

To sum up what we have talked about, Mr. Speaker, this agreement saves and protects Medicare for the next decade which insures that older Americans will continue to have access to quality health care. Family farms and family businesses will finally have relief from the very punitive Federal inheritance tax. The forthcoming budget also calls for a reduction on the tax and savings and investment, otherwise known as capital gains which will create additional economic growth as we have discussed. There will be education initiatives for families who are wanting to put kids through school, additional funds available for Pell grants and moneys, much needed moneys, some \$9 billion more for roads, for bridges and for infrastructure. Those are additional moneys, \$8 billion over and above what the administration requested.

This is a win-win budget.

You know there was a lot of passionate debate, and I am honored the debate went well into the evening last night and early this morning. In fact this morning I have been answering some questions today because there were several substitute amendments and some have asked me why did you not support this version or that substitute amendment or that particular one; why did you support this one? And it was difficult for me to describe a day that happened a couple of weeks ago where we had had a very contentious day in this House, it had really been a tough day, debate had really become somewhat partisan, and I choose, Mr. Speaker, rather than going through the tunnel and walking through the maze back to my office over in Longworth, I decided on that day to walk out the front door out into the sunshine. It was a beautiful spring day; the clouds, not a cloud in the sky, a beautiful crisp day here in Washington, DC, and as I burst out the front doors of this House out into the sunshine, at the bottom of the steps of this Capitol there were about 35 or 40 high school students all dressed in their school colors, and their choir director facing them, and they were singing a four part harmony medley of patriotic songs.

And in that instance, in that instant moment, suddenly the divisive debate melted away, and I thought of that moment, Mr. Speaker, last night, as we left the Chamber about 3:30 in the morning, because what we accomplished here last night was for those students and students and men and women all across this country just like them.

This is truly a historic day for them and for all Americans.

THE DEMOCRATS' EDUCATION AGENDA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight I want to talk about the Democrats' education agenda. As many Americans know by now late last night the House passed a budget agreement that would balance the Federal budget by the year 2002, and this agreement was very much a compromise between Democrats and Republicans. Like any compromise, it does not have everything that both sides wanted, and while I voted for the agreement and I am pleased that it addresses some of the country's most pressing education needs, I want to stress that I believe strongly that there is a lot more work that needs to be done.

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As I said, however, there are a number of positive developments in this budget agreement with respect to education. The President's America Reads Program was included; this \$2.75 billion program aims to teach every child in the country to be able to read independently by the end of the third grade.

Other elements of the Democrats' education agenda that are a part of this budget agreement include an expansion of Head Start. One million children will be covered in Head Start by the year 2002.

The President's technology literacy challenge fund will also will be fully funded. It will play an invaluable part in preparing our children for the future by teaching them how to use computer and other technologies and giving them the resources on which to learn. Every classroom in America will be connected to the information superhighway, every teacher will receive the needed training, and all students and teachers will have access to the needed technology.

For higher education, which is obviously very important, the budget agreement includes \$35 billion in targeted tax cuts. This \$35 billion includes cuts consistent with the Democrats' family first agenda and the President's HOPE scholarship and tuition tax deduction proposals.

These tax cuts have been a major part of an education agenda the Democrats have been pursuing for some 2 years, and they are an important component of our larger plan to make everyday life more affordable for the average working American family.

The agreement, I should say, Mr. Speaker, also includes a \$300 increase in the Pell grant award and that increase brings the maximum Pell grant award to \$3,000.

Mr. Speaker, I want to stress again that the inclusion of these items in the balanced budget agreement is without question a vindication for Democrats. President Clinton and congressional Democrats place education at the very top of the country's priority list, and we have been successful in getting some, and again I will stress some, of our goals accomplished.

I have alluded a number of times to this notion that there is still work to

be done with respect to education, and I can use the Pell Grant Program, I think, as an excellent example of that. While the \$300 increase in the budget represents the largest such increase in over two decades, the fact of the matter is that a much larger increase is needed.

I know that there are many students in this country that depend upon the Pell grant, and the Pell grant is essentially the cornerstone of all of our student aid programs. It is a means through which millions of students who would otherwise have been unable to attend college have been able to attend college. But a lack of adequate increase in the program over the years has resulted in a substantial decrease in the real value of Pell grants.

It is very easy to understand. Basically what we are saying is that even though the amount available for the Pell grant has increased, inflation has been much higher than the amount of the increase that the Federal Government has been providing. So if you look to a January 1997 report from the Congressional Research Service, it says that although the maximum grant level increased by 34 percent from 1980 to 1997, after you adjust that for inflation, the real value actually decreased by 13 percent. Increases, again, in the Pell grant funds have not kept up with inflation.

This has obviously made it very difficult for students dependent on such grants to meet the cost of college. At a New Jersey State university, Rutgers, which is in my home district, 8,498 of the approximately 20,000 students receiving Federal aid received a Pell grant during the last academic year. However, these students as well as millions like them in schools across the country would obviously have had an easier time paying for college if we could simply keep the Pell grant funding levels even with inflation. We can see, of 20,000 students at Rutgers, this is really almost getting close to 50 percent that depend on the Pell grant and have found that they cannot keep up with inflation with the grant that they are getting.

