

Senator BOND and Senator MIKULSKI for including funding for the Community Development Financial Institutions [CDFI] Fund in the fiscal year 1996 omnibus appropriations bill.

The CDFI Fund is a key priority for President Clinton. Its inclusion in title I indicates an honest effort by Senator BOND and Senator MIKULSKI to address the President's concerns by providing real dollars for the programs important to the administration. If more disagreements had been resolved with this level of cooperation and compromise, we would be debating a bill today that the President would be eager to sign.

President Clinton and Vice President GORE campaigned in 1992 to create a new partnership with the private sector to revitalize economically distressed communities. The President and Vice President spoke passionately about their vision for supporting local community development banks. After the election of 1992, both Republicans and Democrats in the last Congress turned the President's vision into ground-breaking legislation that created the CDFI Fund. The legislation passed the Senate unanimously and was approved by a 410-to-12 vote in the House.

Unfortunately, previous fiscal year 1996 appropriation bills terminated the CDFI Fund before even giving this program a chance to succeed. That was a shortsighted mistake, and one that this bill corrects.

The fund is a small but very innovative program. For a modest \$50 million budget, the fund has the potential to make a significant impact in distressed communities.

How would CDFI succeed in areas where more traditional financing has failed?

The fund would create a permanent, self-sustaining network of financial institutions that would be dedicated to serving distressed communities. These financial institutions include a fast-growing industry of specialized financial service providers—community development financial institutions. The fund would also provide incentives for banks and thrifts to increase their community development activities and invest in CDFI's.

The CDFI Fund's initiatives would be an innovative departure from traditional community development programs because they leverage significant private sector resources. The Department of Commerce estimates that every \$1 of fund resources would leverage up to \$10 in non-Federal resources. And these locally controlled CDFI's would be able to respond more quickly and effectively to market-building opportunities than traditional community development organizations.

I would like to share with you two examples from my own State of the potential benefits of the CDFI program. The Vermont Development Credit Union [VDCU] is an innovative depository institution providing counseling-based financing and other banking

services to moderate and low-income Vermonters since its inception in 1989. Located in Vermont's only Enterprise Community, the credit union is uniquely positioned to provide credit to the State's neediest residents. VDCU is applying for CDFI funding to help them make long-term loans for affordable housing, expand small business lending, and develop partnerships with other service providers to find creative solutions to community development financing.

Another Vermont organization hoping to participate in the CDFI program is the Vermont Community Loan Fund [VCLF]. This statewide nonprofit community development financial intermediary has been providing flexible financing and technical assistance to low-income Vermonters for almost a decade. Financial assistance from the CDFI Fund will allow the VCLF to make long-term loans for affordable housing, undertake new initiatives such as lines of credit for nonprofit organizations, and develop a viable small-scale equity product for Vermont's smaller businesses.

Access to credit is a significant hurdle for low-income Vermonters and small business start-ups in rural areas. The Vermont Development Credit Union and the Vermont Community Loan Fund have proposals that would address these needs in many parts of Vermont. All that is lacking is the capital that the CDFI program can provide.

The CDFI Fund is an idea that could bring real growth and improvements to our most disadvantaged communities. I congratulate Senator MIKULSKI and Senator BOND on giving the program the chance to succeed.

100 YEARS OF EXCELLENCE IN EDUCATION

Mr. HOLLINGS. Mr. President, last week, South Carolina State University and the city of Orangeburg celebrated 100 years together. I would like to take a few moments to reflect upon this university's contributions to South Carolina and to the Nation. As remarkable as its history has been, we find, on its centennial, that S.C. State is creating an even greater story to be told in the future. For it is the products of this university, in the form of its graduates, that have made and continue to make tremendous contributions to our society. And it is the graduating classes to come that will carry the legacy into the next century.

