

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for Mr. BENNETT, proposes an amendment numbered 1120.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 53, line 16, after "Act" insert "":  
*Provided further, That—*

"(1) of the amount appropriated under this heading and notwithstanding any other provision of law, the Secretary of Education may award \$1,000,000 to a State educational agency (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) to pay for appraisals, resource studies, and other expenses associated with the exchange of State school trust lands within the boundaries of a national monument for Federal lands outside the boundaries of the monument; and

"(2) the State educational agency is eligible to receive a grant under paragraph (1) only if the agency serves a State that—

"(A) has a national monument declared within the State under the authority of the Act entitled "An Act for the preservation of American antiquities", approved June 8, 1906 (16 U.S.C. 431 et seq.) (commonly known as the Antiquities Act of 1906) that incorporates more than 100,000 acres of State school trust lands within the boundaries of the national monument; and

"(B) ranks in the lowest 25 percent of all States when comparing the average per pupil expenditure (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) in the State to the average per pupil expenditure for each State in the United States."

Mr. HARKIN. Mr. President, I ask the amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that, as in morning business, I be allowed no more than 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### REGARDING ELECTIONS FOR THE LEGISLATURE OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION

Mr. HELMS. Mr. President, I send a resolution to the desk and I ask it be read in its entirety.

The PRESIDING OFFICER. The clerk will state the concurrent resolution.

The legislative clerk read as follows:

S. CON. RES. 51

Whereas the 1984 Sino-British Joint Declaration on Hong Kong guarantees Hong Kong a high degree autonomy in all matters except defense and foreign affairs, and an elected legislature;

Whereas the United States policy regarding Hong Kong, as stated in the United States-Hong Kong Policy Act of 1992 (Public Law 102-383), is based on the autonomy and self-governance of Hong Kong by the Hong Kong people;

Whereas a democratically elected legislature enabling the Hong Kong people to elect representatives of their choice is essential to the autonomy and self-governance of Hong Kong;

Whereas the provisional legislature of Hong Kong was selected through an undemocratic process controlled by the People's Republic of China;

Whereas this provisional legislature has adopted rules for the creation of the first legislature of the Hong Kong Special Administrative Region which rules are designed to disadvantage and reduce the number of prodemocracy politicians in the legislature; and

Whereas the autonomy of Hong Kong cannot exist without a legislature that is elected freely and fairly according to rules approved by the Hong Kong people or their democratically elected representatives; Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring), That Congress urges Hong Kong Chief Executive C.H. Tung and the government of the Hong Kong Special Administrative Region to schedule and conduct elections for the first legislature of the Hong Kong Special Administrative Region according to rules approved by the Hong Kong people through an election-law convention, referendum, or both.*

The PRESIDING OFFICER. The resolution will be appropriately referred.

The Senator from North Carolina.

Mr. HELMS. Mr. President, as I offered this resolution just now regarding Hong Kong, it occurred to me that it is a coincidence that Hong Kong's Chief Executive, the Honorable C.H. Tung, is visiting in the United States this week.

I confess the hope that he will get the message everywhere he goes on Capitol Hill, and everywhere else in Washington, that the provisional legislature's attacks on civil liberties, which Mr. Tung has defended, along with a new plan for an undemocratic legislature for Hong Kong, are totally unacceptable.

Incidentally, Mr. President, I am grateful to the several cosponsors who are joining in the offering of this resolution: Mr. LIEBERMAN, Mr. KERRY of Massachusetts, Mr. THOMAS, and Mr. MACK of Florida.

Last July 1, when Hong Kong was returned to China, in accordance with the terms of the 1984 Sino-British Joint Declaration, the joint declaration made absolutely clear that Hong Kong was to be autonomous and have an elected legislature, among many other things.

But, Mr. President, in the past few weeks, new rules for Hong Kong elections have been prepared that clearly violate the joint declaration and threaten to cause irreparable damage to Hong Kong's autonomy. New rules being prepared by the provisional legislature—a body that itself is a violation of the joint declaration because it is unelected, and this provisional legislature, it will be remembered, is the body chosen last December in a process tightly controlled by Beijing. Though the people of Hong Kong had no say whatsoever, yet, it is this very provisional legislature that is writing the rules for Hong Kong's elections.

Mr. President, this provisional legislature is now planning to adopt election rules for a new body comprising 40 totally undemocratic seats. Thirty of these seats will be "functional constituency" seats, as they have been described. The functional constituencies allow small numbers of trade, professional and other groups to choose a representative. In many cases, these functional constituencies are tiny—about 1,000 members.

