

to identify the perpetrators and get them off the street.

So what Debbie Smith has asked me and I daresay the majority leader and all of us to do is to take up this piece of the bill. We can do that, and I think we will have done a good thing today. If we can't take up the Justice for All Act because of other concerns people have—this shouldn't be a zero sum game. We could pass the Debbie Smith Act today, and then we could take up the Justice for All Act when we return following the recess. It doesn't have to be a zero sum game.

The PRESIDING OFFICER. The majority leader.

Mr. REID. This has been cleared on this side for more than 2 weeks—more than 2 weeks. This is what is going on in the Senate. The Republicans basically oppose everything. That is what they decided they were going to do, and they do it. And they come back and say: We reported this out of the committee.

I read what is in it. It is a very good piece of legislation. But they said: We don't like that. Let's forget about the committee process and do something with what the House did.

We have a committee structure here that I have tried to follow. I admire the work done by Senator LEAHY. He led this piece of legislation out of his committee. I accept it and I approve it, as do all other 54 Democratic Senators.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

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

DIGITAL ACCOUNTABILITY AND TRANSPARENCY ACT OF 2013

Mr. WARNER. Mr. President, I originally was going to engage in a colloquy with Senator PORTMAN on a very important piece of legislation that we, Senator COBURN, and Senator CARPER, were working on for 2 years, and he will come back.

I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 337, S. 994.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant bill clerk read as follows:

A bill (S. 994) to expand the Federal Funding Accountability and Transparency Act of 2006 to increase accountability and transparency in Federal spending, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. WARNER. Mr. President, I ask unanimous consent that the committee-reported substitute amendment be withdrawn; the Carper substitute amendment, which is at the desk, be considered; the Carper amendment at the desk be agreed to; the Carper substitute, as amended, be agreed to; and the bill, as amended, be read a third

time and passed, with no intervening action or debate.

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

The amendment (No. 2970) in the nature of a substitute was agreed to.

(The amendment is printed in the RECORD of Wednesday, April 9, 2014, under "Text of Amendments.")

The amendment (No. 2971) was agreed to, as follows:

(Purpose: To allow the Secretary of Defense to request an extension to report financial and payment information data)

On page 9, strike lines 17 through 21 and insert the following:

"(2) AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 2 years after the date on which the guidance under paragraph (1) is issued, each Federal agency shall report financial and payment information data in accordance with the data standards established under subsection (a).

"(B) NONINTERFERENCE WITH AUDITABILITY OF DEPARTMENT OF DEFENSE FINANCIAL STATEMENTS.—

"(i) IN GENERAL.—Upon request by the Secretary of Defense, the Director may grant an extension of the deadline under subparagraph (A) to the Department of Defense for a period of not more than 6 months to report financial and payment information data in accordance with the data standards established under subsection (a).

"(ii) LIMITATION.—The Director may not grant more than 3 extensions to the Secretary of Defense under clause (i).

"(iii) NOTIFICATION.—The Director of the Office of Management and Budget shall notify the Committee on Homeland Security and Governmental Affairs and the Committee on Armed Services of the Senate and the Committee on Oversight and Government Reform and the Committee on Armed Services of the House of Representatives of—

"(I) each grant of an extension under clause (i); and

"(II) the reasons for granting such an extension.

The bill (S. 994), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 994

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Digital Accountability and Transparency Act of 2014" or the "DATA Act".

SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) expand the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) by disclosing direct Federal agency expenditures and linking Federal contract, loan, and grant spending information to programs of Federal agencies to enable taxpayers and policy makers to track Federal spending more effectively;

(2) establish Government-wide data standards for financial data and provide consistent, reliable, and searchable Government-wide spending data that is displayed accurately for taxpayers and policy makers on USASpending.gov (or a successor system that displays the data);

(3) simplify reporting for entities receiving Federal funds by streamlining reporting requirements and reducing compliance costs while improving transparency;

(4) improve the quality of data submitted to USASpending.gov by holding Federal

agencies accountable for the completeness and accuracy of the data submitted; and

(5) apply approaches developed by the Recovery Accountability and Transparency Board to spending across the Federal Government.

