

its secure and prosperous future. For our students to learn, they must be in a physical environment that is conducive to learning. Unfortunately, our nation's schools are in disrepair: about one third of all schools need extensive repair or replacement, and about 60 percent of schools have at least one major problem, such as a leaky roof or crumbling walls.

SUMMARY

The Educational Facilities Improvement Act provides \$1.9 billion over 5 years to pay a portion of the interest cost on state and local bond issues used to finance public elementary and secondary school repair, renovation, modernization, and construction projects.

After set-asides for Indian Schools, U.S. territories, and evaluations, 33 percent of the funds will be administered by the Secretary of Education for competitive awards to the 100 school districts with the largest numbers of poor children, and 25 other districts with extraordinary needs. The remaining 67 percent will be distributed to states according to a formula that takes into account school-age population, poverty, and other criteria. States will set up competitive programs to award these funds to school districts. School districts will be eligible for a subsidy of up to 50 percent of the interest cost on the bonds, using a sliding scale based on need.

AUTHORIZED ACTIVITIES

The new program funds may be used to:

Repair or upgrade classrooms or structures related to academic learning, including the repair of leaking roofs, crumbling walls, inadequate plumbing, poor ventilation, and heating or light problems; increase physical safety; enhance access for students, teachers or others with disabilities; improve energy efficiency; address environmental hazards; provide the basic infrastructure to facilitate educational technology, such as communications outlets and closets, electrical systems, and power outlets; construct new schools to meet the needs imposed by growth; or conduct any other related activity identified and approved by the Secretary.

DISTRIBUTION OF THE FUNDS

Of the new funds, 1.5 percent would be reserved for Indian schools, and 0.5 percent would be reserved for the U.S. territories to be administered at the discretion of the Secretary. Not more than 0.1 percent would be set aside for the Secretary to collect data, study the condition of elementary and secondary schools, evaluate the program, and report the findings to Congress.

Of the remaining funds, 33 percent would be reserved for administration by the Secretary to the 100 school districts with the largest numbers of poor children, as well as to 25 additional districts at the discretion of the Secretary. The remaining 67 percent would be reserved for administration by the states to local education agencies.

FUNDS TO LOCAL BOND AUTHORITIES

Under this program, 33 percent of the funding will be administered directly by the Secretary of Education. School districts will be eligible for up to a 50-percent interest rate subsidy, using a sliding scale based on need. The 100 school districts with the largest numbers of poor children will be eligible to apply directly to the Secretary for the interest-rate subsidy. Eligible districts will be the top 100 with the highest levels of children ages 5 to 17 living in poverty. In addition, the Secretary may designate up to 25 additional districts for direct grants, based on their extraordinary needs.

The Secretary will award grants to districts based on a number of criteria, including the numbers of poor children in that district, the overall age and condition of the

schools and their potential threat to children's health and safety, the extent of overcrowding, the extent to which construction would otherwise not occur, and other factors.

FUNDS TO STATES

Of the remaining funds, 67 percent will be administered directly by the states. The states must submit an application to the Secretary describing the criteria the state will use to award funds within the state. States can use the money to subsidize local bond issues or to subsidize state bonds issued on behalf of the school districts.

The federal government will award the funds to the states based on a two-part formula. Half of the funds will be based on the state's share of federal Title I funds, and half will be based on the state's share of federal Title VI funds. School districts that receive direct grants from the Secretary will be excluded from the calculations used to determine the state-by-state allocations.

FUNDING

The amendment is funded at \$1.9 billion, to remain available until obligated. It is paid for by restructuring the foreign tax credit carryover rules passed by the Senate and left on the table during conference on the tax bill (Section 867 of the Senate bill). This proposal would cut the current carryback period for taxpayers with unused foreign tax credits from 2 years to one, while extending the carryforward period from 5 to 7 years.

Ms. MOSELEY-BRAUN. Mr. President, today I am pleased to join the Minority Leader, Senator DASCHLE, to introduce the Education Facilities Improvement Act. This bill will form a partnership among the national, State, and local governments to rebuild and modernize our Nation's crumbling schools.

According to the U.S. General Accounting Office, it will cost \$112 billion to bring existing school buildings up to code—to patch the leaky roofs, replace the broken windows, fix the plumbing, and make other needed repairs. That price tag, as enormous as it sounds, does not include the cost of building new schools to accommodate the record numbers of children who are crowding our schools, nor the cost of upgrading classrooms for modern computers.