For many years, S.C. State has been a focal point of African-American education in South Carolina. The school has served as a cultural nursing ground for African-Americans inside and outside the State of South Carolina. Through its fine academic tradition and strong sense of community, it has nurtured both the intellects and the self-confidence of its students. In the beginning, the college was established as a State supported institution under

the system of segregation. Sixty years later, it was to produce a student body which stood at the vanguard of the civil rights movement. As Christine Crumbo of The State writes, "They have always been the children of tradition, the students of South Carolina State. And the breakers of tradition."

The college opened its doors on September 27, 1896. Both of them. Its campus consisted of only two buildings, neither of which was furnished with electricity or plumbing. However, the school had plenty of what was essential: students. The original enrollment was approximately 1,000 people ranging from kindergarten to college level, and, unlike other State colleges, S.C. State was coeducational from the start. A great deal of credit goes to Thomas E. Miller, the school's first president and founding father, who fought to establish the school. He left his political career to dedicate his time and his vision to creating an independent Colored Normal Industrial Agricultural and Mechanical College.

The college started out with an emphasis on agriculture. About 80 percent of the first year's students came from farm families. Though the agriculture school was phased out in 1971, it still houses the headquarters for the 1890 Research and Extension Program. This serves farmers in the spirit of the old curriculum, incorporating such branches as The Small Farmer Outreach Training and Technical Assistance Project. Today, South Carolina State has a strong liberal arts and business concentration.

Over the past 100 years, South Carolina State has gained a reputation for producing alumni of high caliber who go on to distinguish themselves in their communities, and throughout the Nation. From teachers to professional football players, from actresses to scientists, S.C. State graduates have made their mark. They are ministers, community leaders, lawyers, and college presidents; for every aspect of public life, there is an S.C. State graduate excelling in it. Included among its ranks are our own Congressional Representative JAMES E. CLYBURN; Chief Justice Ernest A. Finney, Jr., the first African-American man to serve as a State supreme court justice; and Marianna White Davis, the first African-American woman to serve on the State Commission on Higher Education. In fact, one will notice a lot of firsts among the graduating classes of S.C. State. These men and women make the most of the knowledge and self-confidence that their educations instill in them and go on to affect change in this country. At South Carolina State, the students feel a part of something that extends back to their ancestors and forward to the next generation. I commend the efforts of the faculty and administration of S.C. State to continue its tradition of excellence, and I salute the university's independent spirit. I wish them another successful 100 years.

CONDEMNATION OF CHINESE MISSILE TESTS IN THE TAIWAN STRAITS

Mr. PELL. Mr. President, we are currently in the middle of a very tense period in the relationship between the United States, the People's Republic of China, and Taiwan. Military tensions, in particular, are rising. Last week, China began a week-long series of ballistic missile tests and announced it will conduct an additional set of live fire military maneuvers as well. I urge China to cancel these tests and maneuvers. Together they constitute the fourth set of major military exercises the People's Liberation Army has undertaken in the straits since last July. They are provocative, destabilizing, and only damage China's image in the eyes of the world.

There is no reason to disbelieve China's public claim that it is not planning an actual attack on Taiwan at this time. But I do not believe that these are merely routine military maneuvers, as Chinese officials have portrayed them. These tests, and the military exercises that preceded them last year, are clearly meant to intimidate the people of Taiwan in the run-up to the first fully democratic presidential election in the history of Chinese civilization. But the escalation in both scope and nature of this week's exercises raises the risk that conflict could start through miscalculation or accident. It is essential that all parties work to prevent an armed conflict that no one wants.

Chinese Premier Li Peng stated in a speech to the National People's Congress that the Taiwan issue was an internal affair and warned other countries not to interfere. In this regard I support the long-standing United States position that the issue of reunification be handled by the Chinese people on both sides of the straits, but that policy was founded on the understanding that the question of Taiwan would be resolved peacefully. When the leadership in Beijing threatens to use force against Taiwan, it challenges that understanding and Beijing itself creates an international issue. Beijing must understand that the United States does not view Chinese threats toward Taiwan as an internal Chinese affair. The United States has a strong interest in peace and stability in the Taiwan Straits. It has a strong interest in the continued prosperity of the region—Taiwan is the world's 14th largest trading economy and the 7th largest United States trading partner. These exercises are disrupting shipping and continued military maneuvers will inevitably make investors and traders think twice about doing business in the region.

