

what is left over, the incomes tax revenue surplus, we want to use to lower the tax burden on working families and pay down the national debt. That is a big challenge.

Our goal this year is to do something that has not been done for a generation. We are going to stop a practice that began with President Johnson, back in the 1960s, when he was looking for a way to finance the Vietnam War and to finance the great society programs and grow government. President Johnson and the Congress in the late 1960's began the practice of raiding the Social Security Trust Fund. Our number one goal this year, as we work to save Social Security is to put a stop to that, to stop the raids on Social Security.

Let me point out something here. This coming year there will be about \$137 billion in surplus Social Security revenues. Republicans say let us give 100 percent of that to Social Security. The President, because he only wants to take 62 percent of the surplus, wants to spend a big portion of the Social Security Trust Fund. In fact, he wants to spend about \$52 billion of the Social Security Trust Fund revenues this coming year. Over 5 years that is \$250 billion raided from the Social Security Trust Fund. We want to put a stop to that.

While we put a stop to the raid on the Social Security Trust Fund, we also want to pay down the national debt. And with money that is left over, after we protect the Social Security Trust Fund dollars, when it comes to those income tax revenues, the extra tax revenue that comes from the income tax, the real surplus beyond Social Security, we want to use that to give back to the people who sent it here.

Some ask, well, how will we lower the tax burden? Taxes are at their highest level in history. Twenty-one percent of our gross domestic product today goes to the Federal Government. The average Illinois family sends 40 percent of their income to local, State, and Federal Government. Clearly, that tax burden is too high. Well, I suggest, as we look for ways of lowering the tax burden on working middle class families, that we work to simplify the Tax Code; to address the fairness issues in the tax codes.

When I am back home, whether at a union hall or the VFW, clearly they identify the need to eliminate the marriage tax penalty, the need to eliminate the death tax and to eliminate the earnings limit. We can save Social Security. Let us wall off the Social Security Trust Fund and bring fairness to the Tax Code.

#### COUNTRY FACES EDUCATION EMERGENCY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, several of the previous speakers have mentioned education, and today's agenda in the Congress focused primarily on education.

We had before us the bill which is commonly known as the Ed-Flex bill, H.R. 800, and the rule for that bill allowed for only 5 hours of debate. We need some additional time to discuss it. Why, when the American people have stated that education is one of the highest priorities, do we have only 5 hours in the United States Congress to discuss an important education bill?

It must be important, if it is the first bill that the majority has seen fit to bring to the floor. It is important to them. It is an important proposal that they are making. Some of us contend that what they are doing should not be done in this fashion; that we should have this particular proposal about flexibility considered at the time of the reauthorization of the Elementary and Secondary Education Assistance Act.

We reauthorize the Elementary and Secondary Education Assistance Act every 5 years, and it is up for reauthorization this year. So if we are doing that, why not consider these very important components of that bill all at once?

They are taking a part of the bill, a part of the funds that go into that bill related to Title I, and proposing that a greater portion of it be used in an experiment which grants greater flexibility to the States and localities as to how they spend the money. They are rushing to do that. Already it is suspect, that kind of action. Why are we being stampeded into a consideration of one particular aspect of the Elementary and Secondary Education Assistance Act? What is the hurry?

Why, if we are going to treat education as an emergency, why not bring the entire Elementary and Secondary Education Assistance Act to the floor earlier this year instead of waiting until later? Why not bring it all together instead of Balkanizing it, fragmentizing it, as the Republican majority expects to do? The education emergency faced in this country deserves a serious response from Congress. The emergency is real, and we should go forward in a very serious way to deal with that emergency.

One of the things we should do is to listen to what my Republican colleagues were saying a few minutes ago; that the money that is in the Federal Treasury does not belong to the Federal Government. It does not belong to the Congress, it does not belong to the White House, it belongs to the people. It is the taxpayers' money.

All taxes are local. Tip O'Neill used to say all politics are local. Well, all taxes are local. They come from the pockets of all taxpayers. The biggest tax, of course, is the income tax. It is not only local, it is right into the family, right into the individual's pocket. It is taxpayers' money. If it is taxpayers' money, why can we not match

the money up with the priorities the public has set?

In poll after poll we keep hearing that, after Social Security, education is the number one priority. There was a time when education was just one of the top five. There were other things that people wanted done. Crime was a big concern, and it competed with education as one of those top priorities. But it is clear now in all the polls that education is the number one priority, after taking care of Social Security.

If education is the number one priority, then the proposals that the President has made in his budget that he submitted to Congress ought to reflect that priority. The proposals that the Republican majority is making ought to reflect the concern of the public.

We all look at the same kinds of polls. We had a Democratic retreat, we went away and we spent days, and a large part of the time was examining polls, public opinion polls and studies of the voters' attitudes. I am certain that in the Republican Caucus retreat they did the same thing. There is going to be a bipartisan retreat next week. They will probably spend some time with some polls also. The polls repeatedly say the same thing. Pollsters are very good. They take a very scientific approach to things and they do a basically good job. They all come up with the same answers; that, clearly, education is the number one priority of the American people, the American voters.

Why do we not respond? I do not think a single poll has shown that one of the top priorities for consideration by the American voters is defense. The American voters may be concerned about defense, as they should be, but it is not one of their top priorities. It is nowhere near education as a priority. There are a lot of other things that take priority over defense.