Now, another issue that I am concerned about is the potential inability of tax benefits to help those on the lowest end of the income scale. In other words, I, for one, am very much in favor of the education tax cuts that have been promised as part of this budget resolution, but the problem always is that tax cuts or even tax credits are not that helpful if one is not paying taxes. So again, as valuable as they are, they are not addressing those on the lowest end of the income scale.

What we are saying then is we need to look beyond, if you will, and target more, if we can, to lower-income people who no longer have any tax liability to pay for college.

Still another important element of our education agenda that was not included in the budget agreement was school construction. Those of us of the

American public who listened to the debate during the budget resolution last night noted that many of the speakers lamented the fact that the school construction component of the President's budget proposal was not included in this agreement.

According to the General Accounting Office, one-third of our Nation's school are in need of major repair or complete replacement. While I am glad that the budget agreement includes money to hook every classroom up to the information superhighway, as I mentioned, I think we should not have put the horse before the cart. Before we begin equipping our schools with technology for the 21st century, we should make sure the physical structures of the schools themselves are in proper condition; otherwise, it is very difficult for children to learn.

During consideration of the budget yesterday, I did support the substitute proposal of the gentleman from Massachusetts [Mr. KENNEDY] that would have included \$5 billion for school construction. The proposal would also have set the maximum Pell grant award at \$3,700, \$700 higher than in the agreement that eventually passed. Not only would it have balanced the budget, but it would have produced a \$2.5 billion surplus in that year as well.

Now, I mention this again because I think it is an important point that the Kennedy budget substitute illustrates that we can increase funding for education even beyond what has been proposed and still balance the budget. In other words, it shows that in providing ample funding for education, what we are really doing is deciding where our priorities are going to be. One can devote more money in this budget to education if one makes changes and cuts somewhere else.

That is why I am here today, to urge all of my Democratic colleagues to join me in building on the momentum for education that we have established in the budget resolution.

Now, I should point out, I am not a member, but there is a Democratic education task force that has been working now for some time, trying to put together, looking at the President's proposals, looking at the budget agreement, and basically trying to put together a Democratic proposal or series of proposals, if you will, to address education needs.

Mr. Speaker, one of the cochairmen is here tonight, and I would like to have the gentleman from North Carolina [Mr. ETHERIDGE] join me, if I could yield to him at this time, and maybe he could give us some information about what they have been doing and comment further on some of these issues. I am pleased to see my colleague here tonight.

Mr. ETHERIDGE. Mr. Speaker, I want to thank my friend from New Jersey, Mr. PALLONE, for organizing this special order on education this evening. Yes, we have been doing a lot of things.

This Congress has been doing a lot. Let me touch on a couple of things. A

lot of the dialogue over the last week has been about the balanced budget, as it should be, and I supported it, as did most of the Members of this House, but we cannot lose sight of the important responsibility we have in this body this year to expand the educational opportunities for middle-class families in this country, but also for those families who have their hopes and dreams set on becoming part of the middle class.

As the gentleman knows and Members of this body know and many people across this country, given the challenges of the 21st century, education is the one thing that is going to open that door of opportunity for so many people, and it has really been true through the ages, but now it is more important.

As our task force has worked, and I want to commend the Members of the task force that was set up by the leadership, we have had excellent attendance. Of all of the task forces I have served on, I think more people have been in attendance and have had more input, and it seems that at every meeting we get more new ideas and hopefully we will be able to roll those out pretty soon.

As I said to the gentleman on this House floor back on February 25, when it comes to education, as we talk about it, there seems to be many times a whole lot more talk than there is action. That is true of a lot of bodies. But I believe this year, with the focus that our party has had historically on education, with the focus that the President has placed on it, and with the framework that is now being put together and was provided for in the balanced budget agreement that passed last evening, not everything we would like to have had, of course, as the gentleman indicated, but that does not and should not stop us from looking at those broader needs outside the budget agreement; because if the economy continues to grow, as we think it will, and the conservative numbers are as they are, and the economy grows, there will be resources to do some things.

As I look across this country, and our task force heard from a number of folks, and in the original proposals there was about \$5 billion to use as leverage money to help some of the most hard-pressed cities and counties across this country meet some of their facility needs, and I have often said when I was State superintendent in North Carolina, and I have a number of cartoons to prove it, that it is important for children to go to school.

As important as it is to have prisons, to lock up the people who are violent criminals and have broken the law, it is unacceptable in a society that has the resources that we have in America that we have prisons that are nicer than some of the schools we send our children to. Unfortunately, that is true today. It should not be. A child should not ride by a new \$20 million prison to go to a rundown school where the water fountains do not work the way they should, the bathrooms will not flush, the rooms are not air-condi-

tioned; and when we talk of technology, as important as it is in every classroom, the Internet, that unfortunately, for many of the teachers in that school, there are not even telephones available for them to use to call parents when they have a need.

So these are some of the infrastructure needs that we have to address. There are those who would say that that is the responsibility of the local units of government, and I would agree, but so are a lot of other things in this country. We did not ask those questions and do not necessarily ask them when it comes time to make grants on law and order, which I have strongly supported in this House and at the State level. It has been my experience that children do not normally ask who provides the resources for their education. Usually, their parents do not ask. They just want to make sure they are there.

