

Mr. SOUDER. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Indiana.

Mr. SOUDER. Mr. Chairman, there are a couple of more Members who did not realize that we were going to go to that procedure as fast. However we do that, we can either debate further tomorrow morning or have some of the debate tonight, but there is an intention to not have long debate on this necessarily, but there will be one more amendment on this title.

Mr. OBEY. Mr. Chairman, reclaiming my time, I will strike the last word tomorrow and make my arguments then.

Mr. PORTER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. SHADEGG] having assumed the chair, Mr. GOODLATTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2264) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes, had come to no resolution thereon.

#### SPECIAL ORDERS

The SPEAKER pro tempore (Mr. SHADEGG). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

#### THE IRS IMPROVEMENT ACT OF 1997

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. COYNE] is recognized for 5 minutes.

Mr. COYNE. Mr. Speaker, today, Congressmen RANGEL, MATSUI, HOYER, WAXMAN, and I are introducing the Internal Revenue Service Improvement Act of 1997. This legislation will address the fundamental problem areas currently facing administration of the tax laws by the IRS.

This legislation will codify recent actions taken by the administration to ensure effective oversight of the Internal Revenue Service by the Department of Treasury. The legislation also ensures effective use of the expertise of individuals from the private sector.

The bill will allow the IRS to improve its customer service through more taxpayer-friendly IRS telephone assistance, clearer notices, quality reviews, taxpayer surveys, and increased access to the Taxpayer Advocate offices.

The legislation will also provide the IRS with increased employee training and education, a reform that IRS employees have asked the Congress for so that they can better do their jobs.

The bill will give the IRS Commissioner a 5-year term to run the agency which will result in continuity of management. The Commis-

sioner would be given the authority to hire a top-notch IRS management team and be able to recruit and pay experts, as needed, throughout the agency. IRS employees would be able to work under performance-based and retention arrangements, and the IRS would be able to conduct demonstration projects to test the use of successful private-sector methods of efficiency and customer satisfaction.

The bill will provide for the development of state-of-the-art technology at the IRS. The IRS would be allowed to better integrate its technology with strategic objectives, and develop intellectual capital. Electronic filing of tax returns would be promoted and streamlined to facilitate taxpayers' ability to file error-free, quick refund returns.

Before any of this can be accomplished, however, governance, management, and oversight of the IRS must be improved.

As a member of the National Commission on Restructuring the IRS, I opposed the Commission's recommendation to allow individual taxpayers from the private sector to have final decisionmaking authority over the operation of the IRS, including the appointment of the IRS Commissioner. I think that such an approach raises questions of accountability.

Further, while the Commission proposed that its independent board would only be responsible for running the IRS, and would not have authority over tax policy, tax enforcement, or other taxpayer-sensitive areas, it is not clear to me that these issues can be adequately separated from its proposed role of managing the IRS.

The administration has recognized that the IRS needs to be reformed, and is moving to address the problem with aggressive oversight headed by the Department of the Treasury. As an alternative to having the private sector run the IRS, the administration has proposed institutionalizing the Department of the Treasury's oversight of major strategic, personnel, and procurement decisions of the IRS with an Executive order creating an IRS Management Board, consisting of Treasury and other Federal officials. Also, the administration has proposed an IRS Advisory Board—consisting of private-sector experts—to enhance oversight of the IRS through systematic analysis and advice to the Treasury Secretary on critical IRS matters. The administration currently is implementing this oversight management plan for the IRS.

To further strengthen and make permanent this oversight initiative, I propose that the Congress enact, by statute, the administration's "Plan for IRS Governance." I think this would serve to institutionalize the management responsibilities of the administration's Oversight Management Board, and the role and functions to be performed by the private-sector advisory board. I encourage the Department of the Treasury to work closely with the Taxpayer Advocate, in overseeing the IRS. I also recommend that the Department of the Treasury be allowed to hire needed private-sector experts, on a full-time basis, paid at competitive pay levels, to insure stable and effective oversight of the IRS. The administration wholeheartedly supported these views, which are reflected in the legislation.

In conclusion, I want to state that I look forward to continuing to work with all Members of Congress to make the IRS the first-class Federal agency the public expects it to be.