The common sense of the American people is amazing. While we stumble around and make problems and create needs to expend greater amounts of money on defense here in Washington, they clearly see that we have other priorities that ought to be taken care of. They see that there is no more Cold War. There is no more nuclear threat from another superpower. They clearly see that we have the most modernized armed forces anywhere in the world. They clearly see we are big enough to handle most real threats to our national security.

So they have the common sense, the people's wisdom to say, look, education is what we are concerned about. They may even be far ahead of the military strategists, because they recognize what military strategists know when questioned closely; that more than a need for weapon systems, more than a need for additional military hardware, we have a need for manpower capable of operating the modern weapon systems that we have now.

We have systems that are very complicated. We have systems that require

people, men and women, who have some training, some knowledge of how to deal with this digitalized cyber world that we are living in. I have cited several times the fact that the Navy floated a super aircraft carrier recently, state of the art in aircraft carriers, state-of-the-art in every respect, and for that reason they had a shortage of personnel. They were 300 personnel short of the necessary number of people needed to man that aircraft carrier.

□ 2045

Why were they short? Are there not plenty of young people who want to go to sea? Are there not plenty of young people in America, men and women, who would like to be in the Navy? Yes, there are. But they want people with a certain kind of training and aptitude, people who have been developed to the point where they can learn how to operate very sophisticated weapons systems, very sophisticated energy systems.

That aircraft carrier is probably loaded with systems that many of us would consider systems of the future, kinds of things that we do not see every day. They need young people who are already trained to the point where they can easily pick up and be trained specifically for the duties required in that piece of sophisticated floating city with a lot of sophisticated operational systems that deserve the very best.

In general, our military is complaining about a lack of manpower, that they are short of people. Well, they are short of people because they are not willing to take anybody off the street. They need young people who have some kind of training, some kind of prerequisite preparations that allow them to see that they can train these people to run the systems that we have.

So wherever you look, in the military, the answer is in education, a greater need to train young people so that they can deal with the systems that are necessary to make us secure. Education should be the number-one concern of people who care about our defense. And, of course, our economy, it is obvious that our economy has moved into a high tech economy and that we are almost standing alone in this global economy with sophistication in terms of the operation of a cyberworld for business and it is likely to increase, that we are going to have to carry that load. The Japanese, the second or third largest economy in the world, is way behind this country now in terms of digitalized systems in the business world, and there is probably no other country or area that is going to catch up with us. In Europe they are still far behind in terms of the kind of computerized and digitalized systems that are going to carry us forward into the future. We are going to be the leaders in the world for a long time if we are able to man it. The science is there, the technology is there, but where is the manpower? Where are the person-

nel? How much longer are we going to have to rely on India and other countries to bring over or send over here the information technology workers? How much can they fill for us? How much longer are we going to ship contracts over to places like Bangalore, India and have the income absorbed by people there that ought to be going into our wage structure here so that the workers who get those jobs in information technology can pay into the Social Security fund.

We are going in a circle. Even Social Security would be greatly benefited if we were to focus more on investing in education. The primary problem with Social Security is that we see that the wage earners paying into Social Security in the future is going to decline in proportion to the number of people who are retired and need to be paid out of the Social Security fund. A very simple problem. Very complicated answers are being offered. One of the answers is that we must keep a wage-earning population out there that pays as much as possible. It may not be the only answer. Some other source of funding is going to have to be found, probably, I think, a Social Security tax on unearned income would be one of those ways that we should seek more revenue to put into the Social Security fund. But I am not going to talk about that in detail here. The number-one source of revenue for the Social Security fund for a long time will be the wage earner.

We need more wage earners earning the wages in the high tech areas. We do not need foreigners absorbing that portion of our economy. We do not need overseas contractors absorbing great amounts of money that ought to be going into the economy to pay the wage earners who pay into Social Security.

So education becomes the number-one issue even if you look at it from the point of view of the military or the economy. It just again shows the tremendous wisdom of the American people. Tremendous wisdom. They understand what it is hard for us to understand or respond to here in Congress.

What kind of response have we gotten? We have the Ed-Flex bill that is on the floor now. We dealt with two amendments today, we are going to move forward and finish the final hour of discussion tomorrow. I think at least 3, 3½, most of those hours are gone. The question everybody who is listening out there ought to put to their Congressperson is why do we only have 5 hours to discuss the first education bill on the floor? I mean, why only 5 hours? This bill is not just a simple adjustment to the existing Elementary and Secondary Education Assistance Act. It is not a simple adjustment. It is not a little amendment that is going to make things move faster. We are taking an experiment which involved 12 States, and most of those States failed in that experiment according to the General Accounting Office. They did not do very well. Yet we

are going to go and broaden the experiment and cover all 50 States. In the process what we are doing, and the reason the Republican majority has put it on the floor and is pushing us into a stampede mode is they want to set a precedent. They want to open the door for the block grant process. They want block grants to be the way of the 106th Congress. What we are going to see is more and more talk of block granting, giving the money in one block, just take the money and give it to the States. Take the money and give it to the governors. Dollars to the governors. They talk about dollars to the classrooms. It is dollars to the governors. The governors never get enough. They want more and more.

The governors have welfare reform money falling out of all their pockets. They have a great welfare reform windfall that they are supposed to spend on job training, day care and other areas related to dealing with the welfare reform situation. The recent surveys have shown that most of the States are not using the money properly. The governors are just using that money to take care of needs that they consider their own special needs or pet needs. They are not following the general mandate of law. They are not going to do it. Why are they not going to do it? I am not sure I know why they are not going to do it, but here is the history of education funding.

