put in up to \$5,000 a year. Earnings on contributions left in the account for at least 7 years will be exempt from tax.

CAPITAL GAINS

The capital gains proposal contained in this bill is a substantial improvement over President Bush's budget proposal for fiscal year 1990. The fiscal year 1990 proposal excluded timber and most other types of productive business assets, such as farmland and business real estate. Frankly, that proposal could not get out of the starting blocks for me because it excluded Oregon's major industries. I am pleased that the President's new proposal has fixed this problem by covering virtually all productive business assets owned by individuals, including timber.

Another feature of the new proposal is a sliding scale exclusion, which is similar to the capital gains proposal (S. 1771) introduced by Senator ROTH and myself last year. The exclusion operates to lower the capital gains tax rate the longer you own an asset. This is an effective way to stimulate long-term investment.

There is, however, still room for improvement. The President's new capital gains proposal does not provide a lower tax rate for corporations. I believe this should be corrected. It is inequitable to provide a lower capital gains rate to unincorporated businesses and not to give similar treatment to their competitors who happen to be incorporated.

In addition, consideration should be given to indexing capital gains for inflation so that purely inflationary gains are not taxed. While indexing can be very complicated, taxpayers should be given the option to choose between the simpler exclusion approach or the more complex indexing approach, if they so desire.

HOME OWNERSHIP INITIATIVE

The President's proposal will help first-time home buyers overcome their greatest hurdle—scraping up enough

money for a down payment and closing costs.

Individuals will be able to save for a first home by contributing to an individual retirement account. Income will buildup tax-free causing savings to grow faster than a normal, taxable savings account. Then when sufficient funds are accumulated, up to \$10,000 can be withdrawn without paying the usual 10 percent early withdrawal penalty. This proposal will go a long way to help young, low and moderate income families afford a first home.

FAMILY SAVINGS ACCOUNTS

The final aspect of the President's savings and investment package is the establishment of a new savings account, known as a "family savings account." Much has been said about the low rate of savings by Americans during the 1980's, which need not be repeated here. Suffice it to say, this proposal is intended to reverse that trend by encouraging long-term savings.

The family savings account proposal takes a different approach to savings than current law savings incentives, which are targeted primarily to retirement savings. This is because many young Americans do not feel a pressing need to save for retirement. Instead, they want to save money to start a business, to pay for their children's education, to buy a new home, or for a host of other reasons. The family savings account proposal will facilitate long-term savings for these purposes.

In sum, Mr. President, I applaud President Bush for taking the initiative to put together a comprehensive long-term savings and investment plan. While I am sure there are improvements which we will want to make as this legislation proceeds, I believe the President's proposals are an excellent starting point. I urge my colleagues on both sides of the aisle to join with me and endorse this bill and I hope the Committee on Finance will act on it promptly.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

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

S. 2071

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Savings and Economic Growth Act of 1990".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal 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.

TITLE I—CAPITAL GAINS PROVISIONS

Subtitle A—Reduction in Capital Gains Tax

SEC. 101. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

“SEC. 1202. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

“(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

“(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

“(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includable by the income beneficiaries as gain derived from the sale or exchange of capital assets.

“(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

In the case of:	The applicable percentage is:
1-year gain	10
2-year gain	20
3-year gain	30.

“(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

“(1) APPLICABLE CAPITAL GAIN.—The term ‘applicable capital gain’ means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account for periods on or after March 15, 1990.

“(2) 3-YEAR GAIN.—The term ‘3-year gain’ means the lesser of—

“(A) the net capital gain for the taxable year, or

“(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 3 years.

“(3) 2-YEAR GAIN.—The term ‘2-year gain’ means the lesser of—

“(A) the net capital gain for the taxable year, reduced by 3-year gain, or

“(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 2 years but not more than 3 years.

“(4) 1-YEAR GAIN.—The term ‘1-year gain’ means the net capital gain for the taxable year determined by taking into account only—

“(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

“(B) losses from the sale or exchange of assets held more than 1 year.

“(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1992.—For purposes of this section—

“(A) GAIN ALLOCABLE TO PERIODS AFTER MARCH 14, 1990 AND BEFORE 1991.—In the case of any gain from any sale or exchange which is properly taken into account for the

period beginning on March 15, 1990 and ending on December 31, 1990, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

“(B) GAIN ALLOCABLE TO 1991.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1991, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

“(6) SPECIAL RULES FOR PASS-THRU ENTITIES.—

“(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

“(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term ‘pass-thru entity’ means—

- “(i) a regulated investment company,
- “(ii) a real estate investment trust,
- “(iii) an S corporation,
- “(iv) a partnership,
- “(v) an estate or trust, and
- “(vi) a common trust fund.

“(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

“(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

“(B) the amount so allocated to any such gain shall reduce the amount of such gain.”

“(b) TREATMENT OF COLLECTIBLES.—

“(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

“(12) SPECIAL RULE FOR COLLECTIBLES.—

“(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

“(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

“(C) COLLECTIBLE.—For purposes of this paragraph, the term ‘collectible’ means any capital asset which is a collectible (as defined in section 408(m)) without regard to paragraph (3) thereof.”

“(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: “For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles).”

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: “and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles).”

(C) MINIMUM TAX.—Section 56(b)(1) is amended by adding at the end thereof the following new subparagraph:

“(F) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed.”

“(d) CONFORMING AMENDMENTS.—

(1) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

“(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202.”

(2) Clause (ii) of section 163(d)(4)(B) is amended by inserting “, reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property” after “investment”.

(3) (A) Section 170(e)(1)(B) is amended by inserting “the nondeductible percentage” before “the amount of gain”.

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: “For purposes of subparagraph (B), the term ‘nondeductible percentage’ means 100 percent minus the applicable percentage with respect to such property under section 1202(b), or, in the case of a corporation, 100 percent.”

(4) (A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

“(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includable on account of gains from sales or exchanges of capital assets; and

(B) the deduction provided by section 1202 shall not be allowed.”

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting “, (2)(B),” after “paragraph (1)”.

(5) (A) Section 221 (relating to cross reference) is amended to read as follows:

“SEC. 221. CROSS REFERENCES.

“(1) For deduction for net capital gains in the case of a taxpayer other than a corporation, see section 1202.

“(2) For deductions in respect of a decedent, see section 691.”

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking “reference” in the item relating to section 221 and inserting “references”.

(6) Paragraph (4) of section 642(c) is amended to read as follows:

“(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income).”

(7) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: “The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account.”

(8) Paragraph (6)(C) of section 643(a) is amended—

(A) by inserting “(i)” before “there”, and

(B) by inserting “, and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses)” before the period at the end thereof.

(9) Paragraph (4) of section 691(c) is amended by striking “1201, and 1211” and inserting “1201, 1202, and 1211”.

(10) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(11) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(12)(A) Sections 7518(g)(6)(A) is amended by striking the last sentence.

(B) Section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking the last sentence.

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Reduction in capital gains tax for noncorporate taxpayers."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after March 15, 1990.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after March 15, 1990.

(B) SPECIAL RULE FOR 1990 TAXABLE YEAR.—In case of any taxable year which includes March 15, 1990, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(g) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale or exchange occurring before such date.

Subtitle B—Depreciation Recapture

SEC. 111. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property, shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amor-

tization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Savings and Economic Growth Act of 1990)", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Savings and Economic Growth Act of 1990)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Savings and Economic Growth Act of 1990)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions made on or after March 15, 1990, in taxable years ending on or after such date.

TITLE II—HOME OWNERSHIP AND SAVINGS INCENTIVES

SEC. 201. HOME OWNERSHIP INITIATIVE.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

"(E) DISTRIBUTION FROM INDIVIDUAL RETIREMENT PLAN FOR FIRST HOME PURCHASE.—A distribution from an individual retirement plan with respect to which the requirements of paragraph (6) are met."

(b) REQUIREMENTS APPLICABLE TO DISTRIBUTIONS.—Section 72(t) is amended by adding at the end thereof the following new paragraph:

"(6) REQUIREMENTS APPLICABLE TO FIRST HOME PURCHASE DISTRIBUTIONS.—For purposes of paragraph (2)(E)—

"(A) IN GENERAL.—The requirements of this paragraph are met with respect to a distribution if—

"(i) DOLLAR LIMIT.—The amount of the distribution does not exceed the excess (if any) of—

"(II) \$10,000, over

"(II) the sum of the distributions to which paragraph (2)(E) previously applied with respect to the individual who is the owner of the individual retirement plan.

"(ii) USE OF DISTRIBUTION.—The distribution—

"(I) is made to or on behalf of a qualified first home purchaser, and

"(II) is applied within 60 days of the date of distribution to the purchase or construction of a principal residence of such purchaser.

"(iii) **LIMITATION ON ACQUISITION COST.**—The cost of acquiring or constructing the principal residence described in clause (ii) does not exceed the amount determined by the Secretary to be 110 percent of the median home price for the geographic market in which such residence is located.

"(iv) **ELIGIBLE PLANS.**—The distribution is not made from an individual retirement plan which—

"(I) is an inherited individual retirement plan (within the meaning of section 408(d)(3)(C)(ii)), or

"(II) received at any time before such distribution a rollover contribution described in section 402(a)(5), 402(a)(7), 403(a)(4), or 403(b)(8).

"(B) **QUALIFIED FIRST HOME PURCHASER.**—For purposes of this paragraph, the term 'qualified first home purchaser' means the individual who is the owner of the individual retirement plan if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence at any time during the 3-year period ending on the day before the date of the distribution.

"(C) **SPECIAL RULE WHERE DELAY IN ACQUISITION.**—If any distribution from an individual retirement plan fails to meet the requirements of subparagraph (A) solely by reason of a delay or cancellation of the purchase or construction of the residence, the amount of the distribution may be contributed to an individual retirement plan as provided in section 408(d)(3)(A)(i), except that—

"(i) section 408(d)(3)(B) shall not be applied to such contribution, and

"(ii) such amount shall not be taken into account—

"(I) in determining whether section 408(d)(3)(A)(i) applies to any other amount, or

"(II) for purposes of subclause (II) of subparagraph (A)(i).

"(D) **PRINCIPAL RESIDENCE.**—For purposes of this paragraph, the term 'principal residence' has the meaning given such term by section 1034.

"(E) **OWNER.**—For purposes of this paragraph, the term 'owner' means, with respect to any individual retirement plan, the individual with respect to whom such plan was established."

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions on or after March 15, 1990.

SEC. 292. FAMILY SAVINGS ACCOUNTS.

(a) **IN GENERAL.**—Subchapter B of chapter 1 (relating to computation of taxable income) is amended by adding at the end thereof the following new part:

"PART XII—FAMILY SAVINGS ACCOUNTS

"Sec. 292. Special rules for family savings accounts.

"SEC. 292. SPECIAL RULES FOR FAMILY SAVINGS ACCOUNTS.

"(a) **GENERAL RULE.**—For purposes of this title, in the case of a family savings account—

"(1) the taxation of such account shall be determined under subsection (d), and

"(2) the taxation of any distributions from such account shall be determined under subsection (e).

"(b) **FAMILY SAVINGS ACCOUNT DEFINED.**—For purposes of this section, the term 'family savings account' means a trust created or organized in the United States for the exclusive benefit of an individual and

the individual's beneficiaries, but only if the written governing instrument creating the trust meets the following requirements:

"(1) No contribution will be accepted unless it is in cash, and contributions will not be accepted for the taxable year on behalf of any individual in excess of \$2,500.

"(2) The trustee is a bank (as defined in section 408(n)) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the trust will be consistent with the requirements of this section.

"(3) No part of the trust assets will be invested in insurance contracts or collectibles (within the meaning of section 408(m)).

"(4) The interest of the individual in the balance in such individual's account is nonforfeitable.

"(5) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(c) CONTRIBUTIONS TO FAMILY SAVINGS ACCOUNTS.

"(1) **FORM OF CONTRIBUTION.**—No amount may be contributed to a family savings account unless such amount is paid in cash by or on behalf of the individual for whom such account is maintained.

"(2) CONTRIBUTION LIMITS.

"(A) **IN GENERAL.**—Except as provided in this subsection, the aggregate amount of contributions for any taxable year to all family savings accounts maintained for the benefit of an individual shall not exceed the lesser of—

"(i) \$2,500, or

"(ii) an amount equal to the compensation includible in the individual's gross income for such taxable year.

"(B) **MARRIED INDIVIDUALS FILING JOINT RETURNS.**—For purposes of subparagraph (A)(ii), in the case of married individuals filing a joint return under section 6013 for the taxable year, the compensation of each of such individuals for such taxable year shall be treated as equal to one-half of the aggregate compensation of both individuals.

"(C) **COMPENSATION.**—For purposes of this paragraph, the term 'compensation' has the meaning given such term by section 219(f)(1).

"(3) LIMITATION BASED ON ADJUSTED GROSS INCOME.

"(A) **IN GENERAL.**—No contribution may be made during a taxable year to a family savings account maintained for the benefit of the taxpayer if the taxpayer's adjusted gross income exceeds the applicable dollar amount.

"(B) **APPLICABLE DOLLAR AMOUNT.**—For purposes of this paragraph, the term 'applicable dollar amount' means—

"(i) in the case of a taxpayer filing a joint return, \$120,000,

"(ii) in the case of a taxpayer who is a surviving spouse (as defined in section 2(a)) or who is a head of a household (as defined in section 2(b)), \$100,000, or

"(iii) in the case of any other taxpayer, \$60,000.

"(C) **SPECIAL RULE FOR MARRIED INDIVIDUALS FILING SEPARATE RETURNS.**—In the case of a married individual filing a separate return whose adjusted gross income does not exceed the applicable dollar limit, such individual's adjusted gross income shall be treated as exceeding such limit if the aggregate adjusted gross income of such individual and the individual's spouse exceeds \$120,000.

"(D) **MARITAL STATUS.**—Subparagraph (C) shall not apply to any individual who is not

treated as married under the rules of section 219(g)(4).

"(E) **ADJUSTED GROSS INCOME.**—For purposes of this paragraph, the term 'adjusted gross income' has the meaning given such term by section 219(g)(3)(A).

"(4) **NO CONTRIBUTION IN CASE OF DEPENDENTS.**—No contribution may be made during a taxable year to a family savings account maintained for the benefit of an individual with respect to whom a deduction under section 151(c) is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual's taxable year begins.

"(5) TRANSFERS PERMITTED.

"(A) **IN GENERAL.**—In the case of a transfer by a trustee of a family savings account maintained for the benefit of an individual to a trustee of another family savings account maintained for the benefit of such individual, such transfer shall not be treated as a contribution for purposes of this section.

"(B) **INFORMATION PROVIDED.**—A trustee making a transfer described in subparagraph (A) shall provide to the other trustee such information as the Secretary requires to carry out the purposes of this section.

"(d) TAX TREATMENT OF ACCOUNTS.

"(1) **IN GENERAL.**—Except as provided in paragraph (2), a family savings account is exempt from taxation under this subtitle.

"(2) **UNRELATED BUSINESS INCOME.**—A family savings account shall be subject to the tax imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc. organizations).

"(3) **POOLING ARRANGEMENTS PERMITTED.**—A common trust fund or common investment fund consisting of family savings accounts assets which is exempt from taxation under this subtitle shall not be treated as failing to be exempt from taxation under this subtitle solely by reason of the participation or inclusion in such fund of assets of—

"(A) a trust exempt from taxation under section 501(a) which is part of a plan described in section 401(a), or

"(B) an individual retirement plan exempt from taxation under section 408(e)(1).

"(4) CESSATION OF TREATMENT AS ACCOUNT.

"(A) **IN GENERAL.**—If during any taxable year of an individual for whom a family savings account is maintained the requirements of subsection (b) are not met with respect to such account, the account shall cease to be a family savings account as of the first day of such taxable year.

"(B) **ACCOUNT TREATED AS DISTRIBUTING ALL ITS ASSETS.**—In any case in which any account ceases to be a family savings account by reason of subparagraph (A) on the first day of any taxable year, subsection (e) shall apply as if there were a distribution immediately before the account ceased to be a family savings account in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(e) TAX TREATMENT OF DISTRIBUTIONS.

"(1) **IN GENERAL.**—Except as provided in this subsection, any amount paid or distributed out of a family savings account shall not be included in the gross income of the distributee.

"(2) EXCEPTION FOR EARNINGS ON CONTRIBUTIONS HELD LESS THAN 7 YEARS.

"(A) **IN GENERAL.**—Any amount distributed out of a family savings account which consists of earnings allocable to contributions made to the account during the 7-year period ending on the day before such distri-

bution shall be included in the gross income of the distributee for the taxable year in which the distribution occurs.

"(B) 10-PERCENT ADDITIONAL TAX ON EARNINGS ON CONTRIBUTIONS HELD LESS THAN 3 YEARS.—

"(i) **IN GENERAL.**—If any amount described in subparagraph (A) consists of earnings allocable to contributions made during the 3-year period ending on the day before the distribution, the tax imposed by this chapter on the distributee for the taxable year in which such distribution occurs shall be increased by an amount equal to 10 percent of such earnings.

"(ii) **EXCEPTION FOR DISTRIBUTIONS ON DEATH.**—Clause (i) shall not apply to distributions made to a beneficiary (or the estate of the individual) on or after the death of the individual.

"(C) ORDERING RULE.—

"(i) **FIRST-IN, FIRST-OUT RULE.**—Distributions from a family savings account shall be treated as having been made—

"(I) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

"(II) then from other contributions (and earnings allocable thereto) in the order in which made.

"(ii) **ALLOCATIONS BETWEEN CONTRIBUTIONS AND EARNINGS.**—Any portion of a distribution allocated to a contribution (and earnings allocable thereto) shall be treated as allocated first to the earnings and then to the contribution.

"(iii) **ALLOCATION OF EARNINGS.**—Earnings shall be allocated to a contribution in such manner as the Secretary may by regulations prescribe.

"(iv) **CONTRIBUTIONS IN SAME YEAR.**—Under regulations, all contributions made during the same taxable year may be treated as 1 contribution for purposes of this subparagraph.

"(3) **OTHER AMOUNTS TREATED AS DISTRIBUTIONS.**—For purposes of this subsection—

"(A) **IN GENERAL.**—In the case of any distributable event—

"(i) there shall be treated as distributed during the taxable year in which the event occurs to the individual for whom the family savings account is maintained an amount equal to the distributable amount, and

"(ii) any earnings after the date of the distributable event which (as determined under regulations) are allocable to the distributable amount shall be treated as distributed to such individual in the taxable year in which earned.

"(B) TAX TREATMENT OF AMOUNTS.—

"(i) **IN GENERAL.**—Except as provided in this subparagraph, paragraph (2) shall apply to any amount treated as distributed under subparagraph (A).

"(ii) **SUBSEQUENT EARNINGS.**—Notwithstanding paragraph (2), any earnings treated as distributed under subparagraph (A)(ii)—

"(I) shall be included in gross income in the taxable year in which treated as distributed, and

"(II) shall be subject to the additional tax under paragraph (2)(B) for such taxable year, except that paragraph (2)(B) shall be applied by substituting '20 percent' for '10 percent'.

"(iii) **EXCEPTION FOR EXCESS CONTRIBUTIONS.**—In the case of a distributable event described in subparagraph (C)(ii) (relating to excess contributions) which occurs by reason of a contribution not permitted

under subsection (c)(4), any amount required to be included in gross income (or any additional tax imposed) by reason of this paragraph shall be included in the gross income of (or imposed on) the taxpayer entitled to the deduction under section 151(c) for the individual for whom the account is maintained.

"(iv) **ACTUAL DISTRIBUTIONS.**—If any portion of any distributable amount and any earnings allocable to such amount are actually distributed from the account during any taxable year, this paragraph shall cease to apply to any earnings attributable to such portion for periods following such distribution.

"(C) **DISTRIBUTABLE EVENT.**—For purposes of this paragraph, the following are distributable events:

"(i) The use of a family savings account (or any portion thereof) as security for a loan.

"(ii) Except as provided in paragraph (4), a contribution to a family savings account in excess of the amount allowed under subsection (c).

"(iii) Any other event to the extent, and subject to such terms and conditions, as the Secretary may prescribe by regulations in order to accomplish the purposes of, or to prevent abuse of, this section.

"(D) **DISTRIBUTABLE AMOUNT.**—For purposes of this paragraph, the term 'distributable amount' means the following:

"(i) In the case of a distributable event described in subparagraph (C)(i), the amount in the account used as security for a loan.

"(ii) In the case of a distributable event described in subparagraph (C)(ii), the amount of the excess contribution.

"(iii) In any other case, the amount determined under regulations.

"(4) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—

"(A) **IN GENERAL.**—Paragraph (2) shall not apply to the distribution of any contribution paid during a taxable year to a family savings account to the extent that such contribution exceeds the amount allowable under subsection (c) by reason of paragraph (3) or (4) thereof if—

"(i) at the time of making such contribution, the taxpayer in good faith believed that—

"(I) in any case to which subsection (c)(3) applies, the taxpayer's adjusted gross income would not exceed the applicable dollar limit under subsection (c)(3), or

"(II) in any case to which subsection (c)(4) applies, the individual for whom the account is maintained would not be the dependent of any individual for purposes of section 151(c),

"(ii) such distribution is received on or before the last day of the taxable year following such taxable year, and

"(iii) such distribution is accompanied by the amount of earnings actually attributable to such excess contribution.

"(B) **LIMITATION ON AMOUNT.**—Subparagraph (A) shall apply only to that portion of the amount of the distribution which does not exceed the limitation under subsection (c)(2) (and earnings actually attributable to such portion).

"(C) **EARNINGS.**—Any earnings described in subparagraph (A)(iii) shall be included in the gross income of the individual for whom the account is established (or in the case described in subclause (II) of subparagraph (A)(i), the taxpayer entitled to the deduction under section 151(c)) for the taxable year in which it is received.

"(5) TRANSFERS.—

"(A) **IN GENERAL.**—Paragraph (2) shall not apply to any distribution which is a transfer to which subsection (c)(5) applies.

"(B) **CONTRIBUTION PERIOD.**—For purposes of paragraph (2), the family savings account to which any contributions are transferred in a transfer to which subsection (c)(5) applies shall be treated as having held such contributions during any period such contributions were held (or are treated as held under this subparagraph) by the account from which transferred.

"(6) **TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.**—Rules similar to the rules of section 408(d)(6) shall apply to a family savings account.

"(f) OTHER RULES.—

"(1) **DISALLOWANCE OF LOSSES.**—No loss shall be allowed in connection with a contribution to, or distribution from, a family savings account.

"(2) **DISTRIBUTION INCLUDES PAYMENT.**—For purposes of this section, the term 'distribution' includes any payment and the term 'distributee' includes any payee.

"(3) **COMMUNITY PROPERTY LAWS.**—This section shall be applied without regard to any community property laws.

"(4) **CUSTODIAL ACCOUNTS.**—For purposes of this section, a custodial account shall be treated as a trust if—

"(A) the assets of such account are held by a bank (as defined in section 408(n)) or such other person who demonstrates, to the satisfaction of the Secretary, that the manner in which such other person will administer the account will be consistent with the requirements of this section, and

"(B) the custodial account would, except for the fact that it is not a trust, constitute a family savings account described in subsection (b).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(g) **REPORTS.**—The trustee of a family savings account shall make such reports regarding such account to the Secretary and to the individual for whose benefit the account is maintained with respect to contributions (and the years to which such contributions relate), distributions, and such other matters as the Secretary may require under regulations. Such reports shall be filed with the Secretary and furnished to such individuals at such time and in such manner as the Secretary may prescribe.

"(h) CROSS REFERENCE.—

For taxes on prohibited transactions involving a family savings account, see section 4975.

(b) TAX ON PROHIBITED TRANSACTIONS.—Section 4975 (relating to prohibited transactions) is amended—

(1) by inserting ", or a family savings account described in section 292(b)" after "described in section 408(b)" in subsection (e)(1), and

(2) by adding at the end of subsection (h) the following new sentence: "This subsection shall not apply to any tax imposed with respect to a family savings account (as defined in section 292(b))."

(c) FAILURE TO PROVIDE REPORTS ON FAMILY SAVINGS ACCOUNTS.—Section 6693 (relating to failure to provide reports on individual retirement account or annuities) is amended—

(1) by inserting "OR A FAMILY SAVINGS ACCOUNT" after "ANNUITIES" in the heading of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 292(g) to file a report regarding a family savings account at the time and in the manner required by such section shall pay a penalty of \$50 for each failure unless it is shown that such failure is due to reasonable cause."

(d) COMMON FUNDS.—Section 408(e)(6) is amended to read as follows:

"(6) COMMINGLING INDIVIDUAL RETIREMENT ACCOUNT AMOUNTS IN CERTAIN COMMON TRUST FUNDS AND COMMON INVESTMENT FUNDS.—Any common trust fund or common investment fund consisting of individual retirement account assets which is exempt from taxation under this subtitle does not cease to be exempt on account of the participation or inclusion of assets of—

"(A) a trust exempt from taxation under section 501(a) which is part of a plan described in section 401(a), or

"(B) a family savings account exempt from taxation under section 292."

(e) CONFORMING AMENDMENTS.—

(1) The table of parts for subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Part XII. Family savings accounts."

(2) The table of sections for subchapter B of chapter 68 is amended by inserting "or on family savings accounts" after "annuities" in the item relating to section 6693.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

SECTION-BY-SECTION DESCRIPTION OF THE SAVINGS AND ECONOMIC GROWTH ACT OF 1990

Section 1. This section provides that the short title of the act shall be the "Savings and Economic Growth Act of 1990."

Section 101. This section provides a deduction for long-term capital gains. When fully phased-in, the deduction is 30 percent for assets held at least three years, 20 percent for assets held at least two years, and 10 percent for assets held at least one year. Special rules apply for 1990 and 1991. For gains realized on or after March 15, 1990 through December 31, 1990, the deduction will be 30 percent for assets held at least one year. For gains realized in 1991, the deduction will be 30 percent for assets held at least two years, and 20 percent for assets held at least one year. Gains on collectibles will not be eligible for the deduction. For installment sales before March 15, 1990, reportable gain attributable to payments received on or after March 15, 1990, will be eligible for the deduction. The deduction will not be allowed in computing the alternative minimum tax.

Section 111. This section provides that gain will not be eligible for the long-term capital gains deduction to the extent of the taxpayer's prior depreciation deductions with respect to the asset. In other words, the full amount of depreciation deductions allowable to the taxpayer with respect to an asset will be recaptured as ordinary income.

Section 201. This section provides an exemption from the 10-percent addition to tax for IRA distributions up to \$10,000, if the distribution is used by a first-time home buyer to purchase or construct a principal residence at a cost of no more than 110 percent of the median home price in geographic area where the residence is located.

Section 202. This section provides for the establishment of family savings accounts (FSAs). An individual (other than dependent) will generally be permitted to contribute to a FSA up to \$2,500 a year if the individual's adjusted gross income does not exceed \$60,000 (\$120,000 in the case of married individuals filing a joint return). Contributions to a FSA are nondeductible. Income earned in, and distributions from, a FSA are excluded from gross income. However, distributions of earnings on contributions held in the FSA for less than seven years are included in gross income (plus a 10-percent addition to tax in the case of earnings on contributions held in the account for less than three years).

	REVENUE IMPACT					
	[In billions of dollars]					
	1990	1991	1992	1993	1994	1990-94
1. Capital gains	+0.5	+4.9	+2.8	+1.2	+1.7	+11.1
2. IRA withdrawals for first homes				-1	-1	-3
3. Family savings accounts	-2	-6	-1.0	-1.3	-3.1	

Source: Department of the Treasury, January 1990.

Mr. ROTH. Mr. President, I am pleased and proud to rise today and cosponsor the President's initiative for savings and growth, the Savings and Economic Growth Act of 1990. I am particularly supportive of the family savings account, which would allow American families to contribute up to \$5,000 per year without suffering any tax penalty for savings.

This money would be committed to savings for 7 years, but it would allow Americans to save for their home, their health costs, or their retirement, and would be a strong inducement to provide for yourself, rather than depend on the Federal Government. Let me say that I believe that the prospect for self-sufficiency is the key to the President's proposal—no mistake about it, every American would like to be self-sufficient and this is a major step toward that goal.

Let me not forget that there are 75 million Americans who now fall in the demographic group known as the baby boomers. These people can expect to spend as many years in retirement as they will working. They can also expect to spend more money paying for retirement. We must face that fact that the Federal Government cannot support the growing number of retirees on a shrinking number of people in the labor force. I believe we are nearing the edge of a payroll tax revolt—and the Senator from New York has only sounded the first alarm.

Not only must we move the Social Security trust fund off of the Federal budget, but we must act now to encourage people to save for their own future and not rely solely on Social Security to support them in their golden years.

Self-sufficiency is the primary reason to support the President's plan, but there are other important reasons. High on that list is the emerging world

economy and America's ability to compete. Let me quote the opening paragraph of Peter Drucker's *Wall Street Journal* article on January 9, 1990:

"What makes Japan succeed?" is the hottest discussion topic today. But what few mention is Japan's cost of capital.

Mr. Drucker has hit the nail on the head—it is Japan's cost of capital that enables her to continue to progress, while America continues to suffer massive trade and budget deficits. Mr. Drucker points out in his article that after World War II Japan had one of the lowest savings rates, until Joseph Dodge—an economic adviser with the American Occupation Force—proposed exempting from all taxes the interest earned on postal savings bank deposits up to 3 million yen, or about \$8,000, an enormous amount in 1950 for the average Japanese.

The liberals howled, and argued it was a giveaway for the rich, but Prime Minister Ikeda, the Finance Minister at the time, pushed the legislation through. An incredible thing happened. Inflation disappeared within weeks, savings turned up and kept climbing, tax revenues rose, and practically every Japanese—poor, middle-income, or affluent—had at least one of these accounts and many had multiple accounts in spite of the limit of one per person. So that everyone can read the story of the Japanese economic success story, I ask unanimous consent that this article be printed in the RECORD in its entirety.

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

[From the *Wall Street Journal*, Jan. 9, 1990]

JAPAN'S NOT-SO-SECRET WEAPON

(By Peter F. Drucker)

"What makes Japan succeed?" is the hottest discussion topic today. But what few mention is Japan's cost of capital.

American and other Western companies pay between 10% and 15% for money, whether short-term borrowings, fixed debt or equity. The large Japanese firm has been paying 5% at most. And a capital-cost advantage of 200% or 300% is almost unbeatable. Neither "culture" nor "structure"—the factors most often invoked to explain Japan's success—underlie Japan's low cost of capital. The American Occupation gave it to Japan, 40 years ago.

It's common knowledge that the Japanese savings rate is twice as high as the American, and is, indeed, the developed world's highest. But only a few historians note that before World War II Japan had one of the lowest savings rates among major countries. After Japan's defeat, this rate plunged even further and in fact became a dissavings rate, with inflation and violent labor strife rapidly eating up whatever savings had survived confiscatory taxation and destruction during the war.

With cities and factories largely reduced to rubble, the country needed massive capital investment—and there was no possibility to borrow abroad and no Marshall Plan. In this crisis the Americans brought in a Detroit banker, Joseph Dodge, as the Occu-

pation's economic adviser. He decided that only a radical shift to an investment-driven economy could stave off disaster. He proposed a very sharp increase in income-tax rates even on fairly low incomes; to this day tax rates, especially marginal rates on large incomes, are a good bit higher in Japan than in the U.S. But he also proposed exempting from all taxes the interest earned on Postal Savings Bank deposits of up to three million yen per person.

THE EXPERTS HOWLED

In 1950, three million yen was equal to only a little more than \$8,000. Yet in 1950 Japan that was an astronomical sum—25 times the annual income of the average Japanese, and more than any but the top 2% of the population earned in year.

All the experts howled: the Japanese because of the horrendous loss of tax revenue to an already deficit-wracked treasury; the Americans (especially Washington's "liberal" economists and politicians) because of the horrendous giveaway to the rich. But Dodge succeeded in persuading a new, young Japanese Minister of Finance, Hayato Ikeda (10 years later to become prime minister) of the merits of his plan. Ikeda pushed it through a skeptical cabinet and an openly hostile Diet.

Inflation disappeared within weeks. Six months later the savings rate turned up and kept on climbing. But tax revenues also began to rise almost immediately. And when the tax-exempt accounts, having done their work, were finally scrapped in 1988, practically every Japanese—poor, middle-income or affluent—had one. (Some had as many as 20; the limit of one account per person was ignored.) And the highest concentration of tax-exempt accounts was among fairly low-income earners.

These savings financed the explosive growth of the Japanese economy and the export drive. They explain why—almost unprecedented in economic history—a rapidly growing Japan has not had to borrow abroad. And, of course, these tax-free savings explain Japan's low-cost capital and the tremendous competitive edge it provided.

But that the investment-driven economy worked in Japan is not nearly as important as that America's and Britain's alternative—the consumption-driven economy—has not delivered what it promised: investment and low capital costs. Yet the consumption-driven economy still dominates economic theory and economic policy in both the U.S. and the U.K.

Despite their differences, Keynesians, monetarists and supply-siders all accept a few basic Keynesians postulates: "Oversaving" is an ever-present danger, causing under-consumption and depression. Saving should therefore not be encouraged and might even be penalized safely. If consumption drives the economy, the necessary and productive investment will take care of itself. Rising consumption will create demand for new and profitable production and productive capacity. It will act as the "multiplier" for investment. Fostering and promoting consumption will thus automatically generate both rising incomes and high capital formation.

That there are serious flaws in these postulates was immediately noted by such eminent mid-1930s economists as Lionel Robbins at the London School of Economics and Joseph Schumpeter at Harvard.

No over-saving, they showed, had ever been documented. Nor is there the slightest evidence that, as John Maynard Keynes asserted, over-saving had caused the Great

Depression. Worse, Keynes's own theory rules out the multiplier on which his consumption-driven economy depends. For at the heart of all of Keynes is the postulate that businessmen will invest only if they have "confidence," which in Keynesian theory is a function of low interest rates and low costs of capital. To play down saving, let alone to discourage it, must drive up interest rates and thus undermine confidence.

The consumption-driven economy triumphed—though mainly in English-speaking countries—because it perfectly fitted the political mood of the postwar period. To penalize saving "soaks the rich." And to promote consumption "spreads the wealth." Politically, Keynes himself was pretty much what we now call a "neo-conservative" (then called a "Liberal" with capital L). He had nothing but biting contempt for Progressives and "bleeding hearts." Yet, in superb irony, the Progressives accepted his theories and gave them dominance. These theories bestowed legitimacy on their political agenda.

By now we know, however, that to promote saving does not favor the rich. Any country that has given a tax exemption or tax deferment to saving has had the same experience as Japan: Middle- and lower-income earners take the most advantage of these opportunities. This has, for instance, been the experience with whatever meager tax deferrals have been offered for saving in the U.S. (e.g. in individual retirement accounts or in Keogh plans).

We also know that a consumption-driven economy does not "spread the wealth." There is far more equality of income in investment-driven Japan than in consumption-driven America or Britain. In addition, though the Internal Revenue Service still refuses to accept this, tax revenues are higher within a few years when saving is favored.

We have learned in the 40 years since Joseph Dodge that nothing works as well in a developed country as legalized tax-avoidance. His tax-exempt accounts in Japan paid laughably low interest—never more than 2% a year. Yet the Japanese could not get enough of them. The money savings in America's IRAs and in its Keogh Plans for the self-employed are often more nominal than real. Yet they are always highly popular. And as attorneys and accountants will attest, people rush into the most dubious "tax shelters" just because they want to beat the tax collector.

THE "INCIDENCE" OF TAXATION

We know, in other words, how to jack up America's dismal savings rate and how to bring down America's prohibitively high cost of capital. It is less a matter of the level than of the "incidence" of taxation—which is economists' doublespeak for a chance legally to avoid taxes. And we also know that Keynes was right when he said that high costs of capital destroy "confidence" and inhibit investment. Few investments will earn enough to repay capital cost of 15%—but many can easily earn 5%, which is what the Japanese pay.

There are indeed profound differences between Japan's society and the West, especially the U.S. But there is little or nothing that the U.S. and the West as a whole can do about whatever Japanese differences there are. We can, however, do quite a bit to get rid of, or at least to assuage, the enormous competitive disadvantage we suffer vis-a-vis the Japanese through our prohibitive cost of capital. It is not "structural"; it

is the result of an inadequate savings rate caused in the main by our clinging to the belief in the consumption-driven economy against our own experience and against all the evidence.

MR. ROTH. Mr. President, let us pass a proven winner—proven in Japan—and let's pass the President's family savings account. Let us take notice of what Alan Greenspan, the Chairman of the Federal Reserve Board, called the "most important long-term issue that has to be addressed by policy makers", the Nation's low savings rate. Let us pass what the Sunday New York Times called the best tax-advantaged account that would be available to Americans—the family savings account.

MR. DOLE. Mr. President, I am pleased to cosponsor the President's Savings and Economic Growth Act.

This legislation is designed to deal with two of the serious economic concerns facing America: Our high cost of capital and our low national savings rate. In combination, these factors make it difficult for American businesses to raise the patient capital which we all recognize is essential for long-term economic growth.

America's economic leadership is due to the ingenuity and innovation of our industry. However, those very qualities are being stifled by a decline in equity capital and dangerous pressures from a few large investors for short term earnings. Such demands can only be met at the expense of investments in research and product development which do not pay off in the current quarter or year.

The President's plan will address this problem in two ways. First, by lowering the capital gains tax rate for long-term investors, the legislation will reduce the cost of precisely that patient capital which is necessary for continued competitiveness. Second, by targeting incentives for long-term savings at precisely those low and moderate income families who find it hardest to put money aside, this legislation will raise our private saving to levels now attained by our competitors.

The President's capital gains initiative would reduce the maximum individual capital gains tax rate from 33 percent currently to just below 20 percent on capital assets held for at least 3 years. Taxes may not be the only reason that the cost of capital in Japan is approximately one-half what it is in America, but the double taxation of savings at ordinary income rates is a real incentive for American taxpayers to borrow and consume currently, rather than invest for the future.

In addition, low- and moderate-income families in America have lost the habit of saving. Our national savings rate fell to 18th out of 21 industrial nations in the 1980's although business savings remained constant. One

reason is the double tax which makes current consumption less expensive than saving for the future. Another is that our tax laws penalize saving unless the funds are untouched until retirement. Yet many families cannot afford to lock in money for retirement that they could use to meet more immediate needs.

The President's plan addresses this problem in two ways: First, it allows the use of individual retirement savings for the purchase of a first home—the largest purchase that a young family will make. Now, those moderate-income families who are saving for a downpayment can take advantage of a deductible IRA, and in addition, develop the habit of making these contributions every year.

Second, families earning less than \$120,000 per year will be encouraged to begin saving and investing on a long-term basis in a family savings account. The earnings on funds contributed to these accounts are exempt from current taxation and will become permanently tax exempt if they are not withdrawn for at least 7 years.

The resulting increase in family savings will increase the pool of private capital available to American business, enabling it to expand, create jobs and compete in world markets. This enhanced productivity will enable new generations of Americans to realize the American dream: a higher standard of living for themselves and their children.

Mr. HEINZ. Mr. President, today Senator PACKWOOD is introducing the President's capital gains and family savings account proposals, which were contained in the President's budget. The President's proposal is timely. More importantly, it opens a debate we need to have in this country about how America maintains a competitive edge in an increasingly global economy.

What is at risk, Mr. President, is our ability to compete in the world. What is at risk is the creation of those good jobs at good wages we heard so much about in the last campaign. How we address the crisis in savings will determine whether or not we can maintain a rising standard of living and a society of economic opportunity in which all can participate.

The issue of savings and investment is at the heart of the debate.

U.S. investment in productive capital, as a percent of gross domestic product [GDP], is the lowest of the major industrial countries. The U.S. net investment rate [NIR] in 1987 was 4.9 percent of GDP. In that same year, two major competitors registered much higher rates of savings—6.9 percent for West Germany and 15 percent for Japan. Those figures are not a 1-year aberration. The United States has consistently lagged behind West Germany, Japan, and other industrial

countries over the past two decades in savings. Mr. President, it is not mere coincidence that American productivity and income growth have lagged as well.

Our low national savings rate means America must borrow more of its investment capital from abroad. Consequently, American companies face relatively higher costs of capital than their competitors. A recent study by the Federal Reserve Bank of New York found that capital costs in the United States range from 50 percent to 130 percent higher than capital costs in Germany or Japan.

A primary cause of high-capital costs and low-investment rates in the United States is the low level of net national savings [NNS]. A moment ago I cited net national investment statistics to demonstrate how little this country is investing compared to our competitors. We save less than any of the other developed countries. Even more worrisome is the reality that we are investing more than we save. Germany and Japan, in contrast, save much more than they invest—11.4 percent NNS versus 6.9 percent NIR for West Germany; 18.4 percent NNS versus 15 percent NIR for Japan. The United States numbers: 2.4 percent NNS versus 4.9 percent NIR.

What this means is the United States is critically dependent on foreign capital to sustain an already anemic level of investment, the prospects for healthy long-term growth are poor even at current investment levels, subsidized as they are if you will by foreign investment. If foreign investors refuse to continue financing the increasing debts of consumers, business and the Government in the United States, we will be faced with catastrophically high interest rates, lack of credit, more financial failures and potentially dire consequences. We clearly have to find a way to improve the accumulation of net national savings in this country. I think the President's proposal is an important step to open this debate.

As I noted earlier, I welcome the President's focus on this issue. The President's proposal is a step in the right direction. It is certainly a major improvement over his proposal of last year. The President's 1989 capital gains proposal only applied to stocks and bonds held by individuals. Further, it did not contain a savings component. But improved though this new proposal is, my view is that it still doesn't go far enough.

The President's capital gains proposal this year applies to all capital assets, except collectibles, held by individuals. In my opinion, there are two important ways the President's capital gains proposal can be improved even more.

First, the President's plan does not include an indexing component. It

should and must. Most economists would agree that a capital gains differential is essential to promoting savings, entrepreneurial activity, risky investment in new products and processes, and industries that will help keep America competitive and economically strong. A capital gains differential clearly addresses the risk factor. However, it does not address long term inflation. That can only be addressed through an indexing provision.

Under the President's proposal, an individual gets a 30-percent exclusion if they hold property for 3 years, 10 years or even 20 years. In fact, the longer an individual holds property, the more they are penalized by inflation. A capital gains exclusion which does not contain an indexing component actually encourages "churning." Investments should be made on the basis of what is the best rate of net return and any smart investor will clearly take into account inflation in calculating net return. The President's proposal fails to provide a real incentive for long term investment.

Another point on which economists generally agree is that tax liabilities should be imposed on the basis of real economic income. During periods of inflation, nominal gains or losses on sales of capital assets will reflect inflationary increases in the value of property which do not represent real changes in economic value. The President's proposal overstates capital gains—or understates capital losses—to the extent of inflation during the time an investor holds the property before it is sold.

Proponents of a capital gains differential often justify their position as a means to offset inflation. This purpose is served, but only sporadically. The effects of inflation accumulate over time, yet the President's proposal does not vary the tax rate after the property is held for over 3 years. Clearly this is the wrong result. If I had to choose between capital gains indexing and a capital gains differential I would choose indexing.

While I can support the principle of a capital gains differential, I would have deep reservations about doing so without the inclusion of indexing. Perhaps there is middle ground in a compromise where taxpayers have a choice of indexing the cost basis of their property or a capital gains differential. Senator PACKWOOD's capital gains proposal of last year contained what I thought was an elegant compromise of a different kind and included both provisions. Indexing should be a part of any package considered by Congress this year.

One point that needs exploration and, I believe, emphasis is that little has been written about the connection between savings rates and returns to investment. Commonsense, however,

tells us that there must be a powerful and necessary connection. If the return to the "saver" is low because the saver's money cannot be invested safely or profitably, the "saver" may decide to become a "consumer" instead. If it is true that the high cost of U.S. capital makes many investments too risky or unprofitable, then it follows that targeted tax efforts, such as reducing taxation of capital gains, will give savers better returns and increase the national savings rate. What is apparently unexplored is the relative importance of enhancing investment returns compared to direct savings incentives such as IRA's and any synergy between combining both approaches. Our government could maybe make better public policy decisions if such information was available and shared with the Congress.

My second concern about the President's capital gains proposal is that it only applies to individuals, and doesn't apply to corporations. The fundamental tenet of tax policy is that the form of ownership should not materially impact the tax rate of a transaction. When we think about corporations, we normally think about the corporations whose stock is traded on the stock exchange. However, that really isn't the case.

We know that after the 1986 tax reform bill, there was a major shift in ownership form. Many small operations changed from corporate ownership to either sub-S or partnership forms of ownership. My fear is that there are lots of small businesses out there who didn't receive good tax advice and therefore did not make the change. If and when they decide to sell their businesses, they are going to find out that they are not entitled to capital gains.

Let me give an example: A couple owns the corner grocery store. They decide to retire and sell the building. The only problem is that when they set up their business years ago, they set up a corporation, and the corporation owns the building. Now they want to sell the building, and they find out they are not entitled to capital gains. It's hard to see how this meets any fairness test. We need a clear and better understanding of who we are impacting and how when we do not include corporations.

Finally, let me add that the President's family savings account is clearly a step in the right direction. Over the next few months, there will be hearings on the extent to which his proposal will increase savings. While I have questions and intend to explore whether this is the best means to increase savings, I want to make it clear, Mr. President, that I think this new proposal is a vast improvement over last year, and that I welcome it and look forward to working with the president and my colleagues on the Fi-

nance Committee to put together the best possible package that will encourage savings and investment.