I have often said that children do not know what they need, they only know what they get. It is our responsibility to make sure what they get as students is the very best we can provide. Not that money is the only answer, but the gentleman may have heard me say this, not on this floor, but I have said it at civic clubs and I have said this to my friends at civic clubs; if buildings are not important, when our industrial hunters in our Chamber of Commerce invite the new industrialists to town, take them down and show them the rundown warehouses and say, this is where we want you to open your new business. Because the facility really does not make any difference, it is the quality that you have inside.

Mr. Speaker, we say that to our schools many times, and the quality inside is very important. I would not want anyone to mistake that. It is important. But the quality of what we have on the outside says what we value, and I think that is important as we look at facilities.

I trust that as this process moves along, we will have time to draw attention to that. I think it is important, because if we are going to have excellence, as we must have for our children to compete, and provide for them that opportunity, that gives them a chance to not only get a high school diploma that is so important, but to get a diploma that really does mean something.

I happen to believe that our schools are doing a far better job today than they are getting credit for, because we have some of the best people in the classrooms teaching today than we have ever had.

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Our students are coming out better prepared. That having been said, we have not reached the level that we need to reach in this country. I think anyone would say that.

But I think we do have to acknowledge the successes that we have had,

because unless we are willing to acknowledge the successes, then it is very easy for people to get discouraged, and once discouraged, it is hard to get it going again.

Mr. Speaker, if we look at the National Assessment of Education Progress, which is one of the measures that roughly 42 States in this country ascribe to for fourth and eighth graders in math, and in reading, that report just came out in the last 2 months showing substantial growth across the country. Some States showed far more growth than others.

I was very pleased that my home State over the last 4 years showed the largest growth of any State in the Nation, a real tribute to the teachers and to the students, but that did not happen in 2 years or 3 years. It has been about a 10-year process.

I only mention that because I think it is important, as we think of education. It is a process and it is a journey, it is not a destination, as the gentleman spoke earlier about the opportunity for providing that door of opportunity for our middle-income young people and parents to make sure their children have a chance to go to college.

We are now recognizing that it is no longer acceptable for 20, 25 percent to go on to the university. Everyone needs to get an education beyond high school. The reason for that is because of where the jobs are going to be in the 21st century.

On our task force, as we began to look at it, and we listened to some of the speakers who came and talked with us about where the jobs are going to be, in the high-technology industry, and the responsibility, they triggered on several areas in the country. I will only use my home State as one of those, only for an example this evening.

As we think of North Carolina, having been a rural State over the years, and the Research Triangle being there and the growth that has taken place, high-technology is now the second largest industry in the State of North Carolina, larger than furniture, larger than agriculture in terms of the number of people directly employed. If you take agriculture and take the secondary benefit, then it would be different. But over 100,000 people in our State are now employed in high-technology.

In 1995, the average salary, the average salary of a person employed in high-tech is \$42,166. These are some of the best jobs around, when we look at the average across the country. That is roughly about \$24,000. So the gentleman can see that is important, but those jobs are going to people who have education beyond high school. Of the jobs that will be created over the next 5 to 6 years, it will require at least 2 years beyond high school.

When we talk about investing in children and getting them ready to learn, according to a Rutgers University study, every dollar that we invest in early childhood education, this is be-

fore that student gets to elementary school, he is not thinking about high school, before they get there, for every dollar we invest in early childhood education we save the taxpayers of this country, State, local, and Federal, \$7. That is a pretty significant return. Those are not my figures, those are independent figures that were done.

If that is true, and we think in terms of the standards of excellence in math and reading that are part of that core responsibility we put on education, then if we will deal with that crumbling infrastructure, we provide teachers with the resources they need, not only just in technology but in the support they need on a daily basis, and we get children to school ready to learn.

It is easy to talk about it, but we are unwilling to put the dollars. Yes, it does cost money. It is an investment. If we are going to save the dollars on the back side, for a period of time jointly, Federal, State, and local, we have to do both. We have to get children ready for school and ready to learn, and we have to get them to education beyond high school, because depending on where you are in the United States, depending on the level of incarceration, the expenditure for incarceration for those people that do not make it, and roughly, depending on where you are, anywhere from 75 to 80 percent of the people who are incarcerated in this country were high school dropouts, it tells us there is a relationship between success in the schools and the problems people encounter later.

I have often said as I traveled at the State level, if you really want to see the stark reality, go into the courtrooms. Go into the criminal justice side. You will really see the reality of the people who did not make it at the public school level, for a variety of reasons.

If you go over on the civil side you may see other people suing one another. They tend to have much better educations. But on the criminal side, you really see the stark reality of the problems we face, and we have to work together. It is not an issue that we can transfer to someone else, and we cannot say, This is the Federal part, this is the State part. We all have to realize our resources are limited.

For those areas that are so difficult, as the gentleman touched on earlier, as it relates to infrastructure, facilities, there would be those that would say to us, and I have heard it said, the buildings are not the difference.