Britain introduced this system during its colonial rule, and it was a mistake. Britain's last governor, Chris Patten, attempted to improve upon the system by adding new, larger constituencies. Reportedly, even these broader functional constituencies will be slashed, drastically reduced in terms of the number of voters. The functional constituencies belong, as the Wall Street Journal stated, "on the ash heap of history." Ten more seats will be chosen by an election committee comprised of pro-Beijing groups.

Finally, the real motives of the provisional legislature can be discerned in their treatment of the 20 democratically elected seats. These seats will be chosen according to a proportional representation scheme expressly designed to reduce the number of prodemocracy candidates in the legislature.

Mr. President, this is by no means inadvertent. It is deliberate. It is a deliberate attempt to reduce the influence of the most popular and ardently prodemocracy candidates and parties.

The resolution just offered urges C. H. Tung and the Government of Hong Kong to schedule and conduct elections for the first legislature of the Hong Kong Special Administrative Region according to the rules approved by the Hong Kong people through an election law convention, referendum, or both.

If the United States is to have a relationship with an autonomous Hong Kong, Hong Kong must have the democratically elected legislature it was promised—it was promised, Mr. President—in the joint declaration. The provisional legislature, which the United States has rejected as illegitimate and unjustified, is simply not intended to produce a legitimate electoral law.

Mr. President, I yield the floor, and I yield back such time as I may have.

#### DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

The Senate continued with the consideration of the bill.

Mr. HARKIN. Mr. President, I want Senators to know that under the unanimous-consent agreement entered into last week, all amendments to this pending bill, Labor, Health and Human Services appropriations bill, have to be in by the close of business today, and business is about to be closed. So if Senators have amendments, I suggest they get them in in a hurry or forever

be precluded from offering them this year to this bill.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

AMENDMENT NO. 1058

(Purpose: To exclude distilled spirits from certain hazardous materials regulation)

Mr. FORD. Mr. President, I call up amendment No. 1058.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD] proposes an amendment numbered 1058.

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . No funds made available under this Act may be used to enforce section 304(a) of the Clean Air Act Amendments of 1990 (29 U.S.C. 655 note; Public Law 101-549) with respect to distilled spirits (as defined in section 5002(a) of the Internal Revenue Code of 1986 or section 117(a) of the Federal Alcohol Administration Act (27 U.S.C. 211(a))).”.

Mr. FORD. Mr. President, I say to my colleagues, last week when I filed this amendment regarding the application of the process of safety management to distilleries, I started working with the Labor Department and particularly the OSHA division of the Department of Labor.

When PSM regulations were developed as part of the 1990 Clean Air Act amendments, however, I don't believe these regulations were meant to apply to the distilled spirits industry. Clearly, OSHA disagrees with my position, but after discussing the issue with OSHA and Labor Department officials, I have decided to withdraw my amendment.

I want to clearly thank Secretary of Labor Herman for her leadership—and she exercised it very well—in finding a way to resolve this issue. So, under the compromise we have reached today, the Secretary has agreed to make a review of the PSM's as it relates to distilleries, a key part of OSHA's revision of the PSM contract. During the review, OSHA has agreed not to cite the industry under this standard.

I also want to commend the distilled spirits industry, whose exemplary record on safety helped make this compromise possible. It is my hope that OSHA and the industry will put this temporary suspension to good use by working together to determine the extent to which PSM should apply to this industry.

So, Mr. President, I ask unanimous consent that my amendment be withdrawn.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 1058) was withdrawn.

Mr. FORD. I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1121

(Purpose: To exempt States that were overpaid mandatory funds for fiscal year 1997 under the general entitlement formula for child care funding from any payment adjustment)

Mr. FORD. Mr. President, on behalf of Senator KERREY of Nebraska, for himself, Mr. HAGEL, Mr. BINGAMAN, Mr. JEFFORDS, Mr. LAUTENBERG, Mr. FORD, and Ms. MOSELEY-BRAUN, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD] for Mr. KERREY, for himself, Mr. HAGEL, Mr. BINGAMAN, Mr. JEFFORDS, Mr. LAUTENBERG, Mr. FORD and Ms. MOSELEY-BRAUN, proposes an amendment numbered 1121.

Mr. FORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 40, line 24, strike the period and insert: *Provided further*, That, notwithstanding section 418(a) of the Social Security Act, for fiscal year 1997 only, the amount of payment under section 418(a)(1) to which each State is entitled shall equal the amount specified as mandatory funds with respect to such State for such fiscal year in the table transmitted by the Administration for Children and Families to State Child Care and Development Block Grant Lead Agencies on August 27, 1996, and the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equals the non-Federal share for the programs described in section 418(a)(1)(A) shall be deemed to equal the amount specified as maintenance of effort with respect to such State for fiscal year 1997 in such table.”.