By Mr. MOYNIHAN:

S. 2072. A bill to authorize a study of nationally significant places in American labor history; to the Committee on Energy and Natural Resources.

STUDY OF SIGNIFICANT PLACES IN AMERICAN
LABOR HISTORY

● Mr. MOYNIHAN. Mr. President, I rise to introduce a bill that would direct the Secretary of the Interior to conduct a nationwide study of sites significant to the history of the American labor movement. The impact of the labor movement on business, industry, and the standard of living of millions of workers has been enormous. Its influence starts with paychecks and job security for union members in every State, and reaches here to Washington, where their unified voice draws notice. I should mention that I cannot claim to be a disinterested party; at 16 I walked into the old National Can Co. in Queens and joined the Steelworkers.

There is much history to the labor movement. In 1799, the Franklin Typographical Society of Journeymen Printers of New York formulated a complete wage scale and went on strike to enforce it. In these early years, such organizations dissolved once their goal was accomplished.

There are sites throughout the country that deserve recognition for the events they witnessed. The birthplaces of leaders such as William Sylvis, a Philadelphia ironworker who founded the National Union of Iron Molders in 1859 and the National Labor Union in 1866, for example. Or the home of Samuel Gompers, who founded the Federation of Organized Trades and Labor Unions, which became the American Federation of Labor. He was its president for 37 years.

There are the sites of the first meetings of the unions that came to be household names, such as the United Mine Workers in Columbus, Ohio in 1890. And there are sites that have largely been forgotten, but still have their place in history, such as Tyrone, AR, where the Southern Tenant Farmers Union formed during the Depression.

There are also the sites of strikes, some of which are known for their violent outcomes. They were, in a real sense, battlefields in the fight for fair wages and working conditions. Haymarket Square in Chicago, where workers met in 1886 to protest police actions against strikers, for example. A bomb went off, several people died, and seven labor leaders were sentenced to death. Or the 1917 strike led by the Wobblies in the copper mines of Bisbee, AZ that ended when the sheriff and 1,800 deputies deported 1,200 strikers to New Mexico.

Mr. President, these events form a vital part of American history. Some do not get the recognition they deserve, and their educational potential is being overlooked or ignored.

This bill directs the Secretary of the Interior, in consultation with the Secretary of Labor, to conduct a study of the history of worker organizations, unions, and strikes, of the impacts of industrial and technological change, and the contributions of the American labor movement to American history. The study will identify, evaluate, and nominate to be National Historic Landmarks those districts, sites, and buildings that best illustrate or commemorate American Labor history.

Mr. President, it is a job that needs to be done. This part of our historic landscape should be recognized and preserved. The nearly 17 million union members in this country testify to the impact of the labor movement. I urge my colleagues to support this effort to preserve its history.●

By Mr. JEFFORDS (for himself, Mr. LEAHY, Mr. MOYNIHAN, and Mr. D'AMATO):

S. 2074. A bill to establish in the Environmental Protection Agency a Lake Champlain Program Office, and for other purposes; to the Committee on Environment and Public Works.

LAKE CHAMPLAIN SPECIAL DESIGNATION ACT

Mr. JEFFORDS. Mr. President, today I rise to introduce a very important bill entitled the "Lake Champlain Special Designation Act." I am joined in introducing this act by the entire Vermont delegation Senator LEAHY, as well as Representative SMITH. We have worked closely with the distinguished Senators MOYNIHAN and D'AMATO and Representative MARTIN from New York and we stand together on the importance of this bill. A similar bill will soon be introduced on the House side by Representatives SMITH and MARTIN as well.

Protection of Lake Champlain, one of the most precious fresh water lakes in the world, has increasingly become a challenge as population continues to grow dramatically in the basin area. Various types of point and nonpoint source pollution threaten the health of the lake and surrounding wetlands. In addition, the lake is a target of air toxics emanating from various sources across the Nation. Toxics in harmful amounts are finding their way to the Lake—crippling the natural systems and posing a real threat to the health of the people and wildlife in the basin.

Finding solutions to these problems will require broad-based participation by the appropriate Federal, State, and local agencies, as well as the public and other concerned interest groups. The bill before you today directs the Environmental Protection Agency to convene a Lake Champlain Manage-

ment Conference. The conference will bring the appropriate Federal, State, and local bodies together to develop a plan of action for protecting this valuable resource. Through building upon on-going activities, I believe we can effectively address the critical problems facing the lake.

Let me tell you a few things about Lake Champlain. The lake is surrounded on the eastern shore by the wild Green Mountains running the full length of the State of Vermont. Those who like the famous Long Trail crossing the peaks of these mountains, are rewarded with a simply breathtaking view of the lake. On the Western shore stands the rural Adirondack Mountains and to the North is the Canadian border which cuts across the lake providing an international flavor.

Besides the natural beauty of the lake, which draws thousands of visitors a year, it is also rich in historical and economic value. Since Samuel De Champlain's visit in 1609, the lake has been the witness to major battles in the Revolutionary War and again in the War of 1812. Following that war, the lake became a main link for trade to and from the northeastern region of this Nation. Few are aware that Lake Champlain is part of the inter-coastal waterway. Large ships travel up the Hudson River to the southern part of the lake connecting New York City to Montreal.

In addition to beauty, historical and economic importance the lake is utilized for a myriad of recreational activities including fishing, boating, and swimming. The lake has always been abundant with various plants and animals—but we are beginning to see problems in this area.

Lake Champlain is the sixth biggest fresh water lake in the Nation. The lake is part of the St. Lawrence drainage basin and shares many limnological features with its Western Great Lake cousins. These six lakes of the same drainage basin, share similar ecosystems, uses, demands, economic importance, beauty—and unfortunately, vulnerability to environmental threats.

Lake Champlain, like the Great Lakes, is threatened from various types of pollution. Toxic pollution is particularly troublesome to me.

EPA has concluded on several occasions that uncontrolled air toxics pose substantial risks—in one case the risk of cancer is estimated at 3 in 10 for maximum exposed individuals. In additional data released by EPA on toxic release—the data showed that manufacturing industries released 2.7 billion pounds of toxic air pollutants. If you combine these findings with findings in a recent report on the Great Lakes issued by the Conservation Foundation you begin to see the severe dangers these toxics are imposing on the

lake and effected population. The report stated that:

The presence of toxic contaminants carried by the air to humans and wildlife, to growing crops, and water are worrisome. Anglers are warned not to eat large lake trout caught in Lake Superior; the fish are contaminated by PCBs deposited in the lake from the atmosphere.

The report further states that:

Within the human population, health risks are elevated for those living in areas with polluted air and contaminated groundwater. Even more important, there may be subtle effects on human health that have gone largely undetected stemming from contaminants in the food web. Certain identifiable subgroups of the population appear to be at elevated risk of exposure. These include human embryos, infants, and children who have bioaccumulated substantial quantities of toxic chemicals that exist in fish and waterfowl. Preliminary studies suggest that these subtle effects may be far more significant among at-risk populations than cancer and gross physical defects. The need for "more data" is urgent.

According to one of the major authors of the report, Dr. Theo Colborn of the Conservation Foundation, data released in this report can generally be extrapolated to other large fresh water lakes including Lake Champlain. And in fact, both New York and Vermont have issued health advisories as a result of PCB contamination of the flesh of certain species of fish taken from the lake. We must begin immediately addressing this toxic problem.

At a recent field hearing held in Vermont by myself and Senator Moynihan on the condition of Lake Champlain, three important factors were stated by the experts testifying. The first factor was that the contamination of the water, biota, and sediments in the lake by toxic materials is an area of serious concern. The second fact was that the monitoring system of the lake is inadequate. Finally, those testifying pointed out that very little is known in this toxic. Efforts to generate data must be undertaken immediately.

All of these factors would be addressed through the management conference convened and other provisions in this bill.

The States of Vermont and New York along with Quebec, have realized that without a concerted cooperative effort, restoring and maintaining the lake's quality will be impossible to achieve.

They have worked hard to begin addressing the problems of the lake and recently issued a memorandum of understanding signed by the Governors of Vermont, New York, and the Premier of Quebec, basically establishes a forum for cooperative management of the lake.

A second document entitled "The Framework for the Vermont—New York Work Plan on Lake Champlain" was introduced by the two States and is intended as an initial draft of a work

plan mandated in the MOU. This work plan will identify goals and objectives and serve as a framework for issue identification.

While great progress has been made by the States, the role of the Federal Government has not yet been fully determined—and I believe the "Lake Champlain Special Designation Act"—through the management conference which provides for significant State input will do that.

The citizens in the Northeast have made it clear that they are willing to contribute to the cost of addressing the pollution problems facing the lake. However, they cannot do this without assistance from the Federal Government.

I urge my colleagues to support this provision to further the protection of what is truly an American treasure.

Mr. LEAHY. Mr. President, the Senate is in the middle of a historic debate over the clean Air Act. At long last we are raising environmental and health issues that affect every State—every American—and indeed, every individual on this planet.

Today, I join my friend and fellow Vermonter, JIM JEFFORDS, to introduce an important correlative to this legislation—the Lake Champlain Special Designation Act.

With this legislation, Senator JEFFORDS truly succeeds his predecessor, Robert T. Stafford, as Vermont's voice of reason on the Environment and Public Works Committee. Lake Champlain has no greater champion than JIM JEFFORDS, and he deserves the gratitude of Vermonters and New Yorkers who share this common border, in addition to thousands of tourists who visit our States every year.

And both of us thank Senator Moynihan—whose early support for this effort got the States working together for the bill we see today. Mr. MOYNIHAN's cosponsorship of this important legislation is both in name and effort. We, on opposite shores, owe him gratitude for unifying our efforts.

Mr. President, Vermont gets its name from the Green Mountains—but the blue waters of Lake Champlain that mark our western border also sets our State apart from all others.

Unfortunately, these blue waters have been clouded by many forms of pollution—from domestic wastes and detergent residue, to agricultural runoff and industrial contaminants.

Less than 15 years ago, Martin Johnson, a resident of Plainfield, VT, a hydraulics engineer who served as our secretary of environment, took a grade school survey of children's impressions of our rivers and streams.

He asked one class to describe what streams and rivers were used for.

One youngster answered simply: "To carry away our garbage."

For years, Lake Champlain has fit into that category. Today, years later, we have legislation to finally begin the reclamation process. We will direct Federal, State, and local efforts to reverse the environmental degradation that despoils this majestic lake.

This may be our last, best hope to save our lake. It's not the Lake Erie of the early 1970's—but then again, it's not the Lake Champlain I knew as a child, either.

The bill we introduce has four main components:

First, it convenes a lake management conference within 90 days from the date this bill becomes law. It will bring together and coordinate Federal, State, and local agencies involved in restoring, conserving, and managing Lake Champlain. This will include interested citizens from Vermont and New York. The conferees will have 21 months to produce a 5-year pollution prevention, control, and restoration plan for the lake.

Second, Federal agencies will be given comprehensive pollution prevention and control initiatives to clean up the lake.

Third, a research program will be established to monitor, inventory, and research Lake Champlain water quality and develop pollution prevention strategies.

Fourth, a Federal-State cost-sharing arrangement will be established for the first time. Vermont and New York have committed resources to help clean up Lake Champlain. However, they can not go it alone. The cost-share program will allow each State to apply, together or alone, for financial assistance that will allow them to complete local projects more rapidly.

Our bill will not add Lake Champlain to the Great Lakes chain. We looked at this possibility carefully and concluded that Lake Champlain will be better off under a special designation of its own—drawing the best from a variety of programs, and not pitting our lake against other priorities in a quest for a diminishing pool of funds.

Mr. President, this is not a Democrat or Republican issue. I am delighted that Senators JEFFORDS, MOYNIHAN, D'AMATO, and I share the same pressing concern over the health of this lake. With Senators JEFFORDS and MOYNIHAN on the authorizing committee, and Senator D'AMATO and me on Appropriations, I look forward, with confidence, to the success of this effort which residents of both States want to see accomplished after too many years of neglect.

We now understand that the immense oceans themselves are not immune from the damage that man can do. This lovely lake is far smaller—far more vulnerable—but as priceless to us as the ocean shores to our neighbors from Maine and Florida to California and Washington.

While I regret that this program was not initiated decades ago, I am proud to take part in this beginning today. But this is just a beginning—much hard work lies ahead.

But those of you who have enjoyed this beautiful lake know that our efforts, most certainly, are worth it.

Mr. President, I am proud to be here in the company of such good friends as JIM JEFFORDS, PAT MOYNIHAN, and AL D'AMATO, Senators who join together not as Republicans and Democrats but who cherish what really is a national treasure for our country and who will work together to make it even better.

Mr. D'AMATO. Mr. President, I rise today to join with my distinguished colleagues, Senators MOYNIHAN, LEAHY, and JEFFORDS in introducing the Lake Champlain Special Designation Act of 1990.

Excluding the Great Lakes, Lake Champlain is the largest freshwater lake in the United States. It serves as a vital resource to New York, Vermont, and the Province of Quebec. The lake supports a variety of uses, including water supply and recreation. Sport fishing is extremely popular with the lake supporting more than 80 species of fish. However, while fishing is allowed in the lake, the New York and Vermont Departments of Health have issued health advisories on trout larger than 25 inches.

Today Lake Champlain is under siege from pollution. Nonpoint sources of pollution in New York and Vermont are estimated to contribute over 80 percent of the phosphorus in Lake Champlain. Included among these nonpoint sources are pesticide/agricultural runoff, urban runoff which includes trace elements of lead and cadmium, PCB's deposited into the lake from the atmosphere, and leachate from some of the 96 active and inactive landfills within the Lake Champlain basin.

Remarkably, Lake Champlain is virtually free of point source pollution. Only one major industry discharges directly into the lake. Sewage treatment plants throughout the basin are in the process of upgrading their facilities to conform with Clean Water Act standards.

The legislation we are introducing today creates a lake management conference which will coordinate Federal, State, and local agency actions. It is critical that the State of New York and Vermont as well as the Canadian and United States Governments work in concert throughout the restoration process. The conference will issue a 5-year pollution prevention and control plan to serve as the framework for restoration of the lake.

It is clear that we must act now to prevent any further degradation of Lake Champlain. For the most part, point source pollution is under con-

trol. We must focus our efforts on nonpoint sources. Swift action on the part of the lake management conference participants will bring us one step closer to achieving a cleaner and healthier Lake Champlain.

I urge my colleagues to act on this important legislation.

Mr. MOYNIHAN. Mr. President, this is a propitious occasion, not only for Lake Champlain but also for an anniversary coming up which I hope will not go unnoticed. Next year we will have the 200th anniversary of the freely willed accession of the Republic of New Connecticut to the American Union.

We have heard and know a great deal about the Republic of Texas joining the Union. Unfortunately we sometimes overlook, or perhaps do not even realize, that the 14th State, now known as Vermont, had an independent existence of its own. It fought for it in 1776 on the battlefield at Ticonderoga and later freely joined the Union.

That event at Ticonderoga and one subsequently at Saratoga suggests a most important bit of military geography. Mr. President, if a person could traverse an area of land, a portage of about 11 miles between Glens Falls, NY on the Hudson River and Lake George, you could move by water from New York Harbor to Quebec. It is for this reason that the great battles by the French and British for North America, and later the British and Americans for independence, were fought along that waterway. Fort Ticonderoga, controls the outflow from Lake George into Lake Champlain, which in turn flows into the Richelieu River and out into the St. Lawrence.

The great body of water in this chain is Lake Champlain. I think it needs to be recorded that UNESCO, the United Nations Educational, Scientific and Cultural Organization, has declared it an International Biosphere Reserve, making it the fourth largest reserve of its kind in the world. I see my friend and colleague on the Environment and Public Works Committee, Senator JEFFORDS, has joined me here on the floor.

We think we know how to proceed. We are fortunate to have a number of prominent ecologists on both sides of the lake. They have begun studies, and now want to organize, move forward, establish a data base, start counting, and start measuring. We must help them. We will want to work with Canada, and the Province of Quebec, as the very tip of Lake Champlain is in their country.

At a hearing held by myself and Senator JEFFORDS in Plattsburgh, NY—we held hearings on both sides of the lake—Dr. James C. Dawson of the State University of Plattsburgh referred to the lake as being in "guard-

edly good condition." The truth is it is in much better condition today than it was a century ago.

All right. It is a deep lake, a long lake, a unique lake. UNESCO has so declared. Let us move now to protect it and keep it from deteriorating further. Let us bring it back up to an even better circumstance. We can do this. It takes time and patience. One thing Vermonters have is patience. One thing New Yorkers have is, if not time, certainly energy, and in combination I think we shall prevail.

By Mr. McCAIN (for himself, Mr. BURDICK, Mr. CONRAD, and Mr. INOUYE):

S. 2075. A bill to authorize grants to improve the capability of Indian tribal governments to regulate environmental quality; to the Select Committee on Indian Affairs.

INDIAN ENVIRONMENTAL REGULATORY ENHANCEMENT ACT

• Mr. McCAIN. Mr. President, I rise today to introduce the Indian Environmental Regulatory Enhancement Act of 1990. I am pleased to be joined by Senators BURDICK, CONRAD, and INOUYE as cosponsors of this very important legislation. This bill would authorize the Administration on Native Americans in the Department of Health and Human Services to award grants to Indian tribes for the purpose of improving the capability of tribal governments to regulate environmental quality on Indian reservations pursuant to Federal and tribal laws. Many Indian tribes today are faced with growing environmental problems on their reservations. In order to address these problems, several Indian tribes have sought to obtain regulatory primacy under the provisions of the Clean Water Act and other Federal statutes. Yet, Indian tribes have found that there is little Federal funding available through the Environmental Protection Agency to provide badly needed technical expertise; to conduct the environmental surveys necessary to determine the source and scope of pollution affecting the reservation; to hire qualified personnel with the necessary background and experience; to develop tribal environmental codes and to set environmental standards for the reservation. Much of the work necessary to determine if the tribe wishes to seek primacy has not been done. At the current funding levels this work will not get done. Tribes need to develop the personnel and the in-house expertise before they are in a position to undertake the effective regulation of reservation environments.

The Indian Environmental Regulatory Enhancement Act would authorize \$5,000,000 to be appropriated to the Administration on Native Americans for grant awards to Indian tribes for the purpose of improving the capability of tribal governments to regu-

late environmental quality pursuant to Federal and tribal laws. These grants would be made available for employee training and education, tribal code development, and improved enforcement and monitoring. The grants would require a 25-percent match from any other funding source, or with services or in-kind property.

The financial assistance which would be made available is not intended to relieve the Environmental Protection Agency of its primary responsibility to assist tribal governments. Rather, the assistance offered by this bill is intended to provide some much-needed flexibility for tribal governments. For nearly 20 years, Congress neglected to include tribal governments in the Federal environmental regulatory system. We have recently acted to correct this oversight, but we have not provided adequate financial resources to assist the tribes in their efforts to promote environmental quality. It is my hope that this bill will serve as a catalyst for increased Federal and tribal efforts to develop sound environmental regulatory programs on Indian lands.

Mr. President, I ask unanimous consent that the full text of the Indian Environmental Regulatory Enhancement Act of 1990 and the section-by-section summary be printed in the RECORD immediately following my remarks.

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

S. 2075

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Indian Environmental Regulatory Enhancement Act of 1990".

GRANT PROGRAM

SEC. 2. Section 803 of the Native American Programs Act of 1974 (42 U.S.C. 2991b) is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary shall award grants to Indian tribes for the purpose of funding 75 percent of the costs of planning, developing, and implementing programs designed to improve the capability of the governing body of the Indian tribe to regulate environmental quality pursuant to Federal and tribal environmental laws.

"(2) The purposes for which funds provided under any grant awarded under paragraph (1) may be used include, but are not limited to—

"(A) the training and education of employees responsible for enforcing, or monitoring compliance with, environmental quality laws.

"(B) the development of tribal laws on environmental quality, and

"(C) the enforcement and monitoring of environmental quality laws.

"(3) The 25 percent of the costs of planning, developing, and implementing a program for which a grant is awarded under paragraph (1) that are not to be paid from such grant may be paid by the grant recipi-

ent in cash or through the provision of property or services, but only to the extent that such cash or property is from any source (including any Federal agency) other than a program, contract, or grant authorized under this title.

"(4) Grants shall be awarded under paragraph (1) on the basis of applications that are submitted by Indian tribes to the Secretary in such form as the Secretary shall prescribe."

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. Section 816 of the Native American Programs Act of 1974 (42 U.S.C. 2992d) is amended—

(1) by striking out "section 803A" each place it appears and inserting in lieu thereof "sections 803(d) and 803A"; and

(2) by adding at the end thereof the following new subsection:

"(d) There are authorized to be appropriated \$5,000,000 for each of the fiscal years 1991, 1992, 1993, 1994, 1995, and 1996, for the purpose of carrying out the provisions of section 803(d)."

SECTION-BY-SECTION SUMMARY ANALYSIS OF THE INDIAN ENVIRONMENTAL REGULATORY ENHANCEMENT ACT OF 1990

SECTION 1

Section 1 cites the short title of the Act as the "Indian Environmental Regulatory Enhancement Act of 1990."

SECTION 2

Section 2 amends Section 803(d)(1) of the Native American Programs Act of 1974 by providing for the award of grants to Indian tribes for the purpose of funding 75% of the costs of developing, and implementing tribal programs to regulate environmental quality pursuant to federal and tribal environmental laws.

Subsection (d)(2) sets out the purposes for which the funds may be used. These purposes include training and education of employees, development of tribal laws, and the enforcement and monitoring of environmental quality laws.

Subsection (d)(3) provides that the 25% match which is required under this Act can be paid in cash or through the provision of property or services. The cash or property contribution can be from any source, including any federal agency.

SECTION 3

Section 3 amends Section 816 of the Native American Programs Act of 1974 by adding a new section which authorizes the appropriation of \$5,000,000 for each of the fiscal years 1991, 1992, 1993, 1994, 1995 and 1996 to carry out the purposes of this Act.

By Mr. WARNER (for himself and Ms. MIKULSKI):

S. 2078. A bill to recognize the organization known as the National Center for Therapeutic Riding; to the Committee on the Judiciary.

NATIONAL CENTER FOR THERAPEUTIC RIDING

Mr. WARNER. Mr. President, today Senator MIKULSKI and I are introducing legislation to grant a Federal charter to the National Center for Therapeutic Riding [NCTR], which is located at the Rock Creek Park Center in Washington, DC.

I can think of few causes that are more worthy of this special recognition. The NCTR is devoted to improv-

ing the quality of life for the disabled by using therapeutic riding—teaching handicapped children to ride horses to help build their self confidence. Slowly, under careful supervision, the children learn to do something that they never dreamed they could do, and in the process, they can begin to overcome the barriers of their disabilities. There is a mystique, never uncovered by science, about how a horse immediately senses the limitations of a handicapped person and how the animal tries to help the human.

The real genius behind the program is its executive director, Bob Douglas, who, being handicapped, is no stranger to the problems and the equine mystique. Bob himself was stricken with multiple sclerosis when he was a researcher at the National Institutes of Health [NIH] back in the early 1970's. He used horseback riding as a way to conquer his wheelchair and get back to using his legs. The therapy worked so well for him that he decided to devote his life trying to do the same for others.

His dream became a reality in 1974, when he launched the therapeutic riding program at the Rock Creek Horse Center. In 1980, the program received formal recognition as a tax-exempt public charity, and became officially known as the National Center for Therapeutic Riding. The center predominantly serves children from the District of Columbia school system, but it also works closely with such organizations as the Lab School of Washington, Special Olympics, and the Sasha Bruce organization.

Since the inception of the program, Bob has labored day in and day out to make sure that every student gets the special—individual—care and attention he or she requires. With the help of a team of 100 dedicated volunteers, he has been able to attain the kind of success that he could have never envisioned 10 years ago. More than 5,000 children have improved their learning skills, confidence, and emotional and physical development as a result of the center's help.

Its success has brought the center local, national, and international acclaim. The center has received international recognition at conferences for the disabled in Europe and South America, and has been featured on a number of local and network television programs.

Mr. President, I can personally attest to the value of the program. I have seen it first hand; I have participated in it. And I can tell you that there is no more moving experience than to watch a handicapped child learning to control a 1,000 to 2,000 pound horse. The children get a tremendous boost to their self-esteem, and they take with them the kind of confidence they need to enhance other parts of their lives.

Mr. President, I urge my fellow colleagues to join Senator MIKULSKI and I in supporting this important legislation.

By Mr. LIEBERMAN:

S. 2079. A bill to amend the Immigration and Nationality Act to provide for temporary protected status for Lebanese nationals; to the Committee on the Judiciary.

LEBANESE TEMPORARY PROTECTED STATUS ACT

● Mr. LIEBERMAN. Mr. President, I deeply regret the violence that has racked Lebanon since civil war broke out in 1976. This violence has intensified since last March, when all semblance of presidential order collapsed. Since then, hundreds of people have been killed and thousands wounded. I have been particularly haunted by photographs of children who have lost limbs, homes, and families. That is the human tragedy that lies behind the statistics of war.

In response to this violence, I am introducing the Lebanese Temporary Protected Status Act. This bill would allow Lebanese students and visitors in the United States to remain here until the fighting dies down in Lebanon. During this time, Lebanese would be allowed to support themselves through work. Our Lebanese friends would return to their country after the Attorney General determines that it is safe to do so.

I also encourage the Commissioner of the Immigration and Naturalization Service to give special consideration to those many Lebanese in Lebanon who are applying for refugee status. I realize that these positions are limited, but Lebanese are in a particularly perilous situation.

Mr. President, the hour is late, but not too late. In the modest way proposed by this bill we can at least limit some of the casualties of this sad conflict. At some point, peace will return to Lebanon. We all hope for that day. But until then, we can offer refuge to our Lebanese visitors.●

By Mr. BOSCHWITZ (for himself, Mr. DeCONCINI, and Mr. COATS):

S. 2080. A bill to provide law enforcement authority for criminal investigators of Offices of Inspectors General, and for other purposes; to the Committee on Governmental Affairs.

OFFICE OF INSPECTOR GENERAL LAW ENFORCEMENT ACT

● Mr. BOSCHWITZ. Mr. President, today I am introducing legislation along with Senators DeCONCINI and COATS which, if enacted, will benefit the law enforcement community and save the taxpayers' money. My bill will provide full law enforcement authority to all criminal investigators in the Offices of Inspector General [OIG]. Full law enforcement authority includes making arrests, issuing search warrants and carrying firearms.

I currently serve, Mr. President, as a Commissioner on the National Advisory Commission on Law Enforcement, as do Senator DeCONCINI and Senator COATS. The Commission was established by the Anti-Drug Abuse Act of 1988 to study pay, benefits, and other issues related to the recruitment, retention, and morale of Federal law enforcement officers. One of the recommendations of the Commission is related to the belief that it is difficult to recruit and retain criminal investigators for the OIG's because they lack full law enforcement authority.

By law, the statutory OIG's are all charged with responsibility for conducting investigations of programs and operations in their agencies. Although the statutory law enforcement responsibilities of all OIG's are identical, they do not have uniform authorities to exercise law enforcement powers. At present, the OIG's employ approximately 1,900 criminal investigators [GS-1811's]. Fewer than half of these special agents exercise some limited form of enforcement powers through existing or delegated authority.

Like "traditional" law enforcement agencies [FBI, DEA, IRS, Customs, Secret Service—whose criminal investigators are also GS-1811's], special agents of the statutory OIG's investigate fraud, public corruption and related offenses. Like the traditional law enforcement agencies, they conduct their investigations through review of records, use of informants, surveillance, undercover operations, approved electronic monitoring and interviews with hostile witnesses and subjects. These investigative subjects and witnesses are often involved in narcotics sales, illegal weapons transactions and other activities commonly associated with violent crimes such as assault and battery, unlawful use of a weapon, rape, murder, resisting arrest and extortion.

Unless employees of traditional law enforcement agencies, Mr. President, OIG special agents must frequently enter high-crime areas to gather information or serve subpoenas without the protection of firearms. Frequently, informants or witnesses who cooperate with the Government require protection, or an investigator must monitor a meeting between an informant and a subject.

Sometimes suspects attempt to flee, known fugitives are encountered or subjects admit to crimes during an interview, and OIG agents are unable to arrest them or take other immediate action to detain them. More often, cases were unreasonably delayed or agents placed themselves at risk by acting in the absence of full law enforcement authority.

Mr. President, as ranking minority member of the Small Business Committee, I am especially interested in situations involving the OIG at the Small Business Administration [SBA]. One example of the need for full law enforcement authority occurred 2 months ago in Wisconsin. A special agent for the SBA OIG was investigating a fugitive SBA employee who allegedly had stolen \$28,000 from SBA through a computer scam. The agent had to interview individuals believed to be accomplices of the suspect. One of these individuals was a convicted cocaine dealer and the other had been convicted of welfare fraud. By the way, the SBA OIG requested assistance from both the FBI and the U.S. Marshals, but neither were able to provide assistance due to the lack of manpower.

The investigator was alone and unarmed when interviewing the accomplices—a very dangerous situation, to say the least. The investigator obtained enough information to obtain an indictment, but he did not have the power to make the arrest. Although the agent knew the suspect's location, the suspect remained a fugitive for over a month, and was eventually arrested in Las Vegas by local police as a result of a shoplifting charge.

Special agents of the OIG's must meet the same experience and training requirements as agents in other Federal agencies having full law enforcement authorities. All must attend and pass the criminal investigator course at the Federal Law Enforcement Training Center [FLETC] or similar basic training, such as the FBI academy.

Almost 66 percent of OIG special agents have previously been employed by traditional law enforcement agencies. A study of student profiles at the FLETC showed that from 1984 through 1987, 84 percent of the OIG trainees had college degrees, in comparison with 77 percent of those from other law enforcement agencies. Of that 84 percent, 18 percent had advanced degrees in comparison with only 8 percent in other law enforcement agencies.

Despite their education, training, and experience, OIG agents currently have only two ways of obtaining needed enforcement authorities, neither of which has proven satisfactory. Both approaches require an investigator to predict weeks or months in advance the circumstances of each operation, and both entail costly delays and lost opportunities.

The first method, Mr. President, is to rely on fully empowered Federal, State or local law enforcement officers to execute warrants or make arrests, either alone or in company with the OIG investigator.

Relying on other law enforcement agencies, some of whom are deeply in-

volved in fighting the drug war, unnecessarily burdens already severely taxed resources. Often, the lending agencies are unable to spare agents at the time most needed. Essential evidence may also be lost or challenged because personnel of other agencies are unfamiliar with the programs involved. At a time when Federal deficit reduction has such priority, deploying two agencies is at best wasteful, and highly questionable when one with complete law enforcement authorities would be fully able to do the job.

The second available source of authority is special deputation from the U.S. Marshals Service. Deputation is a complex, unwieldy process taking 1 to 6 months. At least three organizational units of the Department of Justice must approve a request for deputation.

Requests must meet justice guidelines, and if a United States attorney, the FBI or the Secret Service is involved, that office must also be consulted. Guideline interpretation varies, and in the past, investigators whom prosecuting attorneys consider clearly at risk, have been denied deputation by Justice's Criminal Division. Deputations are granted only on a case by case basis, and are limited to 6 months. Extensions must go through the same time-consuming approval process.

Mr. President, there is no cost to give the OIG's full law enforcement authority since they already have the training and they already have the firearms. In fact, using a conservative estimate of being able to relieve 100 FBI agents and/or deputy marshals from having to assist OIG criminal investigators over the course of a year, it is believed a savings to the Government of approximately \$4 million would be obtained. Had OIG criminal investigators been equipped with full law enforcement authorities during the period 1981 to 1988, the government would have realized an approximate savings of \$32 million.

Mr. President, I am pleased to introduce this legislation with my colleagues, Senator DeCONCINI and Senator COATS. This bill has the support of the Association of Federal Investigators, and I urge my colleagues to support it.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

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

S. 2080

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Office of Inspector General Law Enforcement Act of 1990".

SECTION 2. FINDINGS.

The Congress finds that—

(1) the lack of full law enforcement authority for criminal investigators of the Offices of Inspectors General has severely im-

pacted recruitment, retention and morale of such investigators;

(2) the Offices of Inspectors General in the Federal Government have lost at least 300 criminal investigators to agencies with full enforcement authority;

(3) many such investigators are often at risk because they are in one man posts of duty;

(4) deputization of such investigators to authorize full law enforcement powers may take as long as 6 months;

(5) such investigators are required to meet the same experience and training requirements as agents with full law enforcement authority; and

(6) the system of operating Offices of Inspectors General with investigators who may not exercise full law enforcement authority is inefficient.

SEC. 3. LAW ENFORCEMENT AUTHORITY FOR CRIMINAL INVESTIGATORS OF THE OFFICES OF INSPECTOR GENERAL.

The Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting after section 6 the following new section:

"LAW ENFORCEMENT AUTHORITY FOR CRIMINAL INVESTIGATORS OF THE OFFICE OF INSPECTOR GENERAL

"Sec. 6A. (a) Pursuant to regulations promulgated by the Inspector General of an establishment, Office of Inspector General criminal investigators who perform any duty of a law enforcement officer as described under section 8331 (20) or 8401 (17) of title 5, United States Code, for the purpose of conducting investigations concerning violations of the laws of the United States related to the programs, personnel and operations of the establishment may—

"(1) obtain and execute search and arrest warrants, and serve subpoenas and summonses issued under the authority of the United States;

"(2) make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony; and

"(3) carry and use firearms.

"(b) The regulations promulgated by the Inspector General shall comply with policies of the Attorney General of the United States, the Federal Rules of Criminal Procedure, and other applicable laws and regulations."●

By Mr. DANFORTH:

S. 2081. A bill to extend the existing temporary suspension of duty for toy jewelry, certain small toys and novelty goods; to the Committee on Finance.

DUTY SUSPENSION OF CERTAIN NOVELTY GOODS

● Mr. DANFORTH. Mr. President, today I am introducing legislation to extend temporarily the existing suspensions of duty on toy jewelry, certain small toys and novelty goods. This legislation is of particular importance to the American bulk vending industry, which employs approximately 10,000 people throughout the United States. I ask unanimous consent that the text of the legislation be printed in full in the RECORD following my remarks.

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

S. 2081

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That heading 9902.71.13 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007) is amended—

(1) by amending the article description to read as follows: "Toy jewelry provided for in subheading 7117.19.10, 7117.19.50, 7117.90.40 (except parts) or 7117.90.50 (except parts) valued not over 5¢ per piece; and articles (except parts) provided for in heading 9502, 9503, or 9504 or subheading 9505.90 (except balloons, marbles, dice, and diecast vehicles), valued not over 5¢ per unit"; and

(2) by striking out "12/31/90" and inserting "12/31/92".

By Mr. INOUE:

S. 2082. A bill to establish a Gifted and Talented Program for certain Pacific Islanders; to the Committee on Labor and Human Resources.

GIFTED AND TALENTED PROGRAM FOR CERTAIN PACIFIC ISLANDERS

● Mr. INOUE. Mr. President, today I am introducing an amendment to section 1, title XV, of the Higher Education Act of 1965, to establish a gifted and talented program targeted to meet the unique needs of gifted and talented elementary and secondary school students in American Samoa and Guam.

During the 99th Congress, the House of Representatives passed the Gifted and Talented Children's and Youth Education Act of 1986, which proposed a Federal "capacity building" effort to identify and educate gifted and talented children and youth. The measure was not acted upon by the Senate.

In the 100th Congress, grants for special demonstration programs targeted to the unique needs of American Indian and Native Hawaiian gifted and talented elementary and secondary school students, were authorized in the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, Public Law 100-297.

The bill I am introducing today would grant the same opportunities to gifted and talented elementary and secondary students in American Samoa and Guam. With special programs in education that also address the cultural and historical backgrounds of these students, it will be a means to the realization and development of their potential. As gifted minority individuals, they embody a valuable untapped resource. Without these programs, a wealth of talent may go undiscovered. This measure will provide a special focus on the truly unique needs of the gifted and talented students of American Samoa and Guam.

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. 2082

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

SECTION 1. Title XV of the Higher Education Act of 1965 is amended by—

- (1) redesignating part C as part D;
- (2) redesignating section 1531 as section 1541; and
- (3) inserting the following new part C after part B:

"Part C—Gifted and Talented Program for Native Samoans and People of Guam

"SEC. 1531. SHORT TITLE.

"This part may be cited as the 'Pacific Island Gifted and Talented Program Act of 1989'.

"SEC. 1532. FINDINGS.

"The Congress finds and declares that—

- (1) there is a need to legislate special programs for displaced aboriginal groups such as the Native Americans and the Native Hawaiians;

"(2) the Federal Government retains the legal responsibility to support the education of Native Samoans and the People of Guam;

"(3) the Congress has the power to legislate special laws for the benefit of Native Samoans and the People of Guam;

"(4) Native Samoan students and students of Guam score below national norms on standardized education achievement tests and are disproportionately represented in many negative social and physical statistics;

"(5) special efforts in education recognizing the unique cultural and historical circumstances of Native Samoans and the People of Guam are required.

"SEC. 1533. STATEMENT OF PURPOSE.

"The purposes of this part are to—

"(1) recognize the similar roles Native Americans, Native Hawaiians, Native Samoans, and the People of Guam have played in the history and development of the United States;

"(2) authorize and develop a supplemental educational program to benefit Native Samoans and the People of Guam;

"(3) develop creative programs targeted toward Samoan families and families of Guam in the United States; and

"(4) develop cultural experience which will provide cultural growth.

"SEC. 1534. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary shall provide grants to, or enter into contracts with, the American Samoa Government and the Government of Guam to—

"(1) establish on each of those Islands a Gifted and Talented Program; and

"(2) design projects that—

"(A) address the special needs of Native Samoan elementary and secondary school students and students of Guam who are gifted and talented students, including, but not limited to, nutritional education problems, and problems regarding the knowledge of available community resources.

"(B) provide such support services to families as are necessary to enable students to benefit from the project;

"(C) develop creative programs targeted toward Native Samoan families and families of Guam in the United States.

"(D) provide cultural experiences which will facilitate cultural growth; and

"(E) provide grants or contracts for scholarship or fellowship assistance for undergraduate and graduate Native Samoan students and students of Guam enrolled in accredited institutions of higher education in the United States;

"(b) SCHOLARSHIPS AND FELLOWSHIPS.—Scholarships and fellowships received pursuant to subsection (a)(2)(E) shall be awarded on the basis of the student's academic record and financial need. Such scholarships and fellowships shall be awarded for a period of not to exceed 4 years and shall be subject to the recipient's satisfactory academic performance during the period financial assistance is received.

"SEC. 1535. USE OF FUNDS.

"Funds provided under this part may be used to—

"(1) identify the special needs of gifted and talented students, particularly at the elementary school level, with special consideration given to—

"(A) the emotional and psychosocial needs of such students, and

"(B) the provision of such support services to families as are necessary to enable such students to benefit from the projects.

"(2) make grants, or enter into contracts, for scholarship or fellowship assistance for undergraduate and graduate Native Samoan students and students of Guam enrolled in, or accepted for admission to, accredited institutions of higher education in the United States;

"(3) appropriate research and evaluation of the activities authorized by this part; and

"(4) implement facility development programs for the improvement and matriculation of Native Samoan students and students of Guam.

"SEC. 1536. ADMINISTRATIVE COSTS.

"Not more than 7 percent of the amount of funds appropriated to carry out the provisions of this part in any fiscal year may be used for administrative costs.

"SEC. 1537. DEFINITION.

"For purposes of this part, the term 'Native Samoan' means, and any term referring to an individual or individuals as being 'of Guam' means, an individual who is a citizen or national of the United States, and is a descendant of the aboriginal people, who, prior to 1900, occupied and exercised sovereignty in the area which now comprises the Territory of American Samoa or Guam, as evidenced by—

"(1) written genealogical records;

"(2) public birth records, or

"(3) other public records on file with the archivist or High Court of American Samoa or Guam.

"SEC. 1538. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part \$2,000,000 for each of the fiscal years 1990, 1991, 1992, and 1993. Such sums shall remain available until expended."●

By Mr. KERRY (for himself, Mr. KENNEDY, Mr. ADAMS, Ms. MIKULSKI, Mr. SIMON, and Mr. CRANSTON):

S. 2083. A bill to bring about a negotiated end to the war in El Salvador, and for other purposes; to the Committee on Foreign Relations.

EL SALVADOR PEACE AND DEMOCRACY ACT

• Mr. KERRY. Mr. President, for 10 years now, we have provided aid to El Salvador, for each of these 10 years we expressed expectations—legislatively and diplomatically—that El Salvador should make good on the promise of democracy—of human rights—of reform. Now, 10 years later—70,000 civilian deaths later—\$4.5 billion in economic and military assistance later—it is time to ask for a change in our policy.

For 10 years the Congress has dutifully enacted into law the basic objectives of our assistance. Those have been to promote democracy, to observe human rights, to respect all other civil liberties such as freedom of speech and of the press, to organize and to operate free trade and peasant unions, and to respect freedom of religion.

For each of 10 years we have tied these objectives to our aid. In addition, we have tied our aid to the complete and timely investigations of the murders of numerous Salvadorans and United States citizens and the bringing to justice of those responsible for these heinous crimes.

For 10 years we have stated that those responsible for ordering and carrying out the murders of innocent civilians should be purged from the army and the security forces in El Salvador.

For 10 years in numerous policy statements we have written into law that the Government of El Salvador must demonstrate progress in establishing an effective judicial system.

For 10 years we have consistently called for the negotiation of an equitable solution to the conflict.

For 10 years Congress has consistently gone on record, making clear to the armed forces of El Salvador these objectives which are the conditions of our assistance.

Yet despite those 10 years, despite those conditions, despite \$4.5 billion in our assistance, at this time, not one of those objectives, with the sole exception of holding free elections, has been met.

As we stand here today the situation in El Salvador has gone back almost to where it was in 1980—a military that cannot be controlled—a society torn apart by war—a peace process derailed and obscured by greed and cruelty.

Salvador has become the prisoner of the military we have created. The democracy we have paid for so dearly in human life and dollars has been supplanted by a military more interested in lining its own pockets than in protecting the principles which attracted our support in the first place.

As long as that military holds us hostage to the FMLN, which it cannot vanquish on its own, there will be no pressure for change. In effect, our open-ended spigot of military aid

denies President Cristiani the leverage he needs for real reform.

Just as in Vietnam we became victims of what Neal Sheehan has called the bright shining lie, so we are in Salvador close to being the prisoners of a similar bright shining deception.

Our legislation says to Salvador—we will no longer heed empty promises. We will not see American dollars support further human rights abuses. We will not allow our taxpayers' dollars to buy bullets for guns which are aimed at priests and humanitarian workers. We will not pay for a masquerade of democracy.

Without our weapons—without our bullets—without our advisers—people in Czechoslovakia, Poland, Hungary, Romania, and so many other countries, have faced off against tanks and machine guns to demand freedom and democracy. In Salvador, our weapons, our bullets, our advisers have been used to deny freedom and real democracy. The contrast is stark and meaningful and awful. This is the moment of truth for El Salvador.

There is enough time to permit them to change and meet the true demands of democracy—the minimal standards by which our dollars should be distributed. The choice is really theirs—not ours. If they choose a path of violence they will confirm why they do not deserve our assistance. If they avoid true reform and real negotiations they will have signaled further why our policy is wrong.

We cannot make them do what they do not want to do or choose to do. But we certainly, for our part, do not have to pay for or support the despair and destruction which are the result of their unwillingness to change.

The FMLN, for its part, must receive equal condemnation for its violence and intransigence. And they must understand that nothing will excite greater congressional interest and reflex for continued aid—at any time—than their continued contribution to violence and disorder. A cut-off of aid today—through their stupidity or rigidity—could regrettably become a resumption tomorrow.

This legislation seeks to make clear to both sides—there cannot be a military solution to this conflict, and the people of Salvador deserve better than what current policy brings them.

Last Thursday, the Salvadoran high command announced the new promotion lists. But rather than responding to the concerns of both younger Salvadoran officers and the United States that those senior officers who are corrupt, incompetent, and human rights violators be removed, nothing changed. Lateral moves were made, but the old Salvadoran Army gave up none of its power.

Attempts by our Embassy and the U.S. military to investigate the possible involvement of other officers in

the killing of the Jesuit priests have caused serious strains in our relationship. The United States is being frozen out of the war effort against the FMLN with our advisers now being denied access to parts of some military bases where they always could move freely in the past.

Just last August a group of Salvadoran majors and captains provided Col. Rene Emilio Ponce with reports, that he had personally requested, on problems in the armed forces. Both reports detailed complaints about corruption among the senior officers, continued insensitivity to human rights, and a lack of a commitment among these same officers to wage an aggressive war against the FMLN.

Financial resources which should have gone to feed, clothe, and equip troops in the field were going into the pockets of the commanders. In light of the announcement of the new promotion list, it is evident that these practices will continue unabated.

And many of us have taken risks for peace that now still elude us.

Ten years of United States military assistance and training has entrenched El Salvador's military elite both politically and militarily—an elite that has historically been hostile to reform even when the abuses were much easier to control then today. Today, the armed forces of El Salvador exercise sweeping political and financial power over civilian institutions that have been seriously weakened.