I disagree with them. If they really believe that, if they truly believe that, then I cite them the example of a business. But more importantly, I would ask them if facilities are not important, then why do businesses continue to build new facilities? Why do we want to move into nicer and nicer homes? Because it says a lot about us, it says a lot about what we value.

If you move children into a nice new building, and I have seen it happen time and time again, as I have spoken

on a number of occasions, you go in that building several years later and it is still in good shape. It is amazing what happens to the attendance rate. It goes up, in many instances. People feel better about themselves. Dropout rates tend to go down. Academics improve, as long as you have a good instructional program. All of these things do work together.

Some have said that it costs us in this country roughly seven times as much, and that will vary some from State to State, but almost seven times as much to keep a person incarcerated as we spend on education in Federal, State and local funds.

That is not to say that we should not have some people incarcerated. There are some who need to be there and they need to stay there. But my point in making that is that when we think in terms of education and our responsibility, we need to look at education as an investment. It is not an expenditure, it is an investment. As a businessman for 20 years I understand what it means to invest and get a good return. If we will invest in education and in those opportunities for young people, they come back many times over.

As we talk about this leveraging, the gentleman mentioned it earlier, and I do trust that before this Congress goes home we will find a way to work together to come up with a one-time \$5 billion infrastructure piece, because that will leverage roughly \$20 billion in investment across the country in some much-needed infrastructure.

But if the gentleman is looking at it beyond education, as just a purely business investment, it employs people. It will return dividends down the road in terms of dollars paid, and pay itself back many times.

The gentleman touched on the technology piece, because it is important. Let me share with the gentleman very briefly, and then I will see, the gentleman may want to ask a question.

I was in a school 2 weeks ago tomorrow back in my home district where we were hooked up on the Internet. One of the schools was in England. The other school was in Belgium. The other school was in Massachusetts. I was with a fourth grade class right outside Raleigh, NC.

Those students, each class had done a project from each school. They shared the project, how they developed it, why they developed it. One was on the lighthouses on the coast that were in danger of falling in the ocean, and one was in England who had a project on the Common Market, and each one had explained to the other three schools their project. Then they were able to ask questions.

I only share this when the gentleman touches the technology piece, because this is an example of what we will see, I think, in the very near future, because this is a joint partnership, as the gentleman remembers. Many of us in this body signed a letter and sent it to the Federal Communications Commission. They in turn issued an order for

lower rates, roughly as much as 90 percent, for Internet access to schools and libraries all across the country, not unlike what happened in the 1930's in this country when the Commission issued an order that we would have universal access to telephones, or the rates would be varied so we could have it.

I think the next few years are going to be very exciting in schools, but it is going to take a partnership and co-operation; as someone said one time, a lot less heat with a lot more light on the part of those of us who are setting policy, to make sure that children in this country get the opportunity to compete in an economy that is daily becoming more and more globalized in terms of our resources.

With that, let me ask the gentleman a question, because he has followed this very closely, as we talk about education being a journey and really not a destination. If I may refer back to the gentleman, my good friend, on this whole issue of the HOPE scholarship and the opportunity for providing resources for the middle class, there is a dialogue on that about whether or not it would be refundable, so you would reach down for the Pell grants and others.

I hope the gentleman would touch on that briefly, and maybe we could have a little dialog on it.

Mr. PALLONE. Mr. Speaker, I appreciate what the gentleman has stated. Obviously, he has a lot of expertise on a number of these education issues. That is why it is good to have him here talking about these issues on the floor, as the co-chair of the Democratic Task Force.

My understanding is that the HOPE scholarship is an up to \$1,500 amount per student for tuition and fees. It can be claimed in 2 tax years for any student who has not finished the 13th and 14th years of education, and it is expected to help about 4.2 million students. It is a nonrefundable tax credit, and of course in order to receive it a second time, the student has to have at least a B-minus grade-point average. This is what the President has proposed.

The problem is that, as with any tax cut or any tax deduction, if you are not paying taxes at a certain level you are not really going to be able to take advantage of it. The theory, I understand, and one of the things that a number of the Democrats have talked about, is to simply make that available as essentially a grant, to the extent that you cannot take advantage of it as a tax credit.

Again, I think, and I do not want to take away from what we have done in the budget agreement and what the President proposed, because I do think that middle-class people, and I define middle class very broadly, are having a much more difficult time these days paying for higher education. It is primarily because of what we said before, which is that these various scholarships, tax credits, work study, what-

ever it is, direct student loans, have not kept up with inflation over the last 20 years.

But the problem is that if everything we do or if most of what we do is strictly oriented toward people or parents that are paying taxes, then you are not going to really help the lower-income students that much. Although there is an increase in the Pell grant, a very significant one in this budget agreement, that in itself will not make up for the difference.

So the idea is to perhaps provide this, this \$1,500, as an additional source of funding, even if you are not eligible for the tax credit. I think that makes sense.

Mr. ETHERIDGE. Mr. Speaker, if the gentleman will continue to yield, one of the areas we have talked about, and I hope we can roll it out in the not-too-distant future, is for that to be refundable. That way it would serve the same purpose as if it were part of the Pell grant funds for those in need.

Mr. PALLONE. I think that makes a lot of sense.