The States and the localities have always had the premier responsibility for education. They still do. Most of the funding for education comes from the States and the localities right now. Less than 10 percent of the funds for education, elementary and secondary education, is provided by the Federal Government. I am being generous. It is more like 7 or 8 percent. Only 7 or 8 percent is provided by the Federal Government. If we are only providing 7 or 8 percent, then we only have 7 or 8 percent of the control and the influence. The other money is being provided by the States, and they have always provided it, and the localities. The States and localities presently have responsibility for education. They have always had responsibility for education.

We heard speeches today which were fantastic on the floor blaming the Federal Government for the state of education in America. Education is in a poor state, they say, because the Federal Government has saddled the States and localities with bureaucratic mandates, paperwork, they have interfered with innovation, et cetera, et cetera. Well, what is happening with the 93 percent of the funds that are strictly State and local funds? They have total flexibility, total flexibility. They have had flexibility since the dawning of this Nation. The Constitution has never seized responsibility for education. It has always been a State matter. The States have that responsibility.

Why did the Federal Government get involved in the first place? The States

were not doing a good job. The States were not placing us in a position to be able to mount the kind of technological drive and scientific drive to keep up with the Soviet Union, which is a backward country in many ways but scientifically they put the first sputnik into space and they showed that when they concentrate on a particular area, they could go forward and leave us in the lurch, leave us behind. For a long time our policies were driven by the fact that we wanted to help improve education in order to create the kinds of minds and the kinds of body of expertise in this Nation that would allow us to do the job. We did that. Large amounts of Federal aid went into the defense, the National Defense Education Act, and later on Lyndon Johnson proposed the Elementary and Secondary Education Assistance Act and other Federal aid to education, because the States were not able to do the job, partially because the complexity of the world had run off and left the States. That is only a small part of the problem. The larger part of the problem is that the States have never shown great vision in terms of investing in their populations. Before World War II they were not doing anything to help the total population just stay alive and healthy. When World War II came along, we had a lot of recruits that were unhealthy, a great majority of the recruits and the people who were drafted were just unfit to fight and they had to be put in condition with special procedures in order to just be able to carry a rifle. The States had neglected their populations to that point in basic matters like health care and providing decent, nutritious food to eat. The Federal Government understood that lesson and began to deal with health care and nutrition programs.

We have an act which provided for school lunches, recognizing that the first thing the Government can do for our young people is to make sure that the poorest youngsters get a decent meal at least once a day at school. They also discovered at the time of sputnik that a nation like Russia, the Soviet Union, had left us behind. Japan in terms of industrial development, technological achievements there, had left us behind. So it has been clear that whatever the States have been doing for the last 300 years with respect to education is not enough just to keep up.

But also the States do not show any great compassion and humanity for their total populations. Large portions of State populations, the people without power, have always been left behind. The poor whites; certainly in the South the African Americans; in the Far West and the West the Hispanics. Anybody who belongs in a group that does not have power, left out of power, they have been consistently neglected and abandoned by the States. That has been true historically and it is still true now. The Federal Government's

role was to step in and try to compensate for the fact that the States were not doing what they should be doing.

Now we have a situation where the Federal Government has stepped in, its role is still minor, it is not a major player, it is a minor partnership where they are only providing 7 to 8 percent of the funds, leaving the States to take care of the other 93 percent, and they are being accused, the Federal Government is being accused of ruining the public education system in America.

We have a body of 435 people who are among the most talented people in America. You do not get here without being talented in one way or another. Most of the Members of Congress have a great deal of vision. Maybe the vision does not see exactly what I see, the liberals see one way and the conservatives see another, but they have vision and they have a great deal of education. They know how to use data. It is a highly qualified body here, the United States House of Representatives, and the Senate also. We have highly qualified leaders capable of doing great things. But we have allowed ourselves to be driven into a corner where we are discussing really relative trivialities on education. Our first great debate is focused on a charge that the Federal Government must give more flexibility to the States for the small amounts of money that the Federal Government is supplying. They must supply more flexibility for the States in order for us to improve education in America. That is a hypothesis that has no support in fact. It has no support in fact. Again the American people show they have more common sense than this talented body that we have here in the House of Representatives, more common sense.

Common sense will tell you, if you have 93 percent of the control, you are at fault if it goes wrong. Whatever is happening with education in America that is wrong, the States and localities must accept the blame for. What the Federal Government has said is that we want to be partners. We would like to supply some small amount of money, we would like to supply some advice from a national perspective, from an international perspective.

□ 2100

We are the only industrialized Nation that leaves the greater proportion of the decision-making about education up to regions or States or localities. Most other nations have national policies and national education administrations that have much more influence than we have. We defer to the States. The Constitution does not give the Federal Government the responsibility for education, and therefore it defers to the States and has done that traditionally.

So while we in 1999, in the 106th Congress, which has wasted a lot of times with matters that really were not that important, but finally we have gotten moving, why are we debating a bill

which is based on the assumption that the problem in America in education is that the States need more flexibility? The Federal Government is preventing the States from doing a good job. That is totally erroneous. The Federal Government is not the problem. The Federal Government is begging to be a partner, the Federal Government is taking certain initiatives to try to move the States beyond their inflexibility. States are inflexible in their incompetence, some States are inflexible in their corruption, inflexible in their cronyism.