#### THE INTERNAL REVENUE SERVICE IMPROVEMENT ACT OF 1997

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RANGEL] is recognized for 5 minutes.

Mr. RANGEL. Mr. Speaker, today, I, along with Congressman BILL COYNE, Congressman STENY HOYER, Congressman HENRY WAXMAN, and Congressman BOB MATSUI, have introduced legislation to reform the Internal Revenue Service.

My cosponsors have worked long and hard on this legislation, as has our Treasury Secretary, Bob Rubin. It is with the administration's strong commitment to the IRS Improvement Act of 1997 that I am honored to be the lead sponsor of the bill.

My personal thanks go to BILL COYNE and BOB MATSUI for their successive roles in representing the House Democrats on the National Commission on Restructuring the IRS.

I also look forward to continuing to work with my colleagues from the Government Operation and Reform and Appropriations Committees who have jurisdiction over important titles of this bill.

The Internal Revenue Service Improvement Act of 1997 will make many very significant changes both to the way the IRS operates and the Department of the Treasury oversees the IRS.

The beneficiaries of this bill should and will be the American public. Taxpayers expect and deserve a tax administration system that is efficient and well-managed, fair and responsive in its dealings with the public, and staffed by employees who are well-trained and accountable for their actions.

The IRS Improvement Act of 1997 is designed to achieve these goals. The bill institutionalizes the Administration's newly established IRS Management Board and planned IRS Advisory Board as permanent features of the tax law. The Management Board will provide for continued, high-level Government oversight of the IRS, under the direction of the Treasury Department. The Advisory Board will provide for timely and expert advice from the private sector on the fundamental strategic and management direction of the IRS.

Under the bill, the IRS Commissioner would be given a fixed, 5-year term. This will provide not only continuity of direction for the IRS, but also require a long-term commitment from the person charged with administering our tax laws. The President, as required by the Constitution, would continue to appoint the Commissioner as the head of the IRS.

The bill makes major improvements in the area of electronic tax return filing. The time has come for the IRS to promote aggressively the benefits of electronic filing, and for the Congress to eliminate statutory obstacles to making electronic filing the norm rather than the exception.

The bill provides the Treasury Department and the IRS with the ability to put together and hire at the IRS one of the best management teams in the country. Highly skilled, top talent would be able to join the IRS at pay levels commensurate with experience and expertise. Performance-based incentive pay arrangements and a new demonstration management systems could be set up at the IRS, as ways to insure that management goals are met, to hold employees accountable, and to reward quality service.

Finally, the bill provides mechanisms for giving IRS employees the educational and technical training they so desperately seek. The IRS work force is a dedicated and talented group of Federal employees, and they too want to see the IRS improved. They are willing to do their part, but they need the tools—the tools of modern technology, education, and training—which the bill provides.

There is much about which everyone can agree, in our mutual efforts to improve the IRS. We all recognize that the current IRS needs to be improved. Our challenge must be to fix the IRS—and this must be done in a truly bipartisan manner. It is important that no one play politics and this effort by bashing the IRS. We have given the IRS one of the most difficult and important—and thankless—jobs in Government. The IRS deserves our support, constructive criticism, and attention to reform—not our wrath, since we too are to blame.

I look forward to working with all the Members of Congress in enactment of the IRS Improvement Act. I ask for your support.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

[Mrs. CLAYTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Missouri [Ms. MCCARTHY] is recognized for 5 minutes.

[Ms. MCCARTHY of Missouri addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. BLUMENAUER] is recognized for 5 minutes.

[Mr. BLUMENAUER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### DEMOCRATIC EDUCATION AGENDA: SCHOOL CONSTRUCTION

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 continue discussing the Democrats' education agenda. Last week, I was joined by a few of my Democratic colleagues on the floor to discuss the success the Democrats had in getting education tax breaks for middle and lower income families in the budget deal. We also discussed goals we were likely to pursue in the coming weeks as the budget deal has been signed into law.

This evening, Mr. Speaker, I want to address specifically the issue of school construction. There clearly is a dire need to invest in the physical structure

of our schools. That is a matter that every Member of this body has become very familiar with in the last several days.