A new version of the old Panama is in the making in El Salvador. Our military aid is once again being converted into political and economic power by yet another corrupt military institution—the Salvadoran Armed Forces.

Let's face it, we are dealing with a military Mafia that has grown larger and more powerful with our assistance. It has also grown greedier, placing ever greater demands on El Salvador's national budget and private sector to feed more and more mouths.

Our policy in El Salvador is a betrayal of our own democratic beliefs and values. We pay attention to elections and are indifferent to everything else. Our war in El Salvador is an ideological one that pins labels on people to hide their humanity and divides the world into bi-polar competition between the United States and the Soviet Union.

We in the Congress cannot avoid sharing in the responsibility for this carnage.

We pay for this war, and we get the kind of war for which we pay. It is a tragedy that for 10 years we have gone through a ritual after every shocking murder.

We wring our hands, but do nothing.

We condemn the slayings, but we continue to finance the murders.

We protest our own innocence in the human carnage by proclaiming we want the Salvadoran army to fight a clean war. We delude ourselves into believing that we are sending this message year in and year out with our certifications and our fine language about human rights, civil liberties, reform, and the Armed Forces, and bringing to justice those responsible for the killings of thousands of innocents. We always express our sincere regrets and deepest sorrows over the killings of nuns, priests, labor leaders, peasants, human rights workers, opposition politicians, and archbishops. And we always pledge our best legislative efforts that we will do our best to stop it the next time.

We have become like drug addicts and alcoholics who pledge not to take the next fix or the next drink. We know we shouldn't be doing what we are doing, because it brings harm to ourselves and others, but we just can't say no.

Congress is the last institution the Salvadoran military fears, because despite our lofty pronouncements that we care about human rights, democracy, and basic human decency, the money keeps flowing in ever-increasing amounts.

The Armed Forces know perfectly well that the money will keep flowing no matter what they and their allies in the death squads might do—no matter how heinous the crime. No matter how often they occur. Why should the armed forces of El Salvador fear retribution from the United States Government, let alone the Congress, for murdering the Jesuits in cold blood?

After all, having wiped out 1 percent of the population over the past 10 years, we have rewarded them with \$4.5 billion in aid.

El Salvador is the longest and bloodiest counterinsurgency war that our country has carried out since Vietnam. Yet, since they are not Americans dying—but Salvadorans with a different color skin—we seem blissfully unaware that we are up to our elbows in this one. It is as if we in the Congress take great pride in our ignorance about the world we control in El Salvador. Or is it that El Salvador controls us.

It is time for us to end our financial assistance to this madness.

Mr. President, I ask unanimous consent that an explanation of the legislation be printed in the RECORD.

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

EXPLANATION OF THE LEGISLATION, S. 2083

1. The bill is entitled the El Salvador Peace and Democracy Act of 1990.

2. Section 2 of the bill lists all findings detailing the concerns we have over the failure of U.S. policy during the past 10 years to meet our objectives in El Salvador.

3. Section 3 outlines what the future U.S. policy should be toward the conflict in El

Salvador. There are five components to this policy.

First, there is a general policy statement which states that it shall be the policy of the U.S., in concert with our allies in the region and elsewhere to work more closely with the U.N. Secretary General and the OAS to bring about a negotiated solution to the conflict.

Second, we are urging the President to appoint a high level envoy whose sole responsibility is to press for a negotiated settlement to the war.

Third, we are calling upon the President to assist in the implementation of the San Isidro de Coronado Accord specifically as it relates to the role of the United Nations. In this connection we stipulate that the U.S. Government should support strongly the U.N. Secretary General's position that:

(a) neither side should set preconditions before coming to the negotiating table.

(b) neither side should seek to restrict the role of the Secretary General in producing bridging proposals designed to bring an end to the war; and

(c) neither side should preclude any essential issue from being discussed in the negotiations.

Fourth, we call upon the President to work with other Latin American governments, the OAS and the UN to press the Soviet Union, Nicaragua, Cuba and any other countries to terminate support, both material and logistic, to the FMLN. The President should also press these governments to use their good offices to pressure the FMLN to negotiate in good faith.

4. Section 4 prohibits the provision of military aid and economic support fund assistance to the government of El Salvador.

This section sets conditions on the resumption of aid which should be characterized as standards of performance on the part of the Government of El Salvador before such aid can be resumed.

While it requires a Presidential certification that the conditions have been met before aid can be resumed, this bill differs from previous certifications. The fundamental difference is that Congress first has to judge the merits of the presidential certification and then has to take the added step of enacting a joint resolution authorizing the provision of assistance the President would have to request.

In considering whether to enact such a joint resolution, the Congress shall take into account whether or not the stated commitments of the FMLN to observe internationally-recognized human rights, to cease hostilities, and to enter into good faith negotiations for a peaceful solution to the conflict have been fulfilled.

The provision of humanitarian assistance to be channeled through the Churches, organizations affiliated with the Churches, and private and voluntary organizations is exempted from the prohibition on use of economic support funds in El Salvador.

5. Subsection (c) sets the conditions, or standards of performance by which the Congress will judge whether or not military and economic support funds should be resumed for El Salvador.

These standards include:

(1) the bringing to justice all those responsible for ordering, carrying out, or obstructing the investigation into the November 16, 1989 murders of the six Jesuit priests, their housekeeper and her daughter.

(2) all Salvadorans responsible for murdering and carrying out the January 12,

1990 murders of Dr. Hector Oqueli Collindres a leading Social Democratic figure in Guillermo Ungo's party—which has been legalized in El Salvador—and Gilda Flores have been apprehended and brought to justice.

(3) the third standard specifically addresses guarantees that have consistently been enacted into law in the United States for the past ten years. This standard stipulated that there has to be a guarantee by law for all Salvadorans of the internationally recognized rights of freedom of speech, freedom of the press, the right to organized labor and peasant unions, the rights to assemble peacefully and the right to freedom of religion.

In addition, the repression of the Churches and expulsion from El Salvador of foreign church, humanitarian and human rights workers has to have ended.

(4) the security and military forces of El Salvador have to be purged for any officer involved in, and responsible for, the murders of Salvadoran and American citizens.

(5) the police functions have to be separated from the command and control of the Armed Forces and reconstituted as a civilian police force directly responsible to, and under the control of, civilian authority.

(6) finally the Government of El Salvador has to demonstrate that it is actively and seriously engaged in good faith efforts consistent with Section 3 of this bill, and in particular the Subsection dealing with the U.N. Secretary General's position that there be no preconditions for such talks; that he not be precluded from offering bridging proposals during such talks; and that neither side can preclude the discussion of any issue in such talks.

We believe these are the minimum standards of performance that we should expect from a so-called democratic ally which is the fifth largest recipient of U.S. taxpayer's dollars.●

● Mr. KENNEDY. Mr. President, today we join in offering an "End the War" amendment for El Salvador. We call for a total cutoff of U.S. military aid and a partial cutoff of economic aid, unless and until that country undertakes long overdue reforms and enters serious negotiations to end its brutal decade-old civil war.

We are not fighting the Russians any longer in El Salvador, if we ever were. It is time to put this part of the Cold War behind us too.

The goal of United States policy should be to achieve peace and prosperity in that nation. Yet more than \$4 billion and 70,000 deaths later, we are farther from our goal than ever, and El Salvador remains a nation in crisis and in civil war.

Despite an increase in the Salvadoran armed forces from 12,000 to 56,000, the war against the guerrillas shows no progress. The offensive by the FMLN last fall brought the war home to the wealthy, protected urban population of the capital itself. Despite United States human rights conditions, threats of reduced military aid, and constant warnings from the administration, atrocities by the Salvadoran military continue.

Yet, no officer has ever been convicted of such crimes—not in Archbishop Romero's case, not in the four American nuns' case, not in the Sheraton murders of the labor workers, not in the San Sebastian case, not in any of the other death squad killings. As Assistant Secretary of State Aronson noted on January 24, Salvadorans "do not have a justice system worthy of the name."

Inevitably, the large amounts of United States military aid to El Salvador have made the United States an accomplice in repression, in gross violations of human rights, and in unconscionable atrocities of the rightwing death squads.

Recently, there have been signs of progress, but they are too little and too late. President Cristiani has stated that the Salvadoran military was responsible for the massacre last November of the six Jesuit priests, their housekeeper and her daughter. The arrest of a Salvadoran colonel, along with three lieutenants and four soldiers, is a sign of progress. But serious questions remain about whether justice is being done in these particularly brutal murders, including whether all those involved in the massacre have been identified. And nothing is being done to bring to justice those responsible for the countless other murders by the death squads.

The violence from the guerrillas is also reprehensible. But they are not being supported with U.S. aid. Over the last year, they have assassinated nine mayors, a former president of the Supreme Court, the Minister of the Presidency, and the Attorney General. They have bombed the home of the Vice President, wounding a child. They have placed car bombs in the capital, threatened another hundred mayors with death, and tried to assassinate the President of the National Assembly and President Cristiani. Their decision to launch an offensive in heavily populated urban areas cost many lives. They bear a heavy responsibility for the deaths of countless innocent men, women and children in the civil war.

By any measure, El Salvador is a worsening tragedy. Neither side can claim victory in the latest offensive, or progress toward any of its other goals. But the Salvadoran population caught in the middle continues to pay heavy costs. The economy is in shambles. Half the population is illiterate and under or unemployed. The living standard over the last decade has dropped 30 percent.

More than 1 percent of the population has been killed in that same time period. More than 1 million Salvadorans—a fifth of the population—are in exile. A third of the country has become a war zone. How long can the United States continue to fuel this slaughter?

Our policy of military victory has failed. It is leading us only deeper into bloodshed, death and destruction. Democracy, support for human rights, and respect for the rule of law will never be achieved so long as civil war rages in El Salvador. Peace will never come, so long as the Salvadoran military believes that United States support will continue unabated.

It is time to end the war. The time for open-ended blank-check aid is over. It is time for negotiations to achieve a peaceful settlement of the conflict.

Our proposal is designed to halt the flow of funds as soon as possible. No new funds will be appropriated, and existing funds now in the pipeline will be cut off to the maximum extent.

We also call on the administration to withdraw all American military advisers from El Salvador. Our advisers have no business participating in any aspect of this cruel and endless war. They have no business working with Salvadoran battalions who murder priests and innocent peasants, threaten humanitarian workers, and terrorize the population.

In addition, we call for an end to so-called "economic support" funds for El Salvador. Rather than assisting those who most need our aid, or helping to improve the daily lives of the Salvadoran people, these funds have lined the pockets of the armed forces of El Salvador. Under our proposal, humanitarian aid and development aid will be permitted to continue, but ESF funds will be cut off.

Finally, to promote the goal of negotiations, we call on President Bush to appoint a special emissary whose sole responsibility is to work with the two sides in El Salvador and other nations in the region to press for a negotiated settlement to the war. Only with high level, persistent and determined U.S. involvement will the Salvadoran military enter into serious negotiations.

Four times in the past, in accords signed by the five Central American nations, the Salvadoran Government has committed itself to a negotiated settlement. The most recent accord, signed on December 12, 1989, urged the U.N. Secretary General to assume a more active role in the negotiations, and he has agreed to do so. The framework exists for peace, and the United States must be part of it.

Our proposal permits resumption of military and economic aid to El Salvador if the Government undertakes essential reforms. The murderers of the Jesuit priests must be brought to justice. The Government of El Salvador must demonstrate its willingness to negotiate in good faith. Basic civil and human rights must be guaranteed. And the Salvadoran military must be purged of its human rights violators, relieved of its police functions and placed under the firm control of the civilian authorities.

We urge the FMLN to halt their attacks and sabotage, enter the political process and negotiate in good faith. We urge other nations in the region to halt military aid to the guerrillas, so that the peace progress can go forward.

The terms of any negotiated settlement are for the people of El Salvador to determine. But any serious negotiations must address the root causes of the conflict and the injustice that plagues the nation.

It is my hope that my colleagues in the Senate will join us in supporting this new agenda for peace. It is the best hope to ensure that the new decade will bring a new El Salvador. ●

By Mr. HOLLINGS:

S. 2084. A bill to amend the Internal Revenue Code of 1986 to impose a value-added tax, to reduce Social Security payroll tax rates, to encourage savings and investment through reinstatement of the investment tax credit, capital gains tax differential, and deductibility of contributions to individual retirement accounts, and to increase competitiveness through revenue sharing with the States for educational purposes; to the Committee on Finance.

TAX REFORM AND COMPETITIVENESS ACT

● **Mr. HOLLINGS.** Mr. President, I rise to introduce an omnibus initiative titled the Tax Reform and Competitiveness Act—the TRAC Act, for short. This bill seeks to radically reconfigure the mix of Federal taxes so as to boost personal savings, spur business investment, and enhance U.S. competitiveness. TRAC can do for the United States in the 1990's what the Marshall plan did for Europe in the late 1940's. Simply put, it will get America moving again.

TRAC consists of six principal components:

First, reduction in the Social Security FICA rate from 6.2 to 5.1 percent as proposed by Senator MOYNIHAN—minus \$38 billion;

Second, enactment of a sliding-scale preferential tax rate on capital gains—minus 4 billion;

Third, restoration of the IRA tax deduction along lines discussed last autumn—minus \$1.6 billion;

Fourth, targeted investment credits for productive equipment—minus \$5 billion;

Fifth, enactment of a 5-percent national value-added tax exempting food, health care, and housing—plus \$53 billion; and

Sixth, Federal revenue sharing earmarked expressly to fund new State and local education initiatives—minus \$4.5 billion.

Mr. President, I do not for a minute underestimate the scope and ambitiousness of this program. But the fact is, we have reached a critical cross-

roads in this Government. On budget and fiscal issues, the political jousting and one-upmanship—not to mention the outright fraud and deceit—threaten to spin out of control.

Most recently, we have witnessed the media boomlet generated by Senator MOYNIHAN's proposal to roll back the Social Security payroll tax—an excellent idea in principle, but an idea which, if implemented in isolation, would be pure poison for the Federal budget. Ditto for the various proposals to cut the capital gains tax rate. I'm all for a capital gains cut in principle, but if enacted in isolation the only sure-fire impact of such a cut would be to drive up the deficit.

The crux of the problem is that our Nation's fiscal affairs have become a legislative jambalaya—fragmented, self-defeating, partisanly motivated, and dangerously ad hoc. There is no method to our madness. So I say enough is enough. We have no shortage of excellent policy ideas floating around; there have been hearings and debates galore. The urgent task is to braid these disparate ideas into a single, coherent legislative thrust with enough muscle and moxie to recharge the American economic dynamo.

To that end, I offer the Tax Reform and Competitiveness Act of 1990. Let me make two points about this legislation. One, it is pragmatic and eclectic. It combines prominent ideas from both sides of the aisle. The emphasis is on what will work, not on who will get the credit.

Two, the TRAC Act pays its own way. Yes; it includes a Christmas stocking full of tax-lowering goodies designed to stimulate savings and investment, but it compensates for these revenue losses by enacting a value-added tax [VAT]. Indeed, not only will the VAT make up for the proposed tax reductions, in future years it will generate enough additional revenue to reduce and eventually eliminate the Federal deficit—and that, of course, will be the ultimate tonic for interest rates and the economy.

Mr. President, let me briefly discuss each of the six components of the Tax Reform and Competitiveness Act.

(1) REDUCTION IN THE SOCIAL SECURITY TAX

Senator MOYNIHAN has done us all a service by spotlighting the scandal of our growing Social Security trust fund surpluses. It is indeed "thievery" for the Treasury to use those trust fund moneys to cover the operating expenses of the Government. The so-called trust fund has become a slush fund—a ready source of cash to mask the true enormity of the Federal deficit.

Remember that the whole rationale for raising the Social Security tax in 1983 was to stabilize the system, to restore faith and confidence. Now, however, we find that President Bush is seizing on those surpluses as a substi-

tute for true deficit reduction; by spending the surpluses today to meet the operating expenses of the Government, the President creates the illusion that the deficit is coming down, and he avoids the harsh choices involved in cutting spending or raising non-Social Security taxes. Of course, what makes this doubly sweet for the administration is that the overwhelming majority of Americans are not even aware that the Social Security tax went up on January 1. So the President gets to have his cake and eat it too. He gets to carry on with his "read my lips" pretense, while presiding over yet another hefty increase in the Social Security payroll tax.

Equally scandalous is the drastic shift in the taxation mix during the 1980's away from progressive income taxes and toward regressive FICA payroll taxes. Compared to 1980, Americans are still paying taxes to the tune of some 19 percent of GNP. But while progressive income taxes have been drastically slashed—especially for the most privileged of our citizens—the Social Security tax rate has increased 25 percent, to the point where the FICA payroll tax, including the employer's share, is now larger than the personal income tax burden for nearly three-quarters of American taxpayers.

Critics of Senator MOYNIHAN's plan say that if he succeeds in eliminating the surpluses, then there will be no money in the till to pay for baby boomers' retirement in the next century. But this ignores the reality that we are already eliminating the surpluses by spending them today to purchase tanks, food stamps, FBI agents, you name it. All that remains in the laughably named trust fund is a stack of IOU's a country mile high—reaching one-half trillion dollars by 1993. Those IOU's will be the 21st century equivalent of Confederate bank notes, and the sheriff who tries to collect on them will truly have his work cut out for him.

And, by the way, the Moynihan plan does not fully eliminate the Social Security surpluses. Bear in mind that by the end of 1990 the trust fund will have accumulated a surplus in excess of \$200 billion, and even if the Moynihan bill becomes law we will still see new annual Social Security surpluses for years to come. In other words, the IOU's will continue to pile up in the trust fund, just not as rapidly as they are now. But the question remains: What good are those IOU's? How are we going to make good on them in the next century?

So by all means, let us cut the FICA payroll tax rate from 6.2 percent to 5.1 percent and scale back the annual surpluses by some \$55 billion in 1991. This will increase the discretionary income of working Americans by \$27.5 billion, which they can then deposit in IRA's or other savings instruments.

And it will free up another \$27.5 billion or so in corporate resources to be redirected into productive investment and R&D.

It is absolutely critical, however, that the Social Security rate cut take place not as an isolated legislative salvo, but rather in the context of a comprehensive tax initiative. I cannot imagine a more irresponsible action than to slash FICA taxes by \$55 billion without a compensating tax increase of some kind. That would be just one more swig of the fiscal John Barleycorn of the 1980's—one more binge of the same craven tax-cut mania that got our Government into its current fix.

In the face of a national savings rate that is already catastrophically low, the Moynihan plan would wipe out yet another \$55 billion in national savings in one fell swoop. The newspapers say that his proposal has stirred up a stampede. I see a different stampede. I see a thundering herd fleeing the stock market when Wall Street wakes up to the prospect of Uncle Sam borrowing another \$55 billion in 1991—and much greater sums in future years—further crowding out private borrowers and pushing up interest rates.

(2) CAPITAL GAINS CUT

Most economists agree that a cut in the capital gains tax rate would be a spur to investment. Likewise, there is widespread agreement that, in the case of long-term investments, much of what the IRS calls a capital gain is in reality nothing more than cumulative inflation—it is not a real, after-inflation appreciation in the value of the asset. So a preferential capital gains rate is amply justified in order to compensate for that inflation penalty.

However, in contrast to the administration's capital gains proposals of last year, we must sensibly insist that the capital gains reduction reward longer term investments. It would be folly to cater to speculators who flip stocks or deal fast and lose with quickie real estate transactions. Accordingly, I join with those who propose a sliding-scale preferential tax rate for capital gains. In other words, an asset would be subject to a progressively lower tax rate depending on how long it is held, with the percentage of profits eligible for exclusion increasing to 100 percent for assets held 10 years or longer.

(3) RESTORATION OF THE IRA TAX DEDUCTION

Prior to the 1986 tax reform, IRA's were enormously popular among middle-income Americans. While much of the money deposited in IRA's was simply shifted from other savings instruments, IRA's also succeeded in generating billions of dollars in new savings that would otherwise not have occurred. Now, in the context of the TRAC Act, IRA's will take on a new dimension designed to lure fresh sav-

ings deposits from working people who might otherwise pass up the opportunity to save. We must encourage working Americans to deposit into an IRA account the portion of their income that is freed up as a result of the reduced FICA payroll tax. This has a powerful benefit: it encourages new personal savings. More to the point, it encourages savings in long-term retirement-oriented instruments that can supplement Social Security payments later in life.

(4) REVENUE SHARING TARGETED TO EDUCATION

I propose that the Federal Government restore revenue sharing with the states and localities in the amount of \$4.5 billion, all of it earmarked expressly for new education-related initiatives. The urgency of this fresh injection of Federal moneys is highlighted by two reports released earlier this month: First, the National Assessment of Educational Progress study indicating next to zero improvement in students' reading and writing achievement over the last two decades; and second an Economic Policy Institute (EPI) study indicating that the United States spends less of its national income on K-to-12 schooling than all but 2 of 16 industrial countries, Ireland and Australia. The EPI study determined that the United States would need to increase K-to-12 education funding by \$20 billion to match the average in other industrialized countries.

Clearly, the quality of our public education system will be the single greatest determinant of future U.S. economic competitiveness. It is not fair to criticize the States for an inadequate effort while simultaneously abdicating a Federal role, as Education Secretary Cavazos recently did. We must step up to the plate, both with Federal reform initiatives and with Federal dollars; \$4.5 billion in revenue-sharing grants would signal, at long last, that we are serious in Washington about education improvement—and about future economic competitiveness.

(5) TARGETED INVESTMENT TAX CREDITS FOR PRODUCTION EQUIPMENT

The benefits of a carefully crafted, smartly targeted tax credit for research and investment are self-evident. We cannot afford a return to the very generous investment tax credit provisions—costing some \$35 billion—that were repealed by the 1986 tax reform bill. However, I agree with economists such as Charles Walker of the Council on Capital Formation: some form of investment tax credit should be a priority component of any competitiveness-oriented revenue package. Congress has a duty to address the devastating fact that the real cost of capital in the United States is nearly double the cost of capital in Japan.

(6) VALUE-ADDED TAX

By proposing a national VAT, I realize that I will be labeled an eat-your-

peas Democrat. The VAT is a tax that everyone loves to hate. It also just happens to be the best bet for reining in America's self-destructive borrowing binge and returning the Federal budget to balance. But let me stress that we must not use these new revenues to stoke up the Federal gravy train again.

What exactly is a VAT? In a nutshell, a VAT is a consumption tax very similar to a retail sales tax. The difference is that, instead of being collected at the cash register, it is collected at each stage in the production and distribution process. Consider, for example, the case of a luxury fur coat. The trapper, the fur rancher, the manufacturer, the shipper, the retailer are all involved in bringing the fur coat to the consumer. A VAT would be assessed on the value added by each party in the production and distribution of the fur coat. Lest there be any misunderstanding, let's be clear that we are talking about a 5-percent tax strictly on the added increment of value at each stage of production. The net effect, then, is an overall 5-percent tax on the total value of the product or service.

VAT's are currently in place throughout the industrialized world. European nations average a 16-percent VAT; in Korea, it is 25 percent. As their experience demonstrates, a VAT fosters higher savings, lower interest rates, and, after the first year, lower inflation. It does this by giving people an incentive to cut back on their consumption of nonnecessities. Bear in mind, too, that a VAT poses no threat whatsoever to economic prosperity. One study compared 12 industrialized nations that levy a VAT with 12 nations that do not; the study found no difference in overall growth rates between the VAT and non-VAT countries.

Mr. President, the VAT would also serve to reduce the United States huge trade deficit. After all, many of those nonnecessities are luxury consumer goods imported from abroad. Even more importantly, under international agreements a VAT is the only kind of tax that can be legally rebated on exported items. In other words, when Mercedes-Benz exports a car to the United States, the German Government rebates the VAT to the manufacturer; this saves Mercedes-Benz on its tax bill, and it makes German cars less expensive and more competitive on the United States market. As Lester Thurow, dean of the business school at MIT, says, "The rules of international trade are structured to make you stupid if you don't have a value-added tax."

Of course, the best rationale for a VAT is that, even at a low percentage rate, it will generate enough revenue to decisively address the deficits. A 5-percent VAT will bring in \$53 billion

in 1991—when it would be in effect for only the last 9 months of the calendar year—rising to \$70 billion in 1992, the first full year of implementation. We need every penny of it. We can't afford to continue the same old game of cutting and pasting, selling assets, and adopting marginal revenue enhancements to raise \$15 billion; meanwhile, interest costs on the national debt jump \$20 billion annually and nullify our efforts.

Mr. President, the Tax Reform and Competitiveness Act is comprehensive and admittedly radical. It rejiggers the tax mix to provide a powerful shot in the arm to savings and investment, and over time it will generate sufficient revenues to eliminate the deficit. For a decade now, America's so-called political leaders have failed to pay the bills; we have cowered from sacrifice to build our country. Enough of this cheap politics. The best politics is no politics. We can't stand idly by as Europe blossoms and Japan takes the lead. We need to get country moving again. The TRAC Act is the kind of Marshall plan that will get the job done.

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. 2084

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 "Tax Reform and Competitiveness Act".

TITLE I—VALUE ADDED TAX

SEC. 101. IMPOSITION OF VALUE ADDED TAX.

(a) **IN GENERAL.**—Subtitle D of the Internal Revenue Code of 1986 (relating to miscellaneous excise taxes) is amended by inserting before chapter 31 the following new chapter:

"CHAPTER 30—VALUE ADDED TAX

"Subchapter A. Imposition of tax.

"Subchapter B. Taxable transaction.

"Subchapter C. Taxable amount; rate of tax for certain transactions; credit against tax.

"Subchapter D. Administration.

"Subchapter E. Definitions and special rules; treatment of certain transactions.

"Subchapter A—Imposition of Tax

"Sec. 4001. Imposition of tax.

"SEC. 4001. IMPOSITION OF TAX.

"(a) **GENERAL RULE.**—A tax is hereby imposed on each taxable transaction.

"(b) **AMOUNT OF TAX.**—Except as otherwise provided in this chapter, the amount of the tax shall be 5 percent of the taxable amount.

"Subchapter B—Taxable Transaction

"Sec. 4003. Taxable transaction.

"Sec. 4004. Commercial-type transaction.

"Sec. 4005. Taxable person.

"Sec. 4006. Transactions in the United States.

"Sec. 4007. Rules relating to other terms used in section 4003.

"SEC. 4003. TAXABLE TRANSACTION.

"For purposes of this chapter, the term 'taxable transaction' means—

"(1) the sale of property in the United States,

"(2) the performance of services in the United States, and

"(3) the importing of property into the United States,

by a taxable person in a commercial-type transaction.

"SEC. 4004. COMMERCIAL-TYPE TRANSACTION.

"(a) **GENERAL RULE.**—For purposes of this chapter, the term 'commercial-type transaction' means a transaction engaged in by—

"(1) a corporation, or

"(2) any person (other than a corporation) in connection with a business.

"(b) SALES AND LEASES OF REAL PROPERTY; IMPORTS.—For purposes of this chapter—

"(1) **IN GENERAL.**—The term 'commercial-type transaction' includes—

"(A) any sale or leasing of real property, and

"(B) any importing of property, whether or not such transaction is described in subsection (a).

"(2) **CERTAIN IMPORTED ARTICLES.**—Notwithstanding paragraph (1)(B), the importing of an article which is free of duty under part 2 of schedule 8 of the Tariff Schedules of the United States shall not be treated as a commercial-type transaction unless such transaction is described in subsection (a).

"SEC. 4005. TAXABLE PERSON.

"(a) **GENERAL RULE.**—Except as otherwise provided in this chapter, for purposes of this chapter, the term 'taxable person' means a person who engages in a business or in a commercial-type transaction.

"(b) **TREATMENT OF EMPLOYEES, ETC.**—For purposes of this chapter, an employee shall not be treated as a taxable person with respect to activities engaged in as an employer.

"SEC. 4006. TRANSACTIONS IN THE UNITED STATES.

"(a) **SALES OF PROPERTY.**—For purposes of this chapter—

"(1) **IN GENERAL.**—Except as provided in paragraph (2), the sale of property shall be treated as occurring where delivery takes place.

"(2) **REAL PROPERTY.**—The sale of real property shall be treated as occurring where the real property is located.

"(b) **PERFORMANCE OF SERVICE.**—For purposes of this chapter—

"(1) **IN GENERAL.**—Except as otherwise provided in this subsection, a service shall be treated as occurring where it is performed.

"(2) **SERVICES PERFORMED INSIDE AND OUTSIDE THE UNITED STATES.**—If a service is performed both inside and outside the United States, such service shall be treated as performed—

"(A) inside the United States, if 50 percent or more of such service is performed inside the United States, and

"(B) outside the United States, if less than 50 percent of such service is performed inside the United States.

"SEC. 4007. RULES RELATING TO OTHER TERMS USED IN SECTION 4003.

"(a) **EXCHANGES TREATED AS SALES.**—For purposes of this chapter—

"(1) an exchange of property for property or services shall be treated as a sale of property, and

"(2) an exchange of services for property or services shall be treated as the performance of services.

"(b) **CERTAIN TRANSFERS TO EMPLOYEES TREATED AS SALES.**—For purposes of this chapter, the transfer of property to an employee as compensation (other than a transfer of a type for which no amount is includable in the gross income of employees for purposes of chapter 1) shall be treated as the sale of property.

"(c) **PERFORMANCE OF SERVICES.**—For purposes of this chapter—

"(1) **CERTAIN ACTIVITIES TREATED AS PERFORMANCE OF SERVICES.**—Activities treated as included in the performance of services shall include (but shall not be limited to)—

"(A) permitting the use of property,

"(B) the granting of a right to the performance of services or to reimbursement (including the granting of warranties, insurance, and similar items), and

"(C) the making of a covenant not to compete (or similar agreement to refrain from doing something).

"(2) **EMPLOYERS AND EMPLOYEES.**—

"(A) **SERVICES FOR EMPLOYER.**—An employee's services for his employer shall not be treated as the performance of services.

"(B) **SERVICES FOR EMPLOYEE.**—An employer's services for his employee shall not be treated as the performance of services unless such services are of a type which constitute gross income to the employee for purposes of chapter 1.

"(3) **PERFORMANCE OF SERVICES TREATED AS SALE OF SERVICES.**—The performance of services shall be treated as the sale of services.

"Subchapter C—Taxable Amount; Rate of Tax for Certain Transactions; Credit Against Tax

"Sec. 4011. Taxable amount.

"Sec. 4012. Zero rating for food, housing, and medical care.

"Sec. 4013. Zero rating for farmers, fishermen, mass transit, exports, and interest.

"Sec. 4014. Governmental entities.

"Sec. 4015. Exempt organizations.

"Sec. 4016. Credit against tax.

"SEC. 4011. TAXABLE AMOUNT.

"(a) **AMOUNT CHARGED CUSTOMER.**—For purposes of this chapter, the taxable amount for any transaction for which money is the only consideration shall be the price charged the purchaser of the property or services by the seller thereof—

"(1) including all invoiced charges for transportation, and other items payable to the seller with respect to this transaction, but

"(2) excluding the tax imposed by section 4001 with respect to this transaction and excluding any State and local sales and use taxes with respect to this transaction.

"(b) **EXCHANGES.**—For purposes of this chapter, the taxable amount in any exchange of property or services shall be the fair market value of the property or services transferred by the person liable for the tax (determined as if such person had sold the property or services to the other party to the exchange).

"(c) **IMPORTS.**—For purposes of this chapter, the taxable amount in the case of any import shall be—

"(1) the customs value plus customs duties and any other duties which may be imposed, or

"(2) if there is no such customs value, the fair market value (determined as if the importer had sold the property).

"(d) **SPECIAL RULE IN THE CASE OF SALES OF CERTAIN USED CONSUMER GOODS.**—For purposes of this chapter, if—

"(1) a taxable person acquires any tangible personal property in a transaction which was not a taxable transaction, and

"(2) such property had been used by an ultimate consumer before such acquisition, the taxable amount in the case of any sale of such property by such taxable person (determined without regard to this subsection) shall be reduced by the amount paid for such property by such taxable person.

"SEC. 4012. ZERO RATING FOR FOOD, HOUSING, AND MEDICAL CARE.

"(a) **ZERO RATING FOR FOOD, HOUSING, AND MEDICAL CARE.**—The rate of the tax imposed by section 4001 shall be zero with respect to the following:

"(1) **Food.**—The retail sale of food and nonalcoholic beverages for human consumption (other than consumption on the premises).

"(2) **HOUSING.**—The sale and renting of residential real property for use by the purchaser or tenant as a principal residence.

"(3) **MEDICAL CARE.**—Medical care.

"(b) **DEFINITIONS.**—For purposes of subsection (a)—

"(1) **NONALCOHOLIC BEVERAGES.**—The term 'nonalcoholic beverages' does not include any article which is taxable under chapter 51.

"(2) **MEDICAL CARE.**—The term 'medical care' means the performance of any service, and the retail sale of any property, payment for which by the purchaser would constitute medical care within the meaning of section 213.

"(3) **MOBILE HOMES, ETC., TREATED AS REAL PROPERTY.**—A mobile or floating home shall be treated as real property.

"(c) **ADVANCE ZERO RATING.**—The Secretary shall prescribe regulations under which any item which becomes clearly identifiable as an item to which subsection (a) will apply when it reaches the retail stage shall be zero rated for all transactions after it becomes so clearly identifiable.

"SEC. 4013. ZERO RATING FOR FARMERS, FISHERMEN, MASS TRANSIT, EXPORTS, AND INTEREST.

"The rate of the tax imposed by section 4001 shall be zero with respect to the following:

"(1) **SALES BY FARMERS OR FISHERMEN.**—The sale (other than at retail) of—

"(A) agricultural commodities by the producer of such commodities, or

"(B) fish (or other form of aquatic animal life) by a person in whose business such fish (or other forms) were caught.

"(2) **MASS TRANSIT.**—The performance of mass transportation services in urbanized areas.

"(3) **EXPORTS.**—Exports of property.

"(4) **INTEREST.**—Interest.

"SEC. 4014. GOVERNMENTAL ENTITIES.

"(a) **ZERO RATING FOR SALES TO GOVERNMENTAL ENTITIES AND EDUCATIONAL ACTIVITIES OF GOVERNMENTAL ENTITIES.**—The rate of the tax imposed by section 4001 shall be zero with respect to the following:

"(1) **SALES TO GOVERNMENTAL ENTITIES.**—Any sale of property or services to a governmental entity.

"(2) **EDUCATIONAL ACTIVITIES.**—The providing by a governmental entity of property and services in connection with the education of students.

"(b) **SALES, ETC., BY GOVERNMENTAL ENTITIES TAXABLE ONLY WHERE SEPARATE CHARGE IS MADE.**—For purposes of this chapter, the sale of property and the performance of services by a governmental entity shall be a

taxable transaction if (and only if) a separate charge or fee is made therefor.

(c) GOVERNMENTAL ENTITY DEFINED.—For purposes of this chapter, the term 'governmental entity' means the United States, any State or political subdivision thereof, the District of Columbia, a Commonwealth or possession of the United States, or any agency or instrumentality of any of the foregoing.

"SEC. 4015. EXEMPT ORGANIZATIONS.

"(a) ZERO RATING FOR SECTION 501(c)(3) ORGANIZATIONS; CREDIT ALLOWED FOR ALL PURCHASES.—

"(1) ZERO RATING.—The rate of the tax imposed by section 4001 shall be zero with respect to any taxable transaction engaged in by a section 501(c)(3) organization other than as part of an unrelated business.

"(2) CREDIT ALLOWED FOR ALL PURCHASES.—For purposes of this chapter, a section 501(c)(3) organization shall be treated as engaged in a business with respect to all of its activities.

"(b) TAXABLE TRANSACTIONS IN CASE OF OTHER EXEMPT ORGANIZATIONS.—For purposes of this chapter, the sale of property and the performance of services by any exempt organization other than a section 501(e)(3) organization shall be a taxable transaction if (and only if) a charge or fee is made for such services.

"(c) DEFINITIONS.—For purposes of this chapter—

"(1) SECTION 501(c)(3) ORGANIZATIONS.—The term 'section 501(c)(3) organization' means an organization described in section 501(c)(3) which is exempt from tax under section 501(a).

"(2) OTHER EXEMPT ORGANIZATION.—The term 'other exempt organization' means any organization (other than a section 501(c)(3) organization) which is exempt from tax under chapter 1.

"SEC. 4016. CREDIT AGAINST TAX.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by section 4001 the aggregate amount of tax imposed by section 4001 which has been paid by sellers to the taxpayer of property and services which the taxpayer uses in the business to which the transaction relates.

"(b) EXEMPT TRANSACTIONS, ETC.—If—

"(1) property or services are used partly in the business and partly for other purposes, or

"(2) property or services are used partly for taxable transactions and partly for other transactions,

the credit shall be allowable only with respects to the property and services used for taxable transactions in the business. No credit shall be allowable for any transaction occurring when the taxpayer was a nontaxable person.

"(c) EXCESS CREDIT TREATED AS OVERPAYMENT.—

"(1) IN GENERAL.—If for any taxable period the aggregate amount of the credits allowable by subsection (a) exceeds the aggregate amount of the tax imposed by section 4001 for such period, such excess shall be treated as an overpayment of the tax imposed by section 4001.

"(2) TIME WHEN OVERPAYMENT ARISES.—Any overpayment under paragraph (1) for any taxable period shall be treated as arising on the later of—

"(A) the due date for the return for such period, or

"(B) the date on which the return is filed.

"Subchapter D—Administration

"Sec. 4021. Seller liable for tax.

"Sec. 4022. Tax invoices.

"Sec. 4023. De minimis exemption.

"Sec. 4024. Time for filing return and claiming credit; deposits of tax.

"Sec. 4025. Treatment of related businesses, etc.

"Sec. 4026. Secretary to be notified of certain events.

"Sec. 4027. Regulations.

"SEC. 4021. SELLER LIABLE FOR TAX.

"The person selling the property or services shall be liable for the tax imposed by section 4001.

"SEC. 4022. TAX INVOICES.

"(a) SELLER MUST GIVE PURCHASER TAX INVOICE.—Any taxable person engaging in a taxable transaction shall give the purchaser a tax invoice with respect to such transaction if the seller has reason to believe that the purchaser is a taxable person.

"(b) CONTENT OF INVOICE.—The tax invoice required by subsection (a) with respect to any transaction shall set forth—

"(1) the name and identification number of the seller,

"(2) the name of the purchaser,

"(3) the amount of the tax imposed by section 4001, and

"(4) such other information as may be prescribed by regulations.

"(c) NO CREDIT WITHOUT INVOICE.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), a purchaser may claim a credit with respect to a transaction only if the purchaser—

"(A) has received from the seller and has in his possession a tax invoice which meets the requirements of subsection (b), and

"(B) is named as the purchaser in such invoice.

"(2) EMPLOYEES OR OTHER AGENTS NAMED IN INVOICES.—To the extent provided in regulations, the naming of an employee or other agent of the purchaser shall be treated as the naming of the purchaser.

"(3) WAIVER OF INVOICE REQUIREMENT IN CERTAIN CASES.—To the extent provided in regulations, paragraph (1) shall not apply—

"(A) where the purchaser without fault on his part fails to receive or fails to have in his possession a tax invoice,

"(B) to a taxable transaction (or category of transactions) where—

"(i) the amount involved is de minimis, or

"(ii) the information required by subsection (b) can be reliably established by sampling or by another method and can be adequately documented.

"(d) TIME FOR FURNISHING INVOICE.—Any invoice required to be furnished by subsection (a) with respect to any transaction shall be furnished not later than 15 business days after the tax point for such transaction.

"SEC. 4023. DE MINIMIS EXEMPTIONS.

"(a) IN GENERAL.—Under regulations, a person—

"(1) whose aggregate taxable transactions for the calendar year do not exceed \$20,000, and

"(2) whose aggregate taxable transactions for the next calendar year can reasonably be expected not to exceed \$20,000,

may elect to be treated as a person who is not a taxable person for the next calendar year.

"(b) EXCEPTIONS.—Subsection (a) shall not apply—

"(1) to any sale or leasing of real property, and

"(2) to any importing of property.

"(c) TERMINATION OF ELECTION.—Any election under subsection (a) for a calendar year

shall terminate if the aggregate taxable transactions—

"(1) for the first calendar quarter in such year exceed \$7,000,

"(2) for the first 2 calendar quarters in such year exceed \$12,000, or

"(3) for the first 3 calendar quarters in such year exceed \$17,000.

Such termination shall take effect on the first day of the second month following the close of the first period in which the requirements of paragraph (1), (2), or (3) are met.

"(d) TAXABLE AMOUNT TREATED AS ZERO FOR ZERO-RATED TRANSACTIONS.—For purposes of this section, the taxable amount of any zero-rated transaction shall be treated as zero.

"(e) CONDITION OF ELECTION.—In the case of a person who is a taxable person for any period, an election under subsection (a) may be made for succeeding periods only with the consent of the Secretary. Such consent shall be conditioned on placing such person, for all succeeding periods, in the same position with respect to the tax imposed by section 4001 (and the credit allowed by section 4016) he would have been in if all property and services he holds at the time he becomes a nontaxable person had been acquired as a nontaxable person.

"(f) CASUAL SALES AND LEASES OF REAL PROPERTY EXCLUDED.—For purposes of this section, the term 'taxable transaction' does not include a transaction which is treated as a commercial-type transaction solely by reason of section 4004(b)(1)(A).

"SEC. 4024. TIME FOR FILING RETURN AND CLAIMING CREDIT; DEPOSITS OF TAX.

"(a) FILING RETURN.—Before the first day of the second calendar month beginning after the close of each taxable period, each taxable person shall file a return of the tax imposed by section 4001 on taxable transactions having a tax point within such taxable period.

"(b) CREDIT ALLOWED FOR TAXABLE PERIOD IN WHICH PURCHASER RECEIVES INVOICE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a credit allowable by section 4016 with respect to a transaction may be allowed only for the first taxable period by the close of which the taxpayer—

"(A) has paid or accrued amounts properly allocable to the tax imposed by section 4001 with respect to such transaction, and

"(B) has a tax invoice (or equivalent) with respect to such transaction.

"(2) USE FOR LATER PERIOD.—Under regulations, a credit allowable by section 4016 may be allowed for a period after the period set forth in paragraph 91.

"(c) TAXABLE PERIOD.—For purposes of this chapter—

"(1) IN GENERAL.—The term 'taxable period' means a calendar quarter.

"(2) EXCEPTION.—

"(A) ELECTION OF 1-MONTH PERIOD.—If the taxpayer so elects, the term 'taxable period' means a calendar month.

"(B) OTHER PERIODS.—To the extent provided in regulations, the term 'taxable period' includes a period, other than a calendar quarter or month, selected by the taxpayer.

"(d) TAX POINT.—For purposes of this chapter—

"(1) CHAPTER 1 RULES WITH RESPECT TO SELLER GOVERN.—Except as provided in paragraph (2), the tax point for any sale of property or services is the earlier of—

"(A) the time (or times) when any income from the sale should be treated by the seller

as received or accrued (or any loss should be taken into account by the seller) for purposes of chapter 1, or

“(B) the time (or times) when the seller receives payment for the sale.

“(2) IMPORTS.—In the case of the importing of property, the tax point is when the property is entered, or withdrawn from warehouse, for consumption in the United States.

“(e) MONTHLY DEPOSITS REQUIRED.—To the extent provided in regulations, monthly deposits may be required of the estimated liability for any taxable period for the tax imposed by section 4001.

“SEC. 4025. TREATMENT OF RELATED BUSINESSES, ETC.

“(a) GENERAL RULE.—For purposes of this chapter (other than section 4023), to the extent provided in regulations, the taxpayer may elect—

“(1) to treat as 1 taxable person 2 or more businesses which may be treated under section 52(b) as 1 employer, and

“(2) to treat as separate taxable persons separate divisions of the same business.

“(b) DE MINIMIS EXEMPTION.—For purposes of section 4023, all businesses which are under common control (within the meaning of section 52(b)) shall be treated as 1 business.

“SEC. 4026. SECRETARY TO BE NOTIFIED OF CERTAIN EVENTS.

“To the extent provided in regulations, each person engaged in a business shall notify the Secretary (at such time or times as may be prescribed by such regulations) of any change in the form in which a business is conducted or any other change which might affect the liability for the tax imposed by section 4001 or the amount of such tax or any credit against such tax, or otherwise affect the administration of such tax in the case of such person.

“SEC. 4027. REGULATIONS.

“The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this chapter.

Subchapter E—Definitions and Special Rules; Treatment of Certain Transactions

“Sec. 4031. Definitions.

“Sec. 4032. Special rules.

“Sec. 4033. Personal use by owner of business property or services.

“Sec. 4034. Gift of business property or services.

“Sec. 4035. Special rules for dispositions of nonbusiness real property.

“Sec. 4036. Special rule for insurance contracts.

“SEC. 4031. DEFINITIONS.

“(a) PROPERTY.—For purposes of this chapter, the term ‘property’ means any tangible property.

“(b) BUSINESS.—For purposes of this chapter, the term ‘business’ includes—

“(1) a trade, and

“(2) an activity regularly carried on for profit.

“(c) EMPLOYEE.—For purposes of this chapter, the term ‘employee’ has the meaning such term has for purposes of chapter 24 (relating to withholding).

“(d) PERSON.—For purposes of this chapter, the term ‘person’ includes any governmental entity.

“(e) BUSINESS DAY.—For purposes of this chapter, the term ‘business day’ means any day other than Saturday and Sunday and other than a legal holiday (within the meaning of section 7503).

