

but we have to make the right choices to do that. I regret to say that this reconciliation bill that comes to the floor of the Senate is filled with special interest deals—the flavor of the month for all of the special interests. Regrettably, it does not make the right choices.

I would like to leave you with one question that I think we need to answer during the next hour or so. It is interesting to me that the analysis of the House bill provides that the \$270 billion cut in Medicare extends the solvency of the Medicare Program for the same length of time that the \$89 billion cut in Medicare does. Question: Why would that be the case? Answer: Because at least part of the money is used to provide a tax cut. That is a simple answer—the only answer.

The Senate does it differently. They cut Medicare \$270 billion and then use the money twice in a lockbox, and they do exactly to Medicare what they do to Social Security—that is, misuse the trust funds so they can use the money twice. Double-entry bookkeeping is one where you can use the money twice. That is for not only restoring solvency of the Social Security trust fund, but for triggering a device that says you have reached a balanced budget and, therefore, you can proceed with a tax cut.

I will finish with this observation, which is the one I started with. I have three letters in my hand, one dated October 18, one dated October 19, one is October 20, all written by the same person, signed by the same person, all addressed to me. In the October 18 letter it says this reconciliation bill reaches a slight budget surplus in the year 2002. The next letter says that if you do not take the Social Security trust funds, if you are prevented from using Social Security trust funds as revenue for operating budget deficits, then the CBO would project an on-budget deficit of \$98 billion in 2002. The next day, in the October 20 letter, it said we were wrong about that as well. Actually, the budget deficit in 2002 would be \$105 billion.

Mr. President, this, I think, describes what is happening with the reconciliation bill. I hope that we will have a significant debate in the coming days about these issues. It is not fear mongering. It is talking about priorities. What are the priorities for this country? What advances this country's interests? What moves us ahead? Who should pay and who benefits? Those are questions all of us should ask in the coming days.

Mr. President, I yield the floor.

Mr. BINGAMAN addressed the Chair. The PRESIDING OFFICER (Mr. CRAIG). The Senator from New Mexico.

EDUCATION IS A PRIORITY

Mr. BINGAMAN. Mr. President, I appreciate the excellent comments by the Senator from North Dakota. I want to speak about one portion of the prior-

ities that he discussed there with his chart. I want to talk about education—and education is a priority for this country—and what is reflected in the budget that is about to be passed here in the Senate and, in the next few weeks, sent to the President.

This week, the Senate is getting ready to take up a reconciliation bill which contains a \$10.8 billion cut in financial support for Federal student loans. I share my colleagues' distress that at the moment tuition costs are rising, the Senate is asking to save billions of dollars on the system that helps students and their families pay their tuition.

If such a change in the student loan program was the only cut being made in education, obviously, we would be concerned. And if there were no other way to balance the Federal budget, we would be concerned and perhaps be able to see our way clear. But neither is the case. Cuts in student loans are, unfortunately, the tip of an education-cutting iceberg. The debate on the reconciliation bill will be in the spotlight on these cuts in higher education. The Labor-HHS appropriations bill cuts billions more in elementary and secondary education.

Mr. President, I am concerned at the magnitude of the cuts. I am concerned at the erosion of the bipartisan commitment that we have had to support education here in the Congress. Most of all, I am concerned with the abandonment of a clear vision and a sense of urgency regarding the need to raise the performance of our educational system.

The magnitude of these cuts, Mr. President, is enormous. Let me show a chart here that indicates some of the problems as I see it. This chart shows the last 7 years—1996 being the seventh year, so it is the last 6 years, I guess, of support for education. It is easy to see from this chart that, in each year, from fiscal year 1990 to fiscal year 1995, there has been some increase in funds for education voted by the Congress. That was, in some years, not as much of an increase as I would have liked and, in some cases, it was not as much of an increase as an increase in inflation, but there was some increase. I should make clear, this is not a chart that shows increases in growth; this is a chart that shows absolute increases and absolute cuts.