SEC. 3. AMENDMENTS TO THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006.

The Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) is amended—

(1) in section 2—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking "this section" and inserting "this Act";

(ii) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (7), respectively;

(iii) by inserting before paragraph (2), as so redesignated, the following:

"(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.";

(iv) by inserting after paragraph (2), as so redesignated, the following:

"(3) FEDERAL AGENCY.—The term 'Federal agency' has the meaning given the term 'Executive agency' under section 105 of title 5, United States Code.";

(v) by inserting after paragraph (4), as so redesignated, the following:

"(5) OBJECT CLASS.—The term 'object class' means the category assigned for purposes of the annual budget of the President submitted under section 1105(a) of title 31, United States Code, to the type of property or services purchased by the Federal Government.

"(6) PROGRAM ACTIVITY.—The term 'program activity' has the meaning given that term under section 1115(h) of title 31, United States Code.";

(vi) by adding at the end the following:

"(8) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.";

(B) in subsection (b)—

(i) in paragraph (3), by striking "of the Office of Management and Budget"; and

(ii) in paragraph (4), by striking "of the Office of Management and Budget";

(C) in subsection (c)—

(i) in paragraph (4), by striking "and" at the end;

(ii) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

"(6) shall have the ability to aggregate data for the categories described in paragraphs (1) through (5) without double-counting data; and

"(7) shall ensure that all information published under this section is available—

"(A) in machine-readable and open formats;

"(B) to be downloaded in bulk; and

"(C) to the extent practicable, for automated processing.";

(D) in subsection (d)—

(i) in paragraph (1)(A), by striking "of the Office of Management and Budget";

(ii) in paragraph (2)—

(I) in subparagraph (A), by striking "of the Office of Management and Budget"; and

(II) in subparagraph (B), by striking "of the Office of Management and Budget";

(E) in subsection (e), by striking "of the Office of Management and Budget"; and

(F) in subsection (g)—

(i) in paragraph (1), by striking "of the Office of Management and Budget"; and

(ii) in paragraph (3), by striking "of the Office of Management and Budget"; and

(2) by striking sections 3 and 4 and inserting the following:

“SEC. 3. FULL DISCLOSURE OF FEDERAL FUNDS.

“(a) IN GENERAL.—Not later than 3 years after the date of enactment of the Digital Accountability and Transparency Act of 2014, and monthly when practicable but not less than quarterly thereafter, the Secretary, in consultation with the Director, shall ensure that the information in subsection (b) is posted on the website established under section 2.

“(b) INFORMATION TO BE POSTED.—For any funds made available to or expended by a Federal agency or component of a Federal agency, the information to be posted shall include—

“(1) for each appropriations account, including an expired or unexpired appropriations account, the amount—

“(A) of budget authority appropriated;

“(B) that is obligated;

“(C) of unobligated balances; and

“(D) of any other budgetary resources;

“(2) from which accounts and in what amount—

“(A) appropriations are obligated for each program activity; and

“(B) outlays are made for each program activity;

“(3) from which accounts and in what amount—

“(A) appropriations are obligated for each object class; and

“(B) outlays are made for each object class; and

“(4) for each program activity, the amount—

“(A) obligated for each object class; and

“(B) of outlays made for each object class.

“SEC. 4. DATA STANDARDS.

“(a) IN GENERAL.—

“(1) ESTABLISHMENT OF STANDARDS.—The Secretary and the Director, in consultation with the heads of Federal agencies, shall establish Government-wide financial data standards for any Federal funds made available to or expended by Federal agencies and entities receiving Federal funds.

“(2) DATA ELEMENTS.—The financial data standards established under paragraph (1) shall include common data elements for financial and payment information required to be reported by Federal agencies and entities receiving Federal funds.