“(f) UNITED STATES.—For purposes of this chapter, the term ‘United States’, when

used in a geographical sense, includes a Commonwealth and any possession of the United States.

“SEC. 4032. SPECIAL RULES.

“(a) COORDINATION WITH SUBTITLE A.—For purposes of subtitle A—

“(1) TREATMENT OF CREDIT.—Any credit allowable to a taxpayer under section 4016 which is attributable to any property or services shall be treated as a reduction in the amount paid or incurred by the taxpayer for such property or services.

“(2) AMOUNT OF DEDUCTION FOR TAX.—The amount allowable as a deduction for the tax imposed by section 4001 shall be determined without regard to any credit allowable under section 4016.

“(3) COMPUTATION OF PERCENTAGE DEPLETION.—For purposes of sections 613 and 613A—

“(A) gross income shall be reduced by the amount of the tax imposed by section 4001, and

“(B) taxable income shall be determined without regard to any deduction allowed for such tax.

“(b) SPECIAL RULE WHERE SALE OF PROPERTY INCLUDES INCIDENTAL PERFORMANCE OF SERVICES.—For purposes of this chapter, if in connection with the sale of any property there is an incidental performance of services, such performance of services shall be treated as part of the sale of such property.

“(c) SPECIAL RULE WHERE PERFORMANCE OF SERVICES INCLUDES INCIDENTAL TRANSFER OF PROPERTY.—For purposes of this chapter, if in connection with the performance of any services there is an incidental transfer of property, such transfer shall be treated as part of the performance of such services.

“(d) AUTHORITY TO ZERO RATE DE MINIMIS TRANSACTIONS, ETC.—The Secretary may prescribe regulations providing that the rate of tax shall be zero for a taxable transaction (or category of such transactions) where—

“(1) the amount involved is de minimis, or

“(2) the revenue raised by taxing the transaction is not sufficient to justify the administrative and other costs involved in the payment and collection of the tax.

“(e) IMPORTING TREATED AS SALE AND PURCHASE.—For purposes of this chapter, the importing of any property into the United States shall be treated as both a sale and purchase of such property by the person importing such property.

“(f) SUBCHAPTER S CORPORATION TREATED AS NOT A CORPORATION.—For purposes of this chapter, an S corporation (as defined in section 1361(a)) shall be treated as a person which is not a corporation.

“(g) USE INCLUDES HELD FOR USE.—For purposes of this chapter, property and services held for use by any person shall be treated as use by the person.

“SEC. 4033. PERSONAL USE BY OWNER OF BUSINESS PROPERTY OR SERVICES.

“(a) GENERAL RULE.—If any business property or services are used by an owner of the taxpayer for personal purposes, for purposes of this chapter such use shall be treated as a taxable transaction.

“(b) TAXABLE AMOUNT.—In the case of a use described in subsection (a), for purposes of this chapter, the taxable amount shall be—

“(1) except as provided in paragraph (2), the fair market value of the property or the services, or

“(2) if such use is only the temporary use of property, the fair rental value of such use.

“(c) DEFINITIONS.—For purposes of this section—

“(1) BUSINESS PROPERTY OR SERVICES.—The term ‘business property or services’ means any property or services if a sale of such property, or the performance of such services, by the taxpayer would be a taxable transaction.

“(2) OWNER.—The term ‘owner’ means—

“(A) in the case of a sole proprietorship, the proprietor,

“(B) in the case of any other business enterprise, any holder of a beneficial interest in the corporation, partnership, or other entity, and

“(C) any member of the family (within the meaning of section 267(c)(4)) of an individual described in subparagraph (A) or (B).

“SEC. 4034. GIFT OF BUSINESS PROPERTY OR SERVICES.

“(a) GENERAL RULE.—In the case of any gift of business property or services, for purposes of this chapter—

“(1) such gift shall be treated as a taxable transaction, and

“(2) the taxable amount shall be the amount determined under section 4033(b).

“(b) GIFTS RELATED TO BUSINESS PROMOTION ACTIVITIES.—For purposes of subsection (a), the term ‘gift’ includes any gift of property or services transferred in connection with business promotion activities.

“SEC. 4035. SPECIAL RULES FOR DISPOSITIONS OF NONBUSINESS REAL PROPERTY.

“(a) IN GENERAL.—In the case of any sale of real property which is treated as a commercial-type transaction solely by reason of section 4004(b)(1)(A), for purposes of this chapter, the taxable amount shall be the excess (if any) of—

“(1) the amount realized on such sale, over

“(2) the adjusted cost to the taxpayer of such real property.

“(b) ADJUSTED COST.—For purposes of subsection (a)—

“(1) IN GENERAL.—Except as provided in paragraph (2), the term ‘adjusted cost’ means, with respect to any property, the basis of such property increased by expenditures properly chargeable to capital account (other than taxes or other carrying charges described in section 266) for periods during the holding period for such property.

“(2) TRANSITIONAL RULE.—The adjusted cost of any property shall include only amounts incurred during periods after December 31, 1989.

“(c) VALUE ADDED TAX NOT TAKEN INTO ACCOUNT.—For purposes of this section, the amount realized on any sale of real property shall not include any amount attributable to the tax imposed by this chapter.

“SEC. 4036. SPECIAL RULE FOR INSURANCE CONTRACTS.

“In the case of any contract of insurance, for purposes of this chapter, the taxable amount is the excess of—

“(1) the portion of the premium attributable to insurance coverage, over

“(2) the actuarial cost to the insurer of providing such insurance coverage.”

“(b) CLERICAL AMENDMENT.—The table of chapters for subtitle D of the Internal Revenue Code of 1986 is amended by inserting before the item relating to chapter 31 the following:

“Chapter 30. Value added tax.”

“(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions occurring after December 31, 1989.

TITLE II—REDUCTION OF SOCIAL SECURITY TAX RATES

SEC. 201. REDUCTION IN FICA TAXES AND TAXES ON SELF-EMPLOYMENT INCOME.

(a) FICA TAXES.—

(1) TAX ON EMPLOYEES.—The table in section 3101(a) of the Internal Revenue Code of 1986 (relating to rate of tax on employees for old-age, survivors, and disability insurance) is amended to read as follows:

"In the case wages received during:	The rate shall be:
1990	6.06 percent
1991 through 2011	5.1 percent
2012 through 2014	5.6 percent
2015 through 2019	6.2 percent
2020 through 2024	7.0 percent
2025 through 2044	7.7 percent
2045 or thereafter	8.1 percent."

(2) TAX ON EMPLOYERS.—The table in section 3111(a) of such Code (relating to rate of tax on employers for old-age survivors, and disability insurance) is amended to read as follows:

"In the case wages received during:	The rate shall be:
1990	6.06 percent
1991 through 2011	5.1 percent
2012 through 2014	5.6 percent
2015 through 2019	6.2 percent
2020 through 2024	7.0 percent
2025 through 2044	7.7 percent
2045 or thereafter	8.1 percent."

(3) REALLOCATION TO FEDERAL DISABILITY INSURANCE TRUST FUND.—Section 201(b)(1) of the Social Security Act (42 U.S.C. 401(b)(1)) is amended by striking out "(O) 1.20 per centum of the wages (as so defined) paid after December 31, 1989, and before January 1, 2000, and so reported, and (P) 1.42 per centum of the wages (as so defined) paid after December 31, 1999, and so reported" and inserting in lieu thereof "(O) 1.16 per centum of the wages (as so defined) paid after December 31, 1989, and before January 1, 2000, and so reported, (P) 1.34 per centum of the wages (as so defined) paid after December 31, 1999, and before January 1, 2012, and so reported, (Q) 1.6 per centum of the wages (as so defined) paid after December 31, 2011, and before January 1, 2015, and so reported, (R) 1.64 per centum of the wages (as so defined) paid after December 31, 2014, and before January 1, 2020, and so reported, (S) 1.7 per centum of the wages (as so defined) paid after December 31, 2019, and before January 1, 2025, and so reported, (T) 1.76 per centum of the wages (as so defined) paid after December 31, 2024, and before January 1, 2045, and so reported, and (U) 1.82 per centum of the wages (as so defined) paid after December 31, 2044, and so reported".

(b) TAX ON SELF-EMPLOYMENT INCOME.—

(1) IN GENERAL.—The table in section 1401(a) of the Internal Revenue Code of 1986 (relating to rate of tax on self-employment income for old-age survivors, and disability insurance) is amended to read as follows:

"In the case of a taxable year	Percent:
Beginning after: And before:	
December 31, 1989	January 1, 1991
December 31, 1990	January 1, 2012
December 31, 2011	January 1, 2015
December 31, 2014	January 1, 2020
December 31, 2019	January 1, 2025
December 31, 2024	January 1, 2045
December 31, 2044	16.2."

(2) REALLOCATION TO FEDERAL DISABILITY INSURANCE TRUST FUND.—Section 201(b)(2) of

the Social Security Act (42 U.S.C. 401(b)(2)) is amended by striking out "(O) 1.20 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1989, and before January 1, 2000, and (P) 1.42 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1999" and inserting in lieu thereof "(O) 1.16 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1989, and before January 1, 2000, (P) 1.34 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1999, and before January 1, 2012, (Q) 1.6 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2011, and before January 1, 2015, (R) 1.64 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2014, and before January 1, 2020, (S) 1.7 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2019, and before January 1, 2025, (T) 1.76 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2024, and before January 1, 2045, and (U) 1.82 per centum of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2044".

TITLE III—INVESTMENT TAX CREDIT

SEC. 301. 5-PERCENT INVESTMENT TAX CREDIT.

(a) REINSTATEMENT OF 5-PERCENT INVESTMENT TAX CREDIT AFTER 1990 FOR CERTAIN PROPERTY.—Subsection (a) of section 49 of the Internal Revenue Code of 1986 (relating to termination of regular percentage) is amended to read as follows:

(a) AMOUNT OF INVESTMENT TAX CREDIT.—

"(1) GENERAL RULE.—For purposes of determining the amount of the investment tax credit determined under section 46, the regular percentage shall not apply to any property placed in service after December 31, 1985.

"(2) SPECIAL RULE.—With respect to any qualified investment tax credit property placed in service after December 31, 1989, paragraph (1) and subsections (c) and (d) shall not apply and paragraph (1) of section 46(b) (relating to regular percentage) shall be applied by substituting '5 percent' for '10 percent'.

"(3) QUALIFIED INVESTMENT TAX CREDIT PROPERTY.—The term 'qualified investment tax credit property' means tangible property (other than an air conditioning or heating unit), but only if such property—

"(A) is used as an integral part of manufacturing, production, or extraction or of furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services,

"(B) constitutes a research facility used in connection with any of the activities referred to in subparagraph (A), or

"(C) constitutes a facility used in connection with any of the activities referred to in subparagraph (A) for the bulk storage of fungible commodities (including commodities in a liquid or gaseous state)."

(c) CONFORMING AMENDMENT.—

"(1) The section heading of section 19 of such Code is amended by striking out "TERMINATION OF" and inserting in lieu thereof "SPECIAL RULES FOR".

"(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by striking out "Termination of"

and inserting in lieu thereof "Special rules for".

TITLE IV—INDIVIDUAL RETIREMENT ACCOUNTS

SEC. 401. DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS MAY BE USED WITHOUT PENALTY TO PURCHASE FIRST HOMES OR TO PAY HIGHER EDUCATION EXPENSES.

"(a) IN GENERAL.—Paragraph (2) of section 72(t) of the Internal Revenue Code of 1986 (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

"(E) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR FIRST HOME PURCHASES OR EDUCATIONAL EXPENSES.—The following distributions to an individual from an individual retirement plan:

"(i) FIRST-TIME HOMEBUYERS.—Qualified first-time homebuyer distributions (as defined in paragraph (6)).

"(ii) HIGHER EDUCATION EXPENSES.—Distributions to the extent such distributions do not exceed the qualified higher education expenses (as defined in paragraph (7)) of the taxpayer for the taxable year."

(b) DEFINITIONS.—Section 72(t) of such Code is amended by adding at the end thereof the following new paragraphs:

"(6) QUALIFIED FIRST-TIME HOMEBUYER DISTRIBUTIONS.—For purposes of paragraph (2)(E)(i)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer from an individual retirement plan to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such individual.

"(B) QUALIFIED ACQUISITION COSTS.—For purposes of this paragraph, the term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(C) FIRST-TIME HOMEBUYER; OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 2-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(ii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plan to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, the requirements of subparagraph (A) cannot be met,

the amount so paid or distributed may be paid into another individual retirement plan as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(7) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of paragraph (2)(E)(ii)—

"(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(i) the taxpayer,

"(ii) the taxpayer's spouse, or

"(iii) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(2)).

"(B) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

"(C) EFFECTIVE DATE.—The amendments made by this section shall apply to payments and distributions after the date of the enactment of this Act in taxable years ending after such date.

SEC. 402. ACTIVE PARTICIPANTS ALLOWED DEDUCTION FOR 50 PERCENT OF CONTRIBUTIONS TO INDIVIDUAL RETIREMENT PLANS.

(a) GENERAL RULE.—Paragraph (1) of section 219(g) of the Internal Revenue Code of 1986 (relating to limitation on deduction of active participants in certain pension plans) is amended to read as follows:

"(1) IN GENERAL.—If (for any part of any plan year ending with or within a taxable year) an individual or the individual's spouse is an active participant, the amount allowed as a deduction under subsection (a) for such taxable year shall be the sum of—

"(A) 100 percent of the amount which would have been allowable for such taxable year if each of the dollar limitations contained in subsections (b)(1)(A) and (c)(2) were reduced (but not below zero) by the amount determined under paragraph (2), plus

"(B) 50 percent of the excess of—

"(i) the amount which would have been allowable for such taxable year without regard to this subsection, over

"(ii) the amount determined under subparagraph (A)."

(b) CONFORMING AMENDMENTS.—

(1) Subsection (o) of section 408 of such Code is amended by striking paragraphs (1), (2), and (3) and inserting the following:

"(1) IN GENERAL.—Qualified nondeductible contributions may be made on behalf of an individual to an individual retirement plan.

"(2) Qualified nondeductible contributions.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified nondeductible contribution' means the portion of any contribution for a taxable year beginning after December 31, 1989, to an individual retirement plan which is not allowable as a deduction under section 219 solely by reason of subsection (g)(1) thereof.

"(B) YEARS BEFORE 1990.—The term 'qualified nondeductible contribution' includes any contribution to an individual retirement plan for any taxable year beginning before January 1, 1990, which was a designated nondeductible contribution (as defined in this subsection as in effect on the day before the date of the enactment of the

Savings and Investment Incentive Act of 1989).

"(C) TAXPAYER MAY ELECT TO TREAT DEDUCTIBLE CONTRIBUTIONS AS NONDEDUCTIBLE.—If a taxpayer elects not to deduct any contribution which (without regard to this subparagraph) is allowable as a deduction under section 219, such contribution shall be treated as a qualified nondeductible contribution.

"(3) TIME WHEN CONTRIBUTION MADE.—In determining for which taxable year a contribution is made, the rules of section 219(f)(3) shall apply."

(2) Paragraph (7) of section 219(f) of such Code is amended by striking "408(o)(2)(B)(ii)" and inserting "408(o)(2)(C)".

(3) Sections 408(o)(4) and 6693(b) of such Code are each amended by striking "designated nondeductible" each place it appears (including in any heading) and inserting "qualified nondeductible".

(4) The section heading for section 6693 is amended by striking "DESIGNATED" and inserting "QUALIFIED".

(B) The item relating to section 6693 in the table of sections for part I of subchapter B of chapter 68 is amended by striking "designated" and inserting "qualified".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions for taxable years beginning after December 31, 1989.

TITLE V—CAPITAL GAINS PROVISIONS

SEC. 501. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

"SEC. 1202. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the applicable percentage of the net capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGE.—For purposes of this section, the applicable percentage shall be the percentage determined in accordance with the following table:

In the case of:	The applicable percentage is:
1-year gain.....	10
2-year gain.....	20
3-year gain.....	30
4-year gain.....	40
5-year gain.....	50
6-year gain.....	60
7-year gain.....	70
8-year gain.....	80
9-year gain.....	90
10-year gain.....	100

"(c) GAIN TO WHICH DEDUCTION APPLIES.

For purposes of this section—

"(1) 1-YEAR GAIN.—The term '1-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange on and after January 1, 1991, of assets with a holding period of at least 1 year but less than 2 years.

"(2) 2-YEAR GAIN, ETC.—The terms '2-, 3-, 4-, 5-, 6-, 7-, 8-, and 9-year gain' mean the amounts determined under paragraph (1)—

"(A) by reducing the amount of the net capital gain under subparagraph (A) thereof by the amount of net capital gain determined by taking into account only gain or loss from the sale or exchange of assets with a holding period less than the minimum holding period for any such category, and

"(B) by substituting 2, 3, 4, 5, 6, 7, 8, or 9 years for 1 year and 3, 4, 5, 6, 7, 8, 9, or 10 years for 2 years, respectively, in subparagraph (B) thereof.

"(3) 10-YEAR GAIN.—The term '10-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 1-, 2-, 3-, 4-, 5-, 6-, 7-, 8-, and 9-year gain, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange on and after January 1, 1991, of assets with a holding period of 10 years or more.

"(d) DEDUCTION NOT ALLOWED FOR PURPOSES OF MINIMUM TAX.—The deduction under subsection (a) shall not be allowed in determining alternative minimum taxable income.

"(4) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying paragraph (1) with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(e) COLLECTIBLE.—For purposes of this section, the term 'collectible' has the meaning given to such term by section 408(m)(2) without regard to section 408(m)(3).

"(f) MODIFICATIONS TO OTHER PROVISIONS.—

"(1) For purposes of section 163(d), the deduction allowable under this section to the extent attributable to gain from dispositions of property held for investment shall be applied against (and operate to reduce) the net gain referred to in section 163(d)(4)(B)(ii).

"(2) In the case of any charitable contribution (other than of a collectible) by a person other than a corporation section 170(e)(1)(B) shall be applied by substituting 'an amount equal to the applicable percentage of the net capital gain' for 'the amount of gain'.

"(3) The deduction allowed under this section shall not be taken into account in determining the net operating loss under section 172 for any taxable year.

"(4) To the extent that the amount otherwise allowable as a deduction under section 642(c) consists of any gain taken into account in determining the qualified net capital gain, proper adjustment shall be made for any deduction allowable to the trust or estate under this section.

"(5) The deduction allowed under this section shall not be taken into account for purposes of section 643(a).

"(6) For purposes of this section, the rules of section 691(c)(4) shall apply.

"(7) The amount subject to tax under section 871(a)(2) shall be determined without regard to the deduction allowed under this section.

"(8) The deduction allowed under this section shall not be taken into account in determining the net earnings from self-employment of any options dealer (as defined in section 1402(i)) or commodities dealer (as so defined)."

"(b) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Reduction in capital gains tax for noncorporate taxpayers."

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after January 1, 1991.

SEC. 502. NET CAPITAL GAIN NOT TAKEN INTO ACCOUNT UNDER PHASE OUT OF 15-PERCENT RATE AND PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—Subparagraph (A) of section 1(g)(1) is amended to read as follows:

"(A) taxable income reduced by the qualified net capital gain, over".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after January 1, 1991.

SEC. 503. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property, shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on

the day before the date of the enactment of the Tax Reform and Competitiveness)", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (g) and (h), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Tax Reform and Competitiveness)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(E) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7710(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Tax Reform and Competitiveness Act)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions on or after January 1, 1991, in taxable years ending after such date.

TITLE VI—FEDERAL REVENUE SHARING

SEC. 601. DEFINITIONS.

For purposes of this title—

(1) The term "Fund" means the Revenue Sharing Fund established by section 602.

(2) The term "Secretary" means the Secretary of the Treasury.

(3) The term "State" means the several States and the District of Columbia.

SEC. 602. REVENUE SHARING FUND.

(a) FUND ESTABLISHMENT.—There is hereby established in the Treasury of the United States a special fund to be known as the "Revenue Sharing Fund". The Fund shall consist of the amounts appropriated to it by subsection (b).

(b) FUNDING.—There is hereby appropriated to the Fund, out of any money in the Treasury not otherwise appropriated, for the fiscal year beginning October 1, 1991, the sum of \$4,500,000,000.

SEC. 603. PAYMENTS TO STATES.

(a) Each State shall be entitled to payments out of the Fund during the fiscal year beginning October 1, 1991, and during each fiscal year thereafter, as provided in this section. Payments shall be made by the Secretary quarterly. Payments to any State made during the first and second quarters of any fiscal year may, to the extent necessary, be made on the basis of estimates by the Secretary in determining the amounts under subsections (b) and (c). Proper adjustment shall be made in the payments to any State during the third and fourth quarters of any fiscal year to the extent that payments in the first and second quarters were in excess of or less than the amounts which should have been paid. The Secretary shall, at least 90 days before the beginning of each fiscal year, notify each State of the total amount of payments which he estimates will be made to such State during such fiscal year under this section.

(b) The Secretary shall allot and pay during each fiscal year to each State an amount equal to the produce obtained by multiplying—

(1) an amount which bears the same ratio to 80 percent of the amount appropriated to the Fund for such fiscal year as the population of such State bears to the total population of all the States, by

(2) the percentage which the revenue effort ratio of such State for such fiscal year is of the national revenue effort ratio for such fiscal year.

(c) The Secretary shall allot and pay during each fiscal year to each State whose residents have a per capita annual income below the average per capita annual income of residents of all the States an amount which bears the same ratio to 20 percent of the amount appropriated to the Fund for such fiscal year as the weighted population of such State bears to the weighted population of all such States.

(d) For purposes of this section—

(1) The population of any State shall be determined by the Secretary on the basis of the most recent data available from the Department of Commerce, except that the same period of time shall be used in determining the population of each State.

(2) The revenue effort ratio of any State for any fiscal year is the ratio which the total revenues derived by such State from its own resources (including revenues derived by political subdivisions of such State) during the calendar year preceding the beginning of such fiscal year bears to the total adjusted gross income of individuals residing in such State for their taxable years ending with or within such calendar year as reported on returns of the tax imposed by chapter 1 of the Internal Revenue Code of 1986. If the necessary date for such calendar year for such State is not available, the Secretary may determine the revenue effort ratio for such State on the basis of the latest calendar year for which the necessary data is available.

(3) The national revenue effort ratio for any fiscal year is the ratio which the sum of the revenues derived by all States from their own resources during the calendar year preceding the beginning of such fiscal year (as determined under paragraph (2)) bears to the total adjusted gross income of individuals residing in all the States for their taxable years ending with or within such calendar year (as determined under paragraph (2)).

(4) The weighted population of any State is the population of such State (as determined under paragraph (1)) multiplied by a fraction the numerator of which is the per capita annual income of individuals residing in all the States and the denominator of which is the per capita annual income of individuals residing in such State. For purposes of the preceding sentence, the per capita annual income of individuals residing in any State shall be determined by the Secretary on the basis of the most recent data available from the various departments and agencies of the Government, except that the same period of time shall be used in determining the per capita annual income of individuals residing in each State.

SEC. 604. USE OF FUNDS BY STATES.

Each State shall use the funds received by it under section 603 to provide supplemental funding for primary, elementary, and secondary public education. No funding shall be made available to any State whose State and local contribution to education funding decreases from one year to the next.

SEC. 605. AUDIT REPORTS BY STATES.

(a) Each State shall at least 30 days before the beginning of each fiscal year, report to the Secretary its plans for the use of the funds which it expects to receive under section 603 during such fiscal year. The Secretary shall have no power either to approve or to disapprove the plans of any State.

(b) Each State shall, on or before such date after the close of each fiscal year as may be prescribed by the Secretary, report to the Secretary on the expenditures of the funds received by it under section 603 during such fiscal year.

(c) The reports required under subsections (a) and (b) shall be submitted by the Governor of each State or by such State officer as the Governor may designate. Such reports shall be in such form and in such detail as the Secretary may prescribe.●

By Mr. GORE (for himself and Mr. DOMENICI):

S. 2085. A bill to amend the Organ Transplant Amendments Act of 1988 to change an effective date; to the Committee on the Labor and Human Resources.

AMENDMENTS TO ORGAN TRANSPLANT

AMENDMENTS ACT

● Mr. GORE. Mr. President, today I am introducing legislation that would delay until January 1, 1991, a requirement that organ procurement organizations "can reasonably expect to produce organs from not less than 50 donors each year." The intent is to provide the Congress with sufficient time to review this issue during this year's scheduled reauthorization process, in hopes of continuing to improve and strengthen the Nation's organ transplant system.

I'm pleased to be joined by my friend from New Mexico, Senator DOMENICI, who has been enormously helpful in bringing to my attention unintended problems that will result if the Health Care Financing Administration implements this provision as it currently plans to. Similar legislation is being introduced in the House by Congressman WALGREEN and Congressman WAXMAN, both leaders in transplant policy, with whom I worked closely in developing the underlying National Organ Transplant Act of 1984.

Because HCFA has threatened to shut down effective organ retrieval programs beginning in March unless the Congress acts, I hope the Senate will be able to move quickly on what really could be most accurately described as a technical correction. I urge all of my colleagues to support this uncontroversial measure and to join us in seeing that it is enacted in time to keep HCFA from shutting down a number of excellent organ retrieval programs.●

● Mr. DOMENICI. Mr. President, I am pleased to cosponsor with my friend from Tennessee, Mr. GORE, a bill that is extremely important to the organ donor program operated in my State of New Mexico. Under the 1988 Health Omnibus Programs Extension Act federally certified organ donor programs must be large enough to recover at least 50 organs each year. This minor provision would cause major problems in States like New Mexico.

The bill we are introducing today would delay implementation of the 50 organ minimum requirement for 1 year. It would prevent decertification of one of the most efficient organ donor programs in the country, and the only one serving about 95 percent of my State of New Mexico.

The New Mexico Organ Donor Program is small, but very efficient. Drawing from the State's population base of only 1.4 million people, New Mexico gets about 40 organs donated a year. This gives New Mexico one of the best organs-procured-per-capita ratios in the Nation—about 50 percent above the national average—and enables New Mexico residents to face one of the shortest waiting lists in the country.

In addition, New Mexico's program is among the lowest cost programs in the Nation. The average cost in New Mexico is about \$6,700 per donation, compared to rates of \$8,000 to \$9,000 for States surrounding New Mexico. In short, New Mexico's program is a model of efficiency and effectiveness.

The importance of organ donor programs was driven home to me late last year. Eleven-year-old Andrew Garcia, grandson of my good friend, Andy Garcia, had a premonition one day. Fearing that his life might soon end, young Andy Garcia filled out an organ donor card, granting the use of his heart, lungs, and kidneys if he should die.

This young boy wanted to assure that others could live. Tragically, only a few days later Andy was killed in a traffic accident. Andy's gift gave another young person the chance to live. Last October I was pleased to join with Hasbro Toys in posthumously honoring Andy at a special event for his parents, known as the Great America Hero Search.

Although the organ donor program is just a very small part of the many, and expensive, programs the Federal Government supports, we should keep in mind its extreme importance. I know how important the organ donor program is for New Mexico, and we must not lose it.

However, New Mexico's program is in danger of being destroyed. All organ donor networks in the United States must be federally certified. A minor provision in the Health Omnibus Programs Extension Act of 1988, requires that organ procurement organizations "reasonably expect to recover organs from not less than 50 donors each year."

Because New Mexico has a small population, implementation of this requirement would cause the New Mexico program to be decertified. This would be tragic to our State that operates such a fine program. Decertification would not only mean the loss of about \$54,000 in Federal funds, it

would prevent New Mexico's program from operating at all.

Now, I do not clearly understand why the requirement was included, but it certainly makes no sense to decertify programs like the one we have in New Mexico. I understand that the Federal organ donor programs are to be reauthorized this year and that Senator GORE would like to see this issue addressed during the reauthorization. I agree that we should look at this policy during reauthorization, but we should assure that programs like New Mexico's do not lose their certification in the meantime.

In March the Health Care Financing Administration [HCFA] is scheduled to review New Mexico's program and it is critical that we do not allow the program to become decertified because of this requirement. We are introducing this bill to delay implementation of the requirement until January 1991. This will give Congress sufficient time to reconsider the measure.

I thank my friend from Tennessee, Mr. GORE, for his attention to this issue, and I look forward to working with him and the Labor and Human Resources Committee on solving the problem. I urge all my colleagues to support this measure, and I hope we can pass this urgent measure quickly.●

ADDITIONAL COSPONSORS

S. 137

At the request of Mr. BOREN, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 137, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 169

At the request of Mr. BINGAMAN, his name was added as a cosponsor of S. 169, a bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being.

S. 345

At the request of Mr. Dodd, the name of the Senator from Maryland [Mr. SARBAKES] was added as a cosponsor of S. 345, a bill to grant employees family and temporary medical leave under certain circumstances, and for other purposes.

S. 421

At the request of Mr. FORD, the names of the Senator from Minnesota [Mr. BOSCHWITZ] and the Senator

from Arizona [Mr. DECONCINI] were added as cosponsors of S. 421, a bill to amend the Petroleum Marketing Practices Act.

S. 720

At the request of Mr. BOREN, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 720, a bill to amend the Internal Revenue Code of 1986 to extend and modify the targeted jobs credit, and for other purposes.

S. 970

At the request of Mr. FOWLER, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 970, a bill to promote low-input agricultural production systems to maintain farm profitability, to encourage land, resource, and wildlife stewardship in connection with Federal farm programs and for other purposes.

S. 1212

At the request of Mr. SANFORD the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1212, a bill to amend title II of the Social Security Act to provide for a more gradual period of transition (and a new alternative formula with respect to such transition) to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927 (and related beneficiaries) and to provide for increases in such workers' benefits accordingly and for other purposes.

S. 1310

At the request of Mr. SIMON, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Delaware [Mr. BIDEN], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 1310, a bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes.

S. 1430

At the request of Mr. KENNEDY, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Michigan [Mr. RIEGLE], and the Senator from Maryland [Mr. SARBAKES] were added as cosponsors of S. 1430, a bill to enhance national and community service, and for other purposes.

S. 1511

At the request of Mr. PRYOR the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1511, a bill to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes.

S. 1560

At the request of Mr. BURNS, the name of the Senator from Indiana [Mr. COATS] was added as cosponsor of S. 1560, a bill to suspend the enforce-

ment of certain regulations relating to underground storage tanks, and for other purposes.

S. 1675

At the request of Mr. KENNEDY, the name of the Senator from Delaware [Mr. BIDEN] was added as cosponsor of S. 1675, a bill to provide financial assistance for teacher recruitment and training, and for other purposes.

S. 1956

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1956, a bill to amend the Internal Revenue Code of 1986 to provide a mechanism for taxpayers to designate any portion of any overpayment of income tax and to contribute other amounts for payment to fight the war on drugs, and for other purposes.

S. 2003

At the request of Mr. HOLLINGS, the names of the Senator from Missouri [Mr. BOND], the Senator from Maine [Mr. MITCHELL], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 2003, a bill to establish a commission to advise the President on proposals for national commemorative events.

S. 2006

At the request of Mr. GLENN, the names of the Senator from New Hampshire [Mr. RUDMAN], the Senator from Massachusetts [Mr. KERRY], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of S. 2006, a bill to establish the Department of the Environment, provide for a global environmental policy of the United States, and for other purposes.

S. 2012

At the request of Mrs. KASSEBAUM, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 2012, a bill to amend the Employee Income Security Act of 1974 to require an independent audit of statements prepared by certain financial institutions with respect to assets of employee benefit plans.

S. 2015

At the request of Mr. Dodd, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2015, a bill to amend the Ethics in Government Act of 1978 and the Ethics Reform Act of 1989 to apply the same honoraria provisions to Senators and officers and employees of the Senate as apply to Members of the House of Representatives and other officers and employees of the Government, and for other purposes.

S. 2048

At the request of Mr. SARBAKES, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 2048, a bill to provide for cost-of-living adjust-

ments in 1991 under certain Government retirement programs.

S. 2053

At the request of Mr. DANFORTH, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 2053, a bill to amend certain provisions of title 5, United States Code, to provide for an increased maximum rate of pay for specially qualified scientific and professional personnel, and for other purposes.

S. 2056

At the request of Mr. HARKIN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2056, a bill to amend title XIX of the Public Health Service Act to provide grants to States and implement State health objectives plans and for other purposes.

SENATE JOINT RESOLUTION 228

At the request of Mr. FORD, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of Senate Joint Resolution 228, a joint resolution to designate May 1, 1990, through May 31, 1990, as "Worldwide Bluegrass Music Month."

SENATE JOINT RESOLUTION 231

At the request of Mr. GRASSLEY, the names of the Senator from New Hampshire [Mr. RUDMAN], the Senator from Connecticut [Mr. DODD], the Senator from Vermont [Mr. JEFFORDS], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Indiana [Mr. COATS], the Senator from North Dakota [Mr. CONRAD], the Senator from Wyoming [Mr. SIMPSON], the Senator from Ohio [Mr. GLENN], the Senator from New York [Mr. D'AMATO], the Senator from Washington [Mr. ADAMS], the Senator from Kansas [Mr. DOLE], the Senator from South Carolina [Mr. THURMOND], and the Senator from Missouri [Mr. BOND] were added as cosponsors of Senate Joint Resolution 231, a joint resolution to designate the week of June 10, 1990, through June 16, 1990, as "State-Supported Homes for Veterans Week."

SENATE JOINT RESOLUTION 236

At the request of Mr. WILSON, the names of the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. PRYOR], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Mississippi [Mr. COCHRAN], the Senator from Vermont [Mr. LEAHY], the Senator from Nebraska [Mr. EXON], the Senator from Tennessee [Mr. SASSER], the Senator from Oklahoma [Mr. BOREN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Kansas [Mr. DOLE], the Senator from Delaware [Mr. ROTH], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Alaska [Mr. STEVENS], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Joint Resolution 236, a joint resolution designating May 6 through 12, 1990, as

"Be Kind to Animals and National Pet Week."

SENATE JOINT RESOLUTION 241

At the request of Mr. D'AMATO, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Kansas [Mr. DOLE], the Senator from Michigan [Mr. RIEGLE] the Senator from Massachusetts [Mr. KERRY], the Senator from Vermont [Mr. JEFFORDS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Maine [Mr. COHEN], the Senator from Alabama [Mr. HEFLIN], the Senator from Florida [Mr. MACK], the Senator from North Dakota [Mr. CONRAD], the Senator from Missouri [Mr. BOND], the Senator from Maryland [Ms. MIKULSKI], the Senator from Arkansas [Mr. BUMPERS], the Senator from New Jersey [Mr. BRADLEY], the Senator from Iowa [Mr. GRASSLEY], the Senator from Delaware [Mr. ROTH], the Senator from South Dakota [Mr. PRESSLER], the Senator from Washington [Mr. GORTON], the Senator from Alaska [Mr. STEVENS], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 241, a joint resolution to designate the week of April 29, 1990, through May 5, 1990, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 243

At the request of Mr. LAUTENBERG, the names of the Senator from Washington [Mr. ADAMS], the Senator from Texas [Mr. BENTSEN], the Senator from North Dakota [Mr. CONRAD], the Senator from Iowa [Mr. GRASSLEY], the Senator from Indiana [Mr. LUGAR], the Senator from Maryland [Ms. MIKULSKI], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 243, a joint resolution to designate March 25, 1990, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE JOINT RESOLUTION 250

At the request of Mr. CHAFEE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 250, a joint resolution designating April 1990 as "National Recycling Month."

SENATE CONCURRENT RESOLUTION 90—AUTHORIZING THE USE OF THE ROTUNDA OF THE CAPITOL

Mr. PELL submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 90

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. DEDICATION CEREMONY AND PLACEMENT OF A BUST OF LAJOS KOSSUTH IN THE CAPITOL

The Joint Committee on the Library is authorized to use the rotunda of the Capitol

on an appropriate date in March 1990 for a ceremony to dedicate a bust of Lajos Kossuth, the leader of the Hungarian Revolution of 1848-1849, known as the "George Washington of Hungary". After the ceremony, the Architect of the Capitol shall place the bust in the rotunda for a period of not more than one year and, at the end of such period, shall place the bust in a permanent location in the Capitol.

SEC. 2. PRINTING OF A TRANSCRIPT OF THE PROCEEDINGS OF THE DEDICATION CEREMONY.

A transcript of the proceedings of the ceremony referred to in section 1 shall be printed as a House document, with illustrations and suitable binding.

SENATE CONCURRENT RESOLUTION 91—THE HARVEST OF PEACE RESOLUTION

Mr. HATFIELD (for himself and Mr. BUMPERS) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 91

Whereas reduced East-West tensions and renewed efforts for peace by people in the Third World give the United States and other nations an unprecedented opportunity to reverse the \$1,000,000,000 arms race and promote peaceful international development;

Whereas hunger victimizes approximately 20,000,000 people in the United States and 1,000,000,000 people worldwide; and

Whereas common security is based not only on legitimate defense measures but also on all people having an opportunity to meet their basic needs for food, shelter, health care, education, and work with dignity; to live in a safe and healthful environment; and to enjoy human rights, including the right to participate in decisions affecting their lives: Now, therefore, be it

Resolved by the United States Senate (the House of Representatives concurring),

SECTION 1. SHORT TITLE.

This resolution may be cited as the "Harvest of Peace Resolution".

SEC. 2. STATEMENTS OF POLICY.

(a) STEPS TO HELP ACHIEVE COMMON SECURITY.—It is the sense of the Congress that the United States should help achieve common security by reducing the world's reliance on the military and redirecting resources to peaceful efforts toward overcoming hunger and poverty and meeting basic human needs by—

(1) negotiating agreements with the Soviet Union for substantial and verifiable reductions in overall military forces and spending, and urging other nations to reduce their military forces and spending, with the goal of halving worldwide military spending by the year 2000;

(2) reducing military assistance and arms sales to developing nations and urging other nations to do likewise;

(3) encouraging peaceful settlement of conflicts through regional and international negotiations;

(4) providing increased assistance to developing nations to overcome hunger and poverty, to reduce debt burdens, to promote human rights and people's participation in political decisions affecting them, to ensure sustainable development, and to protect the environment;

(5) increasing support domestically for programs that address human needs;

(6) helping defense industries and their employees convert to productive nondefense work; and

(7) reducing the Federal deficit.

(b) ACHIEVING COMMON SECURITY SHOULD BE A PRIMARY POLICY OBJECTIVE.—It is the further sense of the Congress that the United States should make fostering common security through the initiatives described in subsection (a) a primary foreign and domestic policy objective.

• Mr. HATFIELD. Mr. President, in 1956, President Dwight David Eisenhower said "One hundred and eighty-one years ago our forefathers started a revolution that still goes on." He later described that revolution in part as the attempt to "seek victory—not over any nation or people—but over ignorance, poverty, disease and human degradation wherever they may be found."

And still, the revolution goes on. We are seeing the spoils of largely nonviolent battles won in Eastern Europe, where hopes of freedom brought people into the streets and oppressive governments to their knees. The cold war is over and a new hope for world peace is found in even the most hardline political individuals. But we must work for the victory President Eisenhower described. Only a nation which is willing to toil together in the fields of the world's poor and hungry will be able to reap the promise of the Harvest of Peace.

Mr. President, I am proud to introduce the Harvest of Peace resolution in the Senate today, and am pleased to be joined by my colleague Senator BUMPERS and my friend Representative MCHUGH. Together, we offer this resolution as a guidepost to all of us who want to seize this unique opportunity to alter the fate of the world—our world—and turn from the past's policies of fear toward the promise of hope. We recommend this resolution, which has the support of the membership of Bread for the World and the endorsement of dozens of individuals and organizations.

The Harvest of Peace resolution may appear to some as radical. It calls for the negotiation of agreements leading to the halving of military spending worldwide by the year 2000. It seeks a reduction in military assistance and arms sales to developing nations and urges other nations to do likewise. The resolution calls upon the United States to provide additional assistance to developing nations to overcome hunger and poverty, to reduce debt burdens, to promote human rights and to fully support programs which address human needs.

The Harvest of Peace resolution's goals are also intended to solve the problems of poverty and hunger, which ultimately take more lives than any war could ever steal. Every minute, we lose 15 children to hunger and disease. Last year, 1 billion people

were hungry. And homelessness, poverty, and unemployment are problems found not just in the developing world but in the developed world as well.

These ideas may seem bold, but they are intended to address problems which are equally extreme. They are in need to halt the developing world's march toward militarization, which has already left us with 13 countries probably possessing chemical weapons, seven possibly with nuclear weapons, and as many as 19 countries developing or possessing ballistic missiles.

For too long our foreign policy and military strategy have been formulated only by learning one-half of the story. We have been told that the world's trillion-dollar defense budget would bring us stability and prosperity. That two kinds of nuclear weapons systems are better than one. That arming any group willing to oppose an unacceptable government was right.

But now that we have finished the first half, it is time to read the second half. And it is very different now. We are not facing a monolithic communist threat. Instead, our security is dependent upon our ability to end the pain and suffering which remains the root causes of war. We now are threatened by a world weakened by hunger, ravaged by drugs, impoverished by a runaway arms race, and imprisoned by unscrupulous dictators. These threats require a new thinking, and the Harvest of Peace resolution is intended to be an offering of priorities.

The President who reminded us that our revolution is still on also left us with these words. Eisenhower reminds us that "This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children. * * * *

We have a chance to end this world of arms and offer instead our outstretched hand. But a new definition of national security must be created, and a new approach to national security must be defined. I urge my colleagues to join me in supporting the Harvest of Peace resolution as a way to direct our country into the future.

Mr. President, I ask unanimous consent that a list of endorsements be printed in the RECORD.

INITIAL ENDORSEMENTS OF HARVEST OF PEACE RESOLUTION

(As of February 5, 1990)

Organizational Endorsements:

Africa Peace Committee; Office of Governmental Relations, American Baptist Churches, USA; Association of Catholic Colleges and Universities; Association of Community Organizations for Reform Now (ACORN); Center for Law and Social Policy; Center of Concern; Church of the Brethren; Church Women United; Coalition on Human Needs; Columbian Fathers Justice and Peace Office; Consumer Federation of America; Council for a Livable World; Ecumenical Program on Central America and the Caribbean (EPICA); Evangelical Luther-

an Church in America, Lutheran Office for Governmental Affairs; Evangelical Lutheran Church in America World Hunger Program; Evangelicals for Social Action; Food Research and Action Center; Franciscan Peace and Justice Office; Friends Committee on National Legislation; Friends of VISTA; Global Concerns Committee—Leadership Conference of Women Religious; Institute for Peace and Justice; Interfaith Action for Economic Justice;

Intercommunity Center for Justice and Peace—Peace and Disarmament Program; Jesuit Social Ministries National Office; JustLife; The Lawyers Committee on Nuclear Policy; Lutheran Peace Fellowship; Mardon Fathers and Brothers; Mennonite Central Committee; Missionary Vehicle Association/MIVA America; National Assembly of Religious Women (NARW); National Association for Lay Ministry; National Association of Community Health Centers; National Catholic Conference for Interracial Justice; National Community Action Foundation; National Consumers League; National Council of Catholic Women; National Jobs with Peace Campaign; National Low Income Housing Coalition; National Neighborhood Coalition; National Puerto Rico Coalition; National Puerto Rican Forum; National Rainbow Coalition; National Student Campaign Against Hunger and Homelessness;

Network: A National Catholic Social Justice Lobby; Nicaragua Network; North American Coalition for Human Rights in Korea; Oxfam America; Pax Christi USA; Presbyterian Hunger Program, Presbyterian Church U.S.A.; Progressive National Baptist Convention; Reformed Church in America; The Reorganized Church of Jesus Christ of Latter Day Saints; The Resource Center; RESULTS; SANE/FREEZE: Campaign for Global Security; Sojourners; The Unitarian Universalist Association; Unitarian Universalist Service Committee; United Church of Christ Office for Church in Society; U.S. Committee for Refugees; Veterans for Peace, Inc.; Wider Opportunities for Women; Women's Missionary Council, Christian Methodist Episcopal Church; World Hunger Education Service; World Hunger Year; World Vision Relief and Development.