Mr. FORD. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Parliamentary inquiry, Mr. President.

If I desire to introduce an amendment on behalf of Senator GORTON as the prime sponsor, and myself as one of the cosponsors, is that in order at this point? It is an amendment on the Labor-Health and Human Services appropriations bill.

The PRESIDING OFFICER. That is in order.

Mr. DOMENICI. I do not need unanimous consent? Is that what the Chair said?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 1122

(Purpose: To provide certain education funding directly to local educational agencies)

Mr. DOMENICI. Mr. President, I have an amendment with reference to the appropriations bill on the Departments of Labor-Health and Human Services, and Education. I want to make sure that everybody understands this is Senator GORTON's amendment. I am offering it on his behalf. I would just like to make a couple statements before I send the amendment to the desk to become part of the itinerary of the Senate.

First, this amendment takes most of the education funds for kindergarten through 12th grade and creates a block grant to the local schools based on the number of school-aged children and the relative wealth of the States.

My purpose in doing this is to make sure that every child in the United States will graduate from high school with basic skills in reading and writing, mathematics, and the kind of skills that everybody knows we should have by the time we complete 12th grade.

I am firmly of the opinion that we have to try something new and different. Our schools need to do things differently. We keep adding to the inventory of programs, and we keep adding money to various programs.

I join Senator GORTON in this amendment because I believe when the numbers are all figured out, the schools will find out that they will receive a very significant increase in money. This is not just an efficiency move, but it is to see if we can't give the States an opportunity to do things differently. Essentially, this is a way to help our schools, instead of having a one-shoe-fits-all approach.

We need to attempt to give the schools an opportunity to improve the quality of education by using this money to move decisionmakers closer to the schools. Schools need to come up with a master plan for improving the basic skills that we require if we are going to be graduating children from our high schools who can make it in this economic environment.

This amendment provides a mechanism of giving slightly more money to the poorer States which, in turn, would mean slightly less money to the more wealthy States. However, everybody would get more money because you would be eliminating all of the categorical bureaucracies that exist which are enormously expensive, both at the national level and to the school districts who have to administer them. Local school districts across America, and our superintendents and our principals would say, Let's see if we couldn't do better.

The amendment would not affect Title VIII of the Elementary and Secondary Education Act; Individuals with

Disabilities Education Act funds; Adult Education Act funds; Museum and Library Services Act funds; Departmental management expenses; Educational Research Development, Dissemination, and Improvement Act funds; or funds to carry out the National Education Statistics Act; to carry out section 10501—funds for civic education—or 2102—Eisenhower Professional Grants—and Park K—National Writing project—of the Elementary and Secondary Education Act;

By eliminating the Federal strings attached to the money, the Federal Government would be recognizing that one size does not fit all.

The amendment would allow State and local governments to design programs that best meet the needs of the local schools.

The reason for this amendment is simple.

Our schools need to do things differently.

Too many kids are merely getting social promotions to keep them in a class with their age group regardless of whether they have learned their lessons. It is a sad state when many of our graduates can't read the diplomas they receive at graduation.

Too many schools don't teach the basics any more.

In "Teaching the New Basic Skills" by economists Frank Levy of MIT and Richard Murnane of Harvard, the authors argue that employers hire college graduates because they have little confidence that high school graduates have mastered ninth grade level math; that is, the ability to manipulate fractions and decimals and to interpret line and bar graphs.

They contend one of the reasons we are paying so much more for college graduates than we ever did before is because we are doing such a poor job at the high school level.

The central educational task today is to do better teaching high school students. That can't be done from Washington. To keep up, calls for local decision making, not cumbersome programs developed in Washington.

Robert W. Galvin and Edward W. Bales of Motorola have written, "The major issue . . . is that the education system is undergoing incremental change in an environment of exponential change."

Americans spend a lot on education. Last year \$550 billion a year in total private and public money was spent on education. This is more than what was spent on defense and second only to health care in tapping American's pocketbook. Yet as defense firms have restructured, and health care providers have turned themselves upside down moving to HMO's, education experts start another school year excusing failure and demanding more money.

Effective reform involves parents, teachers, and local businesses.

In New Mexico we need to train kids to work at Intel and other high tech firms. In Detroit, the schools need to

prepare kids to work in auto plants. In recent studies it was found that only half of the kids had the basic reading and math skills to get a job in an auto plant.

