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Senate

(Legislative day of Friday, September 22, 2000)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, source of strength for tired bodies, stressed out emotions, and strained minds, we pray for the Senators and their staffs as they press on to the goal of finishing the work of this 106th Congress. Infuse them with star-spangled patriotism that will give them the second wind of Your divine energy, resiliency, and endurance. Remind them that You called them here to be servant leaders, promised Your hour-by-hour replenishment, and assured them that You would never leave nor forsake them in demanding times. May they turn to You constantly

throughout this day. As they draw on Your wisdom, give them insight and discernment; as they depend on Your Spirit, grant them patience; as they receive Your peace, set them free of anxiety and tension; as they invite You to guide them, show them workable solutions and creative compromises. And now, as they run for the finish line, help them cheer on each other, rather than tripping up each other. Grant these leaders Your help from above, Your unfailing encouragement, and Your undying love. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE CRAPO, a Senator from the State of Idaho, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Repub-

lic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. CRAPO). The acting majority leader is recognized.

SCHEDULE

Mr. DEWINE. Mr. President, on behalf of the majority leader, I announce for the information of all Senators, it is hoped that the Senate can begin consideration of the Older Americans Act under a time agreement this morning. Until an agreement can be reached, the Senate will be in a period of morning

NOTICE—OCTOBER 23, 2000

A final issue of the Congressional Record for the 106th Congress, 2d Session, will be published on November 29, 2000, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT-60 or S-123 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through November 28. The final issue will be dated November 29, 2000, and will be delivered on Friday, December 1, 2000.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event that occurred after the sine die date.

Senators' statements should also be submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates at "Records@Reporters".

Members of the House of Representatives' statements may also be submitted electronically by e-mail, to accompany the signed statement, and formatted according to the instructions for the Extensions of Remarks template at <http://clerkhouse.house.gov>. The Official Reporters will transmit to GPO the template formatted electronic file only after receipt of, and authentication with, the hard copy, signed manuscript. Deliver statements to the Official Reporters in Room HT-60.

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By order of the Joint Committee on Printing.

WILLIAM M. THOMAS, *Chairman*.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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business with Senator BRYAN to be recognized at 11 a.m. and Senator DOMENICI to be recognized at 11:30 a.m.

Following morning business, it is hoped the Senate can resume consideration of the Older Americans Act, with votes expected on two Gregg amendments as well as a vote on final passage. The House is expected to consider the D.C. appropriations conference report, the tax bill, and a continuing resolution today. Therefore, Senators can expect votes during this afternoon's session.

I thank my colleagues for their attention on this matter.

Let me also at this point, on behalf of the majority leader, propound a unanimous consent.

UNANIMOUS CONSENT REQUEST— H.R. 782

Mr. DEWINE. I ask unanimous consent that the Senate now proceed to the consideration of H.R. 782, regarding the Older Americans Act, and it be considered under the following terms: 30 minutes for debate on the bill equally divided in the usual form; that the only amendments in order be the following: One amendment offered by Senator GREGG relating to title V, which would be 2 hours equally divided for that particular amendment, and an additional amendment offered by Senator GREGG relating to title V, and that would be 2 hours equally divided as well, with no other amendments or motions in order to the bill.

I further ask unanimous consent that following the use or yielding back of time on each amendment, the Senate proceed to a vote on each amendment. Further, I ask that, following the disposition of the above amendments, the bill be read the third time and the Senate then proceed to passage of H.R. 782, as amended, if amended.

The PRESIDING OFFICER. Is there objection?

The Senator from Nevada.

Mr. REID. Reserving the right to object, I say to my friend from Ohio who read the unanimous consent request, the substance of the agreement is fine with the minority. We would only hope that there could be a definite time locked in for a vote. During the last couple of weeks, there have been a lot of Members who simply have not known when they were going to be called upon to vote. They have other business they are conducting. We, again, have no disagreement with the substance of the unanimous consent agreement. However, we object unless we can get a definite time as to when we can vote.

I also say, through the Chair to my friend from Ohio, it is not as if there are a number of votes being anticipated here so that we are going to slow things up if you set, for example, 5 o'clock, which we would suggest, as a definite time for voting on these amendments. So until we can get a definite time locked in for voting on

the amendments, at or about 5 o'clock, we would object, and I do object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Ohio.

Mr. DEWINE. Mr. President, if I could, let me thank my colleague from Nevada. I understand there is no objection, actually, to the substance, then, of the agreement and what we are waiting for is some agreement with regard to the actual time the votes will actually take place. Is that correct?

Mr. REID. Yes. I say to my friend, we believe it is a very important piece of legislation. We are glad it is here. We think the time arrangement on the amendments offered by the Senator from New Hampshire is fair. We simply believe we need a time certain to vote. That should be easy to get. I hope the majority leader will agree to that as soon as possible.

Mr. DEWINE. I thank my colleague.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

Mr. DEWINE. Mr. President, I ask unanimous consent to proceed in morning business.