Mr. ETHERIDGE. That is a very debatable item right now. I think most of the people on the committee feel very strongly that is the way it should be.

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Mr. PALLONE. Maybe one of the things that we should mention, I know myself and a number of people mentioned it during the budget debate yesterday and leading up to the budget debate, I think it needs to be stressed even more. I am assuming that tomorrow the budget, some sort of budget conference between the House and the Senate will be adopted. I guess that is still questionable depending on what the other body does. But if it does happen, we will be going back to our districts during the Memorial Day break. And as much as this is a historic agreement because it does lead to a balanced budget, this is just a preliminary work.

As we know, a budget resolution in the House, I often compare it to the budget in your house. It is not like a municipal budget or a State budget. It is more like the budget in your house. It is not binding on anyone. It is just a plan of action. Of course the spending bills or the appropriation bills and the reconciliation and the tax cuts, all that has to follow. We have to make sure that we keep not only our colleagues but I think primarily the Republican leadership in line over the next few months to make sure that we make good and that they make good on these commitments to make sure that these education tax credits are there, that this Pell grant money is there and that these various education programs that we talked about tonight are included in the final package.

In addition to that, Mr. Speaker, because it is essentially recommendatory, there is no reason why we could not have a refundable tax credit or we could not include the \$5 billion for the school construction program. I have

been here long enough to see those things change dramatically from when the budget resolution is passed to when we do the budget reconciliation.

I think we need to stress that over the next few months, many of the things that maybe we were not discussed or not specifically laid out in this budget resolution can still be implemented. I would like to see the school construction component included, and I would like to see the refundable tax credit, the way the gentleman outlined.

Mr. ETHERIDGE. Mr. Speaker, if the gentleman will continue to yield, one of the pieces that, having served as the State level before, I came here and been superintendent when we talked about budgets there, I think this is something the public does have a difficult time understanding; when you talked about a budget, you had already appropriated your funding. You had set the spending levels. And when you passed the budget, that was it. And in effect, here when you do a budget resolution, that is not the end of the process. It is just the beginning of the process, which is the very reverse, because at the State levels and local levels when you do a budget, you work at your priorities. You determine what your revenue is and then you fit what you can spend within those parameters.

Here once we pass the budget resolution, as we have just previously stated, that begins the process through real hard decisions when we put the appropriations bill out or those number of bills we run in each category. You must fit them, the parameters of the overall budget, and then reconciliation comes when all of them fit within the numbers.

Mr. Speaker, my colleague is absolutely correct, that is where the heavy lifting is going to come over the next few months. I think that gives us the opportunity to really set the agenda. One of the points just made that is so important as we go home for the Memorial Day weekend, I plan to spend some of my time, as I know many of our colleagues do on the Democratic side, and I trust the other side as well, going into our schools because I do on a regular basis and actually teach a class. You do not have to be a teacher to do it. And this may be the last month we get a chance unless you have a year-round school because they will be taking the break for the summer.

It is amazing what you learn. You find out how bright some of the young people are, some of the conditions of some of our buildings and the needs they have. But at the same time you find out from young people how hungry they are to learn from officials, to know something about their government and how it really works. I know you do that from time to time. I trust that we can encourage more of our colleagues to do the same thing. Go in and really give a teacher a break over the next few weeks.

Mr. PALLONE. Mr. Speaker, when my colleague was talking about new schools and how much a difference they make, renovations to schools, that is so true. Just to focus a minute on the school construction and modernization proposal, because it is not in the budget agreement now, and I think it should be included as we work down the road, first of all, I think that it should be known, and you already stated, that the issue of school construction modernization is not just for core city areas or rural areas. It runs the whole gamut. My district is primarily suburban. I do not think we have any real rural areas. We have some areas that would qualify as urban areas, but the bottom line is whether you go to the most suburban school and the wealthiest school or the poorest in my district, every day or in most cases they have school construction and renovation needs.

It was very interesting because one of the urban areas that I represent is Asbury Park. I had the opportunity a couple of weeks ago to go to a brand-new school which they had a hard time building because of limited resources. Their tax base is very difficult to generate moneys for new construction or renovation with their tax base. It was amazing. The school was maybe a year old, maybe not even, and it was just amazing to see the difference on the kids' faces and the attitude being in a new school.

I actually was there because we had gotten some books from the Library of Congress for their library. It was just wonderful to be in the new library and to see how much they had progressed. I think that that is, if you listen to a lot of our colleagues, I think many of us were surprised today to see that this school construction initiative was not in the budget because it really is something that cuts into every district and has an impact.

All we are really doing is leveraging money. We are not really providing money for construction, we are making it easier for towns based on the interest rates or bond issues that they would have to provide. But that can make a difference because a lot of these towns simply do not have the tax base or the authorization to provide the funding or the bonding to do the new construction. So it would make a difference.

Mr. Speaker, the other thing I wanted to say, too, because I think it is so important, is that, I know we have seen it with the education task force. I think right now many people are having a hard time getting their kids through college that we forget how far the President really has brought us forward over the last 4 or 5 years.

Really until President Clinton made it a priority at the Federal level, education really was not, and we still really are not there, but it really was not seen as a Federal priority. I have to say that he, more than anyone else, has stressed that the Federal Government needs to get involved.