This amendment will give the control back to the local schools so that they can use their Federal education funds to meet the local job market and better educate our kids. Local school districts are proving it can be done and this amendment will help others following in those successful footsteps.

I hope my colleagues will support Senator GORTON's amendment.

I want everybody to understand that Senator GORTON did not include every single kindergarten through twelfth grade programs in this new approach to give our schools an opportunity to do things differently. The amendment will not affect title VII of the Elementary and Secondary Education Act; Individuals with Disabilities Education Act funds; the Adult Education Act funds; the Museum and Library Services Act funds; departmental management expenses; Educational Research Development, Dissemination, and Improvement Act funds; funds to carry out the National Education Statistics Act, to carry out section 10501; funds for civic education; 2102 Eisenhower professional grants; or the Park K, the national writing project, of the Elementary and Secondary Education Act.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. GORTON, for himself and Mr. DOMENICI, proposes an amendment numbered 1122.

Mr. DOMENICI. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 85, after line 23, insert the following:

SEC. . (a) Notwithstanding any other provision of law, the Secretary of Education shall award the total amount of funds described in subsection (b) directly to local educational agencies in accordance with subsection (d) to enable the local educational agencies to support programs or activities for kindergarten through grade 12 students that the local educational agencies deem appropriate.

(b) The total amount of funds referred to in subsection (a) are all funds that are appropriated for the Department of Education, the Department of Labor, and the Department of Health and Human Services under this Act to support programs or activities for kindergarten through grade 12 students, other than—

(1) amounts appropriated under this Act—

(A) to carry out title VIII of the Elementary and Secondary Education Act of 1965;

(B) to carry out the Individuals with Disabilities Education Act;

(C) to carry out the Adult Education Act;

(D) to carry out the Museum and Library Services Act;

(E) for departmental management expenses of the Department of Education; or

(F) to carry out the Educational Research, Development, Dissemination, and Improvement Act;

(G) to carry out the National Education Statistics Act of 1994;

(H) to carry out section 10601 of the Elementary and Secondary Education Act of 1965;

(I) to carry out section 2102 of the Elementary and Secondary Education Act of 1965; or

(J) to carry out part K of the Elementary and Secondary Education Act of 1965; or

(2) 50 percent of the amount appropriated under title III under the headings "Rehabilitation Services and Disability Research" and "Vocational and Adult Education".

(c) Each local educational agency shall conduct a census to determine the number of kindergarten through grade 12 students served by the local educational agency not later than 21 days after the beginning of the school year. Each local educational agency shall submit the number to the Secretary.

(d) The Secretary shall determine the amount awarded to each local educational agency under this section as follows:

(1) First, the Secretary, using the information provided under subsection (c), shall determine a per child amount by dividing the total amount of funds described in subsection (b), by the total number of kindergarten through grade 12 students in all States.

(e) Second, the Secretary, using the information provided under subsection (c), shall determine the baseline amount for each local educational agency by multiplying the per child amount determined under paragraph (1) by the number of kindergarten through grade 12 students that are served by the local educational agency.

(3) Lastly, the Secretary shall compute the amount awarded to each local educational agency as follows:

(A) Multiply the baseline amount determined under paragraph (2) by a factor of 1.1 for local educational agencies serving States that are in the least wealthy quintile of all States as determined by the Secretary on the basis of the per capita income of individuals in the States.

(B) Multiply the baseline amount by a factor of 1.05 for local educational agencies serving States that are in the second least wealthy such quintile.

(C) Multiply the baseline amount by a factor of 1.00 for local educational agencies serving States that are in the third least wealthy such quintile.

(D) Multiply the baseline amount by a factor of .95 for local educational agencies serving States that are in the fourth least wealthy such quintile.

(E) Multiply the baseline amount by a factor of .90 for local educational agencies serving States that are in the wealthiest such quintile.

(e) If the total amount of funds made available to carry out this section is insufficient to pay in full all amounts awarded under subsection (d), then the Secretary shall ratably reduce each such amount.

(f) If the Secretary determines that a local educational agency has knowingly submitted false information under subsection (c) for the purpose of gaining additional funds under this section, then the local educational agency shall be fined an amount equal to twice the difference between the amount the local educational agency received under subsection (d), and the correct amount the local educational agency would have received if the agency had submitted accurate information under subsection (c).

(g) In this section—

(1) the term "local educational agency" has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965;

(2) the term "Secretary" means the Secretary of Education; and

(3) the term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

Mr. GORTON. Mr. President, I want to thank profusely my friend from New Mexico, Senator DOMENICI, for his remarks and for introducing this amendment on my behalf. I was able to get here just in time to second his remarks.