“(b) REQUIREMENTS.—The data standards established under subsection (a) shall, to the extent reasonable and practicable—

“(1) incorporate widely accepted common data elements, such as those developed and maintained by—

“(A) an international voluntary consensus standards body;

“(B) Federal agencies with authority over contracting and financial assistance; and

“(C) accounting standards organizations;

“(2) incorporate a widely accepted, non-proprietary, searchable, platform-independent computer-readable format;

“(3) include unique identifiers for Federal awards and entities receiving Federal awards that can be consistently applied Government-wide;

“(4) be consistent with and implement applicable accounting principles;

“(5) be capable of being continually updated as necessary;

“(6) produce consistent and comparable data, including across program activities; and

“(7) establish a standard method of conveying the reporting period, reporting entity, unit of measure, and other associated attributes.

“(c) DEADLINES.—

“(1) GUIDANCE.—Not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2014, the Director and the Secretary shall issue

guidance to Federal agencies on the data standards established under subsection (a).

“(2) AGENCIES.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 2 years after the date on which the guidance under paragraph (1) is issued, each Federal agency shall report financial and payment information data in accordance with the data standards established under subsection (a).

“(B) NONINTERFERENCE WITH AUDITABILITY OF DEPARTMENT OF DEFENSE FINANCIAL STATEMENTS.—

“(i) IN GENERAL.—Upon request by the Secretary of Defense, the Director may grant an extension of the deadline under subparagraph (A) to the Department of Defense for a period of not more than 6 months to report financial and payment information data in accordance with the data standards established under subsection (a).

“(ii) LIMITATION.—The Director may not grant more than 3 extensions to the Secretary of Defense under clause (i).

“(iii) NOTIFICATION.—The Director of the Office of Management and Budget shall notify the Committee on Homeland Security and Governmental Affairs and the Committee on Armed Services of the Senate and the Committee on Oversight and Government Reform and the Committee on Armed Services of the House of Representatives of—

“(I) each grant of an extension under clause (i); and

“(II) the reasons for granting such an extension.

“(3) WEBSITE.—Not later than 3 years after the date on which the guidance under paragraph (1) is issued, the Director and the Secretary shall ensure that the data standards established under subsection (a) are applied to the data made available on the website established under section 2.

“(d) CONSULTATION.—The Director and the Secretary shall consult with public and private stakeholders in establishing data standards under this section.

“SEC. 5. SIMPLIFYING FEDERAL AWARD REPORTING.

“(a) IN GENERAL.—The Director, in consultation with relevant Federal agencies, recipients of Federal awards, including State and local governments, and institutions of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)), shall review the information required to be reported by recipients of Federal awards to identify—

“(1) common reporting elements across the Federal Government;

“(2) unnecessary duplication in financial reporting; and

“(3) unnecessarily burdensome reporting requirements for recipients of Federal awards.

“(b) PILOT PROGRAM.—

“(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2014, the Director, or a Federal agency designated by the Director, shall establish a pilot program (in this section referred to as the ‘pilot program’) with the participation of appropriate Federal agencies to facilitate the development of recommendations for—

“(A) standardized reporting elements across the Federal Government;

“(B) the elimination of unnecessary duplication in financial reporting; and

“(C) the reduction of compliance costs for recipients of Federal awards.

“(2) REQUIREMENTS.—The pilot program shall—

“(A) include a combination of Federal contracts, grants, and subawards, the aggregate value of which is not less than \$1,000,000,000 and not more than \$2,000,000,000;

“(B) include a diverse group of recipients of Federal awards; and

“(C) to the extent practicable, include recipients who receive Federal awards from multiple programs across multiple agencies.

“(3) DATA COLLECTION.—The pilot program shall include data collected during a 12-month reporting cycle.

“(4) REPORTING AND EVALUATION REQUIREMENTS.—Each recipient of a Federal award participating in the pilot program shall submit to the Office of Management and Budget or the Federal agency designated under paragraph (1), as appropriate, any requested reports of the selected Federal awards.

“(5) TERMINATION.—The pilot program shall terminate on the date that is 2 years after the date on which the pilot program is established.