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

REAUTHORIZATION OF THE OLDER AMERICANS ACT

Mr. DEWINE. Mr. President, as the lead sponsor of the Older Americans Act, along with my friend, the chairman of the committee, Senator JEFFORDS, I thought I would take a few moments, even though we are not technically on the bill at this point, to begin a discussion of this bill. I make note to my colleagues in the Chamber that I will be a few minutes in doing this, so if any of my colleagues do want to proceed in morning business on other matters, I will be more than happy to yield when they come to the floor.

We will begin today a debate about a bill that has been long in coming. Previous Congresses have had difficulty reaching agreement on reauthorizing the Older Americans Act for any number of reasons, and previous Congresses have failed to do that. But I think anyone who works in this field, anyone who understands what is going on with the Older Americans Act, knows it is past time for Congress to reauthorize the bill.

This is a bipartisan program. It is a program that dates over 35 years. It is a program that delivers great services to the senior citizens of this country. What we have done in this bill in a very bipartisan fashion is to bring it up to date to meet the needs of senior citizens entering this new century.

This bill is going to help ensure the continuation of valuable supportive services for lower income older Americans. It will establish new and reliable

services from which every older American can benefit and provide support for those caring for older adults.

This reauthorization would not be a reality if it were not for the persistent, bipartisan efforts and dedication of the Senate Aging Subcommittee ranking member, Senator MIKULSKI; Health, Education, Labor, and Pensions Committee chairman, Senator JEFFORDS and the ranking member, Senator KENNEDY; the House Education and the Workforce Committee chairman, Congressman GOODLING, and the ranking member, Congressman CLAY; as well as the House Postsecondary Education, Training, and Life-Long Learning Subcommittee Chairman MCKEON and Congressman MARTINEZ. Each has worked tirelessly on this legislation, along with the members and staff of the Senate Aging Subcommittee, the full Health, Employment, Labor, and Pensions Committee, and the Senate Select Committee on Aging.

I also thank additional colleagues, such as Senator HAGEL, Senator COLLINS, and Senator WYDEN, for their insights and contributions to reaching a bipartisan agreement on this bill. I will mention later the great work that Senator GRASSLEY has also done to offer a new provision in this bill which, again, meets the needs of seniors in this century. Because of this support and help, we are going to see the Older Americans Act finally reauthorized.

Reauthorization attempts in both the 104th and 105th Congresses failed for many reasons. So as chairman of the Aging Subcommittee, I introduced S. 1536, with the hope we could get a reauthorization passed in this Congress. At the end of this past July, our committee marked up that bill and developed a solid piece of legislation that reflects months of hard work and deliberation. I am very pleased that yesterday the House of Representatives passed this bill overwhelmingly by a vote of 405-2. They passed their reauthorization bill which represents the combined legislative efforts of both the House and the Senate.

I point out to my colleagues that one of the things we did as we worked through this bill for the last 2 years was to work with the House Members on both sides of the aisle so we would finally emerge with a consensus bill and a bill we would be able to pass in both the Senate and the House.

This reauthorization bill we have before us today represents a modernized and streamlined Older Americans Act and one that maintains some of the most important and successful programs the Federal Government provides for our senior citizens.

As an editorial in a newspaper in my home State of Ohio, the Cincinnati Post, on September 20, 1999, stated:

The Older Americans Act has been the closest thing on record to a national policy on aging.

That is a pretty strong statement, but it is true. It is true because the

Older Americans Act created and is responsible for programs that do the following: Provide nutrition both at home and at senior community centers; protect the elderly from abuse, neglect, and unhealthy nursing homes; offer valuable jobs to seniors; furnish transportation which is so vital for the way seniors live today; and render valuable in-home services such as homemaker and home health aides, chore services, respite care, and personal care services.

To be sure, as our senior population grows larger and larger, these services and many others become more and more important—not just important but, in many cases, essential to maintain the quality of life of our senior citizens, central to the continued well being and prosperity of our aging senior community. That is why it is fundamental to the security of our seniors that we reauthorize, protect, and improve the Older Americans Act. Our reauthorization bill does just that.

First, it will permit States to implement cost sharing for some of the services provided under the Older Americans Act. This means that States will be able to obtain payments from wealthier seniors for services. Doing so enables States to expand services to additional older individuals.

This is something that was asked for by the people who testified in our committee. They told us the current rules and regulations were complicated, very difficult to understand, and were being interpreted differently from county to county within a State, such as my State of Ohio.

Working in a bipartisan fashion, we put together the language that will make it much easier for these laws to be administered.

Second, our authorization will increase flexibility for States by authorizing the Assistant Secretary on Aging to issue waivers to States with certain provisions of the Older Americans Act. This flexibility will help eliminate obsolete, duplicative, and burdensome requirements of a State plan and the area plan.

Third, our bill includes the first major changes to the Senior Community Service Employment Program, title V. It begins to change the allocation of funds between the States and the organizations that provide jobs. It allocates 75 percent of the first \$35 million in additional funding for the program to the States and 25 percent to organizations. Any increase in funding over \$35 million will be split 50-50 between the States and the national organizations. Historically, the funding split has been practically the reverse, with 78 percent allocated to national sponsors and 22 percent to the States. This is an improvement that has received bipartisan support of the Governors across the country.