I believe this amendment is going to give us an opportunity to debate an issue of great importance to the people of the United States with respect to the education of their children.

More and more, our local school boards, our teachers, and our local schools are being suffocated by a tide of papers, forms, and programs, each of which have a good purpose, at least in theory, but the net result of which is to make it difficult to set priorities in each of the many varied school districts in the United States as to what will best serve the students of those districts.

I am firmly of the belief, and I know my friend from New Mexico shares this belief with me, that elected school board members in cities and towns through the State of New Mexico, through the State of Washington, through the State of Colorado and all across the country, are dedicated to providing the best possible education for those schoolchildren that they possibly can and that they are better able to make decisions about what is best for their students than our bureaucrats in the Department of Education in Washington, DC, or than are Members of Congress.

It is almost unspeakably arrogant of us here in this body that we set detailed requirements for very specific education programs all across the United States with the great variety of people, attitudes, and challenges that we have.

So this amendment is designed to consolidate, for this year at least, the great bulk of all of the dozens or more programs fitting in the narrow categories going to school districts of the United States; to set up a reasonably fair formula which benefits the poorer States slightly more than it does the wealthy States, but with the exception of the Individuals With Disabilities Education Act, Impact Aid, and a number of other very high profile programs; that each school district should be allowed to take the money that we appropriate in this bill for the education of our children from kindergarten through 12th grade, and each school district should set its own priorities for the spending of that money on that education, trusting they can do a better job than we can or than the bureaucrats can.

Not the least of the benefits of an amendment of this sort, Mr. President,

is the fact that we will not have to take 10 percent, 20 percent, or 30 percent off the top for administering the program, for filling out the forms, for all of the activities which chew up money but are not reflected in education at all.

Mr. President, I present this as a significant amendment to this bill. I hope for a significant debate on this issue here in this body. We all, when we are at home, laud local control of our schools, with elected school board members and hands-on education, but all too much of the time we take exactly the opposite view in the programs we actually create and vote for here.

This amendment will be discussed at considerably greater length tomorrow by a wide variety of people. I cannot possibly express my delight at having my friend from New Mexico as a cosponsor of this amendment. I suspect, Mr. President, there will be a number of other cosponsors as we go through the debate on the amendment tomorrow.

Mr. DOMENICI. Will the Senator yield?

Mr. GORTON. I am delighted to yield.

Mr. DOMENICI. I reviewed this in an effort to make a statement of introduction today because you asked me to because you did not think you could be here. I am very pleased you are. I think we ought to talk about this exciting proposal from the standpoint of reality. The reality, to me, is that our schools need to do things differently, and we are not doing things any differently here with our programs except from time to time adding a little money here and there. For the most part, we are stuck.

If there is a growing mediocrity—and I assume that is putting it mildly—we are probably part of it. We should not be talking just about saving money or about giving schools more money without strings, but about educating children better. I almost would call our approach giving the schools an opportunity to get the basics done again.

I was part of the budget negotiations, and I am not changing that here because I realize a certain amount of money has to go to education, and I believe this bill honors that. That was one of the categories where the President received his preference. This amendment's approach to current education monies gives the schools the flexibility to try to do things differently. We are saying, let's look at our education situation because we are kind of stuck, and we want to get out of that rut.

Is that how you see our bill?

Mr. GORTON. Well, my friend, the Senator from New Mexico, whose views are so thoughtful and so carefully enunciated on a wide variety of subjects, is, I am afraid, more eloquent on my own amendment than I am myself.

Yes, I say to my friend from New Mexico, that is exactly what this is about.

Earlier this year, during the course of the debate over the budget, there was a request by the President that we increase the amount of money going to our common schools. That received wide support from both Republicans and Democrats in this body and in the House of Representatives.

The Senator from New Mexico is entirely correct, there is nothing in this bill except more money. There is nothing in this bill about a different approach. There is nothing in this bill about getting more in the way of a 21st century education for our children. It is just more of the same stuff we have already been doing.

I think I can say this amendment may, to a certain extent, be analogous to the welfare reform bill that we passed more than a year ago. What we decided then, I say to my friend from New Mexico, was that maybe we did not know everything there was to know about welfare here in Washington, DC. Maybe there was not just one welfare system, to be run out of Washington, DC, that was going to work. In fact, it worked so poorly that almost every condition it was designed to alleviate it made worse.

What we did a year ago with welfare was to say we are not all that smart. Governors and legislators of 50 States, you try it. We will give you broad discretion in welfare programs. We suspect some of you will do really well, but regrettably some of you will do not so well, but we will learn more about what can get people back to work and out of a welfare mentality.