“(6) REPORT TO CONGRESS.—Not later than 90 days after the date on which the pilot program terminates under paragraph (5), the Director shall submit to the Committee on Homeland Security and Governmental Affairs and the Committee on the Budget of the Senate and the Committee on Oversight and Government Reform and the Committee on the Budget of the House of Representatives a report on the pilot program, which shall include—

“(A) a description of the data collected under the pilot program, the usefulness of the data provided, and the cost to collect the data from recipients; and

“(B) a discussion of any legislative action required and recommendations for—

“(i) consolidating aspects of Federal financial reporting to reduce the costs to recipients of Federal awards;

“(ii) automating aspects of Federal financial reporting to increase efficiency and reduce the costs to recipients of Federal awards;

“(iii) simplifying the reporting requirements for recipients of Federal awards; and

“(iv) improving financial transparency.

“(7) GOVERNMENT-WIDE IMPLEMENTATION.—Not later than 1 year after the date on which the Director submits the report under paragraph (6), the Director shall issue guidance to the heads of Federal agencies as to how the Government-wide financial data standards established under section 4(a) shall be applied to the information required to be reported by entities receiving Federal awards to—

“(A) reduce the burden of complying with reporting requirements; and

“(B) simplify the reporting process, including by reducing duplicative reports.

“SEC. 6. ACCOUNTABILITY FOR FEDERAL FUNDING.

“(a) INSPECTOR GENERAL REPORTS.—

“(1) IN GENERAL.—In accordance with paragraph (2), the Inspector General of each Federal agency, in consultation with the Comptroller General of the United States, shall—

“(A) review a statistically valid sampling of the spending data submitted under this Act by the Federal agency; and

“(B) submit to Congress and make publicly available a report assessing the completeness, timeliness, quality, and accuracy of the data sampled and the implementation and use of data standards by the Federal agency.

“(2) DEADLINES.—

“(A) FIRST REPORT.—Not later than 18 months after the date on which the Director and the Secretary issue guidance to Federal agencies under section 4(c)(1), the Inspector General of each Federal agency shall submit and make publicly available a report as described in paragraph (1).

“(B) SUBSEQUENT REPORTS.—On the same date as the Inspector General of each Federal agency submits the second and fourth reports under sections 3521(f) and 9105(a)(3) of

title 31, United States Code, that are submitted after the report under subparagraph (A), the Inspector General shall submit and make publically available a report as described in paragraph (1). The report submitted under this subparagraph may be submitted as a part of the report submitted under section 3521(f) or 9105(a)(3) of title 31, United States Code.

“(b) COMPTROLLER GENERAL REPORTS.—

“(1) IN GENERAL.—In accordance with paragraph (2) and after a review of the reports submitted under subsection (a), the Comptroller General of the United States shall submit to Congress and make publically available a report assessing and comparing the data completeness, timeliness, quality, and accuracy of the data submitted under this Act by Federal agencies and the implementation and use of data standards by Federal agencies.

“(2) DEADLINES.—Not later than 30 months after the date on which the Director and the Secretary issue guidance to Federal agencies under section 4(c)(1), and every 2 years thereafter until the date that is 4 years after the date on which the first report is submitted under this subsection, the Comptroller General of the United States shall submit and make publically available a report as described in paragraph (1).

“(c) RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD DATA ANALYSIS CENTER.—

“(1) IN GENERAL.—The Secretary may establish a data analysis center or expand an existing service to provide data, analytic tools, and data management techniques to support—

“(A) the prevention and reduction of improper payments by Federal agencies; and

“(B) improving efficiency and transparency in Federal spending.

“(2) DATA AVAILABILITY.—The Secretary shall enter into memoranda of understanding with Federal agencies, including Inspectors General and Federal law enforcement agencies—

“(A) under which the Secretary may provide data from the data analysis center for—

“(i) the purposes set forth under paragraph (1);

“(ii) the identification, prevention, and reduction of waste, fraud, and abuse relating to Federal spending; and

“(iii) use in the conduct of criminal and other investigations; and

“(B) which may require the Federal agency, Inspector General, or Federal law enforcement agency to provide reimbursement to the Secretary for the reasonable cost of carrying out the agreement.