Individual Endorsements (affiliation for identification only):

Larry Birns, Council on Hemispheric Affairs; Blase Bonpane, Office of the Americas; Dr. Larry Brown, Tufts University School of Nutrition; Lester Brown, Worldwatch Institute; John Buchanan, Former Member of Congress, R-Ala.; Peter Coldwell, Volunteers for Peace; Terry Culbertson, Pastoral Care Network for Social Responsibility; Peter Davies, InterAction; Pablo Eisenberg, Center for Community Change; Tod Ensign, Esq., Citizen Soldier; Fr. Roland Faley, Conference of Major Superiors of Men; Joseph Fitzgerald, National Catholic Life Conference; Randall Forsberg, Institute for Defense and Disarmament Studies; Dennis Gallagher, Refugee Policy Group; Meg Gardiner, International Catholic Child Bureau; Dr. H. Lamar Gibble, Church of the Brethren General Board; Stephen Gibbs, FreeStore/Foodbank; Roger Greenway, Board of World Ministries, Christian Reformed Church in North America; Vernon Grounds, Denver Theological Seminary; Bishop Thomas Gumbleton, Archdiocese of Detroit; James Hamilton, National Council of Churches of Christ; John Humbert, Christian Church (Disciples

of Christ); Rev. Erik Kolbell, The Riverside Church, New York City;

Fr. Joseph Lang, U.S. Catholic Mission Association; Rev. Alfred LoPinto, Campaign for Human Development; Rev. George McClain, Methodist Federation for Social Action; Dr. Paul McCleary, Christian Children's Fund; David McReynolds, War Resisters International; Ward Morehouse, Council on International and Public Affairs; Rev. Dr. Edwin Mulder, The Reformed Church in America; Bishop P. Francis Murphy, Archdiocese of Baltimore; Rev. James Nash, Churches' Center for Theology and Public Policy; Henry Norman, Volunteers in Technical Assistance (VITA); Randolph Nugent, General Board of Global Ministries, United Methodist Church; Rev. Graham Rights, Moravian Church, Southern Province; Bob Schwartz, The Disarm Education Fund; Bishop William Milton Smith, African Methodist Episcopal Zion Church; Pam Solo, Committee on Common Security; The Rev. Dr. Gordon Sommers, Moravian Church, Northern Province; Jane Threatt-Morgan, IN OUR WAY; Richard E. Ullrich, Marianist Office of Justice and Peace; Phillip R. Warth, President, Second Harvest; Edith Villastrigo, Women Strike for Peace; Paul Walker, Committee on Common Security; Rev. L. William Yolton, National Interreligious Service Board for Conscientious Objectors; Jack Yost, World Association for World Federation.●

● Mr. BUMPERS. Mr. President, I rise today to cosponsor and support the introduction of the Harvest of Peace resolution with my friend and colleague, the Senator from Oregon.

I have watched the incredible changes sweeping through Eastern Europe and the Soviet bloc with wonder. In the annals of history, 1989 will be recorded as a watershed year. In the year that was the 200th anniversary of the French revolution, one of history's bloodiest battles for liberty, revolution rolled through Europe again. It rose first in the east in Tiananmen Square, leaving permanent fissures in a rigid, despotic government; a regime that is living proof that absolute power corrupts absolutely, and has forgotten why revolutions happen in the first place, a mere 40 years after fighting and dying for their own.

Freedom then moved west on a fault line to Eastern Europe: to reverberate through Poland, East Germany, Hungary, Czechoslovakia, Romania, and all the rest. And as these deserving nations received a long-awaited dose of freedom, so in many senses did we. The year that revolutionized the Eastern bloc also served to revolutionize our thinking, and our prospects for peace. At long last we received a measure of freedom. We received freedom from being wedded to the policies of the past, to years of nuclear nightmare diplomacy, and decades of uneasy sleep.

Now, as freedom grows around the world, Americans should prepare to reap the Harvest of Peace. Democrats and Republicans must join together as we plot a different course for these different times. We must turn our attention to problems that have been ne-

glected during the decades that we spent trying to place first in the arms race.

Mr. President, I stood before you just last week and told you that the strength of this Nation is not totally measured in tanks, planes, and guns. Our Nation is first and foremost about people. During the coming years, we will be able to direct our resources to those things that truly make us secure: health care, adequate housing, education, a safe food supply, and a clean environment.●

SENATE RESOLUTION 240—RELATING TO THE ADMISSION OF REFUGEES INTO THE UNITED STATES IN FISCAL YEAR 1991

Mr. HATCH (for himself and Mr. GRASSLEY) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 240

Whereas the United States has always been a haven for persecuted peoples from around the world;

Whereas it is the long-standing policy of the United States to foster free and open emigration of persecuted religious minorities from the Soviet Union;

Whereas the Soviet Union has recently relaxed its emigration policies;

Whereas despite recent changes in the Soviet Union, religious believers remain largely unable to practice their religious beliefs due to the continued effects of long-standing anti-religious policies of the Government of the Soviet Union, including the denial of opportunity to worship and undertake religious studies;

Whereas private anti-religious sentiment in the Soviet Union remains a threat to religious believers;

Whereas the United States has planned to accept 125,000 refugees in fiscal year 1990, including 50,000 refugees from the Soviet Union; and

Whereas the United States does not plan to fund the cost of all 125,000 refugees it will admit in fiscal year 1990: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the United States should accept more than 125,000 refugees in fiscal year 1991;

(2) a portion of such increase should be allotted to refugees from the Soviet Union; and

(3) the United States should provide funding for the cost of all refugees that the United States admits in fiscal year 1991.

Mr. HATCH. Mr. President, I am today submitting a resolution which expresses the sense of the Senate that: First, the United States increase the number of refugees, it accepts in fiscal year 1991 over the 125,000 figure set for fiscal year 1990; second, that a portion of the fiscal year 1991 increase be allocated to Soviet refugees; and third, that the United States fund the cost of all of the refugees it admits in fiscal year 1991.

The United States has always been a beacon of light and hope for oppressed peoples around the world. At a time

when democratic values of liberty and opportunity, long championed by the United States, are on the march, and the bonds of tyranny are being slowly loosened in various parts of the world, we must take special care to offer help to those victims of oppression who now have a window of escape. We are all pleased with some of the recent trends in Eastern Europe and the Soviet Union. We do not know how long this window of escape will remain open.

For fiscal year 1990, the United States will accept 50,000 refugees from the Soviet Union, of which 40,000 are supported by Federal funds. It is well known that many more than 50,000 persons are seeking to leave the Soviet Union. These include tens of thousands, if not hundreds of thousands, of religious believers. Among them are Jews, Evangelical Christians, Ukrainian Catholics, and others.

Despite the recent changes in the Soviet Union, I believe religious believers remain persecuted for their beliefs. Religious or ethnic persecution does not mean only physical harassment by government bully boys. When a believer is unable to go to church or synagogue because government policy restricts or forbids the construction or use of such religious houses of worship, that is persecution. The inability of a group of believers to train religious leaders and teachers such as priests and rabbis, because of government policy, is persecution. The inability to obtain religious articles and items needed for prayer, such as bibles, crucifixes, prayer shawls, yarmulkes, because of government policy, that is persecution. The inability of Jewish parents to send their children to religious schools to learn Hebrew, to learn the ancient customs, traditions, and history of their people, because of government policy, that, too, is persecution. The inability of Christian parents to send their children to religious schools to learn the practices of their faith because of government policy, is persecution. While recent relaxation in official oppressive policies may have created an opening for some religious activities previously banned, one cannot claim that, after over 70 years of relentless and often brutal persecution, religious freedom now exists or that we can lessen our concern.

Last year, the administration made it more difficult for Soviet Jews, Christians, and others to obtain refugee status. The administration did not set a refugee number commensurate with America's traditional concern for Soviet religious believers. After pressuring the Soviets for decades to let them out, America did not offer enough opportunity for people to come here. I expressed my concern about this policy, and the fear and panic among

Soviet Jews and others concerning America's fiscal year 1990 refugee policy, in my floor statement on September 29, 1989.

Moreover, by funding only 111,000 of the 125,000 slots, including only 40,000 of the 50,000 Soviet slots, the budgets of private resettlement agencies are being badly strained. The United States has pressed for open emigration from the Soviet Union. This policy is now bearing sweet fruit. It behooves the United States to help the refugees resettle. For example, whether tens of thousands of Soviet Jews come here or go to Israel—or both—Americans who give generously to help them resettle, wherever they go, are going to be stretched extremely thin. The least we can do is fund all of the refugees who come here.

In recent years, there have been many shocking reports of outbursts of antireligious sentiment in the Soviet Union by private groups and citizens, aimed at both Jews and Christians. The outbreaks of ethnic and regional violence in the Soviet Union has ominous overtones for Soviet Jews, given the tragic tendency of some in the Soviet Union to blame the Jews for the onset of bolshevism and current economic difficulties. Robert Rand, a journalist at the Kennan Institute, wrote in the July 31, 1989, *Wall Street Journal*:

Most striking of all, and most disturbing, were reports that anti-Semitism is on the rise. At first I reacted skeptically. After all, relations with Israel are improving and emigration is at record levels. But I heard stories of widespread anti-Semitism so often and from so many sources that I left Moscow convinced of their veracity.

In Pushkin Square in central Moscow in early June, a group of young thugs assaulted a man because he "looks Jewish." The police broke it up without arrests. Jewish families that had never considered emigrating, have now applied for exit visas fearful, they say, for their safety.

A Jewish attorney predicts Jews will be blamed for causing the country's economic mess. "The simple people will point to the Jews. It was the Jews, they'll say, who brought us the revolution. And it is the Jews, they'll say, who control the state and bring us the current disaster."

A cab ride seems to confirm the prediction. The driver is asked about the country's economy. He embarks on an anti-Jewish tirade. "They brought us the revolution," he says. "They're to blame."

An American embassy official reports that he, too, has heard reports of growing anti-Semitism. He says he has obtained a copy of Nina Andreevna's latest article, which, he says, has been submitted to *Nash Sovremennik*, an anti-reform literary journal. Ms. Andreevna is the Leningrad teacher whose publications reputedly have the backing of Egor Ligachev, Mr. Gorbachev's main rival.

The U.S. official says Ms. Andreevna blames the "Zionists" for the nation's problems. We wonder whether the piece will see the light of day and if so, what the future will hold for Soviet Jews.

A Jewish friend recounts an anecdote. The year is 2000. A lone man stands before the closed doors of the Soviet visa office, wait-

ing in vain for permission to emigrate. A pedestrian approaches.

"Are you a Jew?" the pedestrian asks.

"No," the man says, "I'm an idiot."

The implication: The Jew was a fool because he didn't emigrate in 1989 when emigration was possible.

What makes the current bout of anti-Jewish sentiment in Moscow especially frightening is its concurrence with unabated ethnic unrest across the country, from the Baltic republics to the Caucasus and Central Asia. As national minorities voice continuing displeasure with the Kremlin, Russian chauvinism is likely to rear up in response. What my Jewish friends fear most is being crushed in the fray.

Just last week, on February 2, 1990, the *New York Times* reported in a front page story entitled "Anxiety Over Anti-Semitism Spurs Soviet Warning on Hate," that a rise in anti-Semitism, and a passive government reaction to it, is causing tremendous fear among Soviet Jews. I will attach a copy of that story to these remarks.

I will also attach a few documents provided to me from the Union of Councils for Soviet Jews at the end of these remarks, which recount just some of the anti-Semitic episodes we know about. Visitors to Moscow and Leningrad have reported anti-Semitic posters depicting violence against the Jews. While Israel fortunately provides a haven for many Soviet Jews, the United States should also remain a haven for Soviet Jews, as well as for other religious believers, and victims of ethnic persecution.

I also note that ethnic violence may cause other Soviet citizens, such as Armenians, as victims of ethnic persecution, to escape in greater numbers on the months ahead.

Now, I realize the Refugee Act of 1980 provides for cabinet-level consultation with members of the Senate and House Judiciary Committees. I was not satisfied by the conduct of that process last year; discussions occurred late, and decisions seemed to have been made by the time they did occur.

Accordingly, I feel it is appropriate for the Senate to express its view, in advance of the consultation, that the overall number of refugees admitted to the United States rise; that a portion of the increase allocated to the Soviet Union; and that the United States fund all of the refugees it admits. The resolution recommends no specific number, that is left to the consultation process pursuant to the Refugee Act. All the resolution does is express a sentiment, if you will, that we should be even more generous in fiscal year 1991 than we were in fiscal 1990.

Mr. President, I ask unanimous consent that certain articles be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[Boulder (CO) Action for Soviet Jewry]

VIOLENT ANTI-SEMITISM ERUPTS IN DUSHANBE

Violent anti-Semitism has erupted in Dushanbe, Tadzhik SSR, according to Bill Cohen, President of Boulder Action for Soviet Jewry (BASJ). Dushanbe is Boulder, Colorado's Soviet Sister City.

BASJ has received reports from recent Jewish emigres from Dushanbe that Jews have been pulled off busses in Dushanbe and beaten. Such incidents are examples of escalating violence against Jews in Tadzhikistan and other Soviet republics in Central Asia and the Caucasus.

According to BASJ, in February 1989 Tadzhik nationalist demonstrators in Dushanbe carried banners with slogans proclaiming "Tadzhikistan for the Tadzhiks." The nationalist rhetoric is both openly anti-Russian and anti-Jewish. In March 1989, threats against Jews in Dushanbe intimidated many from celebrating the Jewish holiday of Purim in Dushanbe's synagogues. Many Jews were afraid to even leave their homes at the time. Jewish children have been beaten on the way to and from school by the predominantly Muslim youths in Dushanbe.

Such threats and attacks have prompted many Jews who had not contemplated emigration to request invitations from Israel and to apply to leave the Soviet Union.

Most of BASJ's information on anti-Semitic acts in the Soviet Union is obtained through the Caucasus Network, a New York based international Soviet Jewry organization which frequently directs Jewish missions to the Caucasus and Central Asian areas of the Soviet Union.

Helene Kervin, President of The Caucasus Network, has received numerous reports of similar anti-Semitic incidents throughout these regions of the U.S.S.R.

According to Kervin, a fundamentalist Muslim nationalist organization called "Birlik" was founded in Uzbekistan in 1988. One of its stated goals is the expulsion of all Jews and Russians from that republic. In February 1989, demonstrators in Tashkent carried signs with Birlik's motto: "Expel all Russians. Leave the Jews to us; we will take care of them ourselves." Within the next several months, the City of Samarkand, also in Uzbekistan, was flooded with pamphlets and posters containing Birlik's anti-Semitic platform.

Kervin reports that in June 1989, Jewish communities in eastern Uzbekistan were terrorized during a violent bloodbath between Sunni and Shi'ite Muslims. Uzbek rioters threatened leaders of the Jewish community in Fergana, promising pogroms unless their extortionate demands were met. In Andizhan, Jews received telephone calls demanding that they leave. In Margilan a Jew was beaten and ordered to pay money to a group of Uzbek thugs. A synagogue in this Soviet Republic was desecrated with the sign "Next in line are the Jews."

Also, beginning in August 1989, Azeris in Azerbaizhan began calling for the expulsion of Jews from that republic. Jews in Sumgait and Baku received threatening telephone calls and letters ordering them to leave Azerbaizhan.

Similar incidents have occurred in other Soviet provinces, according to reports received by the Union of Councils for Soviet Jews, with whom BASJ is affiliated. On July 16, 1989, Reuven Kiperwasser, a 30-year-old teacher of Hebrew and Torah from the Moldavian town of Edintsy, was on his

way to Kishinev to give a lecture at a weekly religious seminar. While Kiperwasser waited at a bus stop, three unknown men drove up, jumped out of their car, beat Kiperwasser, and forced him into the car, which then took off. During the abduction, Kiperwasser's kidnappers warned him to stop his Jewish activities, threatened to kill him, and repeatedly stated that Jews should be murdered. After driving for about 5 km, the abductors threw Kiperwasser out of the car.

These and other anti-Semitic attacks and threats throughout the Soviet Union have resulted in a significant increase in the number of Jews seeking to leave the Soviet Union. Approximately 200,000 requests for invitations from the State of Israel have been received already this year.

"Ironically," says Cohen, "the fear of persecution among Soviet Jews has dramatically escalated at a time when a U.S. State Department official told a congressional committee on refugees that Soviet Jews could return to the Soviet Union because glasnost had improved conditions for Jews in that country."

Cohen also expressed concern that the Bush administration's sudden shift of refugee processing from Italy to Moscow, without adequate preparation and staffing, will trap thousands of Soviet Jews with bureaucratic delays at a time when the U.S. should be doing everything possible to get these endangered people out of the Soviet Union before the threatened pogroms become a reality.

[From the Union of Councils for Soviet Jews, Jan. 1, 1990]

VIOLENT ANTI-SEMITISM FLARES IN USSR

WASHINGTON, D.C.—The following recent events are the latest in escalating reports to the UCSJ of violent anti-Semitic attacks and incidents throughout the USSR.

According to the Jerusalem-based Soviet Jewry Education and Information Center, Soviet Jewish activists reported that on July 16, a Hebrew instructor from Soviet Moldavia was abducted and beaten on his way to Kishinev to give a lecture at a weekly seminar. His abductors warned him to stop his Jewish activities, threatened to kill him, and repeated several times that all Jews should be murdered. They drove about five kilometers before throwing him out of the car and driving off.

The incident caused great panic among Kishinev Jews, who requested that it receive the widest publicity possible. However, the Long Island Committee for Soviet Jewry, the UCSJ council which confirmed the story, was told by a Leningrad Hebrew teacher that the victim does not want his name released for fear of reprisals against his mother and younger sister.

A Leningrad Jewish activist telephoned the London 35's Women's Campaign for Soviet Jewry with reports that on the night of July 24, three hooded men broke into the Leningrad apartment of Jewish Refusenik Yuri Mezheborsky, stabbing Yuri's mother, Svetlana, in the stomach. The armed intruders did not steal anything from the apartment, eliminating theft as a probable motive for the attack.

The activist told the London 35's that the attack was most likely perpetrated by members of the viciously anti-Semitic group "Pamyat," which is now aggressively compiling lists of all Jewish residents in Leningrad. He said that "Pamyat" members are demanding names of Jewish residents from the concierge of every apartment block, and

that citizens who wish to become "Pamyat" members must now supply lists of Jews before they are admitted to the organization. (This is the third such allegation the UCSJ has received on "Pamyat" induction.)

Boris Gaft, head of the Latvian Jewish Friendship Society with Israel, reported that on July 4, Jewish activists discovered swastikas and a sign reading "Kill the Jewish People" when they met at the site of a former synagogue in Riga where Jews were burned to death in 1941 by the Nazis. They removed the anti-Semitic symbols and held their meeting.

Gaft relayed this information in a July 26 phone conversation to UCSJ's Chicago Action for Soviet Jewry.

From her office at Chicago Action, UCSJ National President Pamela B. Cohen commented on the alarming rise of reports of anti-Semitic incidents: "Since last summer, during the time of the Christian Millennium and calls for programs against Jews, the UCSJ has predicted and warned of an explosion of violence against Jews in the Soviet Union. Glasnost has unleashed a wave of popular grassroots anti-Semitism, primarily embodied in odious nationalist groups such as "Pamyat," that is terrifying Jews in Moscow, Leningrad and throughout the USSR.

"In addition," Cohen warned, "We have received many confirmations of anti-Semitic attacks and incidents stemming from rising Moslem fundamentalism in the Central Asian republics. Frequently, because these regions are so closed, these events are impossible to confirm, but the stories of Jews who are beaten, killed, or so frightened by ethnic violence that they are afraid to leave their homes, are absolutely chilling.

"Anti-Semitism has always been endemic to the Soviet society. But in the past year, as social and economic unrest and ethnic and nationality conflicts mount, and as glasnost permits more public expressions of discontent, the natural tendency to anti-Semitic propaganda and violence is given more opportunity of expression," Cohen concluded.

[From the New York Times, Feb. 2, 1990]
ANXIETY OVER ANTI-SEMITISM SPURS SOVIET
WARNING ON HATE
(By Francis X. Clines)

MOSCOW, February 1.—Renewed anxiety that anti-Semitism is surging once more in the Soviet Union has prompted Government officials to start cautioning nationalist and ethnic organizations against provocations toward hatred and pogroms.

The unusual warning that fanning racial hatred is a crime punishable by imprisonment was issued this week by the authorities in Odessa, once a major center of Jewish life, to be leaders of popular front and ethnic associations as a wave of fear and rumors of pogroms swept through Soviet Jewish circles across the country.

The latest anxiety is focused on a number of recent events, notably the disruption of a Moscow writers' meeting Jan. 18 by a gang of intruders campaigning for local elections who demanded: "Yids, get out to your Israel!"

"Russia's Jewish question must be raised at the appropriate level," one of the intruders shouted through a bullhorn, inviting the stunned audience of Moscow's more liberal writers to come forward and be punched by some of his 30 colleagues. After the harangue and a scuffle, they made a leisurely exit from the capital's main writers' headquarters with little interference from the police.

Other events listed by fearful Jews include openly anti-Semitic agitation reported in centers like Leningrad and in various local election campaigns, and the rapidly rising tide of ethnic chauvinism that has the Government of President Mikhail S. Gorbachev in crisis.

Most particularly Jews have noted the recent experience of the violence in Azerbaijan, where the central Government waited a week before storming Baku to rescue Armenians who were victims of a pogrom. Jews say they were not targets of violence but the 20,000 Jews living in Baku now want to leave because of their fears of the majority's strident separatism.

ATTEMPTS TO EMIGRATE

It is not known how many people in the Soviet Union consider themselves Jews, since some traditionally sought to conceal the fact to avoid the penalties of bias. Official estimates now are fewer than 1.5 million, although consular officials have been reporting lately that more Soviet citizens have come forward intent on proving their Jewish ancestry in an attempt to emigrate.

With Government tolerance of Jews growing along with freedom of expression and movement, increasing numbers are using the freedom to opt out of this economically depressed nation, with a record outflow of scores of thousands heading this year to Israel.

Regular fears of anti-Semitic oppression, bolstered by the experience of actual pogroms, have been a fact of life for Russian Jews for centuries. In the Gorbachev era of freer speech for the common citizen, formal anti-Semitic crackdowns have not been seen, although Jews say the nation's institutional bias at universities and other establishment centers is as ingrained as ever.

LOCAL HATE GROUPS

What is new in the latest cycle of fear is that it has come to be fed more by local hate groups as political initiative has become decentralized and once-suppressed ethnic prides and enmities revive.

With local election campaigns now under way in many places in the nation's latest step toward democratization, anti-Semitism can be witnessed as an electioneering ingredient of some campaigns. For example, the other night in a debate of Moscow candidates for the Russian Republic Parliament, the hall resonated with enthusiasm for Russian nationalists and their sense of grievance at the hands of minority groups. One candidate, Viktor I. Anpilov, drew laughter and applause with his response to a voter's statement about fears about the growth of anti-Semitic agitation in the name of Russian nationalism. The candidate responded by merely noting the voter's name.

"Liberman," said the candidate, looking out at the crowd while denying being anti-Semitic himself.

Such incidents feed the surge of pogrom rumors, which, as in the past, bristle with very specific predictions among the nation's Jews.

For example, the date of May 5 as the beginning of the feared pogrom is widely quoted not only in the anxious gossip flooding Jewish circles but, lately, in a few news accounts and Government warnings against pogroms, warning that some Jewish leaders are suspected of being anti-Semitic signals.

"Why is a warning issued in Odessa, where there are so few Jews, and not in Moscow, where the Jews are?" asked Mikhail Chlenov, co-chairman of Vaad, a national umbrella organization of Jewish cul-

tural and social groups. He said the first serious mention of the anti-Semitism problem in Moscow, where there are 200,000 Jews, occurred today in the capital newspaper *Moskovskaya Pravda*. It published a long essay entitled "On the Difficult 'Jewish Question,'" a headline that Mr. Chlenov considered provocative.

The long article was by Valery Rabinovich, a Jewish scholar who said the history of the nation's anti-Semitism was rooted in "disgusting" notions tailored for "native" citizens.

The essay was a response to a Muscovite who wrote: "My granddaughter is crying. Women are afraid to go out shopping. Filthy rumors are spreading about Jewish pogroms. Why are the papers silent? Why is there no word from Moscow authorities?"

OPPOSITION CRITICIZED

Opposition minority members of the national congress have criticized the police as passive and even sympathetic in the face of repeated violations of the law banning the fomenting of ethnic hatred. Last autumn, *Pamyat*, the Russian chauvinist group whose adherents often espouse anti-Semitism, managed to hold one of the rare public rallies allowed in Red Square, broadcasting its militant complaints while the police stood by.

"We have experienced these fears before, but the panic this time is far stronger," Mr. Chlenov said. "and the panic itself is dangerous because it can help bring on pogroms," he added, saying Kremlin leaders should openly discuss the problem before violent incidents occur.

He said the current widening exodus of Soviet Jews to Israel was not a factor in the situation. "Anti-Semitism is a reaction not to Jews, but to the inner crisis of Russian society," he declared.

The wave of fear thus far is rooted more in the reports of increasingly brazen behavior of anti-Semites rather than in any specific incidents of bodily harm. The raid on the writers' union was tape-recorded and has made for chilling retelling among Jews. A man who identified himself as Smirnov shouted: "Comrade Jews leave the hall! We're the masters of the country! The program will come in a few months!"

One Jewish resident, Polina K. Epshteyn, said the level of fear was considerable, with her neighbors telling tales of new *Pamyat* members having to supply names and addresses of at least four Jews to their leaders. "We are preparing for a night of the long knives," she said.

In Leningrad, members of *Pamyat* and other nationalist groups have been reported openly picketing a subway station, shouting anti-Semitic slogans and threatening to harm Jews. Some Jewish residents contend the activities are quietly sanctioned by local Communist leaders they say are interested in exploiting anti-Semitism and the nationalist issue as a way to shore up the local party's eroding popular support.

Roman E. Kreikhin, a Jewish resident here who is trying to help friends and relatives arriving from Baku, said that so many Jews are in transit in the nation and carrying their major possessions with them that the fear of thievery has grown. "Moscow is terrible and getting worse as more Jews head here," he said. "They are easy victims and racketeers watch the Israeli Consulate and try to steal their visas and demand ransom."

One Jewish area in a cooperative apartment house near Moscow's Leningrad market was reported to have been so fearful

from pogrom rumors that they have requested and been receiving extra police patrols.

Jewish leaders have been debating whether to attempt to present a complaint to Secretary of State James A. Baker 3d when he visits here next week and urge him to prod Soviet leaders to speak out on the problem.

SENATE RESOLUTION 241—AMENDING SENATE RESOLUTION 171 OF THE 101ST CONGRESS

Mr. FOWLER (for Mr. MITCHELL, for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 241

Resolved, That section 3 of Senate Resolution 171 of the 101st Congress (agreed to on August 4, 1989) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of the Senate is authorized to advance such sums as may be necessary to defray the expenses incurred in carrying out the provisions of this resolution."

SENATE RESOLUTION 242—AUTHORIZING THE PRINTING OF A REVISED EDITION OF THE STANDING RULES OF THE SENATE AS A SENATE DOCUMENT

Mr. FOWLER (for Mr. FORD, for himself and Mr. STEVENS) submitted the following resolution; which was considered and agreed to:

S. RES. 242

Resolved, That the Committee on Rules and Administration hereby is directed to prepare a revised edition of the Standing Rules of the Senate, and that such standing rules shall be printed as a Senate document.

Sec. 2. There shall be printed two thousand five hundred additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

AMENDMENTS SUBMITTED

NATIONAL GLOBAL CHANGE RESEARCH ACT

HOLLINGS (AND BAUCUS) AMENDMENT NO. 1232

Mr. HOLLINGS (for himself and Mr. BAUCUS) proposed an amendment to the bill (S. 169) to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "National Global Change Research Act of 1990".

SCIENCE AND TECHNOLOGY POLICY

SEC. 2. Section 102(a)(6) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6602(a)(6)) is amended to read as follows:

"(6) The development and implementation of long-range interagency research plans to support policy decisions regarding identified national and international concerns, and for which a sustained and coordinated commitment to improving scientific understanding will be required."

FEDERAL COORDINATING COUNCIL FOR SCIENCE, ENGINEERING, AND TECHNOLOGY

SEC. 3. (a) Section 401 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651) is amended to read as follows:

FUNCTIONS OF COUNCIL

"SEC. 401. (a) The Federal Coordinating Council for Science, Engineering, and Technology (hereinafter referred to as the 'Council') shall consider problems and development in the fields of science, engineering, and technology and related activities affecting more than one Federal agency, and shall recommend policies and other measures designed to—

"(1) provide more effective planning and administration of Federal scientific, engineering, and technological programs;

"(2) identify research needs, including areas requiring additional emphasis;

"(3) achieve more effective utilization of the scientific, engineering, and technological resources and facilities of Federal agencies, including the elimination of unwarranted duplication; and

"(4) further international cooperation in science, engineering, and technology.

"(b) The Council may be assigned responsibility for developing long-range and coordinated plans for scientific and technical research which involve the participation of more than two Federal agencies. Such plans shall—

"(1) identify research approaches and priorities which most effectively advance scientific understanding and provide a basis for policy decisions;

"(2) provide for effective cooperation and coordination of research among Federal agencies; and

"(3) encourage domestic and, as appropriate, international cooperation among government, industry, and university scientists.

"(c) The Council shall perform such other related advisory duties as shall be assigned by the President or by the Chairman of the Council.

"(d) For the purpose of carrying out the provisions of this section, each Federal agency represented on the Council shall furnish necessary assistance to the Council. Such assistance may include—

"(1) detailing employees to the Council to perform such functions, consistent with the purposes of this section, as the Chairman of the Council may assign to them; and

"(2) undertaking, upon request of the Chairman, such special studies for the Council as come within the scope of authority of the Council.

"(e) For the purpose of developing interagency plans, conducting studies, and making reports as directed by the Chairman, standing committees and working groups of the Council may be established."

(b) Section 207(a)(1) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6616(a)(1)) is amended by striking "established under Title IV".

NATIONAL GLOBAL CHANGE RESEARCH PLAN

SEC. 4. The National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 et seq.) is amended by adding at the end the following new title:

"FINDINGS AND PURPOSE

"SEC. 601. (a) Congress finds and declares the following:

"(1) Industrial, agricultural, and other human activities, coupled with an expanding world population, are contributing to processes of global change that may significantly alter our habitat within a few human generations.

"(2) Such human-induced changes are destroying stratospheric ozone and may lead to significant global warming, and thus have the potential to alter world climate patterns and increase global sea levels, and have reduced and will continue to reduce the ability of the atmosphere to screen out harmful ultraviolet radiation. Over the next century, the consequences could seriously and adversely affect world agricultural and marine production, coastal habitability, regional economic well-being, human health, and biological diversity;

"(3) Development of effective policies to mitigate and cope with human-induced global changes will rely on greatly improved scientific understanding of global environmental processes and on our ability to distinguish between the effects of human activities on one hand and the results of natural change on the other.

"(4) New developments in interdisciplinary Earth sciences, global observing systems, and computing technology make possible significant advances in the scientific understanding and prediction of these global changes and their effects.

"(5) Efforts are ongoing in several Federal agencies which could contribute to a well-defined and coordinated national program of research, monitoring, assessment, information management, and prediction.

"(6) The United States, as a world leader in Earth system science, should continue to provide leadership in developing and implementing an international global change research program.

"(b) It is the purpose of Congress in this title to provide for a national global change research plan which when implemented will assist the Nation and the world to understand, assess, predict, and respond to human-induced and natural processes of global change.

"COMMITTEE ON EARTH SCIENCES

"SEC. 602. (a) The President shall establish a Committee on Earth Sciences (hereafter in this title referred to as the 'Committee') within the Council. The Committee shall consist of one representative each from—

"(11) the Office of Management and Budget;

"(12) the Office of Science and Technology Policy;

"(13) the Council on Environmental Quality; and

"(14) such other agencies of the United States as the President considers appropriate.

Such representatives shall be high ranking officials of their agency or department, wherever possible the head of the portion of that agency or department that is most relevant to the purpose of the Committee described in subsection (c).

"(b) The Committee biennially shall select as Chairman a member representing one of the following agencies or departments:

"(1) the National Aeronautics and Space Administration;

"(2) the National Oceanic and Atmospheric Administration;

"(3) the National Science Foundation;

"(4) the United States Geological Survey; and

"(5) the Environmental Protection Agency.

Representatives of the same agency or department may not serve as Chairman of the Committee for consecutive terms.

"(c) The purpose of the Committee is to increase the overall effectiveness and productivity of Federal research and assessment efforts directed toward an understanding of the Earth as a global system. In fulfilling this purpose, the Committee shall address significant national policy matters which affect more than one agency. A primary function of the Committee shall be to develop and implement the National Global Change Research Plan established under section 603.

NATIONAL GLOBAL CHANGE RESEARCH PLAN

"SEC. 603. (a)(1) The President, through the Committee, shall develop a National Global Change Research Plan (hereafter in this title referred to as the 'Plan') in accordance with section 401(b) of this Act and the provisions, findings, and purpose of this title. Consistent with the responsibilities set forth under subsection (d) of this section, the Plan shall contain recommendations for national research, to be submitted to Congress within one year after the date of enactment of this title and to be revised at least once every three years thereafter.

"(2) The Plan shall—

"(A) establish the goals and priorities for Federal global change research for the 10-year period beginning in the year the Plan (or revised Plan) is submitted;

"(B) set forth the role of each Federal agency and department in implementing the Plan;

"(C) describe specific activities, including research activities, data collection and analysis requirements, predictive modeling, participation in international research efforts, and information management, required to achieve such goals and priorities; and

"(D) consider and utilize, as appropriate, reports and studies conducted by Federal agencies and departments, the National Research Council, or other entities.

"(3) The Plan shall address, where appropriate, the relevant programs and activities of the following Federal agencies and departments:

"(A) the Department of Commerce, particularly the National Oceanic and Atmospheric Administration;

"(B) the National Science Foundation;

"(C) the National Aeronautics and Space Administration;

"(D) the Department of the Interior;

"(E) the Department of Energy;

"(F) the Department of Agriculture;

"(G) the Environmental Protection Agency;

"(H) the Department of Defense, particularly the Department of the Navy;

"(I) the Department of Transportation;

"(J) the Department of State; and

"(K) such other research agencies and departments as the President, or the Chairman of the Council, considers appropriate.

"(b) The Committee shall—

"(1) serve as lead entity responsible for oversight of the implementation of the Plan;

"(2) coordinate the global change research activities of Federal agencies and departments and report at least annually to the President, through the Chairman of the Committee, on any recommended changes in agency or departmental roles that are needed to better implement the Plan;

"(3) prior to the President's submission to Congress of the annual budget estimate, review each agency budget estimate in the context of the Plan and make the results of that review available to each agency and to the appropriate elements of the Executive Office of the President, particularly the Office of Management and Budget;

"(4) work with Federal agencies, with the National Research Council, and with academic, State, and other groups conducting research and assessment of global changes and their effects;

"(5) cooperate with the Department of State in the coordination of Federal interagency participation in international activities related to global change research and assessment; and

"(6) consult with actual and potential users of such research and assessments.

"(c) The Plan shall provide for, but not be limited to, the following research elements:

"(1) Global measurements, establishing worldwide observations necessary to understand the physical, chemical, and biological processes responsible for changes in the Earth system on all spatial and time scales.

"(2) Documentation of global change, including the development of mechanisms for recording changes that will actually occur in the Earth system over the coming decades.

"(3) Studies of earlier changes in the Earth system, using evidence from the geological and fossil record.

"(4) Predictions, using quantitative models of the Earth system to identify and simulate global trends.

"(5) Development of an information base, assembling the information essential for effective decision-making to respond to the consequences of global change.

"(6) Focused research initiatives directed toward resolving scientific uncertainties regarding specific aspects of the Earth system.

"(d)(1) The Plan shall take into consideration, but not be limited to, the following existing agency missions and responsibilities:

"(A) The National Science Foundation shall be responsible for maintaining the health of basic research in all areas of Earth, atmospheric, and ocean science, including the relevant biological and social sciences and research in the polar regions. Such basic research may include ground-based studies on regional and global scales; large-scale field programs; interpretation and use of remotely sensed data and geographic information systems; theoretical and laboratory research; research facilities

support; and development of numerical models information and communication systems, and data bases.

"(B) The National Aeronautics and Space Administration shall be responsible for Earth-science research missions from space, including those studies of broad scientific scope that study the planet as an integrated whole. Associated efforts may include related studies of physical, chemical, and biological processes; sub-orbital and ground-based studies; remote-sensing and advanced instrument development; improvement of techniques for the transmission, processing, archiving, retrieval, and use of data; related scientific models; and other research activities in atmospheric, oceanographic, and land science.

"(C) The National Oceanic and Atmospheric Administration shall maintain a balanced program of observations, analysis and research, climate prediction, and information management. Responsibilities shall include operational in-situ and satellite observation and monitoring systems; related research on physical and biogeochemical processes in the climate system, including their effect on marine ecosystems and resources; development, testing, and application of models and diagnostic techniques for the detection and prediction of natural and human-induced climatic changes; and the acquisition, maintenance, and distribution of long-term data bases and related climate information.

"(D) The Department of the Interior shall be responsible for the collection, maintenance, analysis, and interpretation of information on terrestrial, aquatic, biological, and other natural resources, including monitoring of hydrologic and geologic processes and resources, of land-use, of land-cover, and of biological habitats, resources, and diversity. Research areas may include past changes recorded in the physical, chemical and biological record; the hydrologic cycle; land-surface and solid-Earth processes that relate to environmental change; geography and cartography; ecosystem modeling and dynamics; and ethnology. Research findings shall be used in assessing and responding to the effects of global change on aquatic, terrestrial, biological, and other natural resources.

"(E) The Environmental Protection Agency shall be responsible for conducting research to assess, evaluate, and predict the ecological, environmental, and human-health consequences of global change, including the interaction of plant and animal communities and ecosystems with the climate system. Additional areas of responsibility shall include assessment, research, and development of techniques to mitigate and adapt to climate change, development of emission factors, inventories and models for radiatively important trace gases, and evaluation of the relationship between global atmospheric change and regional air and water quality.

"(F) The Department of Energy shall be responsible for research on emissions of carbon dioxide and other gases from energy production and use, including the study of climatic responses to those emissions and the development of an information base for evaluating the effects of various energy and industrial policy options on climate. Associated efforts models; evaluation of global and regional climate responses to various energy policy options; research on industrial sources of trace gases; and studies to assess how responses to climate change affect energy options.

"(G) The Department of Agriculture shall be responsible for research to assess the effects of global change on the agricultural food and fiber production systems and on forests and forest ecosystems, including research on biological response mechanisms to increasing greenhouse gases, improvement of plant and animal germplasm to respond to global change, and development and implementation of plans for changing agricultural and forestry practices to ameliorate the observed increases of greenhouse gases. An additional responsibility shall include research on applications of agricultural climatology to improve management decisions and conservation of resources while maintaining quality and quantity of crop yields.

"(H) The Department of Defense shall be responsible for research into environmental processes and conditions that affect defense operations, tactics, and systems. Additional responsibilities shall include facilitating exchange of relevant information with civilian agencies, participation in planning of national research efforts, and cooperative development of data management systems to ensure effective coordination and transfer of information among military and civilian agency programs.

"(I) The Department of Transportation shall be responsible for evaluating the effects of transportation policy options on the global environment, particularly the use of fuels in transportation systems that result in the emission of combustion gases, including aircraft emission into the stratosphere. An additional responsibility shall be the assessment of the ways in which climate changes affect the efficiency and safety of transportation on land, sea, and rivers, and in the air.

"(2) The Plan shall reflect the need for collaboration among agencies with respect to—

"(A) the establishment and development of an information system for Earth system science; and

"(B) research into the development of new conceptual and numerical models of the Earth system.

"(e) The Secretary of State shall consult with the Chairman of the Committee in—

"(1) providing representation at international governmental meetings and conferences on global change research and assessment in which the United States participates; and

"(2) coordinating the Federal activities of the United States with the global change research and assessment programs of other nations and international agencies and organizations, including the World Meteorological Organization and the United Nations Environmental Program.

"(f) Each Federal agency and department involved in global change research shall, as part of its annual request for appropriations to the Office of Management and Budget, submit a report identifying each element of its proposed global change activities, which—

"(1) specifies whether each such element (A) contributes primarily to the implementation of the Plan or (B) contributes primarily to the achievement of other objectives but aids Plan implementation in important ways; and

"(2) states the portion of its request for appropriations that is allocated to each such element.

The Office of Management and Budget shall review each such report in light of the goals, priorities, and agency responsibilities set forth in the Plan, and shall include, in

the President's annual budget estimate, a statement of the portion of each agency or department's annual budget estimate that is allocated to each element of such agency or department's global change activities. Annual budget estimates shall be submitted to Congress that reflect the activities outlined in the Plan. The Office of Management and Budget shall ensure that a copy of the President's annual budget estimate is transmitted to the Committee at the same time as such budget estimate is submitted to Congress.

“RELATION TO OTHER AUTHORITIES

“SEC. 604. (a) The President, the Chairman of the Committee, and the Secretary of Commerce shall ensure that relevant research activities of the National Climate Program, established by the National Climate Program, established by the National Climate Program Act (15 U.S.C. 2901 et seq.), are considered in developing national global change research efforts.

“(b) The President, the Chairman of the Committee, and the heads of the agencies represented on the Committee, shall ensure that the research findings of the Committee, and of Federal agencies and departments are available to—

“(1) the Environmental Protection Agency for use in the formulation of a coordinated national policy on global climate change pursuant to section 1103 of the Global Climate Protection Act of 1987 (15 U.S.C. 2901, note); and

“(2) all Federal agencies and departments for use in the formulation of coordinated national policies for responding to human-induced and natural processes of global change pursuant to other statutory responsibilities and obligations.

“(c) Nothing in this title shall be construed, interpreted, or applied to preclude or delay the planning or implementation of any Federal action designed, in whole or in part, to address the threats of stratospheric ozone depletion or global climate change.

“ANNUAL REPORT

“SEC. 605. The Chairman of the Committee shall prepare and submit to the President and Congress, not later than January 31 of each year, an annual report on the activities conducted pursuant to this title during the preceding fiscal year, including—

“(1) a summary of the achievements of Federal global change research efforts during that preceding fiscal year;

“(2) an analysis of the progress made toward achieving the goals and objectives of the Plan;

“(3) a copy or summary of the Plan and any changes made in such Plan;

“(4) a summary of agency budgets for global change activities for that preceding fiscal year; and

“(5) any recommendations regarding additional action or legislation which may be required to assist in achieving the purposes of this title.”

EXCELLENCE IN EDUCATION ACT

BRADLEY (AND OTHERS) AMENDMENT NO. 1233

Mr. BRADLEY (for himself, Mr. KENNEDY, Mr. COCHRAN, and Mr. HELMS) proposed an amendment to the bill (S. 695) to promote excellence

in American education by recognizing and rewarding schools, teachers, and students for their outstanding achievements, enhancing parental choice, encouraging the study of science, mathematics, and engineering, and for other purposes, as follows:

On page 133, after line 24, insert the following:

**TITLE XIII—STUDENT ATHLETE
RIGHT-TO-KNOW**

SEC. 1301. SHORT TITLE.

This title may be cited as the "Student Athlete Right-to-Know Act".

SEC. 1302. FINDINGS.

The Congress finds that—

(1) education is fundamental to the development of individual citizens and the progress of the Nation as a whole;

(2) there is increasing concern among citizens, educators, and public officials regarding the academic performance of student-athletes at institutions of higher education;

(3) an overwhelming majority of college presidents (86 percent) in a survey by the U.S. News and World Report believe that the pressure for success and financial rewards in intercollegiate athletics interferes with the educational mission of the United States' colleges and universities;

(4) more than 10,000 athletic scholarships are provided annually by institutions of higher education;

(5) prospective student athletes and their families should be aware of the educational commitments prospective colleges make to athletes; and

(6) knowledge of the graduation rates of student-athletes would assist prospective students and their families in making an informed judgment about the educational benefits available at a given institution of higher education.

SEC. 1303. REPORTING REQUIREMENTS FOR INSTITUTIONS OF HIGHER EDUCATION.

(a) **REPORTS TO THE SECRETARY.**—Each institution of higher education which receives Federal financial assistance and is attended by students receiving athletic scholarships shall annually submit a report to the Secretary which contains—

(1) the number of students at the institution of higher education who received athletically related student aid for football, basketball, and all other sports, broken down by race and sex;

(2) the number of students at the institution of higher education, broken down by race and sex;

(3) the graduation rate for students at the institution of higher education who received athletic scholarships for football, basketball, and all other sports, broken down by race and sex;

(4) the graduation rate for first-time, full-time students, broken down by race and sex;

(5) the average graduation rate for the 4 most recent graduating classes of students at the institution of higher education who received athletically related student aid for football, basketball, and all other sports, broken down by race and sex;

(6) the average graduation rate for the 4 most recent graduating classes of all students, broken down by race and sex; and

(7) the average graduation rate for the 10 most recent graduating classes of students at the institution of higher education who received athletically related student aid for football, basketball, and all other sports, broken down by race and sex.

(b) **STUDENT NOTIFICATION.**—When an institution described in subsection (a) offers a

potential student-athlete athletically related student aid, such institution shall provide to the student and his parents, his guidance counselor, and coach the information contained in the report submitted by such institution pursuant to subsection (a).

(c) **SPECIAL CIRCUMSTANCES.**—If an institution of higher education described in subsection (a) finds that the information collected pursuant to subsection (a), because of extenuating circumstances, does not provide an accurate representation of the school's graduation rate, the school may provide additional information to the student and the Secretary.

(d) **COMPARABLE INFORMATION.**—Each institution of higher education described in subsection (a) may provide supplemental information to students and the Secretary showing the graduation rate when such graduation rate does not include students transferring into, and out of, such institution. The Secretary shall ensure that the data presented to the student and the data submitted to the Secretary are comparable.

SEC. 1304. REPORT BY SECRETARY.

(a) **IN GENERAL.**—The Secretary shall, using the data required under section 3, shall compile and publish a report containing the information required under section 3, broken down by—

(1) individual institutions of higher education, and

(2) athletic conferences recognized by the National Collegiate Athletic Association and the National Association of Intercollegiate Athletics.

(b) **REPORT AVAILABILITY.**—The Secretary shall make available copies of the report required under subsection (a) to any individual or secondary school requesting a copy of such report.

SEC. 1305. INFORMATION.

The Secretary may, at his discretion, obtain the information required by section 3 from a private, not-for-profit organization when, in the Secretary's opinion, such collection will reduce the paperwork burden imposed on higher education institutions.

