

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

EDUCATION DEPARTMENT SUSPENDS PROGRAM
FOR RESTRUCTURING STUDENT LOANS
(By Rene Sanchez)

The Education Department, long maligned by congressional Republicans who say its management is a mess, has just give its critics new reason to howl.

The department announced last week that it will not accept any more applications from recent college graduates trying to consolidate or refinance their tuition loans until the contractor it hired for the job clears up an enormous backlog of those requests.

There are more than 70,000 college students nationwide whose loan payments may soon be in limbo because of the lengthy processing delays, and the waiting list has been growing longer each month. The department said that it had no choice but to suspend the popular program indefinitely in order to begin fixing the problem.

"It's a terrible embarrassment," said David Longanecker, the assistant secretary for postsecondary education. "We were falling farther and farther behind, but by doing this we are confident that we'll get on top of the problem soon."

The department faced a similar predicament last year when more than 900,000 student aid applications handled by private contractors it hired were delayed because of serious management problems. The incidents are raising new questions about the department's ability to manage its direct lending program, which allows students to get tuition loans straight from the federal government and offers them a range of repayment options.

Direct lending, one of President Clinton's most important education initiatives, has been under fire from Republicans and many private lenders—who no longer have a monopoly on the nations' massive student loan industry—ever since it was created five years ago. There have been several campaigns in Congress to abolish or severely limit the program, but it is still largely intact, serving more than 1,200 universities. Many college officials say they have been quite pleased with the program so far.

But to some Republican leaders, the latest trouble is proof that the department is not up to the task of handling the complexities of managing college loans at a time when a record number of students—at last count, more than 7 million—depend on them.

"From the very start of the program, I doubted the department's ability to become one of the largest banks in this country," Rep. William F. Goodline (R-Pa), chairman of the House Committee on Education and the Workforce, said last week. He called the department's inability to consolidate student loans quickly and efficiently "irresponsible."

With tuition costs at most campuses continuing to exceed inflation, and college loan debt soaring, more and more students are taking advantage of new opportunities to restructure their loans over longer periods of time or in ways that are based on what they earn after graduation.

Education department officials said that often in the last year they have received nearly 150,000 applications a month from students to consolidate loans, a rate that is nearly twice what they said they had expected when the program began.

But they adamantly reject criticism that direct lending is in shambles.

"I can understand the frustration, but I think we have to keep it in perspective," Longanecker. "One reason we have this problem is because of the great popularity of the program."

Longanecker said that the department is disappointed with the work of the contractor that it hired last year for the job. Electronic Data Systems, which was founded by billionaire Ross Perot. Longanecker said there were start-up problems in processing student requests, and that ever since the volume of applications has overwhelmed the system.

Some officials said that it had been taking more than seven months in some cases—an unpaid student loan falls into default after six months—to process applications. Because recent steps to improve performance had only put a small dent in the backlog of applications, Longanecker said the department decided instead to stop taking them for a while.

"It was like we were trying to fix a 747 while it was still in their air," he said.

The department has no estimates yet as to when the loan-consolidation program will be re-opened. But Longanecker said that he expects it certainly will be before December, which is a peak time for applications from students because that is when the most recent class of college graduates are supposed to start repaying their tuition loans.

That is hardly satisfying some critics, however. And some lawmakers say they are also losing confidence in how the department chooses its contractors, suggesting that the process does not seem as rigorous as it should be.

Education Department leaders scoff at much of the criticism coming from Republicans about direct lending, saying that many of them have never wanted the program to succeed anyway. But alarm over the latest management problem extends well beyond Capitol Hill.

"Up to now, they've done a pretty good job on this," said Terry Hartle, a vice president for the American Council on Education, a Washington group that represents more than 1,500 universities. "But what we have here is a huge embarrassment in one of the president's signature education programs."

Mrs. HUTCHISON. Mr. President, Americans should not have to choose between love and money. In a country that values families, the Federal Tax Code shouldn't punish people for being married. The number of unmarried-couple households increased 80 percent from 1980 to 1990, according to census figures. The percentage of people who never marry has doubled, from 5 percent in the 1950's to 10 percent today.

Today, I am pleased to introduce legislation with Senators FAIRCLOTH and MACK that will abolish the Federal income tax marriage penalty. Under this legislation, families will have the choice of filing as single or married, depending on which method works best for them.