“(3) TRANSFER.—Upon the establishment of a data analysis center or the expansion of a service under paragraph (1), and on or before the date on which the Recovery Accountability and Transparency Board terminates, and in addition to any other transfer that the Director determines is necessary under section 1531 of title 31, United States Code, there are transferred to the Department of the Treasury all assets identified by the Secretary that support the operations and activities of the Recovery Operations Center of the Recovery Accountability and Transparency Board relating to the detection of waste, fraud, and abuse in the use of Federal funds that are in existence on the day before the transfer.

“SEC. 7. CLASSIFIED AND PROTECTED INFORMATION.

“Nothing in this Act shall require the disclosure to the public of—

“(1) information that would be exempt from disclosure under section 552 of title 5, United States Code (commonly known as the ‘Freedom of Information Act’); or

“(2) information protected under section 552a of title 5, United States Code (com-

monly known as the ‘Privacy Act of 1974’), or section 6103 of the Internal Revenue Code of 1986.

“SEC. 8. NO PRIVATE RIGHT OF ACTION.

“Nothing in this Act shall be construed to create a private right of action for enforcement of any provision of this Act.”.

SEC. 4. EXECUTIVE AGENCY ACCOUNTING AND OTHER FINANCIAL MANAGEMENT REPORTS AND PLANS.

Section 3512(a)(1) of title 31, United States Code, is amended by inserting “and make available on the website described under section 1122” after “appropriate committees of Congress”.

SEC. 5. DEBT COLLECTION IMPROVEMENT.

Section 3716(c)(6) of title 31, United States Code, is amended—

(1) by inserting “(A)” before “Any Federal agency”;

(2) in subparagraph (A), as so designated, by striking “180 days” and inserting “120 days”; and

(3) by adding at the end the following:

“(B) The Secretary of the Treasury shall notify Congress of any instance in which an agency fails to notify the Secretary as required under subparagraph (A).”.

Mr. WARNER. Mr. President, after the last exchange, I would point out that the Senate now has acted on a very important piece of legislation that has been 2 years in the works, that actually does reflect the ability for us to come together in a bipartisan consensus. So I rise today to discuss the Digital Accountability and Transparency Act—or DATA Act—an important bill that makes sure taxpayers and policymakers can track every dollar the Federal Government spends.

It is pretty unbelievable that in this day and age, we don’t have an easily accessible Web site for tracking every Federal tax dollar. Believe it or not, we do not. Instead, we have an incomplete and thoroughly confusing structure of financial reporting which most people can’t understand.

I have served in business. I have served as Governor of the Commonwealth of Virginia. So I have done business accounting and State government accounting. There is nothing like Federal Government accounting and the lack of standards and transparency.

Our taxpayers deserve to know where their money goes, and it is our obligation to share that information in a clear and direct way. Today, Senator PORTMAN and I, originally, along with Senator COBURN and Senator CARPER, rise—and now that the Senate has acted, we are actually taking a giant step to correct that problem and to make sure taxpayers actually get the transparency they deserve.

Since the Federal Government spends more than \$3.7 trillion each year, with more than \$1 trillion in awards, accurately tracking these funds in a consistent way can definitely be a big job. But the data collected by the budget shops, the accountants, the procurement officers, the grant makers should be combined and reconciled and then presented in a relevant, user-friendly, and transparent way. The various systems should be able to work together based on consistent financial standards

so that policymakers and the public can track the full cycle of Federal spending. In a word, the public should be able to “Wikipedia” where and how the Federal Government spends its money, and quite honestly, that is what the DATA Act will do.

The DATA Act will make four important improvements that I want to quickly highlight.