At this point I would like to yield such time as she might consume to the gentlewoman from New York [Mrs. LOWEY], who has been a leader on this issue and has introduced legislation that I believe would go very far toward solving this very pressing need.

Mrs. LOWEY. Mr. Speaker, I thank the gentleman from New Jersey, and I appreciate the gentleman's help as a cosponsor of this bill. I do hope that working together, and I would hope that more of my Republican colleagues can join us, we can truly get this bill passed.

Mr. Speaker, when we introduced this bill, frankly to provide for a partnership between the Federal, State, and local governments on school construction, I really thought it would be a win-win for everybody. I was so pleased when the President and the Vice President of the United States began talking about the importance of rehabilitating our schools, and I was delighted to know that it had a good chance of being a part of the budget agreement.

Frankly, I could not believe what I heard. I could not believe that TRENT LOTT and NEWT GINGRICH made a point of saying school construction support cannot be in this budget. In fact, in the letter that the leader of the Senate and the leader of the House sent to the President, they were absolutely explicit in saying school construction could not be part of the budget agreement.

Well, frankly, it did not make any sense to me at all. I have visited many schools in my district in New York. We have worked with Senator CAROL MOSELEY-BRAUN in the Senate, and all throughout this country. Whether it is the city or whether it is rural districts, there is a tremendous need for partnerships between the Federal and local governments in helping to rebuild our schools. We are talking about computers. We are talking about repairing infrastructure in our schools. How can we install computers in schools that are really 19th century schools?

Mr. Speaker, I have seen youngsters in classrooms that were originally meant for cafeterias, for restrooms. They are so overcrowded that the youngsters who are supposed to be studying computers are going to schools that go back to the 19th century.

So, on the one hand we are talking about the 21st century, moving us forward, understanding the value of computers, making sure every schoolroom has computers. And, yet, there are some schools that are still being heated by coal, where there is plastic on the walls. I have visited schools where there are tremendous leaks and the walls are crumbling and there are big sheets of plastic holding the walls up and our kids are supposed to learn in those kinds of schools.

Now, we understand that this is primarily State and local responsibility. We understand that. But there are many things that the Federal Government gets involved in to help be a partner. And in our billions of dollars that we spend for a wide range of programs, what can be more important than making sure that every youngster has a classroom in which they can learn, a classroom in which they are safe?

Our parents are worried, whether it is in New York or Connecticut, which is represented by the gentlewoman from Connecticut [Ms. DELAURO], and New Jersey, parents are worried when they send the youngsters to school because they are not safe. They should feel good about it. They should feel the children are going there to get the best education they can.

What our bill provides for is \$5 billion for 5 years to encourage local school districts to encourage States to invest in rebuilding our schools.

Mr. Speaker, I just want to thank the gentleman from New Jersey very much. I really appreciate the gentleman's work and I appreciate this special order tonight. And I know that my colleague from New Jersey, and my colleague from Connecticut, will continue to explain to the American people how important it is for the Federal Government to be a partner so we can work together to make sure that every youngster has the best education they can, every youngster can leave in the morning, go to a school that is in good shape, have the best computers, the best books so we can continue to be competitive and that the United States of America can be proud that our youngsters are getting the very best education they can.

What is more important? Education is the future. Education is the key to the future. Our school buildings have to be safe and secure so our teachers and our youngsters can work together to make sure that education is the priority that it should be.

So, Mr. Speaker, I look forward to gathering more support in this Congress and this country for school construction.

Mr. PALLONE. Mr. Speaker, really, again, I do not think anything is more important right now in terms of our education agenda than the need to address the state of our schools, the infrastructure, the overcrowding, the issues that this bill would address.

What we have stated before, and we will state again tonight, is that in this case a relatively small amount of money in terms of the overall Federal budget can really go a long way toward helping the States and the municipalities in dealing with this issue of overcrowding and crumbling schools effectively.

I also think it is particularly important that the gentlewoman talked about the need to upgrade the infrastructure in terms of the electrical wiring. A lot of people do not realize that many of these schools are not equipped