Mr. Speaker, as my colleagues know, State government is not a model of government in America. They operate in areas where there are more shadows than there are in respect to the Federal Government. I say that at every level of State government. I was of government. I served at every level. I was a commissioner in New York City of an agency, I was a State senator in New York State, and now I serve here in the Congress. I have served at every level of government, and I think that the level of government which needs the most light shined upon it, the most exposure, who should be held up mostly and examined and critiqued is State government. State government is the in-between. They do not have a constituency like you have, of the kind you have in city government where the constituency is real, they are living, they are breathing, and they are right there, and they are pushing for real responses from their government. They do not have the kind of problem that the Federal Government has where the whole Nation is looking at what we do here, and the spotlight is on us, and we are dealing with matters at a high policy level that are complicated and deserve a long and intense discussion and will be picked up on by the media, will pick up on what we are doing, and there are a number of reasons why we cannot operate in shadows here.

But State government operates in shadows in State governments and bureaucracies. They do not have the pressure of a constituency, so state government is the least efficient form of government, least efficient area in government, and it should not be glorified. I have said that many times. We should not be here wasting our time debating a bill which is focused primarily on removing Federal involvement, removing Federal wisdom, in my opinion. What the Federal Government is doing is far superior to anything that most States have offered. They do not want to be told you got to do systematic planning. They do not want to be told you got to have real goals. You cannot drop the burden of education totally on the backs of the students and say we are going to test them and kick them out of schools if they do not do well. When they close down schools they do not do well. What are you doing as a government to provide opportunities to learn? They do not like that concept. Governors hate the concept, the opportunity to learn, because it is all related

to the whole approach of necessary accountability.

Everybody else is held accountable. Why cannot Governors and local school boards be held accountable? They do not want to deal with that. They want the flexibility not to be accountable. They want the flexibility of never being held responsible for systematic planning, never to be questioned in their arbitrary decisions about sex in personnel, never to be questioned about the fact that they are always making new laws to put more burdens on the backs of students, but they do not guarantee that students are going to have a safe place to study, they do not guarantee the students are going to be able to have decent laboratories and equipment for science, they do not guarantee the students have enough books. They will not do the things that are necessary for education, and they do not want the Federal Government to say, well, we think you ought to show us how you are going to do that before we give you more money on top of the money you already have.

It is all right to give the money back to the States and localities. I began with the assumption it is our money, give it back to us. Give it back to us for school construction. Give it back to us for whatever needs are identified by the people. The people have identified education as a major need. Do not take our money and spend it on defense or spend it excessively somewhere else and neglect the requests we have made that you provide more federal assistance to education.

Let me just conclude about today's Ed-Flex bill today's Ed-Flex bill, H.R. 800. As my colleagues know, there are many of my colleagues who have amendments to offer which are very useful amendments. We had an amendment offered by the gentleman from California (Mr. MILLER) today which was very useful and would have made it possible for many more Members to vote for the Ed-Flex bill if it had passed because it called for accountability. It says if we are going to give the Governors, the States and localities more flexibility as to how they spend a portion of the Title I funds; that is what this is all about; if you are going to do that, then let us have an agreement that they are going to be held accountable in certain specific ways. They refuse to accept that.

We are discussing that there are other amendments that my colleagues on the Committee on Education and the Workforce: the gentleman from New Jersey (Mr. PAYNE), the gentlewoman from Hawaii (Mrs. MINK), the gentleman from Virginia (Mr. SCOTT) have to offer in order to improve the bill. Most of them are going to be rejected, and many of them are never going to be considered because all we have is 5 hours to discuss this bill. Now you say why do you only have five hours? We have a system of rules here that determine how every bill will be processed on the floor, and the Committee on Rules at the request obviously of the leadership and the people

on the majority party, members on the Committee on Education and the Workforce, they decided to limit the debate to 5 hours. It is as simple as that. So, if people want to change things right away, why not you call your Member of Congress and ask why we are debating this important bill for only 5 hours.

But let me make my final comment by reading from the New York Times editorial page today, March 10, 1999. The New York Times had an excellent editorial, and it says many of the things that the Democratic members of the Committee on Education and the Workforce education said at the time the bill was up for consideration in our committee, and I will read the entire editorial and submit it also for the RECORD so that it will be clearly known that all the parts are here and there will be no mistakes. It is entitled "A Threat To Impoverished Schools". This is a New York Times editorial page of March 10, 1999, and I quote:

The achievement gap between affluent and disadvantaged children is a challenge to American education and a threat to national prosperity. Unfortunately, a bipartisan bill that is scheduled for debate and a vote today in Congress could widen that gap by allowing States to use Federal dollars targeted at the poorest students for other educational purposes. The so-called Ed-Flex proposal could damage the poorest districts which have traditionally been underfinanced by the States and cities even though they bear the burden of teaching the least prepared students.

Let me reread the last sentence from the New York Times editorial. The so-called Ed-Flex proposal could damage the poorest districts which have traditionally been underfinanced by the States and cities even though they bear the burden of teaching the least prepared students.