First, it creates transparency for all Federal funds. The DATA Act will expand the current site of usaspending.gov to include spending data for all Federal funds by appropriation, Federal agency, program, function, as well as maintain the current reporting for Federal awards like contracts, grants, and loans.

Second—and this is a giant step forward; we are not going to get all the way there—we are starting down this path of setting government-wide financial data standards. We closely monitored the efforts to increase transparency for the Recovery Act funds a few years back, and one reason—even for folks who did not like the Recovery Act—that oversight was successful is because they had consistent standards for reporting the data. Our taxpayers were able to see where the funds and projects were located in their communities.

So the DATA Act requires the Department of the Treasury to establish government-wide financial data standards for Federal agencies so that every term reported is consistent across the Federal Government. This should clearly improve the quality of data.

Too often we see an item appear in one area as a grant and in another area as an expenditure. Trying to sort through what’s what is virtually impossible. This part of the DATA Act will help clear that up.

Third, so we do not simply layer on additional reporting requirements without greater accountability, it actually reduces recipient reporting requirements. The DATA Act requires OMB to review the established reporting requirements for contracts, grants, and loans to reduce compliance costs based on these new financial data standards.

I have long been concerned—and I know many of my colleagues on both side of the aisle—about the compliance costs for recipients of Federal funds. Too often a grantee has to report not once or twice but sometimes up to a half dozen times the exact same information. We have seen this in Virginia with many of our universities, such as UVA, where they actually have to report multiple times the same information to multiple agencies.

If all this redundancy were streamlined, recipients such as the University of Virginia or the University of Tennessee could actually direct more money to programs and less to administrative costs.

Fourth, it improves data quality. Under the DATA Act, the inspectors general at each agency will be required

to provide a report every 2 years on the quality and accuracy of the financial data provided to usaspending.gov. The GAO will create a government-wide report on data quality and accuracy. Too often the data that is reported at this point does not meet appropriate standards.

We must have a reliable system in place to track Federal funds and compare spending across Federal agencies to get the best value for taxpayers and reduce duplication.

In fact, in the GAO's annual report on duplication released this week, it highlighted the need for better data and specifically called out the limitations. GAO described a "lack of reliable budget and performance information and a comprehensive list of federal programs" as one of the biggest challenges in addressing duplication.

I know many of the Members, when I started talking about data standards and better accountability, headed for the exists. I recognize this is not a topic that necessarily excites folks. But I see my colleague, the Senator from Tennessee, on the floor—a former Governor, as was I. If we are going to get better value for our taxpayers, we have to start with good data, we have to start with a better ability to monitor that data and follow it.

In a world where people can Google all kinds of information, we ought to be able to follow the money in terms of where our taxpayer dollars head. We ought to make sure the recipients of those taxpayer grants can report that information in a single, consistent, and clear way. Policymakers and taxpayers should be able to assess the value of the dollars we invest in these programs.

This has been a long and winding path. As a relatively new Member of the Senate—and I hear some of the debates about some of the old days in the Senate—I am not sure I was here in the old days. But this is a case where, after a 2-year period, working with Members of the House—Chairman ISSA and Ranking Member CUMMINGS in the House—and working in the Senate with Senator CARPER and Senator COBURN—Senator COBURN who is out today for health reasons—and my colleague who joined with me in pushing this bill from day one, Senator PORTMAN—who, if time allows, will get back from a speech to add his comments as well—I would like to thank these Members.

I would also like to thank all of the Senate cosponsors for their support of the DATA Act, including members of our Budget Committee, the Government Performance Task Force that I chair.

I would like to thank in particular Senators COONS, WHITEHOUSE, AYOTTE, JOHNSON, and our Budget Committee Chairman PATTY MURRAY, and my staff, Amy Edwards, and all the others who have been relentless on working this through with other committees and the administration to make sure we got this bill done.

So while we may not have resolved all the issues of the day, today the Senate acted in a unanimous, bipartisan way to actually provide better value for taxpayers, more transparency, and less bureaucracy. I would say for a Thursday afternoon—with all the other discussion going on—work well done.

With that, I yield the floor.