China has repeatedly sought to be considered a responsible member of the world community in a number of international fora. But if it wants the international respect it feels it deserves, it must follow that community's norms of behavior. Threatening Taiwan is not

acceptable to that community. Beijing should stop these missile tests and military maneuvers and re-open talks with Taiwan through its own Association for Relations Across the Taiwan Straits and Taiwan's Straits Exchange Foundation. Negotiations between these two entities were successful in resolving a number of issues between Beijing and Taipei before China cut them off last year. China should again use these talks, and not the military, to persuade the people and the Government on Taiwan.

KELLY MCCALLA, SOUTH CAROLINA'S 1997 TEACHER OF THE YEAR

Mr. HOLLINGS. Mr. President, I am delighted to congratulate Kelly McCalla on being named the 1997 Teacher of the Year for the State of South Carolina. For 11 years, Ms. McCalla has dedicated herself to educating the young people of Greenwood in her own inimitable style. She is an inspiration to anyone who aspires to do a job well and win the respect of others.

As a teacher of science at Oakland Elementary School, Kelly McCalla engages students' minds and imaginations. As a member of the community, her contributions are vast. Whether organizing special youth events through her local church or participating in summer Bible School, Ms. McCalla contributes to local children's education outside the classroom as well. She is active in other programs that benefit the community at large such as Meals on Wheels, programs for needy children, and caroling at a local nursing home.

Obviously, she is willing to teach by example the importance of being involved in the community.

The award for South Carolina Teacher of the Year is given to educators who are representative of the many excellent teachers across the State, and it is clear that Ms. McCalla is worthy of this title. Said State Superintendent of Education Barbara S. Neilsen, "The State selection committee saw the same magic in Kelly McCalla that her students do."

These days, with everyone worrying about children's education, not just in terms of school but in terms of moral values, it is truly a pleasure to be able to honor someone like Kelly McCalla. She is instilling in her students something more than a knowledge of science, she is showing them how to love learning and to be involved, caring, decent people. And that is something that only a gifted educator can do. I send her my congratulations, my thanks, and my best wishes in the future.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BALANCED BUDGET DOWNPAYMENT ACT, II

The PRESIDING OFFICER. The Chair lays before the Senate, H.R. 3019. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3019) making appropriations for fiscal year 1996 to make a further downpayment toward a balanced budget, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Hatfield modified amendment No. 3466, in the nature of a substitute.

Daschle (for Harkin) amendment No. 3467 (to amendment No. 3466) to restore \$3.1 billion funding for education programs to the fiscal year 1995 levels.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3467

Mr. WELLSTONE. Mr. President, I rise to speak on behalf of an amendment that a number of us have introduced which adds back \$3.1 billion to education programs to restore education funding to fiscal year 1995 levels.

Mr. President, I will summarize. This amendment restores funding for the following programs: Goals 2000, title I, safe and drug-free schools, charter schools, vocational and adult education, educational technology, Head Start, dislocated workers, adult training, school-to-work, summer jobs for youth, and one-stop career centers.

Mr. President, as the minority leader pointed out yesterday, we have offsets for this increased funding. Mr. President, let me, first of all, say to my colleagues, and especially to my very good friend, the chairman of the Appropriations Committee, whom—you do not call people heroes unless they truly are, and he is to me, one of the great Senators in the history of the country. I really believe it was a terrible mistake for the House of Representatives to send over a continuing resolution with these very deep cuts in education.

Mr. President, as I think about where we are in the country right now, it seems to me that people in our Nation are saying very clearly that they care about opportunities. They worry about their children, and they want all of God's children to have opportunities. Mr. President, I just think that slamming the door of opportunity for children is a huge mistake. I think that some of the discussion about children of the next generation—absolutely, we