To continue reading the second paragraph of the editorial:

Title I of the Elementary and Secondary Education Act was the Federal government's way of assuring impoverished children a chance at the supplemental services they need to succeed. Title I money, about \$8 billion a year, pays for special courses like remedial reading and math as well as services like counseling. Over all Federal dollars make up only about 8 percent of the public school budgets, but in the poorest schools in the deep rural south Title I can account for more than a third of school spending. The Ed-Flex proposal would allow States to apply for waivers to do what they wish in education with the poverty money on the premise that the States might use it more wisely than federal law allows. The proponents of this process point to ongoing Ed-Flex experiments conducted under the Clinton administration in 12 States. But a report from the General Accounting Office suggests that the experiments have been sloppily handled and should not be duplicated without careful guidelines and performance criteria. The GAO found that of the 12 experimental States only Texas had established clearly-defined goals for employing the waivers and laid out criteria for evaluating the experiment. The Ed-Flex expansion being debated in Congress would extend waivers even to States that have no intention of innovation and no means in place of evaluating what they do.

Let me repeat what the New York Times editorial of today, March 10 says.

The Ed-Flex expansion being debated in Congress would extend waivers even to States that have no intention of innovation and no means in place of evaluating what they do.

Congressman GEORGE MILLER, and I am continuing to read from the New York Times editorial,

Congressman George Miller, Democrat of California, and Dale Kildee, Democrat of Michigan, have proposed an amendment to the plan that would allow waivers only if the States employ serious assessment plans and commit themselves to closing the achievement gaps between disadvantaged students and their peers. The wise thing to do would be to put Ed-Flex aside until later in the session when Congress reauthorizes the entire Elementary and Secondary Education Act.

Let me reread the last sentence.

The wise thing to do would be to put Ed-Flex aside until later in the session when Congress reauthorizes the entire Elementary and Secondary Education Act.

But if Congress insists on moving forward now, to do so without the Miller-Kildee amendment would be socially irresponsible. The Miller-Kildee amendment was defeated on the floor of the House today as a last act of Congress.

Mr. Speaker, I will enter this editorial in its entirety into the RECORD:

[From the New York Times, March 10, 1999]

#### A THREAT TO IMPOVERISHED SCHOOLS

The achievement gap between affluent and disadvantaged children is a challenge to American education and a threat to national prosperity. Unfortunately, a bipartisan bill that is scheduled for debate and a vote today in Congress could widen that gap by allowing states to use Federal dollars targeted at the poorest students for other educational purposes. The so-called Ed-Flex proposal could damage the poorest districts, which have traditionally been underfinanced by the states and cities even though they bear the burden of teaching the least prepared students.

Title I of the Elementary and Secondary Education Act was the Federal Government's way of assuring impoverished children a chance at the supplemental services they need to succeed. Title I money, about \$8 billion a year, pays for special courses like remedial reading and math as well as services like counseling. Over all, Federal dollars make up only about 8 percent of the public school budgets. But in the poorest schools in the deep, rural South, Title I can account for more than a third of school spending.

The Ed-Flex proposal would allow states to apply for waivers to do what they wish in education with the poverty money, on the premise that the states might use it more wisely than Federal law allows. The proponents of this process point to ongoing Ed-Flex experiments conducted under the Clinton Administration in 12 states. But a report from the General Accounting Office suggests that the experiments have been sloppily handled and should not be duplicated without careful guidelines and performance criteria. The GAO found that of the 12 experimental states, only Texas had established clearly defined goals for employing the waivers and laid out criteria for evaluating the experiment. The Ed-Flex expansion being debated in Congress would extend waivers even to states that have no intention of innovation and no means in place of evaluating what they do.

Congressman George Miller, Democrat of California, and Dale Kildee, Democrat of Michigan, have proposed an amendment to the plan that would allow waivers only if the states employ serious assessment plans and commit themselves to closing the achievement gaps between disadvantaged students and their peers. The wise thing to do would be to put Ed-Flex aside until later in the session, when Congress re-authorizes the entire Elementary and Secondary Education Act. But if Congress insists on moving forward now, to do so without the Miller-Kildee amendment would be socially irresponsible.

Mr. Speaker, I contend that the only reason we are considering the Ed-Flex bill at this time is because it is a Trojan horse designed to open the way for a block grant process. What they really want to do is to block grant the entire Title I program. They want to give it all to the States. This is an experiment; they put it on the floor early. If they set a precedent by passing this, it greases the wheels, and it makes it more likely that we are going to be able to get a block grant where you just pick up the education money and hand it to the States.

Well, Congressman OWENS, why should you object to that if you think that all money comes from the States and localities and it ought to be back to the States and localities?

I object to it because this money ought to go back to the States and localities. It ought to go back with some instructions, some wisdom from the Federal Government, some wisdom gleaned from national experience, some wisdom based on the understanding of where we exist in the global economy, some wisdom based on the fact that our military needs are highly sophisticated, population in order to operate. All of these considerations which States do not seem to care about, the Federal Government must be concerned with.

Give the money back, but why not give it back in ways that are going to promote some new approaches? The States have mostly failed up to now in meeting the needs of education, of students in this 20th century. As we go into the 21st century, let us at least end the arrogance of the States or the arrogance of the Republican majority here in Congress. Let us do away with the ideological addiction which says that States must have the money back and can do far more than the Federal Government.

□ 2115

Why not have a partnership? All the Federal Government is asking is this small amount of money that is being given back to the States should do a few things differently, be more flexible, be more flexible in the approach to education; do not do it the way it has been done for 300 years, and failing.

Let us do it a little differently. Why cannot we have that kind of approach for the benefit of the entire Nation? The States refuse to accept this and the goal is to remove the participation of the Federal Government totally from education.