There is something wrong with a law that imposes higher taxes on married people with two incomes than on single people. The hallmark of a fair tax system is even-handedness, and the current law flunks this test. From 1913 through 1969, the Federal income tax treated married couples either better or as well as if single. Since then, progressive tax rates have meant that married couples with two incomes have to pay more in Federal taxes than they would as individuals. The Congressional Budget Office reports that in 1996, more than 21 million married couples paid the marriage penalty. The average couple now pays \$1,400 in addi-

tional income tax simply because they're married. One thousand four hundred dollars could mean six or seven car payments, a family vacation, or a computer for the family.

For example, a single person earning \$24,000 a year is taxed at the rate of 15 percent. But, by taxing them on their combined income, the IRS collects 28 percent in tax from a working couple in which each spouse earns \$24,000. It is wrong for two people living together to pay less taxes than if they were married.

Because American families increasingly have had two breadwinners, instead of one, more Americans are impacted by the marriage penalty. In 1969, 52 percent of American families had only one bread winner. Today that figure is 28 percent.

Mr. President, under current law, the only way to avoid the marriage penalty is not to marry or to leave your spouse if already married. This is wrong. We need a Tax Code to encourage marriage, not penalize it. This legislation is supported by Americans for Tax Reform and the National Taxpayers Union. We are introducing this bill with 34 co-sponsors, including every Member of the Republican leadership. I am very pleased to be working with Senators FAIRCLOTH and MACK and I hope Members from both sides of the aisle will join us in rectifying this unfair tax treatment of married couples.

ADDITIONAL COSPONSORS

S. 9

At the request of Mr. NICKLES, the name of the Senator from Tennessee [Mr. THOMPSON] was added as a cosponsor of S. 9, a bill to protect individuals from having their money involuntarily collected and used for politics by a corporation or labor organization.

S. 22

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 22, a bill to establish a bipartisan national commission to address the year 2000 computer problem.

S. 61

At the request of Mr. LOTT, the names of the Senator from Alabama [Mr. SESSIONS], the Senator from Vermont [Mr. LEAHY], the Senator from Connecticut [Mr. DODD], and the Senator from Georgia [Mr. COVERDELL] were added as cosponsors of S. 61, a bill to amend title 46, United States Code, to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the United States merchant marine during World War II.

S. 89

At the request of Ms. SNOWE, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 89, a bill to prohibit discrimination against individuals and their family members on the basis of genetic information, or a request for genetic services.

S. 219

At the request of Mr. DASCHLE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 219, a bill to amend the Trade Act of 1974 to establish procedures for identifying countries that deny market access for value-added agricultural products of the United States.

S. 230

At the request of Mr. THURMOND, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 230, a bill to amend section 1951 of title 18, United States Code (commonly known as the Hobbs Act), and for other purposes.

S. 263

At the request of Mr. MCCONNELL, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 295

At the request of Mr. JEFFORDS, the name of the Senator from Oregon [Mr. SMITH] was added as a cosponsor of S. 295, a bill to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes.

S. 343

At the request of Mr. THOMAS, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 343, a bill to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Mongolia.

S. 428

At the request of Mr. KOHL, the names of the Senator from Massachusetts [Mr. KERRY] and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of S. 428, a bill to amend chapter 44 of title 18, United States Code, to improve the safety of handguns.

S. 437

At the request of Mr. DOMENICI, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 437, a bill to improve Indian reservation roads and related transportation services, and for other purposes.

S. 497

At the request of Mr. COVERDELL, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 497, a bill to amend the National Labor Relations Act and the Railway Labor Act to repeal the provisions of the Acts that require employees to pay union dues or fees as a condition of employment.

S. 623

At the request of Mr. INOUE, the name of the Senator from New York [Mr. D'AMATO] was added as a cospon-

sor of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Scouts to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 813

At the request of Mr. THURMOND, the names of the Senator from Hawaii [Mr. INOUE] and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 813, a bill to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries.

S. 845

At the request of Mr. LUGAR, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 845, a bill to transfer to the Secretary of Agriculture the authority to conduct the census of agriculture, and for other purposes.

S. 852

At the request of Mr. SESSIONS, his name was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, non-repairable, and rebuilt vehicles.

S. 1024

At the request of Mr. GRASSLEY, the names of the Senator from South Carolina [Mr. THURMOND] and the Senator from Alabama [Mr. SESSIONS] were added as cosponsors of S. 1024, a bill to make chapter 12 of title 11 of the United States Code permanent, and for other purposes.

S. 1084

At the request of Mr. GRAMM, his name was added as a cosponsor of S. 1084, a bill to establish a research and monitoring program for the national ambient air quality standards for ozone and particulate matter and to reinstate the original standards under the Clean Air Act, and for other purposes.