NOMINATION OF MICHELLE T. FRIEDLAND TO BE UNITED STATES CIRCUIT JUDGE FOR THE NINTH CIRCUIT—Continued

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I ask unanimous consent that the Senator from North Carolina and I be allowed to engage in a colloquy for 20 minutes, and following that the Senator from Iowa be recognized.

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

STUDENT ATHLETES

Mr. ALEXANDER. Mr. President, the Senator from North Carolina and I were both involved in intercollegiate athletics. He was a scholarship athlete at Wake Forest University and I was a nonscholarship track person at Vanderbilt University several years before that.

We are here today to make a few comments on the recent ruling by a regional director of the National Labor Relations Board that defines student athletes as employees of the university. It affects only private universities for now—not the University of Tennessee. But it would affect Wake Forest, where the Senator from North Carolina was an outstanding football player, and it would affect Vanderbilt, where I attended.

I guess our message to the NCAA and intercollegiate athletes is: We hope they will understand the opinion of one regional director of the National Labor Relations Board is not the opinion of the entire Federal Government. That is the message I would like to deliver.

I would refer back—and then I will go to the Senator from North Carolina—to 25 years ago, when I was the president of the University of Tennessee, and I was asked to serve on the Knight Commission on Intercollegiate Athletics. It was headed by the president of North Carolina, Bill Friday, and the head of Notre Dame, Father Hesburgh—a pretty distinguished group of individuals from around the country—to take a look at intercollegiate athletics.

The major conclusion they came to was that presidents need to assert more institutional control over athletics. But here is something that this group of university presidents and others emphasized. They said:

We reject the argument that the only realistic solution to the problem [of intercollegiate athletics]—

And there have always been some—is to drop the student-athlete concept, put athletes on the payroll, and reduce or even eliminate their responsibilities as students.

Such a scheme has nothing to do with education, the purpose for which colleges and universities exist. Scholarship athletes are already paid in the most meaningful way possible: with a free education. The idea of intercollegiate athletics is that the teams represent their institutions as true members of the student body, not as hired hands. Surely American higher education has the ability to devise a better solution to the problems of intercollegiate athletics than making professionals out of the players, which is no solution at all but rather an unacceptable surrender to despair.

This was the Knight Commission 25 years ago.

I would ask the Senator from North Carolina, does he not think that while there may be some issues with intercollegiate athletics—and we could talk about what some of those are—that unionization of intercollegiate athletics is not the solution to the problem?

Mr. BURR. Let me say to my good friend, the Senator from Tennessee—who not only was a walk-on track member at Vanderbilt, but was the president of the University of Tennessee, the Governor of Tennessee, the Secretary of Education, and now is a Senator—his credentials allow him to say whatever he wants to on this issue with a degree of knowledge.

It was Teddy Roosevelt who identified the challenge of college football, and through his attempt to get Harvard and Yale and a couple of other universities to address the risk, the NCAA was created.

The amazing thing to Senator ALEXANDER and myself is that we have this governing body today that by all practical observations has done a great job of regulating college sports. It is the reason we have fabulous playoffs. It is the reason we have integrity in the scholarship system. But, more importantly, it is the reason we have top-quality athletes who go into these schools, where less than 1 percent become pros. Ninety-nine percent of them are reliant on a great education for a fabulous outcome in life. To do anything that changes the balance of what they have been able to create is ludicrous and I think what troubles me, and I think it troubles Senator ALEXANDER.

These are not some misguided college football players. This is the United Steelworkers. Let me say that again because I do not think people understand it. This is the United Steelworkers who have put up the money so that these players from Northwestern would go to the NLRB and say: We want to unionize at Northwestern University. Well, on the face of it, it creates a great inequity between public and private schools, where we have a governing body that tries to make this process as equitable as it can.

But let me make this point: If you want to drive the rest of the schools out of major sports, then do this. Only 10 percent of our Nation's athletic programs make money. That means 90 percent of them lose in the athletic department. But for the quality of life of