We are back to 1995. We are back to the Newt Gingrich Congress, the majority, Republican majority, which came into this Congress in 1995. They barnstormed in and said they wanted to eliminate the Department of Education. They barnstormed in and said they wanted to cut education by at least \$4 billion. We are back to the process of removing the Federal Government from the process of education reform in America. That is the goal.

I do not know what the motivation is really, because we are not allowed to impugn the integrity of the individuals. I do not care to waste my time describing fully why the party is acting this way. I suspect, however, that if we remove the Federal Government's role in education, it appears to the Republican majority that we have removed another piece of competition in the budget, a valid competitor in the budget, for funds and they can pour more funds into tax cuts and into lucrative defense projects that do not pay off for the American people.

I suspect that the drive to get the Federal Government out of the business of education is based on the assumption that one can make the budget safer for Republican priorities. Why are not Republican priorities the same as the priorities of the American people? Why do not they care about education? I do not know.

They pretend to care about education. When election time rolls around, they bow to the facts that the public opinion polls show us. In 1996, after 2 years of threatening to eliminate the Department of Education, of cutting back on school lunch programs, of threatening to cut the education budget by \$4 billion as we approached the 1996 elections in October, at the very last minute the Republican majority went into the Committee on Appropriations process and increased the education budget by \$4 billion in response to the overwhelming expression of need that came from the public.

So they are willing to pretend to care about education. When the chips are down and the election is approaching, they pretend to be champions of education, but they really would like to get the Federal Government out of the business of education for their own purposes.

Now we are engaged in a process of wrangling in these discussions about minor matters. The really big issue that ought to be on the table here in this Congress is what will the 106th Congress do about the two primary problems facing our public schools? The Federal Government alone has the resources to deal with the number one problem faced by the schools, and that is school modernization, construction; school acquisition of the technology needed to prepare the students of the day for the cyber civilization that is coming tomorrow.

That is what we need. We need a Federal Government assistance program which can do what most States and lo-

calities cannot do fast enough. Yes, there are funds that are available to States and localities which they could use in greater proportion to provide funds for school construction and modernization. They could do it, but they are not doing it.

Certainly New York City and New York State, New York City had a surplus last year of \$2 billion. They did not spend a penny on school construction or modernization, even though they have more than 250 schools that have coal burning furnaces. Of the 1,200 schools in New York City, at least 250 still have furnaces that burn coal, polluting the air, immediately threatening the health of children in that vicinity.

We have a great asthma drive on. City Hall is pushing to do something about asthma in dramatic ways but they do not talk about their failure to provide funds for the conversion of the coal burning furnaces. So they could do more.

Every State, most States, could do more. Many have surpluses. Even if they were to put a great proportion of the available funds at the State and local level, they would have to take a long time to catch up with the needs that have accumulated over the years because of the deferring of maintenance and deferring of capital projects.

The General Accounting Office said in 1995 that we needed \$110 billion to stay even, to provide adequate schools for the enrollment that existed at that time. Now we have galloped on and there are some estimates that the need is way up at the level of \$170 billion to stay even and keep up with the enrollment, to modernize so that we can actually wire schools for the Internet; \$170 billion is needed.

We have on the table only the proposals that have been offered by the President with respect to school construction. We should not be debating ed-flex and how to take a portion of the existing title I funds and give them to the governors. We should be debating how we are going to meet the need for space out there in our school districts.

Some districts just need plain space that is clean, that is well lighted, that is safe. Other districts need improvements in existing buildings so that they can wire to be able to bring in technology that is needed to teach students and prepare them for the jobs of tomorrow.

Some districts have a critical need of funds to eliminate health hazards. If the health department of New York City were to be objective and to treat the school system the way it treats private business, they would close down some schools because of the health hazards they pose. We have problems, first, of pollution by coal burning furnaces, asbestos problems, lead poisoning in the pipes, lead poisoning in the paint, and we have schools that have roofs that leak. No matter how much you fix them, the damage keeps occurring. Walls are collapsing.

We have all kinds of health problems that ought to be addressed first. So we need not what the President has proposed. We need far more. The President has proposed \$25 billion that would be bonds floated by State and local governments. The Federal Government would pay the interest on those bonds. We are offering to pay the interest on \$25 billion in bonds, bonding authority. The interest would amount to about \$3.7 billion over a 5-year period. That means that the Federal Government is offering to cope with the construction problem that we have, the need for new schools and modernization of schools. We are offering \$3.7 billion over a 5-year period.

The public has said we want the Federal Government to provide more assistance in education to meet the needs of education. The response of the Federal Government in the area construction is \$3.7 billion. The need is for \$110 billion. The response is \$3.7 billion over a 5-year period.

Now, there is something wrong with our democracy if the people, through the polls, keep telling us that we need more Federal assistance and all we get is the \$3.7 billion response in the area of construction and modernization.

It is said that is just in the area of construction and modernization. What about in the other areas? We are going to increase the after-school centers to the tune of \$400 million. We are going to go from \$200 million to \$600 million. That will allow us to take care of the after-school center needs, tutoring, counseling, et cetera, for about 1.1 or 1.2 million young people.

We have a policy of no more social promotions that we are proposing, and one of the answers we say to the social promotion is that instead of social promotion, give kids more help through the after-school centers. Do not promote them unless they are ready with the after-school centers. The summer schools will allow them to catch up, but the \$600 million to serve the 1.2 million children is all we are offering in that endeavor.