S. 1096

At the request of Mr. GRASSLEY, the names of the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Missouri [Mr. BOND], and the Senator from Indiana [Mr. COATS] were added as cosponsors of S. 1096, a bill to restructure the Internal Revenue Service, and for other purposes.

S. 1113

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1113, a bill to extend certain temporary judgeships in the Federal judiciary.

S. 1115

At the request of Mr. SESSIONS, his name was added as a cosponsor of S. 1115, a bill to amend title 49, United States Code, to improve one-call notification process, and for other purposes.

S. 1124

At the request of Mr. KERRY, the names of the Senator from Kansas [Mr.

BROWNBACK] and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 1124, a bill to amend title VII of the Civil Rights Act of 1964 to establish provisions with respect to religious accommodation in employment, and for other purposes.

S. 1153

At the request of Mr. BAUCUS, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1153, a bill to promote food safety through continuation of the Food Animal Residue Avoidance Database program operated by the Secretary of Agriculture.

S. 1194

At the request of Mr. KYL, the names of the Senator from Missouri [Mr. ASHCROFT], the Senator from Texas [Mrs. HUTCHISON], the Senator from Kansas [Mr. ROBERTS], the Senator from New Mexico [Mr. DOMENICI], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 1194, a bill to amend title XVIII of the Social Security Act to clarify the right of medicare beneficiaries to enter into private contracts with physicians and other health care professionals for the provision of health services for which no payment is sought under the medicare program.

S. 1196

At the request of Mr. MCCAIN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 1196, a bill to amend title 49, United States Code, to require the National Transportation Safety Board and individual foreign air carriers to address the needs of families of passengers involved in aircraft accidents involving foreign air carriers.

S. 1204

At the request of Mr. COVERDELL, the name of the Senator from Oregon [Mr. SMITH] was added as a cosponsor of S. 1204, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law; to prevent Federal courts from abstaining from exercising Federal jurisdiction in actions where no State law claim is alleged; to permit certification of unsettled State law questions that are essential to resolving Federal claims arising under the Constitution; and to clarify when government action is sufficiently final to ripen certain Federal claims arising under the Constitution.

S. 1213

At the request of Mr. HOLLINGS, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 1213, a bill to establish a National Ocean Council, a Commission on Ocean Policy, and for other purposes.

S. 1233

At the request of Mr. BROWNBACK, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor

of S. 1233, a bill to terminate the taxes imposed by the Internal Revenue Code of 1986 other than Social Security and railroad retirement-related taxes.

SENATE RESOLUTION 116

At the request of Mr. LEVIN, the name of the Senator from Alabama [Mr. SESSIONS] was added as a cosponsor of Senate Resolution 116, a resolution designating November 15, 1997, and November 15, 1998, as "America Recycles Day."

SENATE RESOLUTION 133—RELATIVE TO A CHILD SAFETY DEVICE

Mrs. BOXER (for herself, Mr. KOHL, Mr. CHAFEE, Ms. MOSELEY-BRAUN, Mr. KENNEDY, Mr. BIDEN, Mr. KERRY, Mrs. FEINSTEIN, Mr. JEFFORDS, Mr. HARKIN, Mr. DURBIN, Mr. TORRICELLI, Mr. REED, Mr. INOUE, Mr. AKAKA, Mr. LEVIN, Mr. LAUTENBERG, Ms. MIKULSKI, Mr. WELLSTONE, and Mr. ROBB) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 133

Whereas eight leading American gun manufacturers have now agreed to include child safety devices on their handguns;

Whereas each year, nearly 40,000 Americans are killed by firearms;

Whereas more than 500 children are killed accidentally each year by gunshots;

Whereas many of these deaths and injuries are caused by handguns manufactured in the United States;

Whereas a simple child safety device could have prevented at least some of these deaths and injuries;

Whereas there are still a number of American gun makers, including some of the nation's largest, who have not committed to including a child safety device on their guns: Now, therefore, be it

Resolved, That it is the sense of the Senate that every American handgun manufacturer should voluntarily begin equipping all new handguns with child safety devices.