Let me stop for a moment and say how much we have relied on the Governors as we have fashioned this bill and how much they support this bill. This bill is supported by the NGA; it is

supported by the southern Governors. It has received a great deal of support and help from them. We thank them for that support.

Additionally, our bill provides Governors greater responsibility and influence over the allocation of title V job slots within their States, and it includes performance measures that all organizations and States must meet. Failure to meet such standards will result in the loss of job slots. Those slots then will be redistributed through open competition and will help eliminate poorly performing grantees in the program—one more way the Governors will have more say in title V and more say in how these slots are allocated and, not only a say in how they are allocated, but a say in what happens with them, and they will have the ability to measure the success or failure of these programs.

These improvements are the result of our efforts to make sure our reauthorization bill addresses the most important concerns facing older Americans. That is why even before drafting the reauthorization bill, as chairman of the Aging Subcommittee, we held six subcommittee hearings covering titles of the existing law.

I see on the floor my colleague, Senator MIKULSKI, who played such a major role in those committee hearings. In fact, those six hearings were very helpful in eliciting information to make this a better bill.

At one of those hearings, for example, we heard from Reeve Lindbergh, the daughter of Charles and Anne Morrow Lindbergh. Her mom was subjected, according to her testimony, to 10 years of financial and other abuse and, as Reeve pointed out: "It"—referring to that type of elder abuse—"can happen to anyone."

Because of similar testimony, we included language in the reauthorization to protect elders not only from physical abuse and neglect but also from financial abuse and exploitation. We also added language to coordinate State and local advocacy and protection services directly to State and local law enforcement agencies, as well as linking them to the court system.

I will now turn to a provision that has bipartisan support and whose lead sponsor is my friend, Senator CHUCK GRASSLEY. This is the National Caregiver Support Act which is an integral part of this bill.

Another one of our Aging Subcommittee hearings focused on the bill I just referenced, the National Family Caregiver Support Act, which Senator GRASSLEY sponsored, along with Senators BREAUX, BRYAN, DODD, HUTCHINSON, KOHL, LINCOLN, MIKULSKI, REED from Rhode Island, REID from Nevada, SANTORUM, and WYDEN.

Following moving testimony from people such as Carolyn Erwin-Johnson from Baltimore, MD, we included this important act as a provision in our reauthorization bill. At our subcommittee hearing, Carolyn spoke

movingly of one of the most important aspects of the Caregiver Support Act—the need for respite care. Let me explain.

When her elderly mother became unable to care for herself anymore, Carolyn decided against placing her in a nursing home. She chose, instead, to care for her mom at home. When her mother first moved in with her, Carolyn said she had to discontinue her doctorate program. She had to find a job and more accommodating hours. Unfortunately, and not surprisingly, that job also paid less money.

Carolyn continued in her testimony that she needed advice about lifting her mother, feeding her mom, medications, and many other challenges, things she had not faced before in her life, and most of us have not.

Most of all, however, because of her mother's constant care needs, Carolyn testified that she just needed some rest, she just needed a break. With the National Family Caregiver Support Act provision included in our reauthorization, Carolyn will get that break in the form of respite care—someone to take over for her for maybe a weekend, maybe a day, maybe just a few hours, so she can shop for herself and complete some overtime work or just rest. Again, this is an attempt to bring this bill up to date and to authorize the type of services that are so very important today.

In addition to respite care, the Caregiver Support Act brings an intergenerational element to the reauthorization of the Older Americans Act.

During an Aging Subcommittee field hearing we held in Cleveland, we heard from grandparents who, for any number of reasons, were caring for their grandchildren, raising their grandkids. In some cases their own children were addicted to drugs or were in prison or died. There are any number of reasons why these folks were doing something that we did not see done that much 20 or 30 or 40 years ago but something that is, frankly, very common today. Rather than relinquishing their grandchildren to foster care, these grandparents took on the responsibility of raising them and keeping the family together. That is something that we in Congress should support when people make that choice.

The grandparents who testified in front of our committee in Cleveland are not alone. The number of grandparents raising children is growing and growing. In fact, a Census Bureau report released last year indicated that 3.9 million children in the United States were living in homes maintained by their grandparents. That is up an astounding 75 percent since 1970.

A 1998 study by the University of Cincinnati found that grandparents are caring for their grandchildren in 10 percent of Ohio households with children, and of that 10 percent, approximately 32,000 grandparents statewide are the sole providers for their grandchildren. Amazing figures.

Let's look at the example of a Cleveland woman in her early seventies named Bertha. At our hearing last year, she told us her story. She told us about the difficulties she faced in taking on the responsibility of raising her three great-nephews—Clarence, age 12; Joseph, age 11; and Christopher, age 10.

The boys' father—a horribly sad story—died from AIDS. Their drug-addicted mother was simply in no shape to take care of them at all. Someone needed to take care of those boys, so Bertha took them in.

When the three boys first moved into Bertha's home, she had no way to support them financially. To be eligible for assistance, she became a licensed foster mother. But despite doing so, a full year went by before the county gave her any financial assistance at all. Additionally, she testified it has been very difficult getting information about available services. In the process, she has encountered mounds of bureaucratic redtape.