Just in the first administration, the first 4 years, we had the change of the student loan program to a direct loan program. That has made a big difference at Rutgers University. I know you cited your study of Rutgers. At Rutgers they have been really able to expand the national student loan program because they give the loans out directly and bypass the bank.

The other thing is the, I call it AmeriCorps, or the volunteer program where students, their opportunities for loans have been expanded now because they work their way, work to pay the loan back or do voluntary work in the community.

I have to say that that AmeriCorps program has been very helpful in my district and provides another way for students to get some money to pay for college. There has been a lot that has already happened in addition to what the President is putting forward and even in addition to the things that the task force says, and I agree we need to go beyond.

Mr. ETHERIDGE. Mr. Speaker, as you mentioned, having been at the State level and, of course, I had the privilege of serving as superintendent of schools for the State really at the time that the current President was Governor, so we got to work with him some there, but his commitment to public education is really deep seated. And I think he has a deep understanding for it.

He brought with him to Washington that deep commitment, I think, that is very healthy, and I am very pleased to see the highest office in the land talk about the commitment to education. And just by talking about it, it has raised the level of commitment. And talking about raising the standards for all of our students and for all of our schools I think is a laudable commitment. It is already starting to happen.

It is amazing what happens when you talk to other teachers and school officers, as I have had a chance to do and I had the chance to meet with someone today. As we look at this whole issue of education and we see that more young people are in public school in the United States this year than we have ever had in history, and that number continues to grow, you get a sense as to why the facilities are so cramped.

The problems continue to grow in terms of need not only for facility but for having quality teachers to go in those classrooms, for having leadership at every level to meet the needs and just having the resources to do it.

I could not help, when you were talking about the school in your district, in and around the Research Triangle we have schools just literally exploding. Last fall we had so many trailers in the State I had to travel the State, talk about it a lot, as many would do and as I should have done in my role. We passed a \$1.8 billion bond issue last November in North Carolina, the largest bond issue in the history of our State by over 60 percent, the largest margin we had ever passed any bond issue.

But as large as that bond issue is, the need was identified as over \$5 billion just in our State. If you take that number and put it across the country in 51 States, certainly you would not multiply it by 50 because there are fewer States because we only have about 10 percent of the students in North Carolina, but it is a substantial number in terms of need. Some States may be even greater. So facility does have an impact.

As we see the growth coming in student enrollment, and that is projected to continue, certainly in our State and in most States that are growing all across the country, over the next 8 to 10 years, that will have a significant impact on the resources, I think, of this Congress or should at the State levels and at the local level, how we set our priorities.

If we really and truly follow what the President has said, and I think he is right, that if we are going to compete in the 21st century, it will be with a much better educated work force, who are more productive, who are highly motivated to meet those challenges. And as we train young people, we have to make our schools fit that mold. And to fit that mold, we have to have the facilities, the tools to get the job done and the people to help train them.

Certainly as we work together in the task force with what the President has laid out, and he has provided, I think, the kind of leadership over the last several years to get us where we are, now we have a long way to go to finish the job, because it is one of those jobs that you do not really finish. You just improve on it and hopefully you leave it a little bit better when someone else comes to occupy your seat, whatever that seat may be. I think that is the challenge that we face.

Mr. PALLONE. I appreciate what the gentleman said. And the other thing I was thinking, too, with the President, President Clinton, is that I think he has not only focused attention on the need for us to prioritize education at the Federal level, including higher education, but also the whole philosophy of a lot of these changes and new initiatives is very good.

In other words, the philosophy that you should be working, in other words, with the Americorps, that you actually put in time, you work to pay back your loan, the idea with the HOPE scholarships, that you have to maintain a certain grade point average and you cannot be on drugs, he is linking—I was worried, if I could sort of digress, I remember a few years ago when the President was first elected, and I was having some town meetings. I was talking about the need to expand some of these higher education programs.

And most people, I think particularly because Rutgers is in my district and so there is a lot of people associated with Rutgers who were very receptive to the idea. But I had a few people in the audience who sort of harked back to what I call an earlier day, an earlier

America, because I do not think what they are saying is realistic anymore.

We are saying, the students should simply work, if they have to work 5 or 10 or 20 years in order to save, and then they can pay to go to college or to graduate school, we should not have loan programs or work study or other programs available to them. And the idea of some of these people, that we are saying, that this is, somehow a handout, that these programs that we have on the higher education level are a handout, I think that to the extent that the President has stressed the work aspect, the maintenance of a certain grade point average, being drug free, they have taken away from the notion that somehow these Federal programs are handouts.

I do not think they are. I think we would be in very bad shape, certainly on a competitive basis with other countries, if we told everybody they had to work in a low paying job until they were 40 and then go to college because then their productive years would be behind them in many ways.

□ 1945

But it is important to stress the philosophy, I think, that many of these things do involve work. Work study. AmeriCorps. All these things. And to put sort of an incentive on it that the President has done. I know many of the things we have talked about in Congress have been the same way.

I yield to the gentleman.