There are 53 million children in the public schools of the Nation right now, 53 million children. If only one quarter of those need help, then one can see how far we are from meeting the needs of that one quarter of 53 million if we are only going to take care of the needs of 1.2 million.

If one adds up all of the increases in education that are being proposed and say that we will be successful, the majority party in the Congress will cooperate, we would get less than \$10 million in increases for education, less than \$10 million. If we add them all up from the President's budget, then the President is proposing far more than anybody else. So we certainly endorse what the President proposes, but we argue that it is not enough.

We must have a response from the President and from the Congress, which is closer to the need that has been expressed, the priority that has

been set, by the public. We have not heard from the public in terms of defense. Nobody has asked for \$100 billion over a 6-year period or 5-year period for defense and yet we are proposing to spend \$110 billion for defense while we are proposing to spend for school construction only \$3.7 billion.

Now tell me what sense that makes. The common sense of the American people has to be brought to bear on this process in order to make the Members of Congress, as well as the President, understand that something is radically wrong. Why not spend \$100 billion on construction? When that kind of proposal is made, over a 5-year period, I propose that we spend \$100 billion on school construction, \$20 billion a year over a 5-year period, we would still not meet the need that the General Accounting Office identified in 1995 but we would be realistic about it. We would be responding to what the American people have said is a priority in a far more responsible way.

The immediate answer we get is that the Federal government cannot spend that kind of money for school construction. We have never done that before. Well, there are many areas where we have never been before. Before Sputnik, we were not in education at all. Before we saw ourselves falling below other industrialized nations, we did not have assistance to education. We recognize that as we go into the 21st Century, the complexities of a high tech economy and a global economy dictate that we need a more educated population so we are going to do things differently.

Why not spent what is necessary, starting with school construction? School construction is the clearest need. School construction is the need that ought to be the least controversial because school construction does not involve tampering with the curriculum. It does not involve telling local school boards what to do. It does not involve a lot of paperwork. One builds a school and they leave it, and local education authorities will run the school.

We could do a great service in an area where only the resources exist at the Federal level to do the job that is needed; \$100 billion over a 5-year period. Where is the money going to come from? Well, we could close some loopholes, of course, in the corporate welfare structure. We could raise taxes on unearned income. We could do a number of things.

The simplest thing to do is to take it from the surplus. The surplus, according to the President, and nobody is disputing his priorities here, 62 percent of the surplus should go for Social Security, 62 percent. Fifteen percent he wants for Medicare. We don't argue with that. The next 20 percent, let us have it go for school construction. That is where the money is, the next 20 percent go for school construction. Twenty percent of the surplus each year, or \$20 billion, whichever is the

smaller amount, let that be the way we deal with the American people's stated priority that education assistance from the government is a great need.

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We are going into a cyber civilization. We need an education system which will prepare students for that cyber civilization. We have nothing near that at this point. We are falling further behind as we go along at this point. We have real needs for health and safety. The first priority is to go to those schools that have health and safety problems.

I think that maybe a fair way to do this is to have a per capita distribution of the money for school construction. That is, all districts would get money based on the number of students they have, per capita. Those that do not need to build new schools would modernize their schools for wiring. Those that are modernized and ready for wiring could use the money to buy equipment for technology. The way to deal with it in terms of the money going back to meet needs may be to have a per capita formula.

However, the per capita formula ought to also have, the law should have a provision that in the distribution of the per capita formula, the first priority goes to those areas, not more money, but they get the money first, those areas which have health and safety needs that ought to be met. That is, the money in the first year would be dedicated first to meet the needs of schools that have coal-burning furnaces, lead poisoning, asbestos problems, roofs that are decaying and falling in. Anything that threatens the health and the safety of a child would be the first priority, and we could easily find that out and get that certified.

They would get the first funding, but in the end, when it is all over, they would get no more money, those areas would get no more money than other areas, according to their per capita needs. We would not distribute it the way the Title I formula is distributed, which is fairer in terms of Federal Government helping the poorest districts. We will not get into that. There is a claim that everybody needs help, so let us help everybody at whatever level. They could have the flexibility of spending it on school construction or on school modernization, or on the purchase of technology, they could have that flexibility. But let us understand that we need larger amounts of money. We need \$20 billion at a minimum over the next 5 years.

There is a title already in the Elementary and Secondary Assistance Act, I think it is Title XII, it is sometimes stated as Title XI. Title XI or XII, I forget which it is, but it is called the Education Infrastructure Act. It is already in the law. It is already in the law. Carol Moseley-Braun, the Senator from Illinois, and myself, we put it in the law in the last reauthorization of the Elementary and Secondary Assistance Act. It is in the law. The Senate

actually helped Carol Moseley-Braun appropriate \$100 million to get it started, but the Republican majority came in the following year and took out \$100 million, so it never been funded. But it is in the law. It is authorized. Only the Committee on Appropriations needs to act. We could leave it as it is and the Committee on Appropriations could act and begin to take care of the problem.

Mr. Speaker, I am not going to leave it as it is. I intend to amend the title in order to provide for a \$20 billion authorization, at a minimum. Mr. Speaker, \$20 billion will be less than we are proposing to spend for defense; it will be far less than we authorized last year for highways and transportation. Most of the Members of Congress voted for a bill which provided \$218 billion for highways and transportation; \$218 billion, because they felt it was needed. There was a general feeling out in the public that it was needed. The public had not said that transportation was a high priority. The public had not said that highways were a priority, but they had no objection.