SEC. 1306. WAIVER.

The Secretary shall waive the requirements of this Act for any institution of higher education which is a member of an athletic association or athletic conference that voluntarily publishes graduation rate data or has already agreed to publish the data that, in the opinion of the Secretary, is substantially comparable to the information required under this Act.

SEC. 1307. DEFINITIONS.

For the purpose of this title—

(1) The term "athletically related student aid" means any scholarship, grant, or other form of financial assistance whose terms require the recipient to participate in an institution of higher education's program of intercollegiate athletics in order to be eligible to receive such assistance.

(2) The term "institution of higher education" has the same meaning given such term by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

SEC. 1308. EFFECTIVE DATE.

The amendment made by this title shall take effect on October 1, 1991.

HELMS AMENDMENT NO. 1234

Mr. HELMS proposed an amendment to amendment No. 1233 proposed by Mr. BRADLEY (and others) to the bill S. 695, *supra*, as follows:

On page 59, line 17, strike out "\$15,000,000" and insert in lieu thereof "\$25,000,000."

On page 117, strike out line 19 and everything that follows through line 15 on page 129 and insert in lieu thereof the following:

"TITLE X—MINIMUM COMPETENCY STANDARDS FOR TEACHERS"

"SEC. 1001. MINIMUM COMPETENCY FOR TEACHERS.—Title IV of the elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof a new part J to read as follows:

"'PART J—MINIMUM COMPETENCY FOR TEACHERS PROGRAM"

"SEC. 4911. FINDINGS.—The Congress finds that—

(1) effective public elementary and secondary schools require competent teachers; and

(2) States should be encouraged and assisted to develop and implement written standards of minimum competency that are applicable to teachers in public elementary and secondary schools.

"SEC. 4912. PURPOSE.—It is the purpose of this part to enhance the quality of teaching in public elementary and secondary schools by encouraging and assisting States and consortia of States to develop and implement written minimum competency standards for teachers in such schools. States may require teachers to demonstrate compliance with such standards before teaching in a public elementary or secondary school with the State.

"SEC. 4913. AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out his part, there are authorized to be appropriated \$15,000,000, for the period beginning October 1, 1990 to September 30, 1993 to carry out the purposes of this title.

"SEC. 4914. ALLOTMENTS.—(a) From the amount appropriated to carry out this part, the Secretary shall allot to each State whose application is approved an amount that is proportional to that State's share of the total population of children ages five through seventeen in all such States, based on the most recent data available that is satisfactory to the Secretary.

"(b) For the purpose of this part, the term 'State' means any of the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4915. STATE APPLICATIONS.—(a) Any State desiring to receive a grant under this part shall submit, through its State educational agency, an application at such time, such manner, and containing such information, as the Secretary may require.

(b) Each State application shall—

"(1) describe the activities to be undertaken to develop and implement new, or expand and improve existing, written minimum competency standards.

"(2) A State educational agency may carry out such programs, projects, or activities directly or through contracts or subgrants.

"(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

"(1) design, development, implementation, testing, and evaluation of written minimum competency standards;

"(2) establishment of administrative structures necessary to the development and implementation of such standards;

"(3) development and implementation of appropriate support programs, to assist

teachers to demonstrate compliance with such standards; and

“(4) the development and implementation of appropriate reciprocity agreements between and among States.”

“SEC. 1002. EXPIRATION DATE.—Effective October 1, 1994, the provisions of section 1001 of this Act are repealed.”

**BRADLEY (AND KENNEDY)
AMENDMENT NO. 1235**

Mr. PELL (for Mr. BRADLEY, for himself and Mr. KENNEDY) proposed an amendment to the bill S. 695, *supra*, as follows:

At the appropriate place insert the following:

SEC. . DEFINITION DEVELOPMENT.

(a) **IN GENERAL.**—The Secretary of Education, through the Commissioner of Education Statistics and in consultation with State governments and institutions of higher education, shall develop definitions of the term “graduation rate” and other student outcome measures as such terms apply to postsecondary education.

(b) **DEFINITION.**—For the purposes of this section the term “institution of higher education” has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965.

**HELMS (AND OTHERS)
AMENDMENT NO. 1236**

Mr. HELMS (for himself, Mrs. KASSEBAUM, Mr. THURMOND, Mr. WALLOP, Mr. LOTT, Mr. COATS, and Mr. HUMPHREY) proposed an amendment to the bill S. 695, *supra*, as follows:

On page 117, strike out line 19 and everything that follows through line 15 on page 129.

**McCONNELL AMENDMENT NO.
1237**

Mr. McCONNELL proposed an amendment to the bill S. 695, *supra*, as follows:

On page 64, between lines 2 and 3, insert the following:

**PART F—PRESIDENTIAL AWARDS FOR
EXCELLENCE IN EDUCATION PROGRAM**
SEC. 131. PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION PROGRAM.

(a) **TITLE HEADING AND TABLE OF CONTENTS.**—(1) The heading for title II of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

“CRITICAL SKILLS IMPROVEMENT AND PRESIDENTIAL AWARDS FOR EXCELLENCE IN EDUCATION”

(2) Section 1 of the Elementary and Secondary Education Act is amended by inserting after “SEC. 2203. Authorization of Appropriations.” the following:

**PART F—PRESIDENTIAL AWARDS FOR
EXCELLENCE IN EDUCATION PROGRAM**
“Sec. 2301. Findings and purpose.
“Sec. 2302. Allocation to States.
“Sec. 2303. State applications.
“Sec. 2304. Selection of awards recipients.
“Sec. 2305. Amount and use of awards.
“Sec. 2306. Awards ceremony.
“Sec. 2307. Authorization of appropriations.

(b) **AMENDMENT TO TEXT.**—Title II of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof the following new part:

**“PART F—PRESIDENTIAL AWARDS FOR
EXCELLENCE IN EDUCATION PROGRAM**

“SEC. 2301. FINDINGS AND PURPOSE.

“(a) **FINDINGS.**—The Congress finds that—

“(1) the success of America’s elementary and secondary schools depends most heavily upon the Nation’s educators;

“(2) when educators are highly motivated and committed to excellence, they succeed not only in imparting subject matter knowledge, but also in instilling in their students an appreciation of the value and importance of education;

“(3) elementary and secondary school systems should have in place standards of teacher excellence and fair and effective procedures for measuring teacher success; and

“(4) in return for their efforts, excellent elementary and secondary school educators deserve public recognition, respect, and appropriate financial awards.

“(b) **PURPOSE.**—It is the purpose of this subpart to reward educators in every State who meet the highest standards of excellence.

“SEC. 2302. ALLOCATION TO STATES.

“(a) **ALLOCATION FORMULA.**—From the funds appropriated under section 2307—

“(1) 50 percent shall be allocated among the States in an amount which bears the same ratio to such amount as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all such States, according to the most recent available data that are satisfactory to the Secretary; and

“(2) 50 percent shall be allocated among the States on the same basis as funds are allocated among such States under section 1005 of this Act for the same fiscal year.

“(b) **ADMINISTRATIVE EXPENSES.**—Each State may reserve up to 5 percent of its allocation under subsection (b) for administrative expenses, including the cost of convening the panel described in section 2304(c).

“(c) **STATE DEFINED.**—For purposes of this part, the term ‘State’ shall include the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(d) **INSULAR AREAS.**—The provisions of Public Law 93-134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds allocated under this part.

“(e) **DISTRIBUTION OF AWARDS.**—Other provisions of this title notwithstanding, each State shall make at least one Presidential Award for Excellence in Education in each congressional district.

“SEC. 2303. STATE APPLICATIONS.

“(a) **SUBMISSION OF STATE APPLICATIONS.**—The Secretary is authorized to make allocations to States in accordance with the provisions of this part. In order to receive an allocation under this part, the Governor of each State shall submit a one-time application to the Secretary. Such application shall be filed at such time in such manner, and shall contain such information, as the Secretary may reasonably require.

“(b) **DESCRIPTION OF STATE CRITERIA AND PROCEDURES.**—The application submitted pursuant to subsection (a) shall contain a description of the State’s criteria and procedures for selecting recipients of Presidential Awards for Excellence in Education. The State’s criteria and procedures shall be subject to the approval of the Secretary.

“(c) **ASSURANCES.**—The application submitted pursuant to subsection (a) shall contain assurances that—

“(1) Presidential Awards for Excellence in Education shall be made in accordance with the provisions of this part;

“(2) the State shall provide such fiscal control and fund accounting procedures as the Secretary shall require; and

“(3) the State shall apply the selection criteria uniformly to nominations for recipients of Presidential Awards for Excellence in Education that are received from public and private schools, educators, associations of educators, parents, associations of parents and educators, businesses, business groups, or student groups, as well as those received from educational agencies.

“SEC. 2304. SELECTION OF AWARD RECIPIENTS.

“(a) **ELIGIBLE RECEPIENTS.**—Any full-time public or private elementary or secondary school teacher of academic or vocational subjects or any full-time public or private elementary or secondary school principal or headmaster shall be eligible to receive an award under this subpart, except that teachers of religion (other than religion as an academic discipline) shall not be eligible.

“(b) **NOMINATIONS.**—(1) Local educational agencies, public and private schools, educators, parents, associations of educators, associations of parents and educators, businesses, business groups and student groups may nominate teachers for awards under this part.

“(2) The State educational agencies shall notify local educational agencies, public and private schools associations of educators, associations of parents and educators, business groups, and the general public of the deadlines and procedures for making nominations, and inform them of the selection criteria which will be used in selecting award recipients in a given year.

“(c) **SELECTION BY STATE PANEL.**—Selection of award recipients in each State shall be made from among the teachers nominated in accordance with subsection (b). Award recipients shall be selected by a panel which is chosen by the Governor in consultation with the chief State officer and is composed of members representing parents, school administrators, teachers, school board members, and the business community.

“(d) **SELECTION CRITERIA.**—The State panel shall select award recipients in accordance with the criteria approved by the Secretary in the State’s application. Such selection criteria may include an educator’s success in—

“(1) educating ‘at-risk’ students, such as educationally or economically disadvantaged, handicapped, limited English proficient, or homeless children to their fullest potential;

“(2) educating gifted and talented students to their fullest potential;

“(3) encouraging students to enroll, and succeed, in advanced classes in subjects such as mathematics, science, and foreign languages;

“(4) teaching in schools educating large numbers of ‘at-risk’ students, including schools in low-income inner-city or rural areas;

“(5) introducing a new curriculum area into a school or strengthening an established curriculum;

“(6) acting as a ‘master teacher’ by helping new teachers make the transition into a teaching career;

“(7) encouraging potential dropouts to remain in school or encouraging individuals who have dropped out to reenter and complete their schooling;

“(8) improving daily attendance;

“(9) leadership qualities; and

“(10) success in employing other innovative educational techniques.

SEC. 2305. AMOUNT AND USE OF AWARDS.

(a) AMOUNT OF AWARDS.—The amount of a Presidential Award for Excellence in Education shall be \$5,000.

(b) PRO RATA REDUCTION.—Should the amount allocated by the Secretary to a State not be sufficient to support one Presidential Award for Excellence in Education in each congressional district, the State is authorized to make pro rata reductions in the amount of other awards to enable the award of at least one Presidential Award for Excellence in Education in each congressional district.

(c) USE OF AWARDS.—An award to an individual recipient under this part shall be available for the recipient's use of any purpose, except that private school educators receiving a Presidential Award for Excellence in Education may only use such award for capital expenses at the school where such individual teaches as set forth in section 1017(d) of the Elementary and Secondary Education Act of 1965.

SEC. 2306. AWARDS CEREMONY.

The Secretary is authorized to accept gifts to pay for the costs of conducting awards ceremonies to recognize recipients of Presidential Awards for Excellence in Education.

SEC. 2307. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated \$7,600,000 for the fiscal year 1991 and each of the fiscal years 1992 and 1993 to carry out the provisions of this part.”

On page 45, between lines 12 and 13, insert the following:

(3) DISTRIBUTION OF AWARDS.—Each State educational agency shall make at least one Presidential School of Distinction Award in each congressional district.”

On page 47, strike line 21 through line 25, and insert the following:

(d) AMOUNT OF AWARD.—(1) Each State educational agency shall establish criteria, subject to subsection (c)(4), including criteria relating to the size of the school and the economic circumstances of the student body, for determining the amount of Presidential School of Distinction Awards.

(2) The amount of Presidential School of Distinction Awards shall be substantially equivalent among congressional districts.”.

JEFFORDS AMENDMENT NO. 1238

Mr. JEFFORDS proposed an amendment to the bill S. 695, *supra*, as follows:

At the appropriate place, insert the following new section:

SEC. . ADMINISTRATION OF THE COMMISSION.

Section 1321 of the Higher Education Act of 1965 (20 U.S.C. 1221-1) is amended by inserting after subsection (d) the following:

(e) ADMINISTRATION OF THE COMMISSION.—

(1) RATE OF PAY.—Members of the Commission who are not full-time officers or employees of the United States and who are not Members of Congress may, while serving on business of the Commission, be compensated at a rate not to exceed the rate specified at the time of such service for Grade GS-18 of the General Schedule as authorized by section 5332 of title 5, United States Code, for each day, or any part of a day, they are engaged in the actual performance of Commission duties, including travel time; and while so serving away from their homes or regular places of business, all members of the Commission may be allowed travel expenses, including per diem in

lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(2) TEMPORARY EXEMPTION.—Subject to such rules as may be adopted by the Commission, the Chairperson, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, shall have the power to—

“(A) appoint a Director or Executive Director who shall be paid at a rate not to exceed the rate of basic pay for GS-18 of the General Schedule; and

“(B) appoint and fix the compensation at a rate not to exceed the rate payable at the GS-18 rate of such other personnel as the Chairperson considers necessary.

(3) AUTHORITY TO CONTRACT.—Subject to the Federal Property and Administrative Services Act of 1949, as amended, the Commission is authorized to enter into contracts with Federal and State agencies, private firms, institutions, and individuals for the conduct of activities necessary to the discharge of its duties and responsibilities.

(4) SOURCE OF ADMINISTRATIVE SUPPORT.—Financial and administrative support services (including those related to budget and accounting, financial reporting, payroll and personnel) shall be provided to the Commission by the General Services Administration (or other appropriate organization) for which payment shall be made in advance, or by reimbursement, from funds of the Commission, in such amounts as may be agreed by the Chairperson of the Commission and the Administrator of General Services.

(5) AUTHORITY TO HIRE EXPERTS AND CONSULTANTS.—The Commission is authorized to procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS-18. Experts and consultants may be employed without compensation if they agree to do so in advance.

(6) AUTHORITY FOR DETAIL OF EMPLOYEES.—Upon request of the Commission, the head of any Federal agency is authorized to detail on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section.”;

and redesignating subsections (e) and (f) as (f) and (g) respectively.

KASSEBAUM (AND SIMPSON) AMENDMENT NO. 1239

Mrs. KASSEBAUM (for herself and Mr. SIMPSON) proposed an amendment to the bill S. 695, *supra* as follows:

On page 117, beginning on line 19, strike all through page 129, line 15, and insert the following:

TITLE X—VOLUNTARY TEACHER ASSESSMENT AND CERTIFICATION RESEARCH AND DEVELOPMENT PROGRAM**SEC. 1001. VOLUNTARY TEACHER ASSESSMENT AND CERTIFICATION RESEARCH AND DEVELOPMENT PROGRAM.**

Section 405 of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended—

(1) in subsection (d), by adding at the end thereof the following new paragraph to read as follows:

(7)(A)(i) From funds appropriated under subparagraph (F) of this paragraph, the Secretary shall support a National Center to conduct research and development activities related to the development of voluntary assessment and certification procedures for elementary and secondary school teachers.

(ii) In developing assessment and certification procedures, the National Center shall give priority to research and development activities in—

“(I) mathematics;

“(II) the sciences;

“(III) foreign languages; and

“(IV) literacy, including the ability to read, write, and analyze.

(iii) The National Center shall give priority to research and development activities for the certification of elementary and secondary school teachers and the need and ability of such teachers to teach special educational populations, including—

“(I) limited English proficient children;

“(II) gifted and talented children;

“(III) handicapped children; and

“(IV) economically and educationally disadvantaged children.

(B)(i) To support the National Center, the Secretary shall award a cooperative agreement to a public or private institution of higher education, or other agency, organization, or institution, that is selected by the Secretary on a competitive basis, utilizing the procedures and principles of peer review. The Secretary may, to the extent the Secretary deems appropriate, conduct the competition on the basis of existing regulations for research and development centers.

(ii) The Secretary shall require the National Center to pay at least 50 percent of the cost of its research and development activities under this paragraph from non-Federal sources.

(iii) The Secretary shall ensure that the National Center will not use Federal funds to meet administrative and operating expenses.

(C) The Secretary shall ensure that the research and development activities conducted by the National Center are planned and implemented in consultation with a broad spectrum of interested organizations and individuals, including but not limited to elementary and secondary school teachers, principals, school board members, business leaders, and university professors.

(D) Each public or private institution of higher education, or other agency, organization, or institution desiring a grant from, or wishing to enter into a cooperative agreement with, the Secretary shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(E) The National Center may make awards of Federal funds competitively on the basis of merit, and, in the award process, the National Center will select, to the extent practicable, and consistent with standards of excellence—

(i) a broad range of institutions associated with educational research and development; and

(ii) individuals who are broadly representative of the educational research and teaching communities with expertise in the specific area of research and development in question.

"(F) Notwithstanding section 504(e)(1), there are authorized to be appropriated for this paragraph \$6,000,000 for the period beginning October 1, 1991, and ending September 30, 1993.

"(G)(i) Notwithstanding any other provision of law, funds appropriated to carry out this Act shall remain available for obligation and expenditure until the end of the second fiscal year succeeding the fiscal year for which the funds were appropriated.

"(ii) No funds shall be made available to the National Center after September 30, 1993, except as authorized by clause (i) of this subparagraph.

"(H) Nothing in this paragraph shall be construed to—

"(i) establish a preferred national curriculum or preferred teaching methodology for elementary and secondary school instruction;

"(ii) infringe upon the rights and responsibilities of the States to license elementary and secondary school teachers; or

"(iii) provide an individual with a right of action against a State, local educational agency, or other public educational entity for any decisions related to hiring, promotion, retention, or dismissal."

(2) in subsection (e)(1), by striking "section," and inserting "section (excluding section 405(d)(7))"; and

(3) in subsection (f)(1), by striking "section," and inserting "section (excluding section 405(d)(7))".

HELMS AMENDMENT NO. 1240

Mr. HELMS proposed an amendment to amendment No. 1239 proposed by Mrs. KASSEBAUM to the bill S. 695, *supra*, as follows:

In lieu of matter proposed to be inserted, insert the following:

"TITLE X—MINIMUM COMPETENCY STANDARDS FOR TEACHERS"

"SEC. 1001. MINIMUM COMPETENCY FOR TEACHERS.—Title IV of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof a new part J to read as follows:

"PART J—MINIMUM COMPETENCY FOR TEACHERS PROGRAM"

"SEC. 4911. FINDINGS.—THE CONGRESS FINDS THAT—

"(1) effective public elementary and secondary schools require competent teachers; and

"(2) States should be encouraged and assisted to develop and implement written standards of minimum competency that are applicable to teachers in public elementary and secondary schools.

"SEC. 4912. PURPOSE.—It is the purpose of this part to enhance the quality of teaching in public elementary and secondary schools by encouraging and assisting States and consortia of States to develop and implement written minimum competency standards for teachers in such schools. States may require teachers to demonstrate compliance with such standards before teaching in a public elementary or secondary school with the State.

"SEC. 4913. AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000, for the period beginning October 1, 1990 to September 30, 1993 to carry out the purposes of this title.

"SEC. 4914. ALLOTMENTS.—(a) From the amount appropriated to carry out this part, the Secretary shall allot to each State

whose application is approved an amount that is proportional to that State's share of the total population of children ages five through seventeen in all such States, based on the most recent data available that is satisfactory to the Secretary.

"(b) For the purpose of this part, the term "State" means any of the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4915. STATE APPLICATIONS.—(a) Any State desiring to receive a grant under this part shall submit, through its State educational agency, an application at such time, such manner, and containing such information, as the Secretary may require.

"(b) Each State application shall—

"(1) describe the activities to be undertaken to develop and implement new, or expand and improve existing, written minimum competency standards.

"(2) A State educational agency may carry out such programs, projects, or activities directly or through contracts or subgrants.

"(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

"(1) design, development, implementation, testing, and evaluation of written minimum competency standards;

"(2) establishment of administrative structures necessary to the development and implementation of such standards;

"(3) development and implementation of appropriate support programs, to assist teachers to demonstrate compliance with such standards; and

"(4) the development and implementation of appropriate reciprocity agreements between and among States."

"SEC. 1002. EXPIRATION DATE.—Effective October 1, 1994, the provisions of section 1001 of this Act are repealed. The figure \$15,000,000 on page 59, line 17, is deemed to be \$25,000,000."

HELMS AMENDMENT NO. 1241

Mr. HELMS proposed an amendment to amendment No. 1239 proposed by Mrs. KASSEBAUM to the bill S. 695, *supra*, as follows:

In lieu of the matter to be inserted, insert the following:

"TITLE X—MINIMUM COMPETENCY STANDARDS FOR TEACHERS"

"SEC. 1001. MINIMUM COMPETENCY FOR TEACHERS.—Title IV of the Elementary and Secondary Education Act of 1965 is further amended by adding at the end thereof a new part J to read as follows:

"PART J—MINIMUM COMPETENCY FOR TEACHERS PROGRAM"

"SEC. 4911. FINDINGS.—The Congress finds that—

"(1) effective public elementary and secondary schools require competent teachers; and

"(2) States should be encouraged and assisted to develop and implement written standards of minimum competency that are applicable to teachers in public elementary and secondary schools.

"SEC. 4912. PURPOSE.—It is the purpose of this part to enhance the quality of teaching in public elementary schools and secondary schools by encouraging and assisting States and consortia of States to develop and implement written minimum competency standards for teachers in such schools. States may require teachers to demonstrate compliance with such standards before

teaching in a public elementary or secondary school with the State.

"SEC. 4913. AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000, for the period beginning October 1, 1990 to September 30, 1993 to carry out the purposes of this title.

"SEC. 4914. ALLOTMENTS.—(a) From the amount appropriated to carry out this part, the Secretary shall allot to each State whose appropriation is approved an amount that is proportional to that State's share of the total population of children ages five through seventeen in all such States, based on the most recent data available that is satisfactory to the Secretary.

"(b) For the purpose of this part, the term "State" means any of the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 4915. STATE APPLICATIONS.—(a) Any State desiring to receive a grant under this part shall submit, through its State educational agency, an application at such time, such manner, and containing such information, as the Secretary may require.

"(b) Each State application shall—

"(1) describe the activities to be undertaken to develop and implement new, or expand and improve existing, written minimum competency standards.

"(2) A State educational agency may carry out such programs, projects, or activities directly or through contracts or subgrants.

"(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

"(1) design, development, implementation, testing, and evaluation of written minimum competency standards;

"(2) establishment of administrative structures necessary to the development and implementation of such standards;

"(3) development and implementation of appropriate support programs, to assist teachers to demonstrate compliance with such standards; and

"(4) the development and implementation of appropriate reciprocity agreements between and among States."

"SEC. 1002. EXPIRATION DATE.—Effective October 1, 1994, the provisions of section 1001 of this Act are repealed. The figure \$15,000,000 on page 59, line 17, is deemed to be \$25,000,000."

COATS (AND OTHERS) AMENDMENT NO. 1242

Mr. COATS (for himself, Mr. THURMOND, and Mr. LOTT) proposed an amendment to the bill S. 695, *supra*, as follows:

At the appropriate place in the bill insert the following:

SEC. . DRUG TESTING.

Part B of the Drug-Free Schools and Communities Act of 1986 is amended by inserting at the end thereof the following new section:

"SEC. 5128. DRUG TESTING.

"(a) PROGRAM AUTHORIZED.—(1) The Secretary is authorized to make grants to States for use by the Governor of the State to fund a program of drug testing for student athletes in secondary schools in the State in accordance with the provisions of this section.

"(2) Grants awarded pursuant to paragraph (1) shall be awarded on the basis of

the number of secondary school students in the State.

“(b) LOCAL GRANTS.—(1) Each Governor of a State receiving funds pursuant to subsection (a) shall use such funds to make grants to eligible schools within the State to pay the costs of testing student athletes for drug use.

“(2) Funds awarded pursuant to paragraph (1) shall only be used to test secondary school athletes who—

“(A) voluntarily choose to participate in a random drug testing program; and

“(B) attend eligible schools.

“(c) STATE APPLICATION.—(1) The Governor of each State 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 shall reasonably require.

“(2) Applications submitted pursuant to paragraph (1) shall—

“(A) describe the drug testing program for which financial assistance is sought; and

“(B) contain assurances that the State will implement the drug testing program for which financial assistance is sought within 6 months of the date the funds become available to the State.

“(d) LOCAL APPLICATION.—Each eligible school desiring a grant pursuant to subsection (b) shall submit an application to the Governor of the State in which such eligible school is located at such time, in such manner, and accompanied by such information as the Governor shall require.

“(e) DEFINITIONS.—For the purposes of this section—

“(1) The term ‘Governor’ includes the chief executive officer of any State;

“(2) the term ‘eligible school’ means a secondary school that—

“(A) the Governor of the State in which the school is located has determined to be a school at risk of experiencing a serious drug problem;

“(B) has a drug and alcohol abuse problem as demonstrated by appropriate data;

“(3) the term ‘secondary school’ has the same meaning given such term in section 1471(21) of the Elementary and Secondary Education Act of 1965; and

“(4) the term ‘Secretary’ means the Secretary of Education.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$5,000,000 for fiscal years 1991, 1992, and 1993 to carry out the provisions of this section.”

ASSISTANCE AND TRADE BENEFITS FOR PANAMA

DECONCINI AMENDMENT NO. 1243

(Ordered to lie on the table.)

Mr. DECONCINI submitted an amendment intended to be proposed by him to the bill (S. 2073) to authorize certain United States assistance and trade benefits for Panama and certain assistance to support the transition to democracy in Eastern Europe, as follows:

At the appropriate place in the bill, insert the following new section:

(a) The Senate finds that—

(1) On June 22, 1989, in the presence of 18 African heads of state, the President of the MPLA, Jose Eduardo dos Santos, and the

President of UNITA, Dr. Jonas Savimbi, shook hands and agreed to negotiate a peaceful solution to the 14-year Angolan civil war;

(2) The Agreement, known as the “Gbadolite Declaration,” mediated by the President of Zaire, Mobutu Sese Seko, calls for a general cease fire and the establishment of a commission comprised of UNITA and the MPLA, under the mediation of Zaire, for the negotiation of peace and national reconciliation in Angola;

(3) The Catholic Bishops of Angola have publicly urged the MPLA to sign a ceasefire and begin direct negotiations with UNITA;

(4) The prospects for peace in Angola have deteriorated because the MPLA has repudiated its Gbadolite commitment to a direct dialog with UNITA, rejected a cease fire presented by the mediator, President Mobutu Sese Seko of Zaire, and has resumed a military offensive; and

(5) The United States has repeatedly urged the MPLA to agree to a cease fire and a negotiated settlement leading to free and fair elections in Angola;

(b) It is the sense of the Senate that—

(1) The United States denounces the military offensive in Angola and urges an immediate cease fire and withdrawal of MPLA forces;

(2) The United States Government is committed to assisting the people of Angola in achieving a peaceful settlement leading to free and fair elections;

(3) The United States Government should immediately request the Government of the Soviet Union to urge the MPLA in the strongest terms possible to cease its military offensive and enter into direct negotiations with UNITA; and

(4) The United States Government should continue to provide appropriate and effective assistance to UNITA and to assist in bringing about a negotiated settlement of the conflict in Angola.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a joint hearing with the Select Committee on Indian Affairs on February 20, 1990. The hearing will be in preparation for the 1990 farm bill: Indian issues. The hearing will take place at 9 a.m. in 332 of the Senate Russell Office Building. For further information please call Ed Barron of the committee 224-2035.

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will be holding the following field hearings in preparation for the 1990 farm bill:

February 9: Subcommittee on Conservation and Forestry. “Agricultural Practices and the 1990 Farm Bill.” Senator FOWLER will chair the hearing. The University Club, the University of California, Davis, 3 p.m. For further information please call Ben Yarbrough at 224-5207.

February 13: Subcommittee on Agricultural Credit. “FmHA Issues Relat-

ing to the Credit Title of the 1990 Farm Bill.” Senator CONRAD will chair the hearing. The Heritage Center Auditorium, Bismarck, ND, 9:30 a.m. For further information call Suzy Dittrich at 224-5207.

February 14: “The 1990 Farm Bill.” Senator BOREN will chair the hearing. The Hoover Building, at the Garfield County Fairgrounds, Enid, OK, 2 p.m. For further information call Dan Webber at 224-4721.

February 16: “The 1990 Farm Bill.” Senator BAUCUS will chair the hearing. The Heritage Inn, Gray Falls, MT, 10 a.m. For further information call Tamara McCann at 224-5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, February 6, at 6 p.m., SD-419, to hold a nomination hearing on two Presidential appointments.

Ms. Hilary Paterson Cleveland, of New Hampshire, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada.

Mr. David C. Fields, of California, to be Director of the Office of Foreign Missions, with the rank of Ambassador.

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

SUBCOMMITTEE ON DOMESTIC AND FOREIGN MARKETING AND PRODUCT PROMOTION

Mr. FOWLER. Mr. President, I ask unanimous consent that the Subcommittee on Domestic and Foreign Marketing and Product Promotion of the Senate Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Tuesday, February 6, 1990, at 2 p.m. to hold a hearing in preparation for the 1990 farm bill regarding export market and development programs.

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

SUBCOMMITTEE ON WATER AND POWER

Mr. FOWLER. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural resources be authorized to meet during the session of the Senate on Tuesday, February 6, 1990, 9:30 a.m. for an oversight hearing to receive testimony on S. 1554, the Truckee-Carson-Pyramid Lake Water Rights Settlement Act.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, Febru-

ary 6, at 9:20 a.m., for a hearing on S. 2006, the Department of the Environment Act of 1990.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on February 6, 1990, at 2 p.m. to hold a hearing on Edward J. Philbin to be a Commissioner of the Interstate Commerce Commission.

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

SUBCOMMITTEE ON FOREIGN COMMERCE AND TOURISM

Mr. FOWLER. Mr. President, I ask unanimous consent that the Subcommittee on Foreign Commerce and Tourism, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on February 6, 1990, at 10 a.m. to hold a hearing on chemical exports to Latin America.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, February 6, at 11 a.m. to hold a business meeting to consider and vote on legislation to allow certain United States assistance and trade benefits to Panama.

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

COMMITTEE ON THE JUDICIARY

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on February 6, 1990, at 10 a.m. to hold a nomination hearing for Clarence Thomas to be a judge on the U.S. Circuit Court of Appeals for the District of Columbia.

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

COMMITTEE ON ARMED SERVICES

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in open session on Tuesday, February 6, 1990, at 9:30 a.m. to receive testimony on the implications of changes in the Soviet Union and Eastern Europe for western security.

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

ADDITIONAL STATEMENTS

THE BEST CITY MANAGER

• **Mr. WIRTH.** Mr. President, I want to take this opportunity to congratu-

late Mike Rock, city manager of Loveland, CO. Mike recently was awarded the "City Manager of the Year" Award by the International City Managers Association [ICMA]. This award—technically the Mark E. Keane Award for Excellence—goes to an ICMA member who has worked consistently and successfully to foster representative democracy by improving the effectiveness of local elected officials and who has consistently initiated or been associated with innovative programs in local government.

At the time Mike took over city management in Loveland in 1987, the city was in turmoil. Community morale was at an all-time low, city services were inconsistent, and the city council was frozen by partisan squabbles. Today, community morale in Loveland is at an all-time high, city services are consistent, efficient and pleasant, and the city council runs smoother than ever.

How did Mike effect such a turnaround so quickly? He instilled in government officials and government workers a philosophy that government's first duty is to ensure "customer satisfaction" and the quality of public services. He instituted programs that encouraged cooperation rather than competition and mediation rather than confrontation. Mutual cooperation, linked with mutual goals, have resulted in mutual awards and benefits for the city as a whole. City officials, city workers and citizens all have a new confidence and pride in their city, thanks in large part, to the management of Mike Rock.

Some of the innovative techniques Mike used to reorient Loveland include outreach meetings between city council members and local citizens; expanded economic development programs; "customer satisfaction" training for city employees; and, videos explaining the operations of different city agencies.

More recently, Mike has instituted several new programs that promise to be just as successful as those already in place. Indeed, if Mike gets any more successful, I may suggest we bring him in to straighten out Federal Government, just as he has done for Loveland!●

HELENE MONBERG

• **Mr. ARMSTRONG.** Mr. President, Americans are a very generous people. In addition to making a living and raising families, many of us still find time to serve the public in a wide range of positions—from Cub Scout den mothers to Sunday school teachers to charity volunteers. I know this public spirit is what George Bush meant when he spoke of a thousand points of light.

I would like to talk for a few minutes about one of these thousand points of light. Her name is Helene Monberg.

This fiesty woman brings combative vivability to all that she does. For over 30 years, she has been a reporter on environmental issues that are of particular importance to the West. I also greatly admire her work with the Achievement Scholarship Program, a charity she started 17 years ago that gives scholarships to ex-convicts in the Washington, DC area.

Recently, Helene Monberg's Achievement Scholarship Program [ASP] was taken over by the ARCH Training Center of Washington, DC, to assure ASP's future.

Both ASP and ARCH are Washington-based, nonprofit organizations. ARCH provides on-the-job training and other services to disadvantaged youths in the Washington metro area. Previously independent, ASP has become, in effect, the college and trade school arm of ARCH under a new board of directors. ARCH President Duane Gautier, who directs the community development services program for the Potomac Electric Power Co. [Pepco], has succeeded Ms. Monberg as president.

While ASP was an independent organization from 1973 through 1989, it provided more than 340 scholarships. The success rate for ASP awardees has been consistently higher than for the general population, even though all ASP awardees are ex-offenders, mainly young black males. For the period from January 1986 through July 1989, ASP's completion rate was at 40.6 percent, twice that of the general population for post-high school completions. During ASP's nearly 17-year life span, the completion rate stood at 29.7 percent, also much higher than for the general population. The recidivism rate among ASP awardees has been low, less than 5 percent. Both the number and the size of ASP scholarships have increased over the years. In 1973, ASP awarded two \$500 scholarships. In 1988, 42 \$1,500 scholarships were handed out, and ASP's board voted in May 1989 to increase scholarship to \$1,600 per awardee.

ASP always has been privately funded. About \$400,000 was raised for ASP from 1973-89, all from citizens and corporations. No qualified applicant has ever been turned down for lack of funds.

Because of its extraordinary success, ASP has received nine awards and citations since 1978 for its no-nonsense approach to helping those in need who want to help themselves.

Political writer Neal Peirce, who has served on the ASP board of directors and is a long-time ASP contributor, recently said that under Ms. Monberg's guidance, "ASP befriended youths, overwhelmingly black, who'd gone so far astray as to get into prison. * * * She looked these young people in the

eye, told them they could make it, and could advance their educations. And they responded. The product is there to see today—in hundreds of saved, advanced successful lives. In the meantime she looked hundreds of us, her friends, in the eye. We had to help ASP help these young people with their educations, she said. Of course, we responded."

Donald H. Shannon, a Washington correspondent for the Los Angeles Times, also a long-time contributor to ASP, recently said, "ASP represents the best kind of help that can be given or received: it's helping people help themselves. Teaching a skill and following the student into the job comes as close to a fail-safe method as anybody has come up with yet to get a youth on his feet after a bad start."●

JOHN PHELAN'S RESIGNATION AS CHAIRMAN OF THE NEW YORK STOCK EXCHANGE

● Mr. D'AMATO. Mr. President, my good friend, John Phelan, has announced his resignation as chairman of the New York Stock Exchange, effective at the end of 1990. This can only be regarded as a sad event by Wall Street and the national and international financial community. At the same time, I wish John every success and happiness in what ever new direction he decides to pursue at the end of the year.

I have had the privilege of knowing John Phelan for many years. When I first came to the Senate 1981, I had the honor of serving as the chairman of the Securities Subcommittee of the Committee on Banking, Housing, and Urban Affairs. In that capacity, I had the opportunity to work with John closely and have continued that close relationship through the years.

John Phelan is probably best known to the American public for his strong leadership and calm demeanor during the disruptive events on the stock market in October 1987. His strength and steadfastness during that turbulent time had a calming effect on the markets and helped to maintain the confidence of the American public that events were not out of hand.

John Phelan's vision and his leadership, however, predate that event by many years. As vice chairman of the New York Stock Exchange during the late 1970's, he exerted a leadership role in enhancing computer technology at the exchange and in making possible the many advances in securities trading systems which occurred so rapidly during the past decade. He also advanced the role of the exchange as a strong self-regulator of the securities markets at a time when insider trading and other manipulation scandals were occurring. Under his leadership, the New York Stock Exchange took an active role in uncovering many of

these scandals, pursuing wrongdoers vigorously, and working with the SEC for effective enforcement of the securities laws.

John's association with the New York Stock Exchange began on its trading floor in 1955. He was named vice-chairman in 1975 and became President in 1980. He was elected chairman in May 1984. In addition to his leadership role in U.S. financial matters, he has played an important and influential role in the international business community and has been at the forefront of the globalization of the securities industry.

I know that my colleagues in the Senate will join me in thanking John Phelan for a job exceedingly well done in the 1980's and in wishing him every success in the 1990's.●

THE 42D ANNIVERSARY OF SRI LANKA'S INDEPENDENCE

● Mr. INOUYE. Mr. President, I rise today to recognize the 42d anniversary of Sri Lanka's independence on February 4, 1990. The United States has had ties with Sri Lanka dating back to the 19th century. However, it is in the postindependence period that these ties have been greatly enhanced. Our two countries share a common democratic tradition and the belief in the right of our citizens to choose their future. We applaud Sri Lanka's commitment to provide basic human needs to all its citizens, and commend its achievements of high literacy, low infant mortality, and raised level of longevity.

Since 1977, Sri Lanka has embarked on an ambitious program of liberalization intended to make its economy more market oriented. Free trade zones have been set up and incentives provided for foreign investment. We are pleased to note that there are many U.S. companies, banks and service industries currently operating out of Sri Lanka. Sri Lanka's drive for economic development which showed so much promise in the early 1980's was interrupted by the outbreak of ethnic violence in 1983. The newly elected President Premadasa has given priority to bringing the insurgent groups into the mainstream. Recently his efforts proved successful when the main Tamil militant group, which has been fighting the government for 17 years, agreed to enter the political arena as a recognized political party. I can only share the aspirations of all Sri Lankans that peace will return soon to this beautiful country.●

RETIREMENT OF JUDGE HARRY PERKINS, JR.

● Mr. HARKIN. Mr. President, on February 15, one of my State's great public servants, Judge Harry Perkins, Jr., will retire. He has served as dis-

trict court judge since appointment by then-Governor Hughes in 1965.

Iowans know Harry Perkins as a person of monumental integrity, wisdom, and fairness, a distinguished jurist we will miss on the bench.

In an era that has entrenched the phrase "role models" in our vocabulary, and that hungers for them, I submit that Judge Harry Perkins has indeed been one: hard-working, self-effacing, firm in his decisions, fair in applying justice.

Harry Perkins is a product of our State—born in Iowa, raised in Iowa, schooled in Iowa, committed throughout his life to the well-being of his State and of its citizens.

He was born in Des Moines on November 20, 1923, the fourth child of Harry and Mary Perkins. After graduation from East Des Moines High School, he volunteered in the U.S. Army and served in World War II from 1943 to 1946.

He attended Drake University on the GI bill and was granted a degree from its law school in 1950.

Judge Perkins was in private law practice for 5 years, then began his public service in the law, joining the staff of Polk County, IA attorney in 1955.

In 1960, Harry Perkins ran for and was elected Polk County attorney, a prosecutorial office, and remained that until his appointment as State district court judge, to which position he was sworn in February 15, 1965.

Now, a long and distinguished career of public service draws to an end. Harry Perkins deserves the thanks and good wishes of all his fellow Iowans for this conduct and the high standards he set and maintained as a jurist, and for the seriousness with which he took his role as citizen.

Certainly, this U.S. Senator from Iowa wishes him Godspeed and much happiness in retirement.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1990, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by \$3.5 billion in budget authority, and over the budget resolution by \$4.0 billion in outlays. Current level is under the revenue floor by \$5.2 billion.

The current estimate of the deficit for purposes of calculating the maxi-

imum deficit amount under section 311(a) of the Budget Act is \$114.6 billion, \$14.6 billion above the maximum deficit amount for 1990 of \$100.0 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, January 29, 1990.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S.
Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1990 and is current through November 22, 1989, the end of the first session of the 101st Congress. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 1990 concurrent resolution on the budget (H. Con. Res. 106). This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate score-keeping of section 5 of Senate Concurrent Resolution 32, the 1986 first concurrent resolution on the budget.

Since my last report, dated November 20, 1989, the President has signed into law the following appropriations bills: Rural Development-Agriculture (Public Law 101-161); Commerce-Justice-State (Public Law 101-162); Legislative Branch (Public Law 101-163); Transportation (Public Law 101-164); Defense (Public Law 101-165); Labor-HHS-Education (Public Law 101-166); Foreign Operations (Public Law 101-167); District of Columbia (Public Law 101-168); and the Social Services Block Grant Supplemental (Public Law 101-198). Other bills providing direct spending that have also been signed into law are: Support for East European Democracy (Public Law 101-179); National Defense Authorization Act (Public Law 101-189); Palau Compact of Free Association (Public Law 101-219); Technical Changes in Agricultural Programs (Public Law 101-220); Medicare Catastrophic Repeal (Public Law 101-234); Department of HUD Reform Act (Public Law 101-235); Veterans' Benefits Amendments (Public Law 101-237); and the Omnibus Budget Reconciliation Act of 1989 (Public Law 101-239) which includes the adjusted sequester amounts. These actions changed the current level estimates of budget authority, outlays, and revenues.

Sincerely,

ROBERT D. REISCHAUER.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE,
101ST CONG., 1ST SESS., AS OF NOV. 22, 1989

[In billions of dollars]

	Current level ¹	Budget resolution H. Con. Res. 106	Current level +/- resolution
Fiscal year 1990			
Budget authority	1,325.9	1,329.4	-3.5
Outlays	1,169.2	1,165.2	4.0
Revenues	1,060.3	1,065.5	-5.2
Debt subject to limit	2,938.3	3,122.7	-184.4
Direct loan obligations	19.1	19.3	-.2
Guaranteed loan commitments	114.7	107.3	7.4
Deficit	114.6	100.0	14.6

¹ The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 268. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions. In accordance with Sec. 102(a) of the Balanced

Budget and Emergency Deficit Control Reaffirmation Act (101 Stat. 762) the current level deficit amount compared to the maximum deficit amount does not include asset sales.

² In accordance with section 3(7)(E) of the Congressional Budget Act, as amended. Maximum deficit amount [MDA].

³ Current level plus or minus MDA.

PARLIAMENTARIAN STATUS REPORT 101ST CONGRESS, 1ST
SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990
AS OF CLOSE OF BUSINESS NOV. 22, 1989—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Foreign Operations Appropriations (Public Law 101-167)	14,082	3,977	.....
Offsetting receipts	-40	-40	.....
District of Columbia Appropriations (Public Law 101-168)	533	533	.....
Support for East European Democracy Act (Public Law 101-179)	12	12	.....
National Defense Authorization Act (Public Law 101-189)	-1	-27	.....
Social Services Block Grant Supplemental (Public Law 101-198)	100	100	.....
Palau Compact of Free Association Implementation Act (Public Law 101-219)	205	194	.....
Technical Changes in Agricultural Programs (Public Law 101-220)	10	-8	.....
Medicare Catastrophic Coverage Repeal Act (Public Law 101-234)	-5,718	-1,579	-5,849
Department of HUD Reform Act (Public Law 101-235)	.....	14	.....
Veterans' Benefits Amendments of 1989 (Public Law 101-237)	.....	-129	.....
Omnibus Budget Reconciliation Act of 1989 (Public Law 101-239)	-11,290	-9,817	5,478
Total enacted this session	583,299	375,894	566
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution:			
Salaries of judges	-2	5	.....
Payment to judicial officers' retirement fund	-4	-4	.....
Judicial survivors' annuities fund	-3	-3	.....
Fees and expenses of witnesses	-2	.....	.....
Justice assistance	-4	.....	.....
Fisherman's guaranty fund	1	1	.....
Administration of territories	-1	.....	.....
Firefighting adjustments	-624	-192	.....
Federal unemployment benefits (FUBA)	5	.....	.....
Advances to unemployment trust fund	(48)	(48)	.....
Special benefits	-24	.....	.....
Black Lung disability trust fund	52	32	.....
Vaccine improvement program trust fund	7	7	.....
Federal payment to railroad retirement	1	1	.....
Retirement pay and medical benefits	4	.....	.....
Supplemental security income	263	263	.....
Special benefits, disabled coal miners	21	.....	.....
Grants to States for Medicaid	-907	.....	.....
Payments to health care trust funds	(325)	(325)	.....
Family support payments to States	84	84	.....
Payment to States for AFDC work programs	15	15	.....
Payments to States for foster care	-83	.....	.....
Health professions student loan insurance fund	-25	-7	.....
Guaranteed student loans	-175	.....	.....
College housing and academic facilities loans	-3	-3	.....
Rehabilitation services	-79	.....	.....
Payments to widows and heirs	(2)	(2)	.....
Reimbursement to the rural electrification fund	111	111	.....
Dairy indemnity program	(2)	(2)	.....
Conservation reserve program	720	.....	.....
Special milk program	2	.....	.....
Food stamp program	-800	.....	.....
Child nutrition programs	-74	.....	.....
Federal crop insurance corporation fund	(2)	.....	.....