Local school districts cannot afford to meet these challenges on their own. The local property tax, which made sense as a funding mechanism when wealth was accumulated in the form of land, no longer works as a means of funding major capital investments. In urban, rural, and suburban schools all across the country, the magnitude of the crumbling schools problem has dwarfed local financing capabilities.

In Chicago, Mayor Daley announced Monday that the city would issue 800 million dollars' worth of bonds to build new schools, renovate old ones, and modernize every school in the system. With an improved bond rating, Chicago has financed almost 1.5 billion dollars' worth of school improvements in the last 2 years. Chicago schools, however, need 3 billion dollars' worth of improvements.

The problem is not confined to big cities like Chicago. The GAO found that in urban areas, 38 percent of

schools are crumbling, while in rural areas the figure is 30 percent, and in the suburbs, it's 29 percent.

At the New Burnside Center in Tunnel Hill, IL, the track team was for a time forced to practice at the local prison. The prison had a track. The school did not. They no longer offer track at New Burnside, because some parents objected to their children being sent to the prison to practice. The lack of an adequate tax base means too many schools in rural areas can barely meet the basic costs of educating children, let alone the costs of major capital improvements.

In the suburbs also, our outdated method of paying for public schools has taken its toll. Principal Rita Melius, from the Abbott middle school in Waukegan, a suburb north of Chicago, was here in Washington this morning to discuss this issue. Children in her suburban school have to cope with the same kinds of leaky roofs and crumbling walls as their innercity peers. The school has even had several fires caused when computers overloaded the ancient electrical wiring.

The Education Facilities Improvement Act will provide \$1.9 billion over 5 years to help Waukegan, Chicago, New Burnside, and schools across the country that simply cannot meet their facilities needs on their own. It will make the Government a partner in public education, while preserving local control of curriculum and educational content. This bill recognizes that education is a public good, as well as an individual benefit, and that every American benefits when we provide educational opportunities in environments suitable for learning.

Winston Churchill said, "We shape our buildings; thereafter, they shape us." Nowhere is that more true than in our schools. You certainly can't use a computer if you can't plug it into the wall, and we cannot expect our children to learn in schools that are falling down around them.

I hope all of my colleagues will consider the conditions of schools in their States and join us in sponsoring this important legislation.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. MOYNIHAN, the name of the Senator from Virginia [Mr. ROBB] 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 Colorado [Mr. ALLARD] and the Senator from Iowa [Mr. HARKIN] 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. 260

At the request of Mr. ABRAHAM, the name of the Senator from Kentucky [Mr. McCONNELL] was added as a cosponsor of S. 260, a bill to amend the Controlled Substances Act with respect to penalties for crimes involving cocaine, and for other purposes.

S. 320

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 320, a bill to amend the Internal Revenue Code of 1986 to provide comprehensive pension protection for women.

S. 322

At the request of Mr. GRAMS, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 322, a bill to amend the Agricultural Market Transition Act to repeal the Northeast Interstate Dairy Compact provision.

S. 442

At the request of Mr. WYDEN, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 442, a bill to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, and for other purposes.

S. 493

At the request of Mr. KYL, the name of the Senator from Georgia [Mr. CLELAND] was added as a cosponsor of S. 493, a bill to amend section 1029 of title 18, United States Code, with respect to cellular telephone cloning paraphernalia.

S. 599

At the request of Mrs. BOXER, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 599, a bill to protect children and other vulnerable subpopulations from exposure to certain environmental pollutants, and for other purposes.

S. 711

At the request of Mr. BREAUX, the names of the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 711, a bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits.

S. 755

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 755, a bill to amend title 10, United States Code, to restore the provisions of chapter 76 of that title (relating to missing persons) as in effect before the amendments made by the National Defense Authorization Act for Fiscal Year 1997 and to make other improvements to that chapter.

S. 927

At the request of Ms. SNOWE, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 927, a bill to reauthorize the Sea Grant Program.

S. 950

At the request of Mr. McCONNELL, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 950, a bill to provide for equal protection of the law and to prohibit discrimination and preferential treatment on the basis of race, color, national origin, or sex in Federal actions, and for other purposes.

S. 952

At the request of Mr. McCONNELL, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 952, a bill to establish a Federal cause of action for discrimination and preferential treatment in Federal actions on the basis of race, color, national origin, or sex, and for other purposes.

S. 1008

At the request of Mr. DURBIN, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 1008, a bill to amend the Internal Revenue Code of 1986 to provide that the tax incentives for alcohol used as a fuel shall be extended as part of any extension of fuel tax rates.