SENATE RESOLUTION 134—RELATIVE TO THE WESTERN HEMISPHERE

Mr. GRAHAM (for himself and Mr. LUGAR) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 134

Whereas the worldwide democratic revolution has spread throughout the Western Hemisphere to include democratically elected governments in all countries but Cuba;

Whereas market economic principles have been adopted by most countries in the Western Hemisphere, resulting in remarkable economic growth and substantial increases in international trade and investment;

Whereas the end of the Cold War has opened up opportunities to address country-specific, regional, and Hemisphere-wide concerns relating to economic development, political reform, security problems, and other social and environmental issues in the Americas;

Whereas there are numerous foreign policy and security concerns in the Americas, including the defense of democracy and free markets, illicit narcotics trafficking, ter-

rorism, organized criminal activities, immigration flows, arms control and nonproliferation, environment degradation, and other regional and Hemisphere-wide issues that can best be addressed by collaborative, multilateral means;

Whereas the President of the United States announced on August 1, 1997, a revision of the unilateral policy prohibiting the sale or transfer of advanced weapons systems to countries of South America, Central America, and the Caribbean, and the restoration of United States military sales policy based on a case-by-case basis comparable to other regions of the world;

Whereas the defense ministers of the Hemisphere meet on a regular basis, as evidenced by the Defense Ministerial of the Americas held in 1995 and 1996, to address problems of mutual security and to deepen the security dialogue in the Western Hemisphere; and

Whereas it is in the national security interest of the United States to promote security and stability with our Hemispheric neighbors by engaging with them as equal partners to address security-related matters of mutual concern: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the United States should give high priority to working with United States partners in the Americas to address shared foreign policy and security problems in the Western Hemisphere;

(2) the United States should encourage efforts to increase the transparency of defense planning, military acquisitions, military exercises, and military deployments as well as other mutual-confidence and security-building measures in the Hemisphere in order to strengthen the environment of trust, confidence, and mutual restraint;

(3) the United States should immediately begin discussions with United States partners in the Hemisphere on steps that could lead to a voluntary multilateral restraint regime on the acquisition of advanced weapons systems in the Hemisphere;

(4) the United States, in consultation with other countries in the Americas, should explore areas for enhancing cooperation and collaboration, including the strengthening of existing inter-American organizations and arrangements, in order to address shared problems relating to subregional and Hemisphere-wide foreign policy and security-related issues;

(5) the United States should—

(A) encourage countries in the Hemisphere to implement the Santiago Declaration on Confidence and Security-Building Measures (CSBM) resolution adopted by the Organization of American States (OAS) on November 10, 1995; and

(B) take steps to bring about the implementation of the resolution on Conventional Arms Transparency and Confidence Building in the Americas relating to conventional arms acquisitions adopted by the OAS on June 5, 1997;

(6) the United States should increase the number of civilian and military personnel in foreign policy and defense-related training, education, and exchange programs from and to eligible countries in the Western Hemisphere and encourage similar programs between countries in the region;

(7) the United States should conduct an in-depth study of the roles, requirements, missions, and priorities of the United States Armed Forces in the Western Hemisphere in the post-Cold War environment, including recommendations for additional steps that should be taken to improve Hemispheric security and areas of possible cooperation with the armed forces of other countries in the region;

(8) the study should be completed within 12 months of the date of adoption of this resolution,

and the appropriate committees of Congress should be notified of the findings of the study upon its completion; and

(9) the President should submit a report to Congress every 90 days on progress towards achieving the policy goals stated in this resolution.

Mr. GRAHAM. Mr. President, today I am submitting a resolution, together with my friend and colleague Senator LUGAR, which expresses the sense of the Senate that the United States should give high priority to working with our partners in the Americas to address shared foreign policy and security problems in the Western Hemisphere.

Over the past several years we have witnessed unprecedented progress in our hemisphere. This sweeping wave of democratization and free market economics now provides us with a unique opportunity to consolidate these gains and to create a new security regime in the Americas. This new regime must be based upon the premise that we will work with our neighbors as equal partners to address security-related matters of mutual concern.

On August 1, 1997, the President revised the unilateral policy prohibiting the sale or transfer of advanced weapons systems to countries of South America, Central America, and the Caribbean, and restored the policy based on a case-by-case analysis comparable to that used in other regions of the world. This alone is not a security policy. It is an action that must be wrapped in a broader security policy for the region. This resolution urges the President to work towards such a broader policy and provides some direction for that policy.

We must recognize the great progress that the democratically elected civilian governments of the region have made. For this they deserve to be treated as we treat our other democratic friends and allies. At the same time, we must work with them to find ways to enhance security through defense cooperation, transparency, and confidence and security building measures. We urge the President to emphasize these themes in his meetings with our hemisphere partners.

Mr. President, I urge all of our colleagues to join Senator LUGAR and myself in supporting this resolution. It will provide the President with the support of the Congress as he pursues these objectives, and demonstrate to our partners that we remain committed to building a secure environment so that all nations of the hemisphere can prosper in peace.

SENATE RESOLUTION 135—TO AUTHORIZE THE PRODUCTION OF RECORDS BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 135

Whereas, federal, state, and local law enforcement officials have requested that the