PARLIAMENTARIAN STATUS REPORT 101ST CONGRESS, 1ST
SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990
AS OF CLOSE OF BUSINESS NOV. 22, 1989—Continued

[In million of dollars]

	Budget authority	Outlays	Revenues
Agriculture credit insurance fund	342		
Rural housing insurance fund	(2)		
Rural communication development fund	(2)		
Payments to the farm credit system financial assistance corporation	-2		
Coast Guard retired pay	-17		
Payment to civil service retirement	(84)	(84)	
Government payments for annuities	-3	-2	
Readjustment benefits	-62		
Compensation	448	398	
Pensions	-62		
Burial benefits	-4		
Loan guaranty revolving fund	238	238	
Disaster relief	1,100	-883	
(Public Law 101-)			
VI. Adjustment for Economic and Technical Assumptions	-28,685	-26,763	-8,900
Total current level as of Nov. 22, 1989	1,325,905	1,169,160	1,060,266
1990 budget resolution H. Con. Res. 106	1,329,400	1,165,200	1,065,500
Amount remaining:			
Over budget resolution	3,960		
Under budget resolution	3,495		5,234

¹ Extension of certain veterans programs (Public Law 101-110) decreases the current law estimate for loan guaranty revolving fund shown in category V; the Child Nutrition and WIC Reauthorization Act (Public Law 101-147) increases current law for child nutrition programs and is included in the amounts shown in category II for Rural Development-Agricultural appropriations (Public Law 101-161).

² Less than \$500 thousand.

Notes—Numbers may not add due to rounding. Amounts shown in parenthesis are interfund transactions that do not add to totals.●

SENATOR KASTEN'S ABLE LEADERSHIP: LEGISLATIVE STUDIES INSTITUTE

● Mr. DOLE. Mr. President, I rise today to recognize the important contribution of our colleague, ROBERT KASTEN, on the education front. As founder and president of the Legislative Studies Institute, SENATOR KASTEN has taken an important and innovative stride toward educating the next generation of U.S. Senate staffers.

The Washington-based Legislative Studies Institute offers a 4½-month intensive course in the highly complicated business of Government. It fills a void on Capitol Hill by providing students the only source of education and instruction available on every aspect of congressional activity—from press releases to parliamentary procedure. The comprehensive curriculum gives students an excellent preparation for careers in the Senate and other work in public life. It is like no other institution, because it is taught by the very people who serve Government every day.

The Institute's first graduating class—featuring 12 distinguished young graduates—will hold its commencement exercises this month. This is only the beginning for the Legislative Studies Institute: BOB KASTEN is committed to making LSI an impor-

tant landmark on Washington intellectual landscape. Certainly all of us in this Chamber are concerned about maintaining the highest quality of Senate staff, and we applaud Senator KASTEN's dedication and leadership.●

LITHUANIAN INDEPENDENCE DAY

● Mr. SIMON. Mr. President, last August I introduced Senate Joint Resolution 208, designating February 16, 1990, as "Lithuanian Independence Day." I am pleased that its House companion, House Joint Resolution 149, was taken up and passed by the Senate on January 30. It now goes to the President for his signature, and I am confident he will sign this bill quickly.

The United States has never recognized the illegal Soviet annexation of Lithuania, Latvia, and Estonia. By honoring Lithuanian Independence Day, we will be sending a clear message to the people of Lithuania and to Lithuanian Americans that our commitment to a sovereign and free Lithuanian state remains strong.●

NET ASSESSMENT AND THE NEED TO PLAN FOR STRATEGIC CHANGE

● Mr. McCAIN. Mr. President, we live in a period where we are going to have to make massive changes in our strategy, the role and missions of our forces, our force structure, and the relative emphasis we place on military forces versus economic and technological competitiveness. For the last 2 years, I have pressed hard for improvements in our defense planning, programming, and budget process that would enable us to make such changes. It is now clear, however, that even if such changes were fully successful, we would still face the broad problem of integrating the resulting changes in defense into modifications in our foreign and economic policy.

The problems experienced in recent strategic reviews dramatize the fact that we must make major improvements in our national security organization. They clearly show the need for comprehensive net assessment, for far-reaching strategic plans that examine options based on real-world budget constraints, and for policy that integrates all our national objectives.

David Abshire, our former Ambassador to NATO and the director of the Center for Strategic and International Studies, has recently presented proposals for reorganizing our national security effort that might well achieve these ends. His proposals have the same thrust as much of the legislation I have sponsored over the last 3 years, and might well lead to important reforms in our national security process.

I believe that these proposals deserve serious consideration by both the Congress and the executive branch, and I ask that they be included in the RECORD so that they can receive the attention they deserve.

The material follows:

STRATEGY IN A CHANGING WORLD

(By Ambassador David M. Abshire)

Shortly after his great victory at the Battle of Waterloo, the Duke of Wellington noted that "Next to a battle lost, the greatest misery is a battle gained." The sudden and breath-taking demise of communism in Eastern Europe represents a "Battle gained" of historic proportions, perhaps even more profound than Waterloo.

The victory of democratic forces in Eastern Europe is also a fundamental victory for the United States and its strategy of containment. But the "battle gained" poses new challenges and new dangers relevant to this conference. The whirlwind pace of change far exceeds the ability of governments to react in a coherent and strategic manner. Your deliberations are an important first step in the development of a national strategy and force structure for the year 2002 and beyond.

We cannot know with certainty where events may lead in the coming years. The only certainty we have is that the unpredictability of world power relationships, never static, is accelerating at a rapid pace. And never in the past forty years have we confronted a more unpredictable future. For forty years we have been fairly sure of where our principal threat came from. We knew the enemy—his capabilities and intentions—and thus we knew how to counter that threat. But today, as we attempt to make those strategic choices that will ensure our security in the year 2000, the only thing we can be certain of is uncertainty itself.

Indeed, we are not at the "end of history"—as claimed by some—but in the middle of it. Resurgent nationalism appears poised to replace Marxism as the destabilizing ideology of the 1990s and beyond. It is evident in the ethnic struggles in the Soviet Union and Middle-Eastern terrorism. Nationalism even takes an economic form in the aggressive economic practices of the industrialized world. The rise of this powerful force injects an additional element of unpredictability to the future strategic environment by increasing the possibility of conflict—whether political, economic or military. Therefore, this conference must not limit itself solely to consideration of the problems of conventional conflict twelve years hence.

Yesterday's announcement of the President's budget, with tonight's State of the Union Address and the beginning of the 1990 congressional election campaign, marks the beginning of a policy debate which will largely set our course for strategy and policy through the year 2002. If we fail to establish a strategic road map to guide us through those critical decisions, we will end up with a strategy by default, one which is likely to be guided more by bureaucratic and political imperatives than by a grand strategy that harmonizes resources and objectives.

Grand strategy orchestrates an array of economic, foreign policy and military instruments into an effective national security policy. Without such a strategy, the approaching military "build down" will degenerate into a short-sighted and chaotic strug-

gle between the President, the Congress and the armed services. A new grand strategy is necessary to ensure that the Army, Navy and Air Force implement force reductions in a coordinated and coherent manner. An effective grand strategy will also ensure that cost-cutting preserves the first strategic principle—economy of force. Doing more with less will be key to sustaining a national security consensus in Congress and with our European and Pacific allies.

The dramatic direction and pace of events in the Soviet Union and Eastern Europe also dictate a corresponding adjustment in our strategic thinking. The Soviets are dismantling their eastern empire. The Kremlin appears to be losing its grip in the Transcaucasus and Baltic Republics. Even if the Kremlin attempts to reverse course, the Soviet Union has opened a Pandora's box which Gorbachev—or his successor—will be unable to shut. These trends have rendered the Soviet Union, at least for now, less of a direct military threat to the West.

However, the United States cannot base our strategic calculations entirely on the good health and political survival of one man. Should Gorbachev pass from the scene, he may take perestroika and "new thinking" with him. As Gorbachev himself has shown, Soviet intentions are subject to sudden and dramatic change. Our grand strategy must therefore take into account not only current Soviet intentions but also Soviet military capabilities—which will still be considerable in the year 2002, even with CFE reductions.

Even if Gorbachev succeeds in staying the course, the increasingly fluid situation in Eastern Europe contributes to the danger of miscalculation, of events escalating out of control. No one in Europe in July of 1914 intended to fight a world war over the assassination of the Archduke Ferdinand. While we welcome the Soviet rollback, we must realize that the forces of instability in Eastern Europe that led to World War I are once again at work. Our military strategy which today is designed to counter a Red army blitzkrieg through the Fulda Gap, must in the future ensure that history does not pick up where it left off in 1914.

NATO is not obsolete but must take on the new mission of maintaining both stability and democratization in Eastern Europe. Much thought and study must go into this new dimension of European security, which will have a profound impact on our strategy in the coming century.

But let me speak of attitudes. In the United States, interest is waning in the future of NATO as the threat which gave rise to the partnership appears to subside. We may even be moving into a new era of isolationism. More Americans question whether the United States should continue to bear major responsibility for deterring threats to world peace. This mood is likely to grow.

At the same time that Americans are becoming less interested in participating in the physical defense of Europe, Western Europe is showing signs of new dynamics. In the year 2002, the United States will face a more powerful and confident Europe. The European community is taking great strides toward its goal of integrating national markets by 1992, and the Western European union is assuming an increasingly prominent role in the coordination of military policies. The growing unity will translate into a more assertive European foreign policy. Already, the EC Commission has seized the leading role in forging a new co-

operative relationship with emerging democracies in Eastern Europe.

Meanwhile, our own understanding of national power is undergoing a profound transformation. Recent opinion surveys indicated that a majority of Americans view economic competition from Japan as a greater threat to national security than Soviet military power. A similar revolution has occurred in Soviet thinking. Perestroika reflects Gorbachev's recognition that the faltering Soviet economy can no longer sustain the bloated Soviet military.

Yet while we are more concerned with economic considerations of national security, we are less able to exert direct influence over them. The global economy is increasingly integrated. Foreign exchange traders in London and Tokyo exercise more influence over the value of the dollar than the Federal Reserve. Virtually all major U.S. manufacturers are dependent upon foreign-made components.

We will also witness in the coming years continued dynamism in the Pacific region. Some say China and India will emerge in the 1990s as economic giants. Japan's economic machine shows no signs of running out of gas. Korea, Taiwan, Australia, and the Asian nations will become more aggressive exporters. By the year 2002, the United States will face more intense competition for international markets as well as global leadership. If we respond to these growing challenges with protectionism, we will undermine our international security relationships and accelerate "structural disarmament" of the West.

The United States faces serious economic problems which jeopardize our standing as the world's preeminent power. Political gridlock has stymied meaningful progress on the trade and budget deficits. Other intractable economic problems—such as sluggish productivity growth and low savings rates—cast a shadow over the current prosperity.

As events in Latin America just last month demonstrated, the Third World remains volatile and unpredictable. It is unclear whether perestroika will translate into an easing of superpower rivalries in the developing world. For every Angola, there is an El Salvador. The Soviets continue a massive arms lift to its clients in Afghanistan. Moreover, the decline of superpower competition in the developing world could unleash powerful local forces that may render regional conflicts more rather than less likely. Alarmingly, the United States is quickly returning to a dangerous dependence on the volatile Persian Gulf for the bulk of our crude oil supplies.

Yet another threat to U.S. interests results, from the emergence of a multipolar world. Ironically, a world of many powers is not necessarily more stable than a world dominated by two powers. In fact, 400 years of history, prove just the opposite. Japan and a reunited Germany are likely to play great Britain's role as the balancing powers. The United States must develop a grand strategy to manage the transition to a multipolar world or it risks returning to the precarious balance of 18th century Europe, albeit global.

For forty years we have relied on a strategy of nuclear deterrence. We have long recognized that we could not afford to match the Soviet Union in its willingness to devote a major portion of its gross national product to maintaining its military machine. We designed our force structure not to defeat the Soviets on the battlefield, but to raise the costs of aggression to unacceptable levels.

Thus both massive retaliation and flexible response, complemented with forward defense in Europe and forward deployment elsewhere, have effectively prevented the war neither side could afford to fight.

But now those tenets of our strategic doctrine are quickly becoming irrelevant. The momentum to denuclearize Europe may undercut our flexible response doctrine. Without U.S. nuclear forces based in Western Europe, we will return to earlier days when our Allies had difficulty believing we would be willing to sacrifice Chicago for Hamburg. The threat of nuclear response, including the option of a first use in the event of war, will be virtually unbelievable by the year 2002. Flexible response will be a mere anachronism if Europeans prohibit the modernization of theater nuclear forces, or if such forces are reduced to zero through negotiations, or if we find that our theater nuclear weapons are targeted at a democratic Eastern Europe.

At the strategic level, nuclear parity in itself eroded the credibility of flexible response in the 1970s. Both superpowers seem intent on continued research and development into strategic defenses which may by the year 2002 prove feasible.

Our forward strategy is also in jeopardy, both in Europe and elsewhere. What is the meaning of forward defense when there is no line to defend in Germany? As the Germans themselves heal the divisions forced on them by the cold war, the border military regime may also become anachronistic.

So it is time to apply ourselves in earnest to the business of matching our resources to our goals and commitments. Since we are uncertain of the exact nature of the threat, it is difficult to determine today precisely what our strategy ought to be for the year 2002. We need time to sort out our strategic interests and priorities for the next millennium. We have not had the experience of forming a new grand strategy since just after World War II. Our method of determining how we will match our resources to our objectives is seriously flawed. We must improve our approach before we contemplate what conventional force structures, doctrines and technologies we need by the next century.

Unfortunately, our Government is ill-equipped for strategic thinking. The executive branch generally remains focused on the latest tactical crisis, despite the existence of policy planning staffs in both the Defense and State Departments and notwithstanding the mandate of the National Security Council to be more forward-looking. Recent administrations have become increasingly fragmented in developing national security strategy.

Now the strategy of "more" is over. The need for a strategy of better use is upon us. The way of Ulysses Grant—the predominant American way of war—is no longer affordable, and the way of Robert E. Lee is a necessity. But that strategy can only emerge from a close review of our commitments and objectives. We need a net assessment of our strengths and weaknesses, our maldeployments and misapplications, a concept refined so effectively by a dear friend in the audience, Tony Cordesman.

But if the executive branch has been unwilling to take an integrative approach to the development of strategy, the legislative branch is incapable of doing so. The Congress has become so devoted to servicing constituent interests that fewer and fewer of its members are able to rise above the political fray and join with the President in

forming a bipartisan approach to a national security strategy. The expansion of committee jurisdictions threatens to choke the strategy development process.

We need a process and an institutional arrangement to overcome these inherent difficulties in order to develop an effective national strategy for the next century.

What is needed is a globalized competitive strategies approach. First developed as a business strategy, this approach seeks to maximize returns by pitting a firm's strengths against a competitor's weakness. The concept was adopted by Andrew Marshall, of the Net Assessment Office at the Pentagon, as an organizing principle to manage efficiently defense resources in peacetime.

The competitive strategies approach may challenge the interests of military services or specific allies, but these narrow interests must be overcome. If we fail to conduct such an assessment, the United States will shed military capabilities solely for short-sighted budgetary or political reasons.

The pursuit of a competitive strategies approach to U.S. national security strategy for the year 2002 cannot entail the precise elements of the 1988-1989 Department of Defense exercise that brought attention to the competitive strategies concept. Indeed, recent events in Eastern Europe and the Soviet Union have made many features of that exercise—which looked at long-term U.S.-Soviet competition as a chess match—out of date. Nevertheless, the following features of the approach should be retained and applied globally.

Priority to seeking competitive advantage, much the way a business seeks to exploit changing markets;

Stress on enduring U.S. strengths and weaknesses, as the basis for building on our competitive advantage;

Emphasis on the creation of a portfolio of options to hedge against uncertainty;

Sensitivity to an options portfolio that is flexible enough and complete enough to deal with distinctly different, but equally feasible, outcomes of a variety of contingencies and developments globally; and

Anticipation of the reactions of our potentially opponents to that developing portfolio and examination of their possible sets of responses to U.S. decisions.

Not only must this approach be applied to military competition with potential adversaries other than the Soviet Union but the approach must be expanded to consider competition across the spectrum of the elements of national power to include technological, economic and political competition.

In the first cold war, we became chess experts against a wily opponent. For 2002 we must graduate to become chess masters, capable of maintaining a number of competitions simultaneously. We know that the first competitive strategies process had the intended effect on the Soviets. We must apply the same methodology to our development of a grand strategy for the 21st century. The first step of such a process would be to conduct dynamic net assessment that takes into account not just military capabilities but all the elements of national power.

Unless we change our strategy development process, we will leave our future in the hands of a strategy guided by mere political expediency. There are a number of institutional reforms that are necessary for the United States to adopt a competitive strategies approach.

1. On the National Security Council Staff, there should be a division between policy

and operations. By operations I mean the conduct of the national security interagency process, not covert operations of the kind Oliver North ran. The President should assign to the National Security Council staff: (1) A National Security Adviser who takes charge of day-to-day operations and coordination; and quite separate from the advisor, (2) A Presidential counselor for policy integration and long range planning. The counselor is, in effect, the grand strategist. His scope must include not only the national security cluster of departments and agencies, but also the economy as it relates to the total security of the Nation. Both the National Security Adviser and the counselor should be present at all meetings regarding either agenda so their efforts are always synchronized.

2. The Presidential counselor should be given the authority to coordinate the efforts of the planning and analysis staffs in the areas of security and economics. Ideally the counselor should coordinate the efforts of all the best brains in strategic planning. Out of this cooperative effort should emerge not only a comprehensive framework to guide our security, arms control and economic policy. The counselor would ensure that this framework is continually modified to take into account new global developments and trends.

3. A special group should be constituted to keep watch on global contingencies and possible responses to them. The gaming and simulation capabilities throughout the Government should be marshalled in this continuing endeavor. This capability would be the tool for conducting the global net assessments so vital as the first step in the competitive strategies process.

Reforms are necessary in the Congress. Without any question, Congress has become far too intrusive in the conduct of foreign affairs and national security policy—not by some grand design, but generally by ad hoc measures and by trying to make policy by amendment. A house divided is an unpredictable house which enhances the dangers of conflict and misallocation. Congressional intrusion has increased because Presidents did not consult, and even at times deceived, but above all because they did not make partners of the Congress.

The President's power to command—even when his own party controls the Congress—has been diminished. Yet the power to persuade is tremendous, especially if the President is an effective communicator. The President should embrace the idea of a newly constituted congressional leadership committee that meets with him regularly on national security matters. The leadership of the Armed Services, Foreign Relations and Foreign Affairs Committees, and the Intelligence Committees, should be involved in regular sessions with the President, Vice President, and Department Secretaries. A house divided cannot be repaired in one or two sessions, and a consensus on a grand strategy requires continuous exchange.

At the same time, the Congress must get its own house in order and must think anew on how to approach the challenges ahead. The two Intelligence Committees should work together. It may be that the Security Committee should come together. Perhaps join together—like the Joint Economic Committee—to commission basic evaluations of the long-range security environment. And just as the military services are tasked beyond their own institutional self-interests, Congressmen must also. But in both cases, institutional reform is needed to enable them to do so.

Economic war comes from barriers and restrictions; shooting wars in this century have almost always evolved from uncertainty, division, and misperceptions. Unity and coherence must be the bedrock of our strategy. It must start with the Presidency and Congress. As Justice Robert H. Jackson noted in 1952, the President achieves the strength of the sovereign when both branches act together. But the reconstruction of unity and coherence must begin with America, for if the last, best hope of the world is in the balance, world peace is too.

Ultimately, the task requires leaders with both vision and determination to make the difference in a time of peril and promise. Only then, can the fruits of the "battle gained" be won. ■

WE THE PEOPLE

• Mr. SIMON. Mr. President, 3 years ago the Commission on the Bicentennial of the Constitution began working on a national campaign to expand education and understanding of our Constitution. As chairman of the Senate Judiciary Subcommittee on the Constitution, I have the unique opportunity to watch the Constitution at work and to see the critical role it plays in the proper functioning of our great democracy. Having had this experience, I am keenly aware of the importance of teaching others, both young and old, about the principles and values embodied in the Constitution. I wish to commend the efforts of those individuals in Illinois who have worked so hard to establish and promote the "We the People . . . Bicentennial Programs on the Constitution and Bill of Rights" and teach our youth about our glorious traditions.

We the People . . . includes the National Bicentennial Competition and its non-competitive companion program, Congress and the Constitution, and the National Historical Pictorial Map Contest. Through the dedicated and voluntary efforts of Denee Corbin, the Illinois State Coordinator, thousands of upper elementary, middle, and high school students have studied the philosophical ideas of our founders, the historical background of the Philadelphia Convention, and the issues and debates that shaped the writing of our Constitution. Students learn how the Government is organized and how it protects the rights and liberties of all citizens. Students also learn of the responsibilities accompanying the rights of citizenship in a democracy.

I am pleased to take this opportunity to express my admiration and appreciation to Denee Corbin and the following Illinois district coordinators for fostering student knowledge of and interest in our American heritage and government: Louis D. Burrell, Toni Haugabrok, Louis Asher, Geraldine O'Connor, Herbert Schiff, Beverly Nelson, Ron Johnson, Stan Czaplak, Fred Drake, Chuck Divine, Annette

Marles, Frank Kopecky and Richard Haney.

On behalf of my colleagues I want to extend our appreciation to the students of Illinois who are participating in this program. As we watch new democracies begin to form across Eastern Europe and look to the United States for guidance, it is even more important for all citizens, young and old, to understand the purpose and importance of our Constitution. Education is the key to growth and understanding, and I hope that all students in Illinois, and around the Nation, will take this opportunity to learn more about the Constitution and Bill of Rights.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Ms. Carolyn Seely, a member of the staff of Senator DOLE, to participate in a program in Japan, sponsored by the Japan Center for International Exchange, from February 12 to February 19, 1990.

The committee has determined that participation by Ms. Seely in the program in Japan, at the expense of the Japan Center for International Exchange, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Ms. Irace, a member of the staff of the Joint Economic Committee, to participate in a program in Japan, sponsored by the Japan Center for International Exchange, from February 11 to February 19, 1990.

The committee has determined that participation by Ms. Irace in the program in Japan, at the expense of the Japan Center for International Exchange, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Senators RUDMAN, STEVENS, ROTH, McCAIN, GLENN, MIKULSKI, KASTEN, HEINZ, and COHEN to participate in a program in the Federal Republic of Germany, sponsored by the State and Defense Departments along with the Europäische Wehrkunde Or-

ganization, from February 2 to February 4, 1990.

The committee has determined that participation by Senators RUDMAN, STEVENS, ROTH, McCAIN, GLENN, MIKULSKI, KASTEN, HEINZ, and COHEN in the program in the Federal Republic of Germany, at the expense of the State and Defense Departments along with the Europäische Wehrkunde Organization, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Barry Sklar, a member of the staff of Senator PELL, to participate in a program in China, cosponsored by the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, from February 11 to February 17, 1990.

The committee has determined that participation by Mr. Sklar in the program in China, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Senator MURKOWSKI and Mrs. Murkowski, to participate in a program in Korea and Japan, sponsored by the Alaska Kai, from November 30 to December 10, 1989.

The committee has determined that participation by Senator MURKOWSKI and Mrs. Murkowski in the program in Korea and Japan, at the expense of the Alaska Kai, is in the interest of the Senate and the United States.●

IMMIGRATION AND NATURALIZATION SERVICE COMMISSIONER McNARY'S FAMILY FAIRNESS GUIDELINES

● Mr. CHAFEE. Mr. President, today I would like to say a few words about the Immigration and Naturalization Service's new guidelines for family fairness, with respect to ineligible spouses and children of legalized aliens.

On Friday, February 2, Commissioner McNary of the INS announced that steps will be taken to address a great flaw in our immigration policy.

This flaw was the threat of family separation for those who were part of the amnesty program of the Immigration Reform and Control Act of 1986 [IRCA]. Unfortunately this legislation failed to provide guidelines on how to deal specifically with ineligible family members of those granted amnesty. Broad latitude was given to INS field officers on how to handle cases in which one member of a family qualifies for amnesty, while others do not.

This deficiency in our policy resulted in fear and uncertainty for the immigrants who sought help and guidance through the amnesty program. In some instances, families were actually separated, as legal aliens were faced

with a choice of living free here in the United States without their families or not being able to live here at all.

In 1987, I submitted legislation to address this problem by waiving the requirement that the alien spouse or child must have been in the country before January 1, 1982. The Senate approved this measure last year by a vote of 61-38. Although the amendment was not enacted, it sent a strong message of our concern and commitment to keeping families together.

Commissioner McNary's new guidelines, which take effect February 14, 1990, provide coherence and sensibility for our immigration policy—primary objectives of my efforts. The Commissioner's plan consists of five provisions:

First, the spouse and minor children of the legalized alien will be granted voluntary departure status, as long as they were in this country before November 6, 1986;

Second, voluntary departure status will be granted for a 1-year period, and cases will be reviewed on an annual basis in case an extension is needed;

Third, the spouse and children must submit documentary evidence to establish the family relationship and residence with the legal alien;

Fourth, work authorization will be granted to those who qualify under these guidelines; and

Fifth, in case of a child born after November 6, 1986, no deportation proceedings shall be instituted as long as a parent maintains his or her legal status.

Item two of this program, however, only grants a 1-year period of voluntary departure, whereas my amendment would have extended this period indefinitely until such a time as ineligible spouses and children obtained permanent residence. Nevertheless, this new policy is certainly a step in the right direction, and I hope that extensions will be granted with understanding and compassion.

Finally, we will have a clear and uniform policy for granting voluntary departure status to those spouses and children of qualified aliens under the 1986 amnesty program. This new approach by the Immigration and Naturalization Service is a strong indication of both Commissioner McNary's and President Bush's commitment to keeping families together.

Mr. President, I have said over the years that the family unit is sacred. And today, I am delighted, after 4 years of hard work, to see this principle triumph through the new Family Fairness guidelines of the INS. The integrity of the family is the very foundation of American society; and today, we are not only affirming our belief in this value, we are strengthening it.●

BICENTENNIAL OF THE SUPREME COURT

• Mr. SIMON. Mr. President, article III, section 1 of the Constitution provides:

The judicial power of the United States, shall be vested in one supreme Court, and in such inferior Courts as the Congress may from time to time ordain and establish. The Judges, both of the supreme and inferior Courts, shall hold their Offices during good Behavior, and shall, at stated Times, receive for their Services, a Compensation, which shall not be diminished during their Continuance in Office.

Two hundred years ago the Supreme Court of the United States first met on the second floor of a commercial office building in New York City. The U.S. Senate confirmed the first six justices in 2 days. Only three appeared at the first meeting of the Court, not enough for a quorum.

This inauspicious beginning was consistent with the less than supreme reputation of the Court. Its first Chief Justice, John Jay refused to be renominated after being Governor of New York. In declining, Jay wrote:

I left the bench perfectly convinced that under a system so defective, it would not obtain the energy, weight and dignity which are essential to its affording due support to the national Government, nor acquire the public confidence and respect which, as the last resort of justice in the nation, it should possess.

I am pleased to stand here today and note that Chief Justice Jay's assessment of the Court is no longer true.

As a separate branch of government, equal in stature and power, the Supreme Court plays a vital role ensuring the rights of all citizens. It is often the last resting place of fairness and hope.

I would like to note that four Justices of the Supreme Court were born in the State of Illinois: John Marshall Harlan, Arthur Goldberg, Harry A. Blackmun and John Paul Stevens. Justice Harlan is most noted for his courageous and prescient dissent in *Plessy versus Ferguson*. Justice Goldberg, who recently passed away, was a consistent champion of civil liberties. And Justices Blackmun and Stevens, both sitting members of the Court, have made important contributions to our jurisprudence in the last two decades.

Now, at the start of our bicentennial celebration of the Court, we should reflect on the importance of an independent judiciary that is willing to make difficult choices to protect the rights all citizens. In the last few months, we have seen people in many countries push for and start to establish democratic governments. As they look to the United States for guidance, we must ourselves remember and understand the crucial role our courts play in guaranteeing our liberty and freedom. •

FFA MEMBERS FROM NEW MEXICO SAVE A STATE PARK

• Mr. DOMENICI. Mr. President, I would like to take a moment to recognize a wonderful accomplishment by the Raton, NM, chapter of Future Farmers of America.

This past summer, 28 student members of the Raton FFA dedicated their summer to a very special and exciting activity: Preserving a State park area known as Sugarite Canyon, just outside Raton.

Early in this century, Sugarite was mined for coal, leaving large tailings mounds. In recent years, those tailings had begun to erode, damaging the environment and harming water supplies.

So throughout the summer, these 28 young men and women, with adult supervisors, worked hard to stop the erosion within the Park.

The students dug seed basins, they terraced slopes, and they constructed a series of rock check dams and diversion channels. Having completed the reclamation work—all done by hand—they built a nature trail, one specifically designed to be accessible to the handicapped.

And along the side of the trail, they prepared the documentation for 10 informational signs that have been erected in the park to educate visitors about its habitat and history.

Frankly, I think that what these young citizens have done is simply great. And so do many officials here in Washington. Last November, the Raton FFA chapter was honored for this work at the Environmental Protection Agency's Youth Environmental awards.

These young student members of FFA worked hard for a good cause. And they really have achieved a wonderful success—they've preserved the land while enhancing themselves. As one young student said, "It gave me self-confidence. I did not think I could do it, but I did. It made me proud of myself."

I am very proud of the work of each these members of the Raton FFA, and I know all the citizens of New Mexico share that pride. To help my colleagues understand the significance of the achievement of these young people, I ask to print in the RECORD at this point an article from the FFA New Horizons describing the great accomplishments of the Raton Future Farmers of America chapter.

The article follows:

SAVING A STATE PARK
(By Elizabeth Morgan)

I'm really impressed by this whole FFA chapter. I think you guys have a lot to be proud of and your community has a lot to be proud of, too."

With that comment, National Geographic Society producer/photographer Edward Sapp summarized his reaction to the Sugarite Canyon Mine Reclamation Project. The

project was completed during the summer of 1989 by members of the Raton, New Mexico FFA Chapter.

Sapp visited Raton as the head of a two-man team sent by National Geographic to videotape the chapter's work. The video was shown in November at the EPA's Youth Environmental awards. The Raton FFA Chapter was one of three regional winners to be visited by the Geographic team.

The mining reclamation project was conducted under the supervision of the Mining and Minerals Division (MMD) of the New Mexico Natural Resources Department.

The operation began last May with a phone call from an FFA supporter to advisor Ray Chelewski. "How would your chapter like to make \$100,000 this summer?" asked the man. Of course, Chelewski expressed interest, and the work began.

The caller explained that the state government was preparing to put a reclamation project out for bid. The area to be improved was located just seven miles away from Raton, in Sugarite State Park, a park which had been the site of much of the chapter's previous community development work.

During the early 1900's, Sugarite was mined for coal. The waste, or tailings, were dumped nearby. The waste has since begun eroding, causing stream pollution and creating a hazard for park visitors. The proposed project would stop erosion and prevent reoccurrences.

Chelewski contacted the state MMD about the possibility of chapter members completing the project. The state officials were intrigued by the idea and worked with Chelewski and local school administrators to develop a plan of action.

Before work could begin, a contract was written for the local school district, the state, and the members who would be working. School attorney John Davidson devoted his time to insure that the contract was legal. In addition, the school was required to obtain a bond guaranteeing that the work would be completed.

The chapter encountered problems in coordinating the project, including the federal laws which state that all workers had to be at least 16 years old and that students had to be paid a wage of \$6.54 an hour.

Once the work began, 28 students worked efficiently, digging seed basins, building rock check dams, terracing the steeper slopes, and building a diversion channel which changed the flow of a small stream. Five students served as administrative assistants, doing the bookkeeping, photography, research and other paperwork. The workers were supervised by three adults, in addition to advisor Chelewski and an MMD representative.

All of the reclamation work was done by hand. The seed basins are three feet by five feet basins planted with grass and small shrubs. Project planners hope that this experimental process will cause growth in surrounding areas. Check dams were built with available rock to prevent excessive run-off.

The work was not easy, but those involved enjoyed being a part of the project. "It was hot, it was hard work and we got really dirty," says Remy Martinez, a student participant. "But everybody helped everybody else out and we got it done."

The chapter completed the project well ahead of the deadline and with better results than expected. But late October, over ninety percent of the 1,075 seed basins were showing signs of regrowth.

"People here had never done anything like this project," says Bob Salter, an MMD

official. "But the students heard the description of the work and went out there and got it done. The work was better than we often get from professional contractors.

Since the project was finished early, chapter leaders decided to undertake another project at Sugarite, Park Supervisor Bob Dye suggested that students tackle building a handicapped-accessible nature trail.

Again students worked quickly to finish, building a 600 foot trail with ten information stations to help educate visitors about the park. The four feet wide trail had a gentle slope so that those with wheel-chairs may enjoy it.

Students also did the research for the information signs, which were then designed and produced by members of the state Parks and Recreation Division. The signs include information about the park habitats, history and geology. One of the information stations includes a pond, which will be stocked with fish native to the park's lakes and streams.

Students who worked on the project got more than a paycheck from the experience. "I learned that I had to be on time in the morning," says Marion Granado, a sophomore. "I also learned about wildlife and nature."

Martinez adds, "It gave me self-confidence. I didn't think I could do it (the physical labor), but I did. It made me proud of myself."

Students who participated in the project made about \$1,000 for their time. Many students saved the money for college, while others are using it to purchase or to improve vehicles. Still others have used the money to help finance trips with the FFA chapter.

Those involved also list a number of positive outcomes of the chapter. "The Sugarite Canyon project showed our community that youth can do as well at these types of projects as older people," states Mark Benavidez.

Chelewski lists the opportunity for public relations, the community development, and the fact that students were able to participate in an unusual SAE as the most positive outcomes for the chapter.

On November 15, 1989, the Raton Chapter was recognized by President Bush and EPA Administrator William Reilly as a winner in the President's Environmental Youth Awards program during ceremonies in the White House Executive Office Building.●

RISE OF ANTI-SEMITISM

● Ms. MIKULSKI. Mr. President, many of us have watched with alarm the recent rise of anti-Semitism in the Soviet Union.

Unfortunately, the policy of glasnost has resulted in an unwelcome byproduct—increasingly open activity against Soviet Jews.

In recent months, there have been 50 separate desecrations of Jewish cemeteries, over 1,000 anti-Jewish rallies and innumerable hate leaflets distributed across the country. The strongly anti-Semitic Russian nationalist group Pamyat violently broke up a January writers' conference, singling out Jews and threatening their lives. Pamyat has also harassed Jews individually and, it is rumored, has gone so far as to schedule pogroms for the coming year.

Mr. President, where hate crimes are concerned, it doesn't matter what form of government the Soviets end up with—Communist controlled or multiparty. It doesn't matter if the Soviet leader is Gorbachev, Yeltsin, or Ligachev. What matters is strong action by that Government to condemn and vigorously oppose the Pamyat call-to-action.

Now more than ever, we must also press the Soviets to continue their current policy of relatively free Jewish emigration. Gorbachev, Jackson, and Vanik have made an enormous difference to thousands of families, but it's hard to be too enthusiastic about the increased emigration of Jews from the Soviet Union if those left behind are subject to persecution and physical attacks.

I was encouraged when many legislators in the Soviet Congress of People's Deputies called for a top-level denunciation of recent anti-Semitism. They also appealed to high-level Government officials to prevent any planned anti-Semitic activity, whether by Pamyat or any other group. We're still waiting for a response from the leaders of the Soviet Government.

It is the responsibility of the Soviet leaders to condemn anti-Semitism wherever it may exist, and to prevent anti-Semitic acts within its borders. It is the responsibility of this Congress and this administration to make clear that the United States cannot give any economic aid or moral approval to a government permitting anti-Semitic violence to occur among its people.

Mr. President, I ask to insert in the RECORD at this point an editorial entitled "Russia's New Anti-Semitism" from this week's Baltimore Jewish Times.

The editorial follows:

[From the Baltimore Jewish Times, Feb. 2, 1990]

RUSSIA'S NEW ANTI-SEMITISM

There is a sad and tragic irony brewing regarding Soviet Jewry. A new record for Jewish emigration from the USSR was set last year—71,196 Jews left for the West. This year's prospects for emigration look equally good, if not better. But many are fleeing not for the positive reasons of wanting to settle in Israel, or even in the United States. They are exiting because they are being made to feel increasingly uncomfortable in the Union of Soviet Socialist Republics. Though government-sanctioned anti-Semitism has loosened, the liberalizing measures of glasnost seem to have unleashed the native anti-Semitism of the Russian people.

"Self-pity is the life-juice of Russian patriotism," noted the cover story in last Sunday's New York Times Magazine. "In their self-pity, nationalists look for culprits and they usually find the scapegoats of history: Jews." In recent months, there have been 50 desecrations of Jewish cemeteries and 1,000 anti-Jewish rallies, and vitriolic hate leaflets in the thousands have been distributed everywhere. Russia's New Right, often demanding a return to the non-Communist days of the czars, is on the march every-

where. It poses a threat not just to Mikhail Gorbachev, whose relaxing of the Kremlin's authority has allowed the right to flourish as never before. But it also threatens the psychological and, maybe, the physical safety of the nation's Jews. Anti-Jewish pogroms have not occurred—yet. But if the violence against Armenians in Azerbaijan is an index, pogroms against minorities are not unimaginable.

Gorbachev has achieved wonders in the five years since he became head of the Communist Party. But it is essential that he not be unnerved by what has been occurring among certain member nations of the USSR, or in the New Right. To date, he has not spoken out against anti-Semitism. This is something he must do to make his prize project, glasnost, authentic and valid. And here in America, we must not assume that Soviet Jews are safe because emigration has increased.

Americans, citizens and statesmen, must not succumb to a false confidence that, with Gorbachev at the helm and with Jews leaving in record numbers, the Jews of Russia are now safe. The sense of urgency regarding Jewish emigration is very real; no one knows how long the gates will remain open. We must continue to pressure the Kremlin to allow even more Jews to leave the country, and to leave now.●

GUN CONTROL

● Mr. SIMON. Mr. President, one of the questions that we face is whether we should have any kind of restraint on the purchase of guns in this country, particularly handguns.

An editorial that appeared in the New York Times on December 4, shortly after we recessed, clearly signals the direction in which we ought to move.

It quotes from the courageous testimony of James Brady, who, I am proud to say, is originally from Illinois.

I urge my colleagues to read the editorial, and I ask to insert it the RECORD at this point.

The article follows:

NO MORE EXCUSES ON GUN CONTROL

"I am a southern Illinois boy who grew up hunting and at home with guns. I don't question the rights of responsible gun owners . . . The issue is whether the John Hinckleys of the world should be able to walk into gun stores and purchase handguns instantly."

That's the courageous voice of James Brady, the nation's most prominent living victim of handgun crime. Mr. Brady testified before a Senate subcommittee in support of a measure that would give police seven days to check a gun purchaser's background before the sale could be completed.

The measure, known as the Brady bill, is a modest suggestion brimming with common sense. It terrifies only the National Rifle Association and those members of Congress who quail before it. Last year, a Congress wary of the gun lobby fended off the Brady bill with an amendment asking the Justice Department to propose alternatives.

Now the department's report is in. Its message: There are no immediately feasible alternatives, and no more reasons for delay on the Brady bill.

Mr. Brady was working as White House press secretary back in 1981, when he stopped an assassin's bullet intended for President Reagan. Mr. Brady remains partially paralyzed. "I need help getting out of bed, help taking a shower and help getting dressed," he testified.

This devastation was inflicted by a handgun John Hinckley purchased at a shop in Texas. The police might have kept him from buying that gun had they been able to check on his background.

For several years, the nation's law enforcement groups have pressed for a Federal waiting period that could not be evaded simply by crossing a state line.

Yet the N.R.A., which violently objects to anything that would inconvenience gun purchasers and dealers, has so far prevented passage. The amendment the gun lobby managed to sell to Congress called for a high-tech system for checking out gun purchasers at the counter. That sounded feasible in the age of instant credit verification.

Now, however, a Justice Department task force reports that while a gun dealer's telephone might provide instant access, there is no master file of state and Federal felony convictions to make possible a meaningful response. Attorney General Richard Thornburgh says it would take a few years to compile such a thorough data base.

There are abundant reasons beyond gun control to create the master file. But with gun trafficking swollen by drug profits, America can't afford more delay on the Brady bill. There is no reason to doubt its effectiveness. In Indiana, a seven-day waiting period stopped 11,158 illegal gun purchases between 1980 and 1988. The next move is obvious: Enact the Brady bill pending a more sophisticated system.

"There are some who oppose a simple seven-day waiting period for handgun purchases because it would inconvenience gun buyers," Mr. Brady asserted. "Well, I guess I am paying for their convenience." Only the most perverse lawmaker would value that convenience over basic public safety. ●

OLDER WORKERS' BENEFIT PROTECTION ACT

Mr. KOHL. Mr. President, I rise today in cosponsorship of S. 1511, the Older Workers' Benefit Protection Act. In light of the Supreme Court's Ohio versus Betts ruling, I believe this bill is desperately needed to ensure that our Nation's older workers are not discriminated against with respect to employee benefits. This Nation should not tolerate discrimination in the workplace. Age should not be an obstacle for employees to gain accessibility to employee benefits. Furthermore, I believe this legislation is consistent with the Age Discrimination in Employment Act of 1967 in terms of outlawing age discrimination in the workplace.

Mr. President, I must question the Supreme Court decision in Public Employees Retirement System of Ohio versus Betts which essentially allows employers to discriminate against workers by limiting their access to employee benefits on the basis of age. At a minimum, we have a responsibility to clarify congressional intent with regard to ADEA. In 1967, this bill was

written to cover all areas of discrimination in the workplace—hiring, firing, promotion, wage fluctuation, and employee benefits. Employee benefits were included in an amendment, introduced by then Senator Javits, which was incorporated into the passed bill.

To permit discriminatory practice on the basis of age, we are sending a signal to our older workers—the wrong signal. America needs its most experienced workers to not only compete worldwide, but to help train and encourage tomorrow's workforce to perform at their best. As someone familiar with the business community, I feel that it is shortsighted to not guarantee our most experienced workers the benefits that they deserve, and often need to continue their careers. After all, this Nation will shortly be witnessing a time when most of the work force will be approaching their golden years and still working.

I recognize the fact that benefits for older workers may be a greater expense than benefits for younger workers. However, employers must divide their expenditures for benefits equally among employees, whether those individuals are 25 or 65.

Denying older workers the opportunity to continue their livelihood would truly be unjust in light of the opportunity they have granted today's younger workers. Our older workers deserve better, and will get better, once this bill passes. ●

RESOLUTION AMENDING SENATE RESOLUTION 171

Mr. FOWLER. Mr. President, on behalf of the majority leader and the Republican leader, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A Resolution (S. Res. 241) amending Senate Resolution 171 of the 101st Congress (agreed to on August 4, 1989), and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

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

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 241) was agreed to.

The resolution reads as follows:

S. RES. 241

Resolved, That section 3 of Senate Resolution 171 of the 101st Congress (agreed to on August 4, 1989) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of the Senate is authorized to advance such sums as may be necessary to defray the expenses incurred in carrying out the provisions of this resolution."

Mr. FOWLER. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

BILL REFERRED—S. 640

Mr. FOWLER. Mr. President, I ask unanimous consent that S. 640, the general aviation accident liability standards bill, be referred to the Judiciary Committee.

I further ask unanimous consent that if the Judiciary Committee has not reported the bill by April 5, 1990, it be discharged from further consideration of the bill and the bill be placed on the calendar.

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

AUTHORITY FOR PRINTING REVISED EDITION OF STANDING RULES OF THE SENATE

Mr. FOWLER. Mr. President, on behalf of Senators FORD and STEVENS, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 242) authorizing the printing of a revised edition of the Standing Rules of the Senate as a Senate document.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia?

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

Mr. FORD. Mr. President, this resolution would authorize the preparation and printing as a Senate document of a revised edition of the Standing Rules of the Senate, and that there be printed 2,500 additional copies for the use of the Committee on Rules and Administration.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 242) was agreed to, as follows:

S. RES. 242

Resolved, That the Committee on Rules and Administration hereby is directed to prepare a revised edition of the Standing Rules of the Senate, and that such standing rules shall be printed as a Senate document.

Sec. 2. There shall be printed two thousand five hundred additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

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

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

The motion to lay on the table was agreed to.

ORDER TO PROCEED TO CONSIDERATION OF S. 2073 OR HOUSE COMPANION MEASURE

Mr. FOWLER. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Republican leader, may at any time proceed to the consideration of S. 2073, urgent assistance for democracy in Panama, or the House companion measure.