In 1996, according to the budget resolution which we are about ready to have a final vote on, there is a proposal for a \$3.7 billion cut in the educational funds. This reverses a bipartisan agreement over the last three administrations that improving education is a top priority in this country. That priority has been expressed each year in annual increases in total educational funding that varied from \$2.6 billion in 1991 to \$0.6 billion in 1993. Compare this to the House proposal to cut \$3.7 in fiscal year 1996. We are making a very dramatic reversal in our priorities this year for the first time in many years.

Twelve years ago, the Reagan administration appointed a blue ribbon group called the National Commission on Excellence in Education. In 1983, they issued a report, which many of us have heard about now for over a decade, called "A Nation At Risk."

That commission concluded in that report in 1983:

*** the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people. What was unimaginable a generation ago has begun to occur—others are matching and surpassing our educational attainments.

If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war. As it stands, we have allowed this to happen to ourselves. *** We have dismantled essential support programs which helped make [prior] gains possible. We have, in effect, been committing an act of unthinking unilateral educational disarmament.

That report "A Nation at Risk," called on the public to rally to deal with the situation. It challenges Americans to undertake a long-term effort to achieve excellence in education and the public did respond. States raised their high school graduation requirements. Today, States require more years of study in the basic subjects of the curriculum that were recommended by that commission—subjects of English and mathematics and science and social studies and computer science.

In 1982, the year before the "A Nation at Risk" study came out, only 13 percent of all high school students graduated with 4 years of English, 3 years of math, 3 years of science, and 3 years of social studies. Those are the amounts recommended in that report.

By 1987, that percentage had gone from 13 percent up to 29 percent. By 1990 it was at 40 percent. In 1992 when this administration took office, it was 47 percent.

At the same time, student achievement—this is not just the number of courses taken, but this is actual achievement—as measured by the National Assessment of Educational Progress made only modest improvements.

These achievements resulted from a broadly based bipartisan effort involving educators, public policymakers and the public itself focusing on how to achieve excellence. These efforts received an additional boost in 1989 when President Bush invited State Governors to an education summit in Charlottesville. In fact, then-Governor Clinton was one of those who attended that Charlottesville summit.

The purpose of that summit was to focus on a list of specific national education goals for the country. The goals were to be measurable and to be attainable by the year 2000.

The Bush administration developed an America 2000 strategy, lending the authority and the bully pulpit of national leadership to a program to focus schools on how to improve performance

and how to achieve better educational results.

The business community has embraced these goals and become the most articulate spokespersons for this national need to raise education standards. When the Goals 2000 legislation was passed into law in the last Congress it was endorsed by the National Alliance of Business, the National Association of Manufacturers, and the U.S. Chamber of Commerce, as well as by the National Parent Teacher Association, and a long list of other educational associations.

Why has business taken such an interest? Because business leaders are acutely aware that modest improvements in student achievement cited above are just not adequate to prepare young people to succeed in the work force. Competition in the global economy would demand higher levels of reading and writing and problem solving than we have ever needed before.

Schools need to help graduates meet the real world standards that will be applied when graduates are hired and retained and promoted in jobs. Business leaders recognize the urgency of the need for schools to realign their academic standards which the higher standards at the workplace will demand of them as graduates.

Lou Gerstner, who is the chairman and CEO of IBM Corp., addressed the Nation's Governors at one point earlier this summer. He pointed out to the Governors that it has been 12 years since "A Nation at Risk" was published and U.S. students still finish at or near the bottom on international tests of math and science.

He said the first priority for public education should be "setting absolutely the highest academic standards and holding all of us accountable for results. Now. Immediately. This school year. Now if we don't do that, we won't need any more goals, because we are going nowhere. Without standards and accountability, we have nothing."

Now, how does the budget that we are going to vote on this week match up to Lou Gerstner's sense of urgency and the need to improve education? He talks about how we have to do it "now, this school year."

I submit that this budget does not measure up at all. This budget is an abdication of our responsibility to deal effectively with this problem. The budget cuts in education are too much and they are in the wrong places.

Mr. President, the reconciliation bill proposes \$10.8 billion be saved from student loans in postsecondary education over the next 7 years. The appropriations bill which eventually will have to be passed in some form magnifies this very unfortunate trend.

In fiscal year 1996, the House appropriations bill cuts overall spending for elementary and secondary education in the Department of Education by \$5.9 billion—from \$32.9 to \$27 billion.