S. 1084

At the request of Mr. INHOFE, the names of the Senator from West Virginia [Mr. BYRD] and the Senator from Nebraska [Mr. HAGEL] were added as cosponsors 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. 1113

At the request of Mr. GRASSLEY, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Massachusetts [Mr. KERRY], the Senator from Ohio [Mr. GLENN], and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of S. 1113, a bill to extend certain temporary judgeships in the Federal judiciary.

S. 1123

At the request of Mr. HATCH, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 1123, a bill to amend the Internal Revenue Code of 1986 relating to the unemployment tax for individuals employed in the entertainment industry.

SENATE CONCURRENT RESOLUTION 50

At the request of Mr. HUTCHINSON, the names of the Senator from Illinois [Mr. DURBIN], the Senator from Colorado [Mr. ALLARD], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of Senate Concurrent Resolution 50, a concurrent resolution condemning in the strongest possible

terms the bombing in Jerusalem on September 4, 1997.

SENATE RESOLUTION 119

At the request of Mr. FEINGOLD, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of Senate Resolution 119, a resolution to express the sense of the Senate that the Secretary of Agriculture should establish a temporary emergency minimum milk price that is equitable to all producers nationwide and that provides price relief to economically distressed milk producers.

AMENDMENT NO. 1087

At the request of Mr. WELLSTONE, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of amendment No. 1087 proposed to S. 1061, an original bill 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.

At the request of Mr. HARKIN his name was added as a cosponsor of amendment No. 1087 proposed to S. 1061, *supra*.

AMENDMENT NO. 1098

At the request of Mr. COVERDELL, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of amendment No. 1098 proposed to S. 1061, an original bill 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.

AMENDMENT NO. 1101

At the request of Mr. DASCHLE, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of amendment No. 1101 proposed to S. 1061, an original bill 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.

AMENDMENT NO. 1112

At the request of Mr. HARKIN, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of amendment No. 1112 proposed to S. 1061, an original bill 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.

AMENDMENT NO. 1116

At the request of Mr. REED, his name was added as a cosponsor of amendment No. 1116 proposed to S. 1061, an original bill 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.

AMENDMENT NO. 1118

At the request of Mrs. MURRAY, the name of the Senator from Louisiana [Ms. LANDRIEU] was added as a cosponsor of amendment No. 1118 proposed to

S. 1061, an original bill 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.

AMENDMENT NO. 1122

At the request of Mr. GRAMM, his name was added as a cosponsor of amendment No. 1122 proposed to S. 1061, an original bill 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.

At the request of Mr. GORTON, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of amendment No. 1122 proposed to S. 1061, *supra*.

SENATE RESOLUTION 121—RELATIVE TO THE PALESTINIAN AUTHORITY

Mr. SPECTER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 121

Whereas United States law requires the Palestinian Authority to exert a maximum 100-percent effort to fight terrorism in order to continue to receive United States foreign assistance;

Whereas the Palestinian Authority has failed to make that 100-percent maximum effort as evidenced by Chairman Yassir Arafat's open embrace of Hamas leader Abdel Aziz al-Rantisi on August 20, 1997;

Whereas a Palestinian terrorist bombed a Tel Aviv restaurant on March 21, 1997, killing 3 Israelis and wounding 12 others;

Whereas 2 Hamas suicide bombers attacked a crowded outdoor market in Jerusalem on July 30, 1997, killing 13 Israelis and wounding over 150 others;

Whereas 3 Hamas suicide bombers detonated their bombs in a popular pedestrian mall in Jerusalem on September 4, 1997, killing 5 Israelis and wounding approximately 170 others;

Whereas Secretary of State Madeleine Albright conceded in testimony before the Appropriations Subcommittee on Foreign Operations on May 22, 1997 that Chairman Arafat had not given a red light to stop Palestinian terrorism;

Whereas in fact the Palestine Liberation Organization (PLO) and the Palestinian Authority are at war with Israel;

Whereas the PLO has built up a police force of more than 30,000 men and armed it with sophisticated weapons; and

Whereas continued United States assistance and assistance from allies of the United States will only strengthen the ability of the PLO to continue terrorism and ultimately wage an all-out war: Now, therefore, be it

Resolved, That the United States should discontinue all financial assistance to the Palestinian Authority, and the United States should urge allies of the United States to do the same, unless and until the Palestinian Authority demonstrates a 100-percent maximum effort to curtail terrorism.