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

APPOINTMENT BY THE VICE PRESIDENT

THE PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to the order of the Senate of January 24, 1990, appoints the Senator from Virginia [Mr. ROBB] to read Washington's Farewell Address on February 22, 1990.

ORDERS FOR WEDNESDAY

RECESS UNTIL 9:30 A.M.; MORNING BUSINESS

Mr. FOWLER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m., tomorrow, Wednesday, February 7, and that following the time of the two leaders there be a period for morning business until 10 a.m. with Senators permitted to speak therein up to 5 minutes each.

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

PROGRAM

Mr. FOWLER. Mr. President, at 10 a.m. the Senate will resume consideration of S. 695 under the provision of the unanimous-consent agreement previously adopted.

**RECESS UNTIL 9:30 A.M.
TOMORROW**

Mr. FOWLER. Mr. President, I ask unanimous consent that the Senate now stand in recess under the previous order until tomorrow morning at 9:30 a.m., Wednesday, February 7.

Their being no objection, the Senate, at 7:32 p.m., recessed until Wednesday, February 7, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 6, 1990:

**U.S. INTERNATIONAL DEVELOPMENT
COOPERATION AGENCY**

RICHARD E. BISSELL, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE NYLÉ C. BRADY, RESIGNED.

NATIONAL RAILROAD PASSENGER CORPORATION

TOMMY G. THOMPSON, OF WISCONSIN, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL RAILROAD PASSENGER CORPORATION FOR THE REMAINDER OF THE TERM EXPIRING APRIL 27, 1990, VICE ROBERT D. ORR.

IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, PROVIDED IN NO CASE SHALL THE OFFICERS BE APPOINTED IN A GRADE HIGHER THAN MAJOR.

LINE OF THE AIR FORCE

GEORGE M. ABERNATHY, XXX-XX-XXXX
JOHNNIE D. AINSLEY, XXX-XX-XXXX
CHALMOS N. ALDAY, XXX-XX-XXXX
EDDY N. ALLARD, XXX-XX-XXXX
MARIE E. ANDERSON, XXX-XX-XXXX
ANTHONY R. ANDREWS, XXX-XX-XXXX
RAY AUSTIN, XXX-XX-XXXX
MARK G. BACIAK, XXX-XX-XXXX
DEBORAH A. BACON, XXX-XX-XXXX
GEORGE L. BAILEY, III, XXX-XX-XXXX
CARTER P. BARRETT, XXX-XX-XXXX
WILLIAM JOHN BERMAN, XXX-XX-XXXX
DOUGLAS L. BLANDFORD, XXX-XX-XXXX
RAYMOND C. BRADBURY, XXX-XX-XXXX
ADLAU O. BREGER, XXX-XX-XXXX
DON E. BROCK, XXX-XX-XXXX
JEANNENE V. BROOKS, XXX-XX-XXXX
LOUIS H. BUDD, III, XXX-XX-XXXX
TONYA L. BUSH, XXX-XX-XXXX
ROBERT F. CAHILL, XXX-XX-XXXX
PAMELA J. CALHOUN, XXX-XX-XXXX
ANIBAL E. CAUSSADE, XXX-XX-XXXX
BRIAN J. CHAISSON, XXX-XX-XXXX
TERENCE M. CLAPP, XXX-XX-XXXX
JOHN L. COLEMAN, XXX-XX-XXXX
JOHN R. COLLIER, JR., XXX-XX-XXXX
ANTONIO A. COVAS, XXX-XX-XXXX
CHARLES F. CRANE, XXX-XX-XXXX
CHARLES M. DAVENPORT, XXX-XX-XXXX
JAMES J. DAVIDSON, XXX-XX-XXXX
DEBORAH O. DAVIS, XXX-XX-XXXX
THOMAS E. DEMBOWSKI, XXX-XX-XXXX
JEFFREY A. DINGMAN, XXX-XX-XXXX
WILLIAM R. DIXON, XXX-XX-XXXX
MANOLA J. DOBBS, XXX-XX-XXXX
ROLAND E. EDWARDS, XXX-XX-XXXX
RICHARD W. FAESE, XXX-XX-XXXX
THOMAS K. FELLIION, XXX-XX-XXXX
EDWARD L. FIX, XXX-XX-XXXX
ROY J. FRIEDMAN, XXX-XX-XXXX
MARY C. GARCIA, XXX-XX-XXXX
HERBERT L. GIBBS, XXX-XX-XXXX
MARGARET A. GLASGOW, XXX-XX-XXXX
LEO A. GLUNK, JR., XXX-XX-XXXX
MATTHEW F. GRANDALSKI, XXX-XX-XXXX
RICHARD L. GRASSE, XXX-XX-XXXX
MICHAEL D. GRAYSON, XXX-XX-XXXX
STANLEY R. HANFT, XXX-XX-XXXX
CLYDE D. HANLINE, XXX-XX-XXXX
VAN E. HARL, XXX-XX-XXXX
RONALD J. HARLOW, XXX-XX-XXXX
DENNIS H. HAYNES, XXX-XX-XXXX
RONNIE C. HICKS, XXX-XX-XXXX
CLIFTON HILL, XXX-XX-XXXX
JEFFREY D. HOOPER, XXX-XX-XXXX
FRANCIS A. HORNE, XXX-XX-XXXX
DOUGLAS P. HOUSTON, XXX-XX-XXXX
ROBERT A. HOWELL, XXX-XX-XXXX
PAULA H. JEFFERY, XXX-XX-XXXX
GARY W. JOHNSON, XXX-XX-XXXX
GREGORY P. JONES, XXX-XX-XXXX
ROBERT LESLIE JONES, XXX-XX-XXXX
ROBERT P. KAY, XXX-XX-XXXX
KENNETH M. KELLY, XXX-XX-XXXX
CRAIG A. KENNEY, XXX-XX-XXXX
PAUL W. KENNEY, XXX-XX-XXXX
RORY S. KINNEY, XXX-XX-XXXX
PETER D. KIRK, XXX-XX-XXXX
RICHARD A. KIRKLAND, XXX-XX-XXXX
DAVID C. KLAETHN, XXX-XX-XXXX
GREGORY L. KLINGLER, XXX-XX-XXXX
PATRICK KEVIN KROSS, XXX-XX-XXXX
JOSEPH F. LAHUE, XXX-XX-XXXX
ELIZABETH A. LAMBERT, XXX-XX-XXXX
GARY V. LAMBERT, XXX-XX-XXXX
MARK E. LANIER, XXX-XX-XXXX
CORRINE E. LARA, XXX-XX-XXXX
TERRY S. LAWSON, XXX-XX-XXXX
MARK W. LEES, XXX-XX-XXXX
ROBERT B. LINGERFELT, XXX-XX-XXXX
GREGORY J. LOCHBAUM, XXX-XX-XXXX
FRANCIS G. MACALOON, XXX-XX-XXXX
IAN B. MACINNIS, XXX-XX-XXXX
ROBERT L. MAGGARD, JR., XXX-XX-XXXX
CLIFFORD B. MASS, XXX-XX-XXXX
MICHAEL L. MATERNA, XXX-XX-XXXX
DAVID L. MATHIS, XXX-XX-XXXX
RALPH Q. MAYHORN, II, XXX-XX-XXXX
JEFFREY C. MCCLEAN, XXX-XX-XXXX
EDWARD E. MCIDONALD, XXX-XX-XXXX
RICHARD T. MEANS, XXX-XX-XXXX
JOSE M. MENDEZ, XXX-XX-XXXX
ROBERT A. MOLINA, XXX-XX-XXXX
GREG MOSER, XXX-XX-XXXX
BOBBY L. NORWOOD, XXX-XX-XXXX
PETER C. OBER, XXX-XX-XXXX
MARI G. OLSON, XXX-XX-XXXX
TERRENCE P. PEACOCK, XXX-XX-XXXX
WENDELL J. POWELL, XXX-XX-XXXX
DENNIS M. PRODY, XXX-XX-XXXX
PETER G. RAETH, XXX-XX-XXXX
DANIEL RODRIGUEZ, JR., XXX-XX-XXXX

OWEN R. ROWLANDS, XXX-XX-XXXX
DENNIS D. ROYER, XXX-XX-XXXX
LAWRENCE D. SAMUELSON, XXX-XX-XXXX
FELIX J. SANTOS, XXX-XX-XXXX
ROBERT W. SAPPI, XXX-XX-XXXX
JEFFREY R. SARGENT, XXX-XX-XXXX
SAMUEL B. SHAMBURGER, XXX-XX-XXXX
STEPHEN SILVIA, XXX-XX-XXXX
ROBERT G. SMITH, JR., XXX-XX-XXXX
RONALD E. SOLDANI, XXX-XX-XXXX
CHARLES M. SOLOMON, XXX-XX-XXXX
KIM G. SPOONER, XXX-XX-XXXX
JAMES W. STEELE, XXX-XX-XXXX
JAMES J. STINGER, XXX-XX-XXXX
MALCOLM L. SULLIVAN III, XXX-XX-XXXX
CURTIS E. SWAI, II, XXX-XX-XXXX
JOHNNIE L. TAYLOR, XXX-XX-XXXX
KENNETH C. TONN, XXX-XX-XXXX
GREGORY H. TOPPING, XXX-XX-XXXX
RICHARD A. VIDONI, XXX-XX-XXXX
DONALD F. WAGSTAFF, XXX-XX-XXXX
ANTHONY J. WALDBILLIG, XXX-XX-XXXX
KENNETH W. WALDEN, XXX-XX-XXXX
JOHNNY R. WALKER, XXX-XX-XXXX
ROBERT L. WALSH, XXX-XX-XXXX
DONALD E. WARLICK, XXX-XX-XXXX
AUDREY N. WINGATE, XXX-XX-XXXX
RONALD K. WONSON, XXX-XX-XXXX
DAVID R. WOODS, XXX-XX-XXXX
MICHAEL A. ZIELINSKI, XXX-XX-XXXX

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED PROVIDED THAT IN NO CASE SHALL THE OFFICERS BE APPOINTED IN A GRADE HIGHER THAN MAJOR.

CHAPLAIN CORPS

BRUCE A. ARNOLD, XXX-XX-XXXX
GARY R. BEMENT, XXX-XX-XXXX
GARY R. GARVEY, XXX-XX-XXXX
ROBERT S. HOCHREITER, XXX-XX-XXXX
JOSEPH S. KUAN, XXX-XX-XXXX
BYRON E. LUCKETT, JR., XXX-XX-XXXX
JEROME D. MUELLER, XXX-XX-XXXX
MAURICE L. NEESSE, XXX-XX-XXXX
RICHARD D. OBERHEIDE, XXX-XX-XXXX
GARY R. SALMON, XXX-XX-XXXX
JAY R. SHERWOOD, XXX-XX-XXXX
CHARLES M. SIMMONS, XXX-XX-XXXX
JOHN L. TARRANT, JR., XXX-XX-XXXX
REUBEN K. WASHINGTON, XXX-XX-XXXX

JUDGE ADVOCATE

JACK L. ANDERSON, XXX-XX-XXXX
HARRY J. BATEY, XXX-XX-XXXX
RALPH A. BAUER, XXX-XX-XXXX
STEPHEN H. BLEWETT, XXX-XX-XXXX
WILLIAM E. BOYLE, XXX-XX-XXXX
ARTHUR C. BREDEMAYER, XXX-XX-XXXX
PAUL C. CLARK, XXX-XX-XXXX
GREGORY D. COX, XXX-XX-XXXX
LAURA H. CROCKER, XXX-XX-XXXX
PAUL M. DANKOVICH, XXX-XX-XXXX
MORRIS D. DAVIS, XXX-XX-XXXX
BERNARD E. DOYLE, JR., XXX-XX-XXXX
PEGGY C. DUREFY, XXX-XX-XXXX
JOHN A. DYER, XXX-XX-XXXX
HENRY LEE EINSEL, JR., XXX-XX-XXXX
TERRENCE H. FARRELL, XXX-XX-XXXX
GREGORY L. FRONIMOS, XXX-XX-XXXX
RONALD A. GREGORY, XXX-XX-XXXX
WILLIAM A. GROVES, XXX-XX-XXXX
JOHN R. HART, XXX-XX-XXXX
BART HILLYER, XXX-XX-XXXX
MARY J. HONODEL, XXX-XX-XXXX
JUDSON B. HOWELL, XXX-XX-XXXX
VICTOR F. LAPUMA, XXX-XX-XXXX
JOHN T. LAURO, XXX-XX-XXXX
MICHAEL R. LUND, XXX-XX-XXXX
JOEL C. MARSH, XXX-XX-XXXX
CLIFFORD J. MCKINSTRY, XXX-XX-XXXX
ANN M. MITTERMEYER, XXX-XX-XXXX
KATHY A. MONTGOMERY, XXX-XX-XXXX
JAMES E. MOODY, XXX-XX-XXXX
MICHAEL D. MURPHY, XXX-XX-XXXX
GREGORY B. PORTER, XXX-XX-XXXX
MARK R. RUPPERT, XXX-XX-XXXX
CHARLES S. SIVLEY, XXX-XX-XXXX
WALTER J. SKIERSKI, JR., XXX-XX-XXXX
JERALD C. THOMPSON, XXX-XX-XXXX
STEVEN N. TOMANELLI, XXX-XX-XXXX
DONALD G. TYSON, XXX-XX-XXXX
MARC VANNUYS, XXX-XX-XXXX
BILL C. WELLS, XXX-XX-XXXX
EVERETT G. WILLARD, JR., XXX-XX-XXXX
LAWRENCE H. WOODWARD, XXX-XX-XXXX

NURSE CORPS

BEVERLY J. ARBUTHNOT, XXX-XX-XXXX
LEONOR P. BEAM, XXX-XX-XXXX
LYNDA K. BRANDT, XXX-XX-XXXX
SYLVIA H. CATIN, XXX-XX-XXXX
JANE R. HAUSIA, XXX-XX-XXXX
RAYMOND Y. HOWELL, XXX-XX-XXXX
GEORGE HUBBS, III, XXX-XX-XXXX
PATRICIA E. JANTZEN, XXX-XX-XXXX
BARBARA A. LAROSEE, XXX-XX-XXXX
CYNTHIA R. LIGHTNER, XXX-XX-XXXX

BRENDA J. LINDSAY, XXX-XX-XXXX
 KATHRYN N. MAHMOOD, XXX-XX-XXXX
 MARGARET J. MCARTHUR, XXX-XX-XXXX
 CHARLES S. MCDONALD, XXX-XX-XXXX
 JOHN F. MITCHELL, XXX-XX-XXXX
 MICHAEL C. ORR, XXX-XX-XXXX
 TRACY A. PRICE, XXX-XX-XXXX
 JOSE M. SALAZAR, XXX-XX-XXXX
 VENITA I. SAMPSON, XXX-XX-XXXX
 ELAINE M. SOPKO, XXX-XX-XXXX
 JOHN R. TURNER, XXX-XX-XXXX
 PAULA L. WILLIAMS, XXX-XX-XXXX
 KATHLEEN M. YOUNT, XXX-XX-XXXX

MEDICAL SERVICE CORPS

NICHOLAS H. BANZIRUK, XXX-XX-XXXX
 BRUCE R. BROWN, XXX-XX-XXXX
 CHI CHIANG, XXX-XX-XXXX
 KENNETH W. KELLY, XXX-XX-XXXX
 RICHARD F. MONK, XXX-XX-XXXX
 LEONARD A. OSTERMANN, XXX-XX-XXXX
 LORRI B. POWELL, XXX-XX-XXXX
 ROBERT T. SCHAWELSON, XXX-XX-XXXX
 SUZANNE M. SILVER, XXX-XX-XXXX
 JERRY P. WESTWATER, XXX-XX-XXXX

BIOMEDICAL SCIENCES CORPS

PAUL H. ADAMSON, XXX-XX-XXXX
 CAROLYN S. BENNETT, XXX-XX-XXXX
 BRIAN R. CAMPBELL, XXX-XX-XXXX
 STEPHEN J. CHIRIGOTIS, XXX-XX-XXXX
 DAVID J. DEMAY, XXX-XX-XXXX
 BRIAN W. DESANTIS, XXX-XX-XXXX
 MARK F. GENTILMAN, XXX-XX-XXXX
 LELAND E. GEORGE, XXX-XX-XXXX
 WILLIAM A. GLASSEY, XXX-XX-XXXX
 STEPHEN M. HASWELL, XXX-XX-XXXX
 CASEY J. HUMPHREY, XXX-XX-XXXX
 MICHAEL E. JOHNSON, XXX-XX-XXXX
 JOSEPH H. KUBICEK, XXX-XX-XXXX
 BRIAN L. LESTRANGE, XXX-XX-XXXX
 KIRK C. MAYNARD, XXX-XX-XXXX
 PAULA A. MCPHAIL, XXX-XX-XXXX
 OTTO W. OHM, II, XXX-XX-XXXX
 STEPHEN G. REINHART, XXX-XX-XXXX
 DAVID A. RITTER, XXX-XX-XXXX
 LESTER J. SCHMIDT, XXX-XX-XXXX
 SCOTT A. SIMPSON, XXX-XX-XXXX
 LARRY D. THOMPSON, XXX-XX-XXXX
 MARK J. WELTER, XXX-XX-XXXX
 MARK R. YAGER, XXX-XX-XXXX
 GREGORY Y. G. YOUNG, XXX-XX-XXXX
 MICHAEL E. YOUNG, XXX-XX-XXXX

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

JOHN E. BAKER, XXX-XX-XXXX
 HARRY D. BROWN, XXX-XX-XXXX
 PAUL A. CAPOFARI, XXX-XX-XXXX
 GARTH K. CHANDLER, XXX-XX-XXXX
 CHARLES A. COSGROVE, XXX-XX-XXXX
 STEPHEN R. DOOLEY, XXX-XX-XXXX
 THOMAS F. ENGLAND, XXX-XX-XXXX
 ROBERT M. FANO, XXX-XX-XXXX
 BRYAN H. FELMET, XXX-XX-XXXX
 EDWARD W. FRANCE, III, XXX-XX-XXXX
 STEPHEN R. HANEY, XXX-XX-XXXX
 WILLIAM E. HARLAN, JR., XXX-XX-XXXX
 JAMES N. HATTEN, XXX-XX-XXXX
 GARY J. HOLLAND, XXX-XX-XXXX
 ROBERT F. HOLLAND, XXX-XX-XXXX
 JAMES A. HUGHES, JR., XXX-XX-XXXX
 JOHN E. KING, XXX-XX-XXXX
 PAMELA E. KIRBY, XXX-XX-XXXX
 JOHN P. * LEY, JR., XXX-XX-XXXX
 JAMES J. LYNCH, XXX-XX-XXXX
 GARY M. MANUELA, XXX-XX-XXXX
 JAMES A. MCATAMNEY, XXX-XX-XXXX
 MICHAEL J. MCCELLIGOTT, XXX-XX-XXXX
 JAY D. MCQUEEN, XXX-XX-XXXX
 THOMAS J. MURPHY, XXX-XX-XXXX
 MICHAEL R. NEIDS, XXX-XX-XXXX
 JOHN T. PHELPS II, XXX-XX-XXXX
 LOUIE REYNA, XXX-XX-XXXX
 JOSEPH A. RUSSELBURG, XXX-XX-XXXX
 JOHN M. SMITH III, XXX-XX-XXXX
 MICHAEL D. WARREN, XXX-XX-XXXX

DENTAL CORPS

To be lieutenant colonel

ELISE F. * ADRIAN, XXX-XX-XXXX
 LOREN D. * ALVES, XXX-XX-XXXX
 PEGGY H. * AUGUSTINE, XXX-XX-XXXX
 WILLIAM R. BACHAND, XXX-XX-XXXX
 MICHAEL K. BAISDEN, XXX-XX-XXXX
 FREDERICK J. BALLIGAN, XXX-XX-XXXX
 JOHN H. * BARKER, JR., XXX-XX-XXXX
 MICHAEL S. * BARTELT, XXX-XX-XXXX
 RICHARD A. BASS, XXX-XX-XXXX

GREGORY W. BOICE, XXX-XX-XXXX
 GARY L. * BREWER, XXX-XX-XXXX
 SIDNEY A. * BROOKS, XXX-XX-XXXX
 JOHN S. BROUSSEAU, XXX-XX-XXXX
 EUGENE M. * BUTTEL, XXX-XX-XXXX
 JOHN M. * CARUSO, XXX-XX-XXXX
 ANDREW J. * CASSIDY, XXX-XX-XXXX
 ANDREW D. * CHANDLER, XXX-XX-XXXX
 CHIN S. CHEN, XXX-XX-XXXX
 MICHAEL C. * CHISICK, XXX-XX-XXXX
 HUNTER R. CLOUSE, XXX-XX-XXXX
 JOHN L. * CORADINI, JR., XXX-XX-XXXX
 BRIAN L. * CULLEN, XXX-XX-XXXX
 PETER L. DEMIZIO, XXX-XX-XXXX
 JOHN M. DHANE, XXX-XX-XXXX
 ALAN W. * EDMUNDSON, XXX-XX-XXXX
 CLARENCE W. ELROD, XXX-XX-XXXX
 CARLTON J. * FLOYD, XXX-XX-XXXX
 JEFFREY G. * FOERSTER, XXX-XX-XXXX
 ROBERT D. * FRAZIER, XXX-XX-XXXX
 JAMES M. * GERELLY, XXX-XX-XXXX
 DAVID G. * GILLON, XXX-XX-XXXX
 BILL G. * GOBLE, XXX-XX-XXXX
 LAWRENCE K. GREEN, XXX-XX-XXXX
 ROLAND B. * GUSTAFSON, XXX-XX-XXXX
 ROBERT C. * GUTHRIE, XXX-XX-XXXX
 JAMES N. * HAMILTON, XXX-XX-XXXX
 PATRICK R. * HARRISON, XXX-XX-XXXX
 DAVID A. HERMAN, XXX-XX-XXXX
 STEPHEN J. HESS, XXX-XX-XXXX
 RANDALL S. * HILTNER, XXX-XX-XXXX
 ERIC P. JANKOWSKI, XXX-XX-XXXX
 DAVID L. JUDY, XXX-XX-XXXX
 CARL E. JULIAO, XXX-XX-XXXX
 JOSEPH J. * JURCAK, XXX-XX-XXXX
 GARY R. KARREN, XXX-XX-XXXX
 DAVID A. * KERN, XXX-XX-XXXX
 VAL L. * KUDRYK, XXX-XX-XXXX
 REGINALD J. * LANKFORD, XXX-XX-XXXX
 RODGER A. * LAWTON, XXX-XX-XXXX
 THOMAS J. LEAS, XXX-XX-XXXX
 BYRON W. LINDSAY, XXX-XX-XXXX
 WILSON J. * LUCIANO, XXX-XX-XXXX
 PAUL A. * LUTTRELL, XXX-XX-XXXX
 RAYMOND G. * MATTHEWS, XXX-XX-XXXX
 JOHN D. * MAYO, XXX-XX-XXXX
 RICHARD J. * MCCLAVE, XXX-XX-XXXX
 MICHAEL J. MCGOWAN, XXX-XX-XXXX
 HERBERT * MCKINNEY, XXX-XX-XXXX
 STANLEY J. MCNEE, XXX-XX-XXXX
 RONALD W. * MIKALOFF, XXX-XX-XXXX
 GEORGE V. * MILLETT, XXX-XX-XXXX
 BARRY D. MOORE, XXX-XX-XXXX
 JAN F. * MOORE, XXX-XX-XXXX
 MALCOLM B. * MUNK, XXX-XX-XXXX
 FRANCIS E. * NASSER, JR., XXX-XX-XXXX
 MARK W. * NELSON, XXX-XX-XXXX
 JAMES E. * NEWMAN, JR., XXX-XX-XXXX
 NORMAN W. * OTT, JR., XXX-XX-XXXX
 CRAIG E. * PEARCE, XXX-XX-XXXX
 HARALD B. * PEDERSEN, XXX-XX-XXXX
 DANIEL M. PIETZ, XXX-XX-XXXX
 KEVIN D. * PLUMMER, XXX-XX-XXXX
 MARVIN E. POLAND, XXX-XX-XXXX
 JOSEPH R. * POTOKY, XXX-XX-XXXX
 THOMAS C. RAKER, XXX-XX-XXXX
 DANIEL R. * RAVEL, XXX-XX-XXXX
 ROBERT B. * REICHL, XXX-XX-XXXX
 ERNEST R. * RICCI, XXX-XX-XXXX
 MICHAEL * ROTHSTEIN, XXX-XX-XXXX
 ROBERT B. SCHANZER, XXX-XX-XXXX
 STEVEN E. * SCHELLER, XXX-XX-XXXX
 DAVID L. SCHNECK, XXX-XX-XXXX
 MICHAEL H. * SHAHAN, XXX-XX-XXXX
 GURBAJAN * SINGH, XXX-XX-XXXX
 GLEN A. SMITH, XXX-XX-XXXX
 TERRANCE L. * SMITH, XXX-XX-XXXX
 KENNETH E. * STEIDLEY, XXX-XX-XXXX
 JOHN P. * STORZ, XXX-XX-XXXX
 WAYNE S. SVOBODA, XXX-XX-XXXX
 DANIEL L. SWEENEY, XXX-XX-XXXX
 KAREN W. * TILLMAN, XXX-XX-XXXX
 GARY J. * VALIANT, XXX-XX-XXXX
 MACK A. * WARREN, XXX-XX-XXXX
 MICHAEL E. * WERNER, XXX-XX-XXXX
 EUGENE WEST, XXX-XX-XXXX
 LESLEY A. * WEST, XXX-XX-XXXX
 DAVID C. WILLIAMS, XXX-XX-XXXX
 JERRY W. WILLIAMS, XXX-XX-XXXX
 TERRY L. * ZETTLEMOYER, XXX-XX-XXXX

IN THE NAVY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE LINE OF THE U.S. NAVY PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, LINE

To be lieutenant commander, USN, permanent

HAROLD G HATCH, JR., JOHN TERRY THOMSON
 THOMAS E KATANA
 MICHAEL LEROY
 MARCINO

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, LINE

To be lieutenant, USN, permanent

GLEN CHARLES
 ACKERMANN
 MICHAEL WALTER
 AHLGRIM
 ORLANDO ARTURO
 ALFRED
 ERIC ROBERT BACHMANN
 PAMELA KLINE BELL
 JAMES C BIBBER
 STEVEN JAMES BOLDUC
 LOUIS MICHAEL BORNO
 III
 PAUL JOSEPH BOUCREE
 JOHN LEARD BOWLEN
 THOMAS JOSEPH
 BROVARONE
 CHRISTOPHER
 ELLSWORTH BROWN
 RONALD DEAN BRUNETTE
 JOHN LINWOOD BRYANT, JR
 ANDREW BUDUO III
 KEVIN PETER CAMPBELL
 WILLIAM CURTIS
 CAMPBELL
 HENRI LEON CHASE
 TERESA JANE CHERRY
 GREGORY ALLEN CLANCY
 MARK STEVEN
 CLEMENCER
 KENNETH CHARLES
 COGGINS
 DOUGLAS DWIGHT
 COMBS
 JOHN CRAIG CONNOLY
 THOMAS JAMES COOGAN
 III
 ARNAL CHARLES COOK
 ANTHONY COOPER
 JUSTIN DAVID COOPER II
 JOHN WALTER COVELL
 JAMES THOMAS COX
 VINCENT STARRETT
 CROMER
 AARON LOUIS
 CUDNOHUFSKY
 ALESSANDRO VERONE
 CUEVAS
 JOHN ROBERT DAMICO
 EDWIN JOSEPH DAUM, JR.
 ALVIN DAVIS
 SARA JANE DAVIS
 RANDAL LEE
 DEDRICKSON
 LORI LEILANI DELOOZE
 DANIEL EVAN DENISON
 DANIEL SCOTT DIETRICH
 MANUEL TULIAO DORIA
 RICHARD JAMES DORN
 JEFFREY GEORGE
 EHBRAR
 RANDOLPH EUGENE
 ELLIOTT
 LUIS MIGUEL EVANS
 KENNETH JOSEPH EXUM
 GEORGE THOMAS FADOK, JR
 DAVID CHARLES FALK
 ALAN LEE FINK
 JOHN R B FLIPSE
 JEFFREY BRIAN FLYNN
 THOMAS FRANCIS FLYNN
 ANTONIO PIETRO
 FONTANA
 DAVID MICHAEL FOX
 WAYNE SCOTT FOX
 JONATHAN CAREY FRAY
 LIZABETH LEPP FRUTH
 ENRIQUE GARCIA
 DAVID JON GERARDI
 KYLE ALLEN GISH
 WILLIAM HAUPT
 GOODALE II
 ROBERT LEDONNE
 GOODSON
 ARIEL JOSE GUTIERREZ
 MARK MASON HALEY
 FRANK JOSEPH HALLER
 RAYMOND LEIGH
 HANSHEW
 MICHAEL LANSING
 HARRIS
 WILLIAM DECKER HATCH II
 KEITH WAYNE HEFLIN
 PHILIP MARTIN HENRY
 RONALD LEE HERNDON
 JAMES ERIC HEYMAN
 FRANKLIN NMH HICKMAN
 JOHN DOUGLAS HODGES
 ROBERT WILLIAM
 HOLLOWCHER
 GUY VICTOR HOLSTEN
 CLOYES RAY HOOVER, JR.
 LAMONTE HOSE
 ALBIN L HOVDE
 WALTER BRIAN HUDSON
 WILLIAM THOMAS HUTTO

CHARLES DONALD SMITH, JR
 ARNETTA SPIKES
 ELIZABETH A STEINNECKER
 ROBERT ANDREW
 STOUFFER
 STEVEN ROBERT STUMP
 RAYMOND EARL
 SULLIVAN, JR
 DAVID REUBEN
 SWATHWOOD
 CLEMENT TANAKA

SANDRA ELAINE THORNTON
JAMES ELEPHERIOS TRANORIS
WILLIAM ALBERT TREADWAY
KURT WILLIAM VALKO STEVEN M VOLOSEK
ALAN KEITH WALTERS PATRICK LEONARD WARD
TERRY LEE WASHBURN EDWARD THOMAS WATKO
RYAN KEITH ZINKE

EZELL WESTBROOK, JR ERIC LEX WESTREICH
MARK ANTHONY WHITTLE
ROBERT FRANK WILLIS DALE EDWARD WILSON
TRACY LEROY WILSON TRACY FOREST WILT, JR
TY ROY WOLFER
DAVID JAMES WRAY
THOMAS GERRY WRIGHT
EDWARD THOMAS WATKO

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, LINE

To be lieutenant (junior grade), USN, permanent

BRYAN MOSS AHERN
WILLIAM JEFFREY ALDERSON
MARK JAVIER ALLBRITTON
CLAYTON RICHARD ALLEN
MICHAEL DEAN ANGOVE
SEGUNDO JORGE ARGUDO
THERESA MARIE ATWELL
KEVIN WAYNE BAILEY
JAMES ROBERT BEHRENS
JEFFRY LENDAL BENNETT
STEVEN BRADLEY BLINN
JEFFREY WARD BOWMAN
DOUGLAS E BURNS
KEVIN ANTHONY BUTLER
JOHN DANIEL CARPENTER
MICHAEL ALBERT CELEK
SUSAN KAY CEROVSKY
JOHN LESLIE CHOYCE
MICHAEL DEAN COKER
GREGORY EUGENE COLE
DANIEL ALBERT CROCKER
GLENN ALAN DAVIS
WILLIAM MICHAEL DECANIO
EDUARDO ANTONIO DEJESUS
MERVIN DANIEL DIAL
RICHARD C DIAMANTOPOULOS
FREEMAN RUSSELL DODSWORTH
DONALD FRANK DOMBROWSKY
MANUEL BAYACA DOMINGO
DONNA LEE DORAN DENISE GROHE DORN
THOMAS VINCENT DOUGHERTY
MARCUS STEPHEN EDWARDS
DAVID CHARLES ENGLEHART
STEPHEN CARL EVANS
LINDA R EVANSWACKERMAN
BURT WADE FINCHAM
AARON CLIFFORD FLANNERY
TIMOTHY PATRICK FLEMING
AMY LOUISE FRAHER
MARC M GIBELEY
WILLIAM NICOLAS GIGANTE
DAVID BENJAMIN GIMBEL
STEVEN LEMAR GREENE
KERI ANN GROHS
THOMAS STEPHEN GROSS
DON E HAGGARD
WARDEN GREGORY HEFT
SELENA ANN HERNANDEZHAINES
LOVELY VERLEANA HIBBLER
THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE SECTION 531:

U.S. NAVAL RESERVE, LINE,

To be ensign, USN, permanent

WILLIAM K ADCOX
ADDIE ALKHAS
PETER J ALLEN
ANDREW P BIRCH
ROBERT B BURGIO
ARMANDO R CIRELLO
BLAKE L CONVERSE
MARTIN R COSTA
ANDREW R DEETZ
JOSEPH L DEGRAFF

NATHANIEL ROBERT DOERSAM
DAVID A DUKE
THOMAS W ELGIN
JONATHAN T GIBSON
DAVID B HALLEY
DARREN J HANSON
TERRY A HICKMAN
KERRY A HOLBROOK
BRYAN E HOLCOMB

GREGORY A HOLLSTROM
GERALD L JOHNSTON
TODD K KNUTSON
PATRICK A KOPPA
JAMES R LAMBERT
ERICH H LIMBECK
RANDY W MALTERUD
MICHAEL P MAZZONE
MATTHEW P MCCOLLEY
WALTER L MCPHEARSON
JR
WILLARD D MITCHELL

HUEY H NGUYENHUU
NOHIEH Q PHAM
RODNEY D PICKETT
JAMES B POTTS
WILLIAM P PRINCE
VICTOR RECK, JR
MICHAEL S ROSEN
DENTON L SCHANTZ
BLAKE A SEAS
BRUCE E WILLY
PETER R WOLTERS

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, MEDICAL CORPS

To be commander, USN, permanent

NICOLAS DIMITRI YAMODIS
THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, MEDICAL CORPS

To be lieutenant commander, USN, permanent

KER BOYCE
DAVID MICHAEL
DELVECCHIO
DONALD HURLEY
PAUL G MERCHANT
ANTHONY NEAL MISHIK
WILLIAM FREDERICK
NELSON
CHARLES A REESE
MIGUEL ANGEL
RODRIGUEZ
ALBERT STEPHEN
RUDOCK
ROBERT TIMOTHY SPIRO
JEFFREY M SWALCHICK

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, MEDICAL CORPS

To be lieutenant, USN, permanent

THOMAS G ANDROS
WILLIAM AUBUCHON
WILLIAM DALE BONE
JOSEPH L DONOVAN
TERRY CRAIG HAMMOND
MURRAY C NORCROSS, JR
MICHAEL J PATTI
FRANK J PINTO, JR
LOUIS U PULICICCHIO

THE FOLLOWING NAMED LINE OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE SUPPLY CORPS

To be lieutenant

TRACY JEAN AUSTIN STANLEY
PAUL JUDE BROWNING
FREDRICK G THORPE

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, SUPPLY CORPS

To be lieutenant, USN, permanent

ROBERT W FOSTER BRIAN ARTHUR ZIRBEL

THE FOLLOWING NAMED LINE OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE SUPPLY CORPS

To be lieutenant (junior grade)

ERIC LYNN GLASER MICHAEL S HONZIK
DONALD W HERNDON MICHELE MARIE PERKINS

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, SUPPLY CORPS

To be lieutenant (junior grade), USN, permanent

GRISSELL FRANCES COLLAZO
BOBBI LORRAINE COLLINS
DWIN CHARLES CROW
WILLIAM KENT DAVIS
GEORGE DEVRIES
STEVEN ANDREW DIDIO
KENT ROBERT DILLS
JAMES MICHAEL ERSKINE
JAN CHRISTOPHE FARYASZEWSKI
RICHARD DANIEL HAYDEN
JOHN JOSEPH LANDRY
KEVIN DALE REDMAN
DONALD LEE SINGLETON
JAMES WILLIAM SMART
MARIE STEPHEN SMITH
DAVID ROSS SUTTON
DAVID WILLIAM TAYLOR
WILLIAM JOSEPH TERRY
LAWRENCE ROBERT WEBB
DAVID TURNER WILEY

THE FOLLOWING NAMED LINE OFFICERS, TO BE REAPPOINTED PERMANENT ENSIGN IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE SUPPLY CORPS

To be ensign

JOHN H BLAKELY DAVID C MCMONAGLE
TIMOTHY B PETER G
HEATHERINGTON STAMATOPoulos
MICHAEL B ISRAEL TIMOTHY J THATE
ENRIQUE R MARCHESE STEVEN C THORNE

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT LIEUTENANT IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, CHAPLAIN CORPS

To be lieutenant, USN, permanent

BRIAN FRANCIS KELLY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, CIVIL ENGINEER CORPS

To be lieutenant, permanent

MARY KATRINA BALDWIN MARK LAWRENCE
KEITH DOUGLAS BERNDT LEEMASTER
ANTHONY JAMES COX WILLINGTON LIN
ALEXIS MICHAEL DERWOOD JOSEPH
GAVRISHOFF MASON III
DEWAYNE EARL JENKINS KEITH ALBERT MATCHES
RANDALL JAY JOHNSTON RYAN KEITH
SCOTT LINCOLN LARSON VANOMMEREN

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, CIVIL ENGINEER CORPS

To be lieutenant (junior grade), USN, permanent

DANIEL WRAY CURRENCE PHILLIP LEE NELSON
ERIC JAMES DENFELD BEN DOMINIC PINA
DONALD ALVIN GROSS, JR. PAUL POSTER WEBB
SCOTT KIRBY HIGGINS CLAYTON OLEN
MITCHELL, JR.

THE FOLLOWING NAMED LINE OFFICER, TO BE REAPPOINTED PERMANENT ENSIGN IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, CIVIL ENGINEER CORP

To be ensign,

ROBERT M FAIRBANKS

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL'S CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, JUDGE ADVOCATE GENERAL'S CORPS
To be lieutenant, USN, permanent

DAVID BRIAN AUCLAIR JOHN EDWARD
NANCY HALE MCDONALD
BLANKENSHIP MOIRA DEMPSEY
ANN MARIE DELANEY MODZELEWSKI
JANET RUSSELL RYNN JAMES PARSONS
DONOVAN MICHAEL IAN QUINN
MARTIN JOSEPH EVANS LYNN RICHEY
MARY ANN FLYNN STEPHEN RICHARD
KURT ALAN JOHNSON SARNOSKI
CLAYTON LEE JONES LORETTA GAIL SPILLANE
LARA LYNN JOWERS RUFUS TYRONE KEE TIMOTHY DOUGLAS WING

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, DENTAL CORPS

To be commander, USN, permanent

WINTHROP B CARTER

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVY PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, DENTAL CORPS

To be lieutenant commander, USN, permanent

JAMES WILLIAM HUSTON JAMES CAREY MARTIN III
MARK L LITTLESTAR

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, DENTAL CORPS
To be lieutenant, USN, permanent

RAUL ALBERTO AMADOR ROWLAND EUGENE
WAYNE SHERWOOD MCCOY
BARKER MATTHEW ARTHUR
CHRISTOPHER A BURNS MCNAULY
JILL MERRITT BURNS TIMOTHY JAMES MORRIS
DAVID D CARRIER GLENN ALEXANDER
MARI V COLAIANNI MUNRO III
SHARON YVETTE COLVIN WILLIAM NOEL MYERS
JOHN ARVILLE DAY, JR. JOSEPH V OLSZOWKA
ELSA BETTINA STEPHEN MICHAEL
DEMINSKI PACHUTA
TIMOTHY M DOWD JAMES EVERETT
HOWARD GLENN EAGLE PARKHILL
PATRICK JOHN GARRETT DUANE P PRZYBYLSKI
STEPHEN JOHN GLAWSON PAUL DAVIDSON REAGAN
MICHAEL ALLEN GORTHY JOHN KEATING SHEA, JR
JOHN PATRICK GRIFFIN KENNETH MARNE
CHARLES KENNETH STINCHFIELD
HARVEY JOHN EDWARD
MICHAEL W HUEY STUPARITZ
WILLIAM L HURTT JOEL LEE TRAYLOR
JOSEPH W KARITIS GERALD ABINADI TRIPP
PHILLIP KISSINGER POMAY TSOI
JESSIE WASHINGTON LEE CAROL LEE WALKER
JR KEVIN DAVID WARD
RONALD DALE LYNCH RICHARD DALE WRIGHT

THE FOLLOWING NAMED REGULAR OFFICER, TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, MEDICAL SERVICE CORPS
To be lieutenant, USN, permanent

CHARLES RAYMOND GENAU

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, MEDICAL SERVICE CORPS
To be lieutenant, USN, permanent

ROBERT PAITKEN VINCENT DEPAUL GLOVER
JUNIUS LEE BAUGH ROBERT ANDREW
GREGORY MARK GRASSO, JR
BEAVERS SUSAN BETH GREENBERG
JOSE COLICO BELTRANO DONNA MANNING
WILLIAM HARVEY GUTIERREZ
BLANCHE JAMES WILLIAM HILAND, JR
MARILYN MARIE BROOKS DAVID SAMUEL HORN
DANIEL JAMISON BRUCE ANTHONY AUGUSTUS
ROBERT MICHAEL BULLOCK JACKSON
BARBARA KAY BUTLER BRIAN GREGORY KERR
DEBORAH ANN CADY JUDY ROLAND
DAVID ANDREW DAVIES KIMBROUGH
MICHAEL LEE DAVIS THOMAS GEORGE
JERRY ANTHONY MIHARA
FORMISANO, JR. KURT SAMUEL MILSON
ROLAND CLAUS GARIPAT VICTORIA LYNN MUNDT
BRENDAN KIERAN JAMES PAUL NORTON
GLENNON JAMES JAY PAOLUCCI

THOMAS ALAN ROBERTSON BRIAN DAVID SWAN
DEBORAH JEAN SHUMAKER STEPHEN DOUGLAS TELA
EUGENE FENTON SMALLWOOD, JR. KERRY RAY THOMPSON
RICHARD FRANCIS STOLTZ BRADFORD JAMES WILEY
WINKLERPEISER SHARON KAY

HE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, MEDICAL SERVICE CORPS
To be lieutenant (junior grade), USN, permanent

SCOTT LUDWIG ARCHER PAULA HAMON MCCLURE
CHRISTINE LOUISE BASS DONALD EARL MCKEAG
ANTHONY CLAUDE CARDINALE DAVID LEE MCNAMARA
BARRY JAMES CRAIG WARREN RAY PRESTON
BETTE M GUZMAN BOBBIE SAPAULA SALIRE
PAUL JOSEPH MARCINKO CAREY MAUREEN SILL

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, NURSE CORPS
To be lieutenant commander, USN, permanent

CANDACE M GORTNEY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, NURSE CORPS
To be lieutenant, USN, permanent

ANNETTE BEADLE MICHAEL RONALD BECK TERIANNE PAPPAS
ANNA GRESE BONNEY VICKI SUE SHANAGHAN
SUZANNE MARIE HAMLIN RITA MARIE SULLIVAN
HEIDI CHRISTINE KOMDAT LYNDY ELIZABETH
LORETTA ANNE MADDEN GRETCHEN MAYER
JENNIFER BORNHARDT MCCOY DEBRA MAY WILBERT

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, NURSE CORPS
To be lieutenant (junior grade), USN, permanent

SCOTT L ANDERSON OTIS JEFFREY BATY DONNA JEAN GAYLORD
JOSEPH COSENTINO, JR. CATHERINE MARIE HARLOW
CATHERINE MARIE COWAN SHARON KAY HARPER
ROBERT ENNIS DOYLE, JR. MAGGIE LAVERN

JOHNSON RICHARD JAMES
JOHNSON ROBERT PASCUAL
LAZARTE FREDERICK THOMAS
LEWIS, IV TERRY BLAIRE
MOREHEAD JOSE AGUILA PALAFOX, JR.

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT ENSIGN IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U.S. NAVAL RESERVE, NURSE CORPS

To be ensign, USN, permanent

CATHALEEN ANN CANLER KARL JOHN MUEHLFELD

THE FOLLOWING NAMED LIMITED DUTY OFFICER, TO BE REAPPOINTED PERMANENT LIEUTENANT COMMANDER AS A REGULAR OFFICER IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODES 531 AND 5589(E):

LIMITED DUTY OFFICER, LINE

To be lieutenant commander, USN, permanent

KENNETH MACDOWELL

THE FOLLOWING NAMED LIMITED DUTY OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT AS REGULAR OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(E):

LIMITED DUTY OFFICER, LINE

To be lieutenant, USN, permanent

ROBERT PAUL CAIN SERGEY MARIE SCOLLAN
KENNETH H CRONK

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICER, TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIMITED DUTY OFFICER, SUPPLY CORPS

To be lieutenant, USN, permanent

MICHAEL J LAURENT

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U.S. NAVY PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531 AND 5589(A):

LIMITED DUTY OFFICER, LINE

To be lieutenant (junior grade), USN, permanent

DAVID WAYNE BENTLEY GREGORY W DAVIS
JAMES MICHAEL LIGHTBODY KEVIN GERARD
CATHERINE MARIE COWAN ROBERT ENNIS DOYLE, JR.
ROBERT MCTAGGART STEPHEN PETER
MELNICK JOHNNY LAWRENCE SCHULTZ
WILLIAM MICHAEL SHUMER
MARK PATRICK SMITH ALBERT LEE TULLUS
OAKLEY KEY WATKINS III