When we voted on that kind of bill, \$218 billion of over I think a 6-year period, there were no objections by the editorial boards, there were no demonstrations, there were no letters; everybody accepted it, that this is a need. Always, we need highways and sidewalks and in New York we need help for our subway system and bus system, so that expenditure was accepted because it made sense, to expend \$100 billion over a 5-year period on school construction makes sense.

We have no problem with the general public and the voters out there who are asking us everyday to give education more help. The public must look with great disgust on debates like the one that took place today where the Members of Congress are wasting their time debating a bill which is designed to hand governors more dollars. The greed of the governors knows no end. All kinds of roadblocks are offered when we try to do realistic approaches to meeting the response of the public that they have placed upon us when they ask for more assistance for education.

We have some people who have repeatedly said, we do not want to build more schools because Davis-Bacon will drive up the cost of the schools, and in order to get Davis-Bacon, they do not want to build schools. They are going to punish the children, because two Republicans, one named Davis and one named Bacon, authorized a law some time ago which made a lot of sense that one could not bring contractors from outside an area and lower the standard of living of the people who were workers there by bringing in cheaper labor. If we had a government job involving the Federal Government and we brought in outside labor or used local labor, either way, you are going to have to pay the prevailing wage. The prevailing wage means no more than whatever brick layers, carpenters, whatever they are being paid in that

area, you pay it. It makes a lot of sense. Davis and Bacon, Republicans.

Now they are objecting to building more schools because they do not want Davis-Bacon to be utilized because it drives up the cost. We have study after study that shows that we can build schools at basically the same cost or a lower cost when we use the Davis-Bacon contractors.

So let me conclude by saying that I hope the public, the voters who have made it clear that they want education to be a priority will focus intensely on what is happening here in this Congress. It looks as if only the people can turn around the madness that is occurring here, the endless debates about trivialities, the endless debates about changes in the law, rerouting the money which will have minimal effect on the improvement of education, and may have a dangerous impact because it will take the money away from those who need it most.

Mr. Speaker, we need more money for construction, and we should get it as soon as possible.

#### HONEST SPENDING, HONEST BUDGETING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Oklahoma (Mr. COBURN) is recognized for 60 minutes.

Mr. COBURN. Mr. Speaker, I find it very interesting that the issue of education and the issue of Social Security, not wanting to spend Social Security money for anything other than Social Security, is described as trivial.

What we are going to talk about tonight is one of the most important aspects of the future of this country, and that is called honest budgeting, honest numbers, so that the American public actually knows what is going on in Washington. So what we hope to describe for you tonight are the issues surrounding the Social Security Trust Fund, the problems associated with it, how the real problem has been covered up by the Washington habit of spending more money when we do not have it.

I have with me tonight, and I would like to recognize, the gentleman from Michigan (Mr. HOEKSTRA) and the gentleman from Minnesota (Mr. GUTKNECHT), and the gentleman from Minnesota is going to spend a few minutes talking about where we have been, where we are today, and where we are going.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman for yielding.

I think it is important to note that for too long in Washington, the name of the game was how can we spend more of the public's money. In fact, the unwritten rule of Washington always was, no good deed goes unpunished. There was no real reward for trying to save money, because back in the 1960s, in order to cover the cost of the Vietnam War, they created a whole new system of counting here in Washington.

ton. What they did was they took in all of these 66 different trust funds we have, they put them all in the same category, and it made it look like the deficit was smaller than it was.

Mr. HOEKSTRA. Mr. Speaker, if the gentleman from Oklahoma will yield, if we are talking about history, the one thing I appreciate is taking a reference point of 1995, which is when the two of you joined us here in Washington. As my colleagues may remember, I came in 1993, and if my colleagues think the picture was ugly in 1995, they should have been here in 1993, because in 1993 when we came and when I came here with 110 new freshmen and we had a new President, the mentality of Washington was, let us increase spending. Remember, that is when some of my colleagues were maybe motivated to run for Congress, because the message was the economy may be going into a downturn or whatever, when actually the economy was recovering because of what President Bush had done early in the 1990s. But it was like government spending is going to stimulate the economy.

We did not, or the powers that be at that time did not care about the deficits. The deficits were \$200 billion per year, as far as the eye could see, and growing. The belief was that to attack some of these issues, it was not to return money back to the American people, but was to take more of their money and to increase taxes. So in 1993, we had deficits as far as the eye could see, growing deficits as far as the eye could see; \$200 billion deficits, increasing taxes, increasing spending, saying, that is the new model for this new presidency.

The good thing about it was that that agenda I think spurred many of my colleagues to say, wait a minute, that is the wrong model, so my colleagues came and got elected in 1994, and in 1995 really set a very, very different tone.

So my colleagues recognize what we have done since 1995. I go back two years previous to that and say, boy, if my colleagues had not come here in 1995, we would have continued that trend of 1993 of more spending and higher taxes. I think my colleagues are going to lay out how ugly the picture was in 1995, but it was much worse in 1993, and a very different solution to the problem in what my colleagues helped introduce and helped pass in 1995.

Mr. GUTKNECHT. Mr. Speaker, if the gentleman from Oklahoma will yield, the gentleman from Michigan is absolutely correct. Obviously, we would certainly like to take some credit for what has happened since 1995. But the truth of the matter is, what the American people finally said was, enough is enough. I mean, higher taxes were the answer to every one of our problems, and the American people understood that higher taxes were not the problem. They certainly were not the solution. The problem was too much spending.