Now, I think this amendment is a little bit like that, I say to my friend. What we are doing here is something we do not like doing very much in the Senate, admitting that somebody else may know a little bit more than we do about a subject. Here we are saying we think perhaps that wisdom lies right down in individual school districts with teachers in the classroom, with principals in the schools, with school board members who, almost without exception, are public-spirited citizens who have run for election for a job that does not pay, but that they know something maybe that we do not know, and if we give them more freedom to use these billions of dollars we come up with, we will get better education for our kids.

That is, of course, the whole goal of the exercise.

Mr. DOMENICI. Senator, I want to make this last point and see if you concur. This is different from other efforts to encapsulate our Federal programs into some kind of block grant, and for the most part that was always to cut education. There is no effort to cut education here.

The major increases that are in this bill that are in response to the budget agreement are all used in this fund—not a penny less—and it may be much bigger when it reaches the districts. That money will increase the level so nobody should think that Senators

GORTON and DOMENICI are for reducing the expenditure.

If we save administrative money, we want to spend it on the kids, and it ought to be a rather substantial amount of money.

Mr. GORTON. The Senator from New Mexico is, of course, entirely correct. The total amount of the appropriation in this bill for education is not reduced by a single dollar.

On the other hand, the total amount of money that gets to the classroom will be considerably greater because so much less will get lost in the gears of administration at two, three, or four different levels between here and the classroom.

We hope that we will be able to get much more for the same amount of money fundamentally because we will actually be spending more on direct educational expenditures.

Mr. DOMENICI. I thank the Senator.

AMENDMENT NO. 1076

Mr. GORTON. Mr. President, while I have the floor I ask unanimous consent to set the pending amendment aside and call up amendment No. 1076.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 1076.

AMENDMENT NO. 1076, AS MODIFIED

Mr. GORTON. Mr. President, I ask unanimous consent to modify amendment No. 1076, which I have sent to the desk.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 1076), as modified, is as follows:

On page 49, after line 26, add the following:  
SEC. . (a)(1) Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(A) in subsection (b), in the sentence added by section 4911(a)(1) of the Balanced Budget Act, by striking “or subsection (u)(3)” and inserting “, subsection (u)(3), or subsection (u)(4) for the State for a fiscal year, and that do not exceed the amount of the State’s allotment under section 2104 (not taking into account reductions under section 2104(d)(2)) for the fiscal year reduced by the amount of any payments made under section 2105 to the State from such allotment for such fiscal year.”; and

(B) in subsection (u), as added by section 4911(a)(2) of the Balanced Budget Act of 1997—

(A) by striking paragraph (2) and inserting the following:

“(2)(A) For purposes of subsection (b), the expenditures described in this paragraph are expenditures for medical assistance for optional targeted low-income children described in subparagraph (B).

“(B) For purposes of this paragraph, the term ‘optional targeted low-income child’ means a targeted low-income child as defined in section 2110(b)(1) (determined without regard to subparagraph (C)) who would not qualify for medical assistance under the State plan under this title based on such plan (including under a waiver authorized by the Secretary or under section 1902(4)(2)) as in effect on April 15, 1997 (but taking into account the expansion of age of eligibility effected through the operation of section 1902(1)(2)(D)).”; and

(B) by adding at the end the following new paragraph:

“(4)(A) For purposes of subsection (b), the expenditures described in this subparagraph are expenditures for medical assistance for certain waived low-income children described in subparagraph (B), but only to the extent such expenditures for a State for a fiscal year exceed the level of such expenditures for such children under this title for fiscal year 1997.

“(B) For purposes of this paragraph, the term ‘certain waived low-income children’ means, in the case of any State that has under a waiver authorized by the Secretary or under section 1902(r)(2), established a medicaid applicable income level (as defined in section 2110(b)(1)(4)) for children under 19 years of age residing in the State that is at or above 200 percent of the poverty line, a child whose family income exceeds the minimum income level required to be established for the age of such child under section 1902(l)(2) in order for the child to be eligible for medical assistance under this title, but does not exceed 200 percent of the poverty line.”.

(2) Section 1902(a)(10)(A)(ii)(XIV) of the Social Security Act, as added by section 4911(b)(3) of the Balanced Budget Act of 1997, is amended by striking “1905(u)(2)(C)” and inserting “1905(u)(2)(B)”.

(b) The amendments made by subsection (a) shall take effect as if included in the enactment of section 4911 of the Balanced Budget Act of 1997.

Mr. GORTON. Mr. President, just a few weeks ago, Congress and the President agreed to provide \$48 billion over the next 10 years as an incentive to States to provide health care coverage to uninsured, low-income children. To receive this money, States must expand eligibility levels to children living in families with incomes up to 200 percent of the Federal poverty level.

Three years ago, Washington State decided to do what Congress and the President have now required other States to do. In 1994, my State expanded children’s health care coverage to children through age 18 who live in families up to 200 percent of the Federal poverty level.

Under the budget agreement, Washington State, like every other State will receive an allotment, a portion of the money the Federal Government makes available for children’s health care each year. The budget agreement provides an “enhanced Federal match” to States to encourage them to raise eligibility levels. That incentive is available to States which cover kids at the current mandatory levels of 100 percent to 133 percent of poverty depending on the age group, if they expand up to the new 200-percent-of-poverty threshold. However, for the few States which already meet this requirement, these States must expand their eligibility levels an additional 50 percentage points before being able to tap into the money available under the Children’s Health Initiative.

Unfortunately, the budget provisions essentially penalize Washington because of the State’s progressive policies on children’s health care. First, Washington and a few States which have done these broad expansions, will essentially pay more than every other

State to cover this population of kids. Second, the budget agreement actually provides more incentive to cover kids in families with higher discretionary income than it does for children living in poorer families. In Washington 100,000 kids under 200 percent of poverty are still uninsured in spite of the success of enrolling kids over the last 3 years, while somewhere between 10,000 and 30,000 kids between 200 and 250 percent of poverty are uninsured. Clearly the need is at lower income levels, I expect this holds true for most other States. Yet my State receives more Federal money to cover kids in this higher income bracket. Finally, the budget agreement provides no incentive to the State legislature to further expand coverage to kids. After all, Washington already did what Congress is now asking other States to do and instead of being recognized for doing a good job of covering kids, my State is penalized. If I were a State legislator I would argue that we should simply wait for the Feds to mandate further coverage for children, then we would receive the same contribution from the Federal Government as other States.

For example, Washington currently receives a 50-percent Federal match for kids covered under Medicaid. Another State which also gets a 50-percent Federal match but has not already expanded eligibility levels for kids, will receive an enhanced match as an incentive to cover this new population. In a nonexpansion State for a child living in a family with an income of 150 percent the State would receive an increased Federal match level. However, under the budget agreement in a State like Washington, for that same child the State would only be reimbursed at the current rate. Even if the child is currently uninsured. Proportionately more money will come out of Washington State revenues to cover kids below 200 percent of the poverty than in other States which have not expanded coverage to kids at this level. Thus taxpayers in my State will pay more to cover the same population of kids than taxpayers in other States that did not choose to expand eligibility to kids before Congress did it for them.

The spirit of the legislation is to provide health insurance coverage for uninsured, low-income children first. In Washington we have 100,000 kids that are uninsured below the 200 percent FPL threshold and only 10,000 to 30,000 between 200 percent and 250 percent FPL. For States with high eligibility thresholds, the Child Health Initiative provides more incentive—a higher Federal match rate—to cover kids at higher income levels than it does for kids living in families with lower incomes. With an enhanced match for new kids below 200 percent of FPL brought into the State health program, the State can target a bigger pool of low-income, uninsured kids, more expediently producing the results intended by the legislation.

My amendment stays within the spirit of the Child Health Initiative, it focuses Federal money on providing health care coverage to new, uninsured children at low income levels first. It does not take money from any other State, but merely allows Washington to draw on its own allotment. Staff discussions with CBO and CRS confirm that the amendment does not change the amount other States will receive. CRS is in the process of developing an official memo to that effect. A progressive think tank, the Center on Budget and Policy Priorities also states that the amendment would not alter State allocations. The amendment allows States which have already expanded eligibility levels to 200 percent to receive an "enhanced Federal match" if it provides health care coverage to uninsured kids between the current mandatory levels and the new level of 200 percent set in the budget agreement. Additionally, my State would be required to maintain its current effort. Washington must spend the same amount on children's health care that it does in fiscal year 1997, in subsequent years before it can receive any money provided for under the Child Health Initiative.

The proposal does not take money from other States nor does it provide additional Federal subsidies for children the State is now covering, it simply allows Washington and the other few expansion States to continue to do the good work they have already started.

#### SPECIAL EDUCATION FUNDING

Mr. GREGG. Mr. President, I would like to take this opportunity to thank Senator SPECTER for his leadership and support in my recent efforts to provide full funding for the Individuals With Disabilities Education Act [IDEA].