Mr. ETHERIDGE. If the gentleman thinks about this, the President talked about it like the GI bill. We figured that the young men and women who fought previously in World War II and the Korean war and even in Vietnam had earned a certain stipend and we allowed them to use that to get an education.

It turned out a generation, a couple of generations of some of the best educated people that America had ever seen, and it fueled our economy with tremendous growth. And he talked about the AmeriCorps as one of those things.

In North Carolina, I hate to keep using that, but I think it is important when the gentleman mentioned this issue of working in return, giving something back, in 1985 we passed legislation to provide for 400 scholarships per year for high school students who would commit to going to college and coming out and teaching in an area that we had great need in in the public schools, be it science, mathematics, whatever the area may be.

They were chosen based on their academic standing, and then we broke it up obviously by congressional districts so we could have balance in the State. And in all fairness to the taxpayers, we wanted to make sure we had balance in the ethnic background, so we tried to make that fit.

But the point was each one of those students received a \$5,000 unrestricted scholarship. They had to teach for 4

years in the State of North Carolina after they received the scholarship. The requirement was, obviously, they had to have a high academic standing even to get in because it was very competitive. And we do that with several other scholarships we do in the State.

But to retain that scholarship, they had to have a 2.2 out of a 4.0 their first semester, and to retain it after their sophomore year they had to retain a 2.5 out of a 4.0. And it was amazing what happened, as now we are obviously 12 years or 11 years down the road, with about 7 years of those young people having gone into public schools. They have absolutely started changing the chemistry of our teaching profession, because after the fourth year we start getting 400 students a year in the system.

The challenge I think we face as we get more energized and focused is keeping the young people in the profession. How do we pay them? How do we keep them and make sure we keep the brightest and best teaching the next generation? Because that is the commitment of America. That is the responsibility. If we are going to have a well-educated citizenry in the 21st century, we do it by having some of the best people in the classroom.

That was our challenge and our goal. The challenge we are facing in North Carolina, I think, is the same challenge we face all across America. When I talk with others, after that fourth and fifth year, how do we make it attractive enough, not necessarily with pay, though that is part of it, obviously, people have to be paid, but it gets back to the gentleman's first point, the reason I am bringing this up, the facility in which they work, the surroundings we ask them to work in, where young people go to learn.

As I tell my 17-year-old son, that is his work, that is his job every day when he goes to school. And that is true of all our children. We certainly do not want it to be drudgery, but it does need to be a good environment. A good place to learn, a good environment. And if it is a good environment to learn it will be a good place for our professionals to teach.

One of the things we have not talked about that I think is so important in all of this is how we get those volunteers. The very thing the President and all the former Presidents have come together with General Powell to talk about all across this country is this whole issue of voluntarism. We need them in the public schools and in our public sector so that we can encourage parents once again not only to read to their children before they get to school but be a part of that process once they get there.

I as a parent found that as one of the real challenges I face, having time, as busy as we are, and all of us in public life encouraging others, but we need to take our own advice and spend the time with our children's teachers and with our children.

With that, when we talk about the estimate of the cost, I would refer back to the gentleman as he started talking about this whole infrastructure. One of the things I have used many times, one of the few places that we continue to use temporary buildings and turn them into public buildings are in our public schools, that public sector. Very few other places do we do that.

It gets back to the point that the gentleman made so eloquently early on. It has to be a higher priority, recognizing that we do not have the first responsibility for it, but we do have a responsibility to say it is a high priority for our children. And they all are our children, whether they are directly linked to us or not. We have a responsibility to invest.

Mr. PALLONE. I agree. I think we are almost out of time, but I just wanted to say that, obviously, this is the beginning. The budget passed at least in the House and presumably in both Houses by tomorrow, but this is really the beginning of our effort. And I stress again the Democrats because we have been really talking about this as part of our family first agenda for at least a year now.

I know the gentleman does, and I certainly do and everybody within the task force wants to make sure that these Democratic priorities in terms of making sure that these tax credits and deductions go to help working families pay for education programs, and that we do have the priorities as far as education programs, including things like the school construction fund, are ultimately included.

So I want to commend the gentleman again for his efforts with the task force, and unless the gentleman wants to add anything, we will yield back.

Mr. ETHERIDGE. I want to close by thanking the gentleman for setting up this special order and hope I get a chance on several more occasions to thank the members of the task force and the Democratic Members of this Congress who have really given the support and the leadership.

As the gentleman has indicated, we have just started this process. It will be long. There will be some times when we will be discouraged, but we should never, ever give up because it is too important and the investment will pay far greater dividends than anything we can invest on Wall Street.

Mr. PALLONE. Exactly. I see that my colleague here, my neighbor from New Jersey is now in the Speaker's chair, so I will gladly yield back the balance of my time, Mr. Speaker.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise today to join my colleagues in expressing grave concerns about the state of Federal support for education.

Just today, in the early hours of the morning the House of Representatives failed to pass the budget resolution that I offered that would have provided an additional \$25 billion for education in the United States. My plan, which would balance the budget by 2002, also provided \$5 billion for school construction, \$11

billion to expand the Pell Grant Program, and another \$9 billion for other educational programs such as title I and IDEA.