Cuts are made in Head Start programs, safe and drug-free schools, and

bilingual education, Indian education, and the list goes on. These are the wrong priorities. Let me show one other chart here, Mr. President, just to make the point about priorities.

This is a chart that summarizes the various discretionary spending accounts in this year's budget proposal. Starting on the left, we have agriculture, where there is a slight cut in discretionary spending, going on across. There are additional cuts in entitlement programs that are not reflected on this, but these are the additions and the cuts in discretionary spending where we get to make a decision every year without question.

When we look at where the largest single area of cut in discretionary spending is, it is in education and training. Obviously, the largest area of increase is defense, and the only other area of increase is in crime. But the largest single area of cuts in discretionary spending is in education and training.

Mr. President, these are the wrong priorities. These do not reflect the priorities of the American people.

One particular program I want to talk about which concerns me greatly in this budget bill is the Goals 2000 Program. In the House appropriations bill dealing with education they cut the funding in that program from \$361 million in 1995 to zero dollars in 1996.

Yet the purposes for which Goals 2000 makes Federal funds available to States and local school districts are exactly the purposes that as a Nation we most need to pursue.

This Goals 2000 Program is a flexible program. It makes block grants to States for their own school improvements. Next year, 90 percent of the funds that will be used in that program will go to local districts. In 48 States, these grants are being used as the States decide to use them.

In Washington State, for example, for 30 districts in which mentor teachers train other teachers. In Kentucky, for homework hotlines and other efforts to enhance parental participation. In Massachusetts, for 14 charter schools. In other States, for other efforts at achieving high educational standards.

This program will not tell States what higher standards have to be. The States decide that for themselves.

In my own home State of New Mexico, our State has developed the educational plan for student success. Like other States, we use our Goals 2000 money to bring together the citizens and the educators and the business leaders to look at existing State policies, compare them with where we want to go. They—this group in New Mexico—will use the Goals 2000 funds to pursue strategic planning, to improve student learning and success and New Mexico's own standards of excellence.

We are not a rich State in New Mexico. Without Goals 2000 funds, New Mexico's efforts to reach the vision that Louis Gerstner talks about will be significantly slowed down.

Worse, without support from Goals 2000 and other important Federal programs, we signal to New Mexico and to other States that Louis Gerstner's sense of urgency is misplaced. We signal that it is enough, in our view, to allow States to progress at whatever pace they would like, without any help from the Federal Government. That simply is not true.

This year, the year 2000, is fast coming on us. How we balance the budget today is going to shape how we enter this new century. The budget needs to reflect our priorities. Improving education needs to be high on that list of priorities. And while some progress has been made, our Nation is still at risk.

Presidents Reagan and Bush and Clinton have joined with the public to improve the education offered to the next generation. The budget that is going to be on this Senate floor for a vote later this week is a retreat from that commitment. We know better. And we owe much better to the next generation.

I hope we can find ways to do better before we adjourn this year.

I yield the floor.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from North Dakota.

BUDGET RECONCILIATION

Mr. CONRAD. Mr. President, I rise today to talk about the budget reconciliation process that is underway. I think this is most important because we have been told now that the Budget Committee is only going to spend an hour and a half on the debate on the budget reconciliation package that is going to affect every American, that is going to set the spending priorities for this country for the next 7 years, a budget reconciliation package that many of us believe, while it moves toward balancing the budget, does not actually balance the budget. And, also, it is done in a way that is unfair—fundamentally unfair in terms of who is asked to fight this budget battle.

After being deeply involved in the budget reconciliation process, both in the Budget Committee and the Finance Committee and the Senate Agriculture Committee, as well, I believe very strongly that while it is critically important that we balance the budget and that we do it as rapidly as possible, the choices that have been made in the proposal that is before us do it in a way that asks the middle class and working families in this country to be in the front lines in the battle to balance the budget but says to the wealthiest among us, "You are ushered to the sidelines."

Even worse than that, it says to the wealthiest among us, "You are first in line for additional tax preferences, tax loopholes, and tax benefits because we are going to let the rest of America fight this fight, not the wealthiest among us. The wealthiest among us,