For the past 2 years, one of my top priorities has been to ensure that the Federal Government lives up to its promise to provide 40 percent of the funding for the costs of complying with Federal special education mandates. The current level of 8 percent or 9 percent is unacceptable. In addition, I believe that it is important to secure increased funding for IDEA to ease the burden on local schools and communities. For these reasons, I am grateful to Senator SPECTER for helping us move closer to full funding to help these communities.

As a result of our combined efforts, in the fiscal year 1998 Labor-HHS appropriations bill, State grants for part B of IDEA are allocated \$3.94 billion, which is a \$834 million or 27 percent increase over last year's funding level. As chairman of another appropriations subcommittee, I know how difficult, if not virtually impossible, it is to provide such a significant increase to a large account. Thus, I truly appreciate Senator SPECTER's efforts and leadership on this issue. I'm sure that the Nation's special education students and the local communities that educate them are equally as grateful to Senator SPECTER for his support.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business for Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO CAPT. ROBERT C. KLOSTERMAN, U.S. NAVY, COMMANDING OFFICER, U.S.S. "JOHN C. STENNIS"

Mr. LOTT. Mr. President, I take this opportunity to recognize and say farewell to an outstanding naval officer, Capt. Robert C. Klosterman, who served with distinction for 41 months as commanding officer of the U.S.S. *John C. Stennis* nuclear-powered aircraft carrier, named for the great Senator from Mississippi. It is a privilege for me to recognize his many outstanding achievements and commend him for the superb service he has provided the Navy and our great Nation.

A native of Cincinnati, OH, Captain Klosterman graduated from the U.S. Naval Academy in 1969 and was designated a Naval Aviator in 1970 at NAS Kingsville, TX. He flew over 440 combat missions in Vietnam, piloting UH-1B gunships with Helicopter Attack (Light) Squadron 3. Following his service in Vietnam, Captain Klosterman returned as a flight instructor with VT-9 at Meridian, MS, where he served as Director of Flight Training and Operations Officer through 1973.

Captain Klosterman's service at sea includes junior officer and department head tours in VA-86 (U.S.S. *Nimitz*) and two instructor pilot tours in VA-174. He joined Attack Squadron 46 (VA-46) as executive officer in June 1984 and took command in January 1986. During his tour, VA-46 participated in combat operations against Libya from U.S.S. *America*, and was awarded the 1986 COMNAVAIRLAN Battle "E." Captain Klosterman completed naval nuclear power training in 1988 and was executive officer of U.S.S. *Dwight D. Eisenhower* (CVN 69) from June 1989 to April 1991. He is a veteran of Operations Desert Shield/Desert Storm, as well as Operations Restore Hope and Southern Watch.

During his naval career, Captain Klosterman has accumulated over 5,800 flight hours and made over 1,000 carrier arrested landings. His decorations include the Legion of Merit, 3 Meritorious Service Medals, 15 Air Medals, the

Vietnamese Cross of Gallantry, and the Combat Action Ribbon. He was also the recipient of the 1986 COMLATWING ONE Pat Anderson Award for weapons delivery excellence.

As commanding officer of the U.S.S. *John C. Stennis*, he delivered to the Nation and the U.S. Navy the most modern and technologically advanced nuclear-powered aircraft carrier in the world. He did this while realizing over \$75 million in savings to the taxpayers, for which we owe him a debt of gratitude.

Mr. President, Robert C. Klosterman, his wife Rebecca, and son Todd have no doubt made many sacrifices during his 28-year naval career. They have made significant contributions to the outstanding naval forces upon which our country relies so heavily. Captain Klosterman is a great credit to both the Navy and the country he so proudly serves. As this decorated combat veteran now departs the Navy, I call upon my colleagues from both sides of the aisle to wish him fair winds and following seas. He is a sailor's sailor.

#### THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, September 5, 1997, the federal debt stood at \$5,414,427,865,442.08. (Five trillion, four hundred fourteen billion, four hundred twenty-seven million, eight hundred sixty-five thousand, four hundred forty-two dollars and eight cents)

One year ago, September 5, 1996, the federal debt stood at \$5,225,564,000,000 (Five trillion, two hundred twenty-five billion, five hundred sixty-four million)

Twenty-five years ago, September 5, 1972, the federal debt stood at \$435,268,000,000 (Four hundred thirty-five billion, two hundred sixty-eight million) which reflects a debt increase of nearly \$5 trillion—\$4,979,159,865,442.08 (Four trillion, nine hundred seventy-nine billion, one hundred fifty-nine million, eight hundred sixty-five thousand, four hundred forty-two dollars and eight cents) during the past 25 years.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)