Instead, the House passed a budget resolution, over my objections, that provides tax cuts for the people who need them the least. Instead of letting the rich of this country get huge tax breaks, we should be helping local communities repair schools, build new ones, bring up the standards of our children's education, and help train the future workers of this Nation.

I am concerned that the plan passed in the budget resolution will cause great problems in the future, not next year or in the year 2002, but further out. The revenue losses expand greatly when these tax cuts are scored in the outlying years. With these losses in revenues, I believe that the programs which benefit the poor, the elderly, and the young will suffer far more than the programs that provide subsidies to the liquor industry, the mining industry, or the timber industry.

Mr. Speaker, the Federal Government has a very good track record when it comes to education. The GI bill provided tens of thousands of veterans with the opportunity to attend college which is, I believe, in part responsible for the great economic boom of the 1950's. The Federal Government has also helped ensure the educational opportunities of the disabled and provided worker retraining for displaced workers. All with great success.

Unfortunately, my colleagues on the other side of the aisle don't see it that way. Many of them believe the Federal Government should have no role in educating our citizens. I believe they are wrong.

The Democratic Party and the President have made it clear that we know the top priority of our people—ensuring that our children have access to the best quality education in the world.

I want to thank my colleague from North Carolina, Congressman BOB ETHERIDGE, for his work on the Task Force and my colleague from New Jersey, Congressman FRANK PALLONE, for organizing this special order.

GENERAL LEAVE

Mr. PALLONE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on subject of this special order.

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

There was no objection.

COMMUNICATION FROM JOAN CARLSON, EASTERN FIELD DIRECTOR FOR THE HONORABLE EARL POMEROY, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Joan Carlson, Eastern Field Director for the Honorable EARL POMEROY Member of Congress:

EARL POMEROY,
CONGRESS OF THE UNITED STATES,
North Dakota, May 20, 1997.

Hon. NEWT GINGRICH,
*Speaker of the House, House of Representatives,
Washington, DC.*

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules

of the House that I have been served with a subpoena issued by the District Court of Cass County, North Dakota.

After consultation with the General Counsel, I will make the determinations required by Rule L.

Sincerely,

JOAN CARLSON,
Eastern Field Director.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SNOWBARGER (at the request of Mr. ARMEY), for today after 1 p.m. and the balance of the week, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CAPPS) to revise and extend their remarks and include extraneous material:)

Mr. FALCONER, for 5 minutes, today.

Ms. FURSE, for 5 minutes, today.

Mrs. TAUSCHER, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. MATSUI, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

(The following Member (at his request) to revise and extend his remarks and include extraneous material:)

Mr. FOX of Pennsylvania, for 5 minutes, today.

(The following Members (at the request of Mr. HULSHOF) to revise and extend their remarks and include extraneous material:)

Mr. CAMP, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, on May 22.

Ms. GRANGER, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, today.

Mr. JONES, for 5 minutes, on May 22.

Mr. FOX of Pennsylvania, for 5 minutes, on May 22.

Mr. NEUMANN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CAPPS) and to include extraneous matter:)

Mr. STARK.

Ms. NORTON.

Mr. HAMILTON.

Mr. BLUMENAUER.

Mr. DOYLE.

Mr. TORRES.

Mr. FRANK of Massachusetts.

Mr. POSHARD.

Ms. BROWN of Florida.

Mr. CONDIT.

Mr. STOKES.

Mr. FILNER.

Mr. LAFALCE.

Mr. ANDREWS.

Mr. POMEROY.

Mr. ACKERMAN.

Mr. HINCHEY.

Mr. PAYNE.

Mr. MENENDEZ.

Mr. SANDERS.

(The following Members (at the request of Mr. HULSHOF) and to include extraneous matter:)

Mr. HOUGHTON.

Mr. SOLOMON.

Mr. TALENT.

Mr. GEKAS.

Mr. THUNE.

Mr. CAMP.

Mr. SMITH of New Jersey.

Mrs. FOWLER.

Mr. FRELINGHUYSEN.

Mr. OXLEY.

(The following Members (at the request of Mr. PALLONE to revise and extend their remarks and include extraneous material:)

Mr. DUNCAN in two instances.

Mr. BARCIA.

Mr. EHRLICH.

Mr. MENENDEZ.

Mr. SANDERS.

Mr. PAYNE.

Mr. SOLOMON.

Ms. ESHOO.

Mr. GILMAN.

Mr. SMITH of New Jersey.

Mr. FARR of California.

Mrs. LOWEY.

Mr. SERRANO.

SENATE BILL AND CONCURRENT RESOLUTIONS REFERRED

A bill and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 342. An act to extend certain privileges, exemptions, and immunities to Hong Kong Economic and Trade Offices; to the Committee on International Relations.

S. Con. Res. 6. Concurrent resolution expressing concern for the continued deterioration of human rights in Afghanistan and emphasizing the need for a peaceful political settlement in that country; to the Committee on International Relations.

S. Con. Res. 21. Concurrent resolution congratulating the residents of Jerusalem and the people of Israel on the thirtieth anniversary of the reunification of that historic city, and for other purposes; to the Committee on International Relations.

ADJOURNMENT

Mr. PALLONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Thursday, May 22, 1997, at 10 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk