

cut in your income taxes, where you get to keep more of your money. So follow with me, if you will. This is page D11 of the want ads. Here are all the jobs: From Fairfax Yellow Cab, "cash daily"; dispatcher; we have here a sports entertainment local branch office for a national sports marketing firm; we have here a newspaper carrier; we have a driver for a warehouse chain—pretty much typical jobs in America.

If you go through this and you say, OK, take off every job that was on the want ads page in the Washington Post on Tuesday so that you just leave those jobs that, if you take those jobs, you get AL GORE's tax cut, there it is.

Now look. This is page D11 of the Washington Post. These are jobs that are out there right now for people: Landscape foreman and laborer, janitorial; interior design, sales; driver, class A tractor-trailer; drafter, 2 years of experience needed. These are real jobs in the real world. If you took one of these jobs, would you be too rich to get AL GORE's tax cut? When you take all the job ads off that would make you too rich for AL GORE's tax cut, that is what is left. Those are the jobs you could take and you would get AL GORE's tax cut. Here they are: Dry cleaning, pants pressers.

You can take a job in Vienna. Let me make it very clear, I am not denigrating these jobs. These are tickets to success in America. Thank God people are creating these jobs.

I do not want to go too far in reading it. Here is the point: You could get a job pressing pants, you could get a job as a lifeguard and cleaning a swimming pool, you could get a job as a newspaper carrier, and you could get AL GORE's tax cut. But if you have any of these other jobs—one can see the difference between them—if you got any of those other jobs, you do not get AL GORE's tax cut. I guess this says you are in the 1 percent. That comes as a big surprise to people as to who is rich and who is not rich.

I will sum up, make my point, and then yield to Senator BENNETT.

AL GORE has served in public life for a long time. In fact, he took pride in it. Look, it is God's work to be involved in public life. The point is, on every tax increase since AL GORE has been in public life, every one of any size or significance, he has voted for every one of them. Every tax cut voted on since AL GORE has been in public life, he has opposed every single major tax cut.

He has written a so-called tax cut that 89 percent of the jobs in the Washington Post on page D11 on Tuesday, if you took one of those jobs, your income would be too high to qualify for his tax cut.

If you did something he wanted you to do, that there was some kind of favorable tax treatment for, you might get some benefit, but in terms of getting to keep more of your own money to spend, which is what most people call a tax cut, this is what you are down to.

Why? Why has AL GORE in his whole public life never voted against a tax increase, never voted for a tax cut, and why does he want to exclude almost anybody who would get any job at random out of the newspaper? Because he believes in his heart that Government can spend the money better in Washington than you can spend it at home.

AL GORE is not against married couples. He is not against love. I know he loves his family, and he has a wonderful family. He should love them. But he believes that having working couples in America pay \$1,400 a year in a marriage penalty is OK, it is a good thing, it ought not to be repealed, because he believes Government can spend the \$1,400 better than they can spend it.

He believes it is OK to make people sell the family farm or sell the family business and destroy their parents' life's work and everything their family has worked for in America to give Government 55 cents out of every dollar they earn, not because he does not like small business or does not like family farms, he likes them, but he believes with all of his heart that Government can spend the money better than they can. If you have to sell your family farm and you have to give the life work of your parents and grandparents to the Government, he believes the Government will do the right thing in spending it and you will be better off.

If you believe that, your choice in this election is very clear. If you believe that Government, by spending \$3.3 trillion on new Government programs, which is what AL GORE has proposed, can make your life better, then you ought to vote for him. If you believe it is not risky to spend \$3.3 trillion in Washington but it is risky to give back \$1.3 trillion in tax cuts to working Americans, AL GORE is your man.

On the other hand, if you believe the Government is probably about as big as it ought to be, if you believe that you can do a better job spending your money than the Government can do, then you probably ought not to vote for AL GORE. You probably ought to vote for George Bush.

To tie it all together, what does this have to do with bashing Texas and Massachusetts? It has to do with people who have already made these decisions. Millions of people have moved to Texas because they wanted lower taxes, because they wanted more opportunity, because they wanted to decide. It was not that they hated Government. The Government does a lot of good things. It is they believe they can do things for their family better than the Government can do things for them.

Senator KENNEDY does not believe that. He thinks AL GORE is right. He believes we need to spend all this money. He believes we need a bigger Government. His State historically—it has changed; it is getting better, I believe—but historically, his State believed the same thing, which is why so

many people moved to Texas, because they were voting for freedom instead of Government.

Quite frankly, I would rather we not debate the Presidential campaign on the floor of the Senate, but as long as Senator KENNEDY is going to debate it, I am going to debate it. I want to debate the real issues, and the real issue is, do you want more Government or do you want more opportunity for your family? It is just about as clear as the issue can be clear.

Al Gore voted for every tax increase of any significance, against every tax cut of any significance since he has been in public life for one reason: He believes that Government can spend your money better. I do not. George Bush does not. The question is: What does America think?

I yield the floor.

THE PRESIDING OFFICER. The Senator from Utah is recognized under the previous order.

EDUCATION

Mr. BENNETT. Mr. President, I thank the senior Senator from Texas for that most enlightening presentation. I agree with him we probably should not be debating the Presidential race on the floor.

I noticed the Senator from Massachusetts comes to the floor every day and talks about education, very often giving the same speech using the same set of charts. So I have decided I ought to respond to some of those charts to set the record straight.

One of the charts which the Senator from Massachusetts uses shows the increased school enrollment in the Nation, and he uses it to justify the Democratic position that we ought to require spending for new school construction. He says: Where are these students going to be housed if we do not pass this bill in the Federal Government that will mandate school construction?

We Republicans have always said we are willing to spend the money on education. Make no mistake, we are not talking about dollars here. Indeed, the bill that is working its way through the process and may come to the floor this week has more money for education than the President initially requested. Understand that. We are not talking about dollars, we are talking about control. Who is going to control the spending of those dollars? Will it be the Federal Government or will it be the people in the local areas?

I came across this chart, which I have had reproduced. It demonstrates what is happening with the percentage changes in public elementary and secondary school enrollment. The Senator from Massachusetts has a chart showing enrollment going up, and I agree with that, but this is a different chart, and it comes from the U.S. Department of Education. This, obviously, is not Republican propaganda. This comes from the administration. It breaks down school enrollment by region.

You will notice that there is an increase in school enrollment in the West, where I live. It shows an increase from 1988 to 1998 and a projected increase from 1998 to 2008. It is a tremendous increase.

There is an increase in the South. This shows the increase from 1988 to 1998 and the projected increase from 1998 to 2008.

But when we go to the Northeast, we find that the projection is the other way.

In the Northeast, the projected percentage change in public elementary and secondary school enrollment is going down, not up; and in the Midwest, it is going down, not up—down by an even greater amount. It has gone up less than any other region in the 10-year period prior to 1998, and will go down more than any other region in the years from 1998 to 2008.

When you see the breakdown coming from the Department of Education, I think you see the flaw in the argument of the Senator from Massachusetts. And I think you see the reason to support the position the Republicans have taken. Yes, we need new school construction in this country, but we do not need it everywhere. We do not need it mandated from Washington. Washington, I have discovered, has a way of adopting formulas. Boy, have I learned about formulas since I have been in the Senate.

We had a debate on this floor about funds to address class size, and everyone was saying: We must reduce class size if we are going to improve education. I am all for reducing class size. Then I looked at the formula, and I discovered a very interesting thing. Do you know the State that has the largest class size? It is a tossup. Sometimes it is California; sometimes it is Utah.

When I looked at the formula for how Washington would allocate the money that we were supposedly adopting to reduce class size, I found that it had nothing whatever to do with class size. It was a formula based on poverty, and States that already had smaller class sizes would get most of the money for the purpose of reducing class sizes. And my State, which vies for having the largest class size, would get precious little of that money.

So I opposed that proposal. And I got beaten up in my campaign: Senator BENNETT, you are not in favor of reducing class size because you didn't vote for the proposal. I said to my opponent: Read the bill and you will find that it would not have done much for Utah. Once you got past the title, it had little to do with reducing class size where enrollments are highest.

The same thing is true here. We are talking about the need for new construction, but are we going to have a Federal formula that will determine how the money is allocated per State? Every State, I guarantee you, will get money to increase school construction, including States in the Northeast, where enrollment is projected to go

down, not up. The money would be allocated the way Washington allocates, and those of us in the West would get hurt.

We need to understand that when we use these educational slogans about "we must build new schools because our enrollment is going up," we are glossing over the issue, and we are not paying attention to what it really is. This is why I am proud to be supporting the Republican position that says: Federal spending for education, yes. Federal dominance of education, no. Increased money from the Federal Government for the districts that need it, absolutely. Federal dictating to the districts, no.

So every time the Senator from Massachusetts shows us his charts and tells us about enrollments going up, let's remember that enrollments are not going up uniformly. Enrollments are going up differently. If we pass the bill that the Senator from Massachusetts daily demands that we pass, I'm afraid that those of us in the West would get shortchanged, those in the South would get shortchanged, and those in the area of the Senator from Massachusetts would get extra money at the expense of the rest of the country.

Should we spend more money on education? Yes. Should we dictate it from Government? No. Ignoring local needs is not good for education. It is not good for our schoolchildren. It would not be the smart thing to do.

Now, with regard to another education issue, I have listened to the Senator from Massachusetts attack Texas.

Yesterday, I pointed out that the quoting of the Rand report as a vehicle for attacking Texas demonstrated that someone had not read the Rand report. I pointed out that the President of Rand himself said, as the second report was issued, that it did not negate the findings of the first report, which said that Texas was No. 1—that Texas had done the best job—in a number of areas.

When the second report came out, which dealt with Rand's analysis of the Texas test procedures, the President of Rand said, this is not in conflict with our earlier findings that said that Texas leads the Nation in increases in improvements in education. But those who use the Rand report to bash Texas did not bother to quote the President of Rand, did not bother to look at the earlier Rand report; they just picked out those things that they thought would be good for them.

So it has been injected into the Presidential campaign, whether we like it or not. And in that spirit, I went to the web site of Gore-Lieberman, Inc. to find out some of the things that we could expect from Vice President GORE if he were elected. I found some very interesting things.

I now refer to the Gore-Lieberman web site. It states that GORE would test students with real tests for real accountability. He would require testing to measure achievement and attach

real consequences to the results of those tests.

I find that very interesting. Is the Federal Government going to write the tests? And is the Federal Government going to mandate the test and come down on schools that do not meet the achievements of the tests? And what are the real consequences that he is talking about?

In the campaign, sometimes the rhetoric can get fuzzy. But this is the one I find most interesting: GORE would offer choice of high-caliber preschool. He would make high-quality voluntary preschool available to all 4-year-olds so that every family can have a choice in preschool.

Dare I use the hated word, Mr. President? Are we talking about "vouchers"? Are we saying that money would go to families for a choice in preschool that would be funded by the Federal Government? Are we talking about the Department of Education mandating preschool availability to every 4-year-old in the country, and then following that 4-year-old with some money? Are we talking about the GI bill for 4-year-olds?

Congress passed the GI bill after the end of the Second World War, and established the precedent that the money goes with the student, not to the school. That is a precedent I applaud. All of those who talk about vouchers in elementary and secondary schools say it is terrible that you might spend money on a religious school, that it violates the separation of church and state. I did not notice that with the GI bill.

With the GI bill, if a veteran wants to take the money and go to Notre Dame and study to be a Catholic priest, the Federal Government says: It's none of our business. We are giving you the money. You go where you want.

So I ask the question: When the Vice President says that he would make available high-quality voluntary preschool to all 4-year-olds, would he object if a 4-year-old decided to go to a Montessori school, a Montessori school where he might learn a little bit of Catholic history? Would we have that happen under the program that is touted on the Gore-Lieberman, Inc. web site? What do they mean when they say preschool for all 4-year-olds? We have not had any indication of how much that is going to cost or how that would be administered in the Department of Education.

Based on past experience, I am afraid how it would be administered, that it would take us back into the same morass I was referring to with respect to this chart. We would see a Federal program that does not address real needs. That would be the case with school construction. That would be the case, by the way, in the proposal for 100,000 new teachers. We looked at the proposal of 100,000 new teachers in the State of Utah. We can use new teachers in the State of Utah.

Everyone can use new teachers. We found out that the program for 100,000

new teachers would give us a few additional teachers per school district—not per school, per school district. We have school districts in Utah that have 100,000 students in them. We would get a few additional teachers for each school district in the State of Utah.

The thing I am afraid of is that with even one additional teacher would come a whole host of Federal controls, a whole host of Federal requirements. As I have said on the floor before, I was lured back into public life, away from my business career, when I was asked to serve as chairman of the Strategic Planning Commission for the Utah State school board. I found out the degree to which the Federal Government controls local decisions. The Federal Government puts up 6 percent of the money, but controls 60 percent of the decisions. I didn't like that when I had nothing to do with elective politics, when I was just serving a public service responsibility trying to improve education. I don't like it now, when I am in a policy position. I don't think it is sound policy.

I think you are going to see the same kind of thing apply to this suggestion from "Gore-Lieberman, Inc." that says there will be preschool available to all 4-year-olds. I think the process would be that the Federal Government might put up 6 percent of the money and make 60 percent or more of the decisions. I am guessing because we don't have any of the specifics.

Let me leave the education issue and make one final observation in response to the comments of the senior Senator from Texas. He talked about tax cuts and how, in fact, they benefited people other than the rich.

Let me give, if I may, briefly, my own experience. This is not theoretical. This is not out of some think tank. This is not some group of academics. This is a real experience of a real person in real life.

It was in 1984 that I received a phone call from a friend of mine in Salt Lake City. At the time I was living in California. I was asked: Would you come to Salt Lake and consult with us as we try to start a little business?

At the time I flew to Salt Lake to sit down with those people to talk about that business, they had four full-time employees. They were literally operating out of the basement of the man who had the business card that said he was the president of that company—a grandiose title, a lot of dreams, and four people. Mr. President, 1984 is smack in the middle of what we have heard some people call "the decade of greed," because that was the period of time when the top marginal tax rate was 28 percent. And that is terrible, some people said, because the rich are getting by only having to pay 28 percent on their income.

Well, I moved to Utah. I became the president of that company. We grew that company through the decade of greed with internally generated funds. The reason we were able to grow that

company with internally generated funds is because we filed as an S corporation under the tax law, which meant our top tax rate was 28 percent. That meant for every dollar we earned trying to get that company going, we could keep 72 cents to fund its growth.

The company today has over 4,000 employees, 1,000 times what it had when it was founded. The company pays millions of dollars today in corporate income tax. The suppliers that supply goods to that company pay millions of dollars in corporate income taxes. Those 4,000 employees of the company pay millions of dollars in income tax. If you will, that company is making its significant contribution to today's surpluses as those millions and millions of dollars come into the Federal Treasury.

If the top corporate tax rate, top effective tax rate, had been 39.6 percent, as it is today, instead of 28 percent, I can tell you from firsthand knowledge that we could not have grown that company in that atmosphere. Instead of keeping 72 cents out of every dollar we made in order to grow the company, if we had only been able to keep 60, that extra 12-cent difference would have sunk us. I know. I sweat over the books. I worried about meeting payroll. I worried about cash-flow.

It is the harvest of the seeds that were planted in the decade of greed that are now producing the tremendous income that is coming into this economy. Look at the companies that have built over time and ask how many of them were started in the period when the tax rate was lower and paid S chapter funds.

When I first came to the Senate, I tried to explain how all this worked. I asked the question on the Senate floor: Is there anybody here who understands what a K-1 is? I asked the question when the chairman of the Budget Committee at the time was on the floor. He was debating the tax structure. He had no idea what a K-1 was. I asked others in my own party: Does anybody know what a K-1 is? They had no idea. They knew what a W-2 was. That is the form that indicates your wages. But they didn't know what a K-1 was.

A K-1 is the tax form that is filed that tells you what percentage of your income has to be paid on your individual income tax because it is a flowthrough in an S corporation structure.

Most entrepreneurs all start out in that structure, and most Americans have no understanding of how it works. That is the area where the high marginal tax rates bite, and that is the area where the entrepreneur feels it. Just because there is a tiny percentage of the population who understands, it doesn't mean that it is a tiny percentage of the population who pays those taxes.

The argument being made by the Senator from Texas is a correct one. We should recognize that in America the economy and our place in the econ-

omy is not static. We are fluid, all of us. We move up and down. There have been times when I have been in the top 1 percent and I have paid millions of dollars in taxes. There have been times in my life in my entrepreneurial cycle when I have been in the bottom 1 percent and paid no taxes. It is the opportunity to move from the bottom 1 percent to the top 1 percent that motivates all Americans. It is the tax burden the Senator from Texas was talking about that de-motivates the Americans who want to make that move.

Ultimately, it is the revenue that comes from Americans who take those risks and make those moves that gives us the budget surplus.

I close with an observation. It came from another politician who made it very clear. He said: We must remember, money does not come from the budget. Money comes from the people. Money comes from the economy.

If we assume that money comes from the budget and is therefore ours to spend, we make a serious mistake. As long as we remember that money comes from the people, we will make intelligent decisions as to how we treat the people's money.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I ask my assistant leader if I might have 10 minutes.

Mr. REID. Ten minutes will be fine.

CHOICES FOR THE AMERICAN PEOPLE

Mrs. BOXER. I thank the assistant leader for the time.

I was very interested in hearing the Senator from Utah talk both about the economy and about education. I may never have been in quite that high an income bracket as he was, but I think I have a view that I learned growing up as a child of an immigrant family on my mother's side, a first-generation American who had to go to public schools.

I know the assistant leader has a major story to tell. I think it is very important that we consider that when we are on the floor. We ought to be fighting for the people who really need to make sure they have the economic opportunity; and everything that we do, we should keep those working families in mind because I think that the people at the top 1 percent are OK. In fact, many of them live in my State and they are telling me: Senator, we don't want a great big, irresponsible tax cut. We are doing great. We want to make sure, in fact, that the rest of America can come along. I thank them for that progressive position.

I think this Presidential race presents the starkest choice when it comes to our economy, and the good news is we have history to prove who succeeded on this economy and who has failed miserably.

Mr. REID. Will the Senator yield for a question?