Mr. SPECTER. Mr. President, in the 7 minutes intervening, I will utilize this time to submit a resolution which I had discussed extensively yesterday calling for the United States to cease

any financial aid to the Palestinian Authority and for the United States to use its best efforts to persuade all of our allies to do the same thing.

I believe that that course of action is necessary to change our policy in the Mideast, because there is no peace process. There is a great deal of talk about a peace process, but the reality, the brutal fact of life is that there is no peace process. But there is a war of terrorism, a one-sided war being waged by the Palestinians against Israel.

The brutal fact of life, Mr. President, is that terrorism has replaced open warfare as a way of gaining military advantage. The wars which have been fought against Israel, the open warfare, has been unsuccessful, so this practice of terrorism is being pursued. The financial aid which has come from the United States and our allies has been used to build up the Palestinian Authority in many ways, including a 30,000-person police force, armed with highly sophisticated weapons.

When Prime Minister Netanyahu made the accusation, after the March 21 bombing of the Tel Aviv cafe, that Chairman Arafat had given a green light, I sought a response from the Secretary of State. In her testimony a few weeks ago before the Foreign Operations Subcommittee, Secretary of State Albright said there had not been a green light, but also there had not been a red light.

Mr. President, United States law requires that the Palestinian Authority make the maximum effort to stop terrorism. The Palestinian Authority is not a guarantor, but they have an obligation to make a maximum effort to stop terrorism. And since the March 21 terrorist attack, we have seen the July 30 terrorist attack, we have seen the embrace by Chairman Arafat of the Hamas leader, the picture seen around the world, comparable to the shot heard around the world, where in no uncertain terms Chairman Arafat is saying that he condones what Hamas has done and even encourages Hamas to do more. Then, on September 4, we had the most recent terrorist attack.

These three terrorist attacks in the course of the past 6 months have killed 21 Israelis and wounded 330 other Israelis. So where is the peace process? There is none. The emperor has no clothes. It is time we recognized that fact.

We have had, in addition, a report from an Israeli cabinet officer, Deputy Education Minister Moshe Peled, that Chairman Arafat knew in advance of the 1993 World Trade Center bombing that it was going to occur. If that is in fact true, Chairman Arafat is an accessory before the fact, and that is a form of conspiracy and, under our statutes, subject to trial in a United States court.

When I saw that charge I asked the Department of Justice to investigate. And we do have information that Mr. Peled was questioned by the FBI for some 2 hours but we do not know the results of that inquiry.

I have discussed with the distinguished majority leader the issue about the necessity for bringing this matter to a head to provide some leadership on foreign policy where our Senate has the standing to do so.

You just heard a lengthy distinguished speech by Senator BIDEN, the ranking Democrat on the Foreign Relations Committee. The leadership has been taken by Senator HELMS and others, and we have constitutional authority to act.

Where the administration continues to supply funds to the Palestinian Authority, and those funds directly and indirectly go to build up the Palestinian Army, that is a practice which should be stopped.

The administration had further talked about going to final settlement discussions between Israel and the Palestinians. Of course, that is a matter for the Israelis and the Palestinians to decide. But, I believe that it is an unwise policy for the United States to push that approach because the principles of the Camp David accord and the Oslo accord were to build up confidence, to have relationships which would build up and lead to final status negotiations when there was a basis for the Israelis and the Palestinians living side by side. Regrettably, that is not possible.

We have repeated statements by Chairman Arafat and others of a belligerent nature spewing hatred. We have hatred being talked about in the schools. We have an atmosphere which hardly is conducive to final negotiation status. There had been talk after the Oslo accord of deferring the issue of a Palestinian State. The concern had been that there would be a Trojan horse, a secret Palestinian State inside of Israel.

Well, that has not happened. It has not been secret. It has been open. You have a 30,000-person police force, military operation with sophisticated weapons. You have the chief of police who has been charged by the Israeli authorities with being involved in terrorist attacks and information from the United States.

I spoke at some length about this yesterday, Mr. President. My comments are necessarily abbreviated today because there has only been a period of 7 minutes from the time I started until the 5 o'clock vote which is due to start soon.

Today, I talked to our distinguished chairman of the Foreign Relations Committee about hearings on this subject, as I had discussed with Senator LOTT. I believe that when Secretary of State Albright returns from the Mideast, it would be a good opportunity to hear from her about administration policy and to hear from the Attorney General and the FBI Director about what is happening with the investigation as to Chairman Arafat's possible complicity in the World Trade Center bombing.