New information and assistance services in the Older Americans Reauthorization Act, as well as the respite care and support groups provided in the Caregiver Support Program, will provide much needed assistance to people, relatives, great-aunts, grandparents—people such as Bertha, people who have taken on a tremendous responsibility many years after raising their own children, many years, I am sure, after they thought they would ever be doing this.

Many older Americans who are now raising children for the second time need information, and they need respite care. Our bill would provide those kinds of services.

I see my colleagues on the floor, Senator MIKULSKI and Senator KENNEDY. And Senator JEFFORDS will be here in a moment. Let me conclude for now by saying that this is a long time in coming. It is a good reauthorization bill. It is the product of a great deal of work by many Members of this Chamber. It is a bill we can all be proud of, a bill we can be proud today to pass and send to the President. Our reauthorization bill makes the most substantial reforms in the Older Americans Act since its creation.

Our bill is a key step toward preparing for the demographic tidal wave of aging baby boomers in the next few decades. The fact is that we are an aging nation. Today, 12.7 percent of the U.S. population is over the age of 65. By the year 2030, that number will grow to 20 percent. There is no indication that this trend will slow anytime soon.

Americans, thank heavens, are living longer, making it all the more pressing we ensure that supportive services exist for every older American now and in the future. By working together, on a bipartisan and bicameral basis—both sides of the aisle; both the House and the Senate—we have crafted a bill that will make a lasting contribution to all older Americans; and that is something

we can all be proud of as a major accomplishment as this 106th Congress ends.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, first of all, I thank Senator DEWINE and Senator JEFFORDS for their leadership. As Senator DEWINE has pointed out, this has been a long, continuing struggle for the last 2 years. This has been a bipartisan struggle. We are grateful for the efforts of the House of Representatives.

I wish to say on our side, the real champion for this program is on my left, Senator MIKULSKI, from the State of Maryland, who over the period of these last 2 years has been an absolutely tireless advocate on this particular issue, as she has been on so many others. We would not be here this morning in the final hours of this session if not for her strength and determination to see this measure move ahead.

I think what she and others have understood is that it has been 5 years since we have seen this important legislation expire. As a result, we have seen even funding on the Older Americans Act. In that respect, there has been a falling behind in the attention to the services for our senior citizens.

This is a much better bill than the last authorization; and it will benefit our senior population in a much more sensitive and extensive way. Hopefully, it will gain acceptance and support from our colleagues in the Senate and the House and will be sent to the President so we can strengthen the outreach programs that are lifelines to our senior citizens.

So I pay particular tribute to my colleague, Senator MIKULSKI, for her leadership. I thank the administration and President Clinton for the strong priority that he has placed on this and the attention that the Secretary has given to getting this action.

I think most of us know we are operating in a very highly charged political atmosphere as we are coming to the last 2 weeks of a political campaign for election to the House and the Senate. But the House of Representatives yesterday passed this bill 405-2. We are very hopeful that we will have a similar outcome. It does indicate that when people of good will want to move a process forward, it can be done. I commend all of those who have worked over a very considerable period of time and have really tried to find common ground on some very difficult and complex issues.

Finally, I wish to highlight the very important aspects of this legislation. I think the most powerful and obviously important parts are the nutrition programs, which have been the largest and the longest standing of the programs—this traces back to 1965. Meals on Wheels and congregate meals have been an incredibly important program in permitting so many of our seniors to

live at home, and also to benefit from nutritious meals in these congregate sites. It is an important nutritional aspect for many of our seniors who are hard pressed.

This bill's value in terms of our elderly population cannot really be measured in terms of dollars and cents. It includes important preventive health programs, absolutely essential transportation programs, and important employment opportunities as well. These opportunities enable many of our seniors continue to be useful, constructive, and productive workers, primarily focused on serving communities.

There are extraordinary workers under this program. I have met so many of them in travels around my own State of Massachusetts. What they do in terms of adding an additional dimension of services in local communities is really extraordinary. Many people believe, with regard to programs in which they are particularly interested, that they get a great bang for the buck. This Nation, with this program, gets enormous advantages in terms of permitting our seniors to live in the kind of peace and dignity and with a degree of security in these areas which they would be hard pressed to have if this legislation were not on the books.

The Older Americans Act was enacted in 1965, three years after I was first elected to the Senate. I am proud to have been one of its original supporters. Over the years since then, we have repeatedly expanded the act to meet more of the needs facing older citizens.

Today, the Senate is about to approve a reauthorization of the act which keeps faith with the nation's senior citizens. Current law supports a broad array of home-based and community-based support services to enhance the health and well-being of persons over sixty years of age. This legislation preserves and strengthens these programs, which provide vital links between senior citizens and their communities.

For seniors who are healthy and active, the act offers community service employment opportunities, preventive health services, and transportation services. It also supports a range of social activities, including congregate meals. The act supports more than 6,400 multipurpose senior citizen centers across the country.

For those frail seniors who lack mobility, it helps to maintain a lifeline to the outside world. It provides daily home-delivered meals, in-home care services, home-maker services, and transportation to doctors and other caregivers, and it supports programs to protect vulnerable seniors from abuse and exploitation. The long-term care ombudsman program investigates and resolves complaints of elderly residents of nursing home facilities and other adult care homes.

These programs make a significant difference for those they were designed

to help. This legislation reaffirms our commitment to ensuring that older Americans continue to receive the services which are so essential to their quality of life. This reauthorization means increased federal financial support of these very worthwhile programs.

Of all the Older American Act programs, nutrition assistance is the largest and longest running. It was created as a response to disturbing evidence that, due to poverty and isolation, many senior citizens were suffering from serious nutrition deficiencies, and that the lack of good nutrition was contributing to their poor health.

Today, under the act, we are providing over 240 million meals a year to over 3 million senior citizens. Approximately half of these meals are provided in congregate social settings and the other half are delivered daily through the Meals on Wheels program to seniors in their homes. This program has broad-based community support. The many volunteers who deliver meals to the home-bound have greatly expanded the reach of the act. Unfortunately, we have not had sufficient resources to fully meet the need. Passage of this legislation will mean a substantial increase in the level of funding for these vital nutrition programs.

The Senior Community Service Employment Program, authorized by title V of the act, is the nation's only employment and training program aimed exclusively at low-income older persons—and it will have an increasingly important role as the Baby Boom generation ages. The nation will have 1.4 million more low-income persons over the age of 55 in the year 2005 than there were in 1995, and many of them will want to continue working.

Title V serves over 90,000 low-income elderly persons every year. Eighty percent of these participants are age 60 or over, and 16 percent are above 75 years of age. The jobs obtained through this program provide these men and women with needed economic support. But it does much more than that. It keeps them active and involved in their communities, not isolated at home. It provides opportunities to make important contributions to their communities and to learn new skills—and it enhances their sense of dignity and self-esteem. In this legislation, we have significantly strengthened the Community Service Employment Program and provided for its much-needed expansion.

As part of this legislation, we have also created a National Family Caregiver Support Program to help families who care for ill or disabled parents or elderly relatives at home. We know how difficult it can become for a family when an elderly person needs a high degree of continuous care. We know the importance of keeping a frail senior at home in a loving environment whenever it is medically possible. This new program will provide essential support services to help these seniors remain

with their loved ones. These families deserve our assistance, and this new program will ensure that they receive it.

Family caregivers will be able to obtain a broad range of support services, including respite care, in-home assistance, training in caregiver skills, and family counseling, all of which will make a major difference for these vulnerable seniors and their families. The federal government will fund 75 percent of the cost of these services, and the states will fund the remainder. We have authorized \$125 million for the first year of this new effort, and we anticipate the program will grow in succeeding years.

This reauthorization of the Older Americans Act is the product of a two-year bipartisan effort. Senators JEFFORDS, DEWINE, MILULSKI, and I share a common commitment to preserving and strengthening these programs, which have done so much to improve the lives of millions of senior citizens. We also shared a common determination to break through the barriers which prevented reauthorization in the last two Congresses. I commend my three colleagues for their leadership in fashioning this legislation. Because of the bipartisan spirit in which they approached this task, they made the difficult possible.

I also commend the important role of the Clinton administration. The Departments of Labor and Health and Human Services have been extremely helpful throughout the reauthorization effort. President Clinton deserves particular credit for proposing creation of the National Family Caregiver Support Program.

The legislation before us is supported by the National Governors' Assn. and by nearly fifty organizations, which represent senior citizens, including: The Leadership Council of Aging Organizations; American Association of Retired Persons; National Committee to Preserve Social Security and Medicare; National Association of Area Agencies on Aging; National Association of State Units on Aging; Meals on Wheels Association of America; Generations United; Green Thumb; National Council of Senior Citizens; National Urban League; National Council on Aging; National Caucus and Center on Black Aged; National Association for Hispanic Elderly; National Asian Pacific Center on Aging; National Indian Council on Aging; Alzheimer's Association; American Society on Aging; Gerontological Society of America; Association of Jewish Aging Services; National Academy of Elder Law Attorneys; Older Women's League; National Association of State Long Term Care Ombudsman Programs; and National Association of Nutrition and Aging Services Programs.

I ask unanimous consent that letters of support from a number of these organizations may be placed in the RECORD. Their strong support demonstrates that this bill will truly ben-

efit the older Americans it is designed to serve, and I urge the Senate to approve it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS ASSOCIATION,

Washington, DC, October 17, 2000.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate, Washington, DC.

Hon. THOMAS A. DASCHLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR MAJORITY LEADER LOTT AND MINORITY LEADER DASCHLE: As the end of the 106th Congress approaches, the nation's Governors urge you to help the states provide critical support and services for the nation's seniors by reauthorizing the Older Americans Act (OAA).

This law has established the primary framework in the states for the delivery of vital support and nutritional services to seniors. Reauthorization of this important program will demonstrate a federal commitment to these critical issues, and will be crucial for ensuring that seniors continue to receive key OAA services.

The authorization for the OAA expired in 1995, and the law has not been reauthorized in the past five years. This lack of legal authority puts OAA programs and funding at risk. After considerable negotiation and compromise, we now understand that the current proposal enjoys broad bipartisan support. We therefore ask that you move quickly to ensure the reauthorization of the Older Americans Act this year.

Sincerely,

GOVERNOR JIM HODGES,
Chair, Human Resources Committee,
State of South Carolina.

GOVERNOR BOB TAFT,
Vice-Chair, Human Resources Committee,
State of Ohio.

LEADERSHIP COUNCIL OF AGING ORGANIZATIONS,

Washington, DC, July 18, 2000.

Hon. JAMES M. JEFFORDS,
Chairman, Senate Committee on Health, Education, Labor, and Pensions, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The undersigned members of the Leadership Council of Aging Organizations (LCAO), applaud the leadership of the Senate Committee on Health, Education, Labor, and Pensions for developing a bipartisan bill to reauthorize the Older Americans Act which will modernize and strengthen the programs and services provided to millions of older Americans. We are especially appreciative of the open and productive process used by Committee staff to obtain input from all interested parties on the future of the Act.

We believe the Committee has crafted a compromise bill, which moves the Act in a number of critical new program directions, while maintaining the integrity of all of the current Titles. We are especially pleased that the bill authorizes a new Family Caregiver Support Program that will provide essential services to thousands of people caring for older individuals in the home.

We urge you to support this bill when the full Committee considers it this week.

Sincerely,

AARP; AFL-CIO Department of Public Policy; Alliance for Aging Research; Alzheimer's Association; American Association for International Aging; American Association of Homes and

Services for the Aging; American Society of Consultant Pharmacists; American Society on Aging; Association for Gerontology and Human Development in Historically Black Colleges and Universities; Association of Jewish Aging Services; B'nai B'rith International; Gerontological Society of America; Green Thumb; Meals on Wheels Association of America; National Academy of Elder Law Attorneys; National Association of Area Agencies on Aging; National Association of Foster Grandparent Program Directors; National Association of Nutrition and Aging Services Programs; National Association of Retired and Senior Volunteer Program Directors; National Association of Senior Companion Project Directors; National Association of State Long Term Care Ombudsman Programs; National Association of State Units on Aging; National Caucus and Center on Black Aged; National Committee to Preserve Social Security and Medicare; National Council on the Aging; National Hispanic Council on Aging; National Osteoporosis Foundation; National Senior Service Corps Directors Association; OWL; United Jewish Communities.

JULY 14, 2000.

Hon. JIM JEFFORDS,
*Chairman, Senate Health, Education, Labor,
and Pensions Committee, Dirksen Senate
Office Building, Washington, DC.*

Hon. EDWARD M. KENNEDY,
*Ranking Member, Senate Health, Education,
Labor, and Pensions Committee, Dirksen
Senate Office Building, Washington, DC.*

DEAR CHAIRMAN JEFFORDS AND SENATOR KENNEDY: The undersigned Title V private sector grantees thank you, Senator DeWine and Senator Mikulski for your leadership in constructing an Older Americans Act (OAA) reauthorization bill that all interested parties can support. We believe you have succeeded in that endeavor. While some elements of the July 12 draft bill can be improved, we believe that, on balance, the overall package will put the OAA on solid footing for the next five years.

We are pleased that the Committee has incorporated many improvements recommended by our organizations. With respect to Title V, we particularly appreciate provisions that:

hold States and private sector grantees harmless at the FY 2000 level of activity;

ensure that a unit cost adjustment due to an increase in the minimum wage or cost of living increases will have first priority in new Title V appropriations;

establish clear administrative cost definitions;

set strong but reasonable placement standards and provide for the establishment of performance standards reflecting the multiple goals of the program; and,

establish procedures to ensure greater accountability and that introduce constructive competition into the program.

The allocation of the first \$35 million available after unit cost and minimum wage increases remains troubling. We hope, however, that the new performance and accountability measures in the legislation will produce better results.

Regarding Title III, we commend the Committee for addressing a number of issues of concern to most of our organizations and others in the aging network. Among improvements are measures that buttress legal assistance services, restore consumer grievance procedures and strengthen public hearing provisions. It is our understanding that the targeting language in the law has not

been changed in the draft bill. On the other hand, while we welcome enhanced consumer protections related to financial contributions, we remain concerned about the impact on vulnerable individuals of expanded cost sharing by the States. We urge you to narrow the scope of this activity as the legislation moves forward.

All in all, we believe the Committee has met the considerable challenge of updating the Older Americans Act and strengthening the infrastructure needed to serve a rapidly expanding aging population. We look forward to working with you to see this legislation enacted before the end of the 106th Congress.

Sincerely,

HORACE B. DEETS, on behalf of:

AARP, GREEN THUMB,
NATIONAL ASIAN PACIFIC
CENTER ON AGING—
NAPCA, NATIONAL
ASSOCIATION FOR
HISPANIC ELDERLY—
ANPPM, NATIONAL
CAUCUS AND CENTER ON
BLACK AGED—NCCBA,
NATIONAL COUNCIL OF
SENIOR CITIZENS—NCSC,
NATIONAL INDIAN
COUNCIL ON AGING—
NICOA, NATIONAL URBAN
LEAGUE—NUL.

NATIONAL COMMITTEE TO PRESERVE
SOCIAL SECURITY AND MEDICARE,
Washington, DC, July 14, 2000.

Hon. EDWARD M. KENNEDY,
*Ranking Minority Member, Committee on
Health, Education, Labor and Pensions,
Russell Senate Office Building, Washington,
DC.*

DEAR SENATOR KENNEDY: On behalf of the members and supporters of the National Committee to Preserve Social Security and Medicare, I would like to thank you for your strong efforts to reauthorize the Older Americans Act this Congress. We have reviewed the draft legislation for next week's scheduled mark-up and I am delighted to say that we support its favorable consideration.

This legislation would protect and preserve the many key components of the Older Americans Act, which include the meals programs, in-home service, Title IV research, and jobs programs. It also preserves the vital provisions of Title VII Vulnerable Elder Rights programs, including Legal Services, Elder Abuse Prevention, and the Long-Term Care Ombudsman. We are also pleased that your bill would add important new provisions to the Older Americans Act for pension counseling and family caregiver support.

I know this bill is the product of considerable bi-partisan negotiation and effort, and we appreciate your strong leadership in this process. It would be a tremendous 35th birthday present to the Older Americans Act if it were signed into law this year.

This reauthorization effort and any changes it brings will set the stage for aging policy as we enter the new millennium—an era in which meeting the needs of our more isolated seniors within their communities must dominate an increasing share of our national attention. We look forward to the enactment of Older Americans Act legislation before the close of the 106th Congress.

Sincerely,

MARTHA A. MCSTEEN,
President.

NATIONAL ASSOCIATION OF AREA
AGENCIES ON AGING,
Washington, DC, July 17, 2000.

Hon. EDWARD KENNEDY,
*Ranking Member, Committee on Health, Education,
Labor and Pensions, U.S. Senate
Dirksen Senate Office Building, Wash-
ington, DC.*

DEAR SENATOR KENNEDY: The National Association of Area Agencies of Aging (N4A) commends you and your staff for your leadership on the Older Americans Act Reauthorization. We are extremely pleased that a compromise measure has been developed that resolves a majority of the issues that delayed reauthorization in the past. We are hopeful that the consensus growing around this compromise measure will provide the impetus necessary to see this law reauthorized during the 106th Congress.

For over thirty years, the Older Americans Act (OAA) programs and services have improved the quality of life for millions of older adults and their families. Services provided through the OAA include a wide range of home and community based services, such as information and assistance to older adults and their caregivers, home delivered meals, transportation, home care, respite care, adults day care, elder rights and legal assistance, employment assistance and direct funding for tribal elders. The time is long overdue for Congress to reconfirm the federal commitment to the nation's older citizens by reauthorizing the legislation that facilitates the ability of these individuals to remain in the settings where they want and deserve to be, in their homes and communities.

The bill contains many provisions that have long been priorities of N4A. Our membership particularly appreciate the bill's inclusion of a \$125 million authorization for a Family Caregiver Support Program which builds upon existing infrastructures at the local level.

The 655 Area Agencies on Aging and 230 Title VI Native American Indian grantees that N4A represents are anxious to see the Older Americans Act reauthorized this year. We support movement of the Chairman's mark out of committee and to the floor for consideration by the full Senate. We stand ready to assist you in your efforts to make 2000 the year that we realize the long-overdue Older Americans Act Reauthorization.

Sincerely,

JANICE JACKSON,
Executive Director.
BARRY DONENFELD,
President.

NATIONAL ASSOCIATION
OF STATE UNITS ON AGING,
Washington, DC, July 18, 2000.

Hon. EDWARD KENNEDY,
*U.S. Senate, Russell Senate Office Building,
Washington, DC.*

DEAR SENATOR KENNEDY: The National Association of State Units on Aging (NASUA) urges you to support the Senate Health, Education, Labor and Pensions Committee's leadership bill to modernize and reauthorize the Older Americans Act (OAA). As you know, the bill will be considered by the Committee on July 19.

Since its enactment in 1965, the OAA has provided the elderly with home and community-based services so they may remain in their homes and live with independence and dignity. Such services include home-delivered and congregate meals, in-home care, respite care, adult day care, and case management. OAA programs and services complement other state and federal programs, such as the Social Services Block Grant, the Medicaid waiver program, and state-funded home and community-based service programs.

The leadership bill will reauthorize the Older Americans Act for 5 years. It maintains the focus and integrity of all the current titles in the Act, including those programs that authorize the long-term care ombudsman program and state legal assistance development.

Most importantly, the bill authorizes a new national family caregiver support program to provide supportive services to family and friends who care for older people in the home. The bill will also revitalize the Title V employment program. In addition, it will give states the option to institute cost sharing for certain services in order to expand services available to those now on waiting lists.

The leadership bill is the product of many months of hard work on the part of committee staff, members, and aging organizations that serve older people. It is a compromise we believe will advance the interests of older people in the new millennium.

If you have any questions, please call Kathy Konka at 202/898-2578.

Sincerely,

DANIEL A. QUIRK, PhD,
Executive Director.

MEALS ON WHEELS ASSOCIATION
OF AMERICA,
July 14, 2000.

Hon. EDWARD M. KENNEDY,
Ranking Member, Committee on Health, Education, Labor and Pensions, Russell Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: As President of the Meals On Wheels Association of America (MOWAA), the oldest and largest national organization representing those providing meals to seniors, I am writing to request your support of "The Older Americans Act Amendments of 2000" (the DeWine/Jeffords substitute to S. 1536), proposed legislation to reauthorize the Older Americans Act. Reauthorization of the Older Americans Act during this Congress is a priority for MOWAA, and we are delighted that you and your colleagues have an opportunity to approve a bill that addresses the concerns expressed to you by MOWAA, other service providers and groups serving Older Americans, and the elderly themselves.

When I presented testimony to the Subcommittee last year, I stated that MOWAA was committed to reauthorization, because we believe that the Act is a lifeline for many of this country's seniors. It is the foundation on which a large and vital national, yet distinctly local, system of home and community-based services has been built. In other words, it has worked well. But as we move into this new millennium, and the needs and profiles of those who rely on the Act's services continue to change, parts of the Act need to be modified and fine-tuned to meet the new challenges. MOWAA's testimony outlined some of the changes that this Association believed would be important for the future health and growth of senior meal programs and the elderly whom they serve. We are delighted that our recommendations were carefully examined, and that changes consistent with our suggestions have been included in the draft bill.

Specifically, we are pleased that the DeWine/Jeffords substitute to S. 1526 includes a section relating to "Voluntary Contributions." The proposed language makes clear that meal programs can accept and solicit voluntary contributions. Under the proposed legislation, as we understand it, area agencies on aging will consult with meal providers and others to determine the best method for soliciting and collecting contributions. Contributions would be used for the provision of services. While encouraging client financial participation in a noncoer-

cive way, and by ensuring that no client can be denied a service, the current draft proposal also affords strong protection for clients who are unable or unwilling to pay. MOWAA strongly supports all of these provisions.

This Association has also been on record as supporting giving increased flexibility to States and localities to move nutrition services monies where they are most needed. The legislation accomplishes this by increasing to fifty percent the amount of funds that can be transferred between congregate and home-delivered meals. Additionally, we have also advocated for simplification of the so-called "USDA per meal reimbursement," and the bill achieves that goal by essentially eliminating a reimbursement "rate" and basing allocations on the actual number of meals served in the previous fiscal year. We support both these provisions.

Again, the Meals On Wheels Association of America supports the draft legislation, a reauthorization bill that we believe is forward-looking at the same time that it preserves the fundamental principles on which the Act was created. Committee approval would be a strong and important step forward in the legislative process, and we sincerely hope that you will vote to report a bipartisan bill to the full Senate on July 19. Additionally, we hope all your colleagues in the Senate, and those in the House as well, will recognize the significance of what the Committee has done and commit themselves to continuing to work on a bipartisan basis to enact an Older Americans Act reauthorization in the 106th Congress. Our Nation's seniors deserve no less.

Sincerely,

RICHARD LIPNER,
President.

GENERATIONS UNITED,
Washington, DC, July 18, 2000.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: Generations United (GU) supports the draft version of the Older Americans Act that will be marked-up on July 19, 2000. Generations United believes that it is important that the Older Americans Act be re-authorized this year. We applaud the efforts of Senators Jeffords, Kennedy, DeWine, and Mikulski to reach a compromise.

This version includes the National Family Caregiver Support Program, which Generations United has long supported. The Program provides valuable assistance to caregivers, including older adult caregivers and grandparents who are raising grandchildren. The number of grandparents raising their grandchildren has steadily increased in recent years. These caregivers face an emotional and financial toll that is often unforeseen. We believe that they merit support under the Older Americans Act.

Generations United is the national membership organization focused solely on promoting intergenerational strategies, programs, and public policies. GU represents more than 185 national, state, and local organizations and individuals representing more than 70 million Americans and is the only national organization advocating for the mutual well-being of children, youth, and the elderly. Since 1986, Generations United has served as a resource for educating policymakers and the public about the economic, social, and personal imperatives of intergenerational cooperation. GU acts as a catalyst for stimulating collaboration between aging, children, and youth organizations providing a forum to explore areas of common ground while celebrating the richness of each generation.

We urge you to support the draft Older Americans Act that is being presented on Wednesday.

Sincerely,

GENERATIONS UNITED.

THE SECRETARY OF HEALTH
AND HUMAN SERVICES,
Washington, DC, July 18, 2000.

Hon. EDWARD M. KENNEDY,
Committee on Health, Education, Labor and Pensions, U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: I wanted to take this opportunity to commend you for your outstanding leadership that you and Senators Jeffords, DeWine and Mikulski have provided in seeking to reauthorize the Older Americans Act (OAA). The Administration strongly supports the OAA bipartisan compromise developed by you and your staff, and urges quick and unanimous Committee approval of this vital legislation.

We are extremely grateful that your compromise includes the National Family Caregiver Support Program. This is a key Administration priority that will help hundreds of thousands of family members who are struggling to care for their older loved ones who are ill or who have disabilities. The National Family Caregiver Support Program has gained the strong support of older persons and their family members all across the country.

We are also especially pleased that your bipartisan compromise includes many other provisions that will strengthen and improve OAA services provided to America's older persons. We support provisions to protect the targeting of service to low-income minority elders, acknowledge culturally appropriate services for Native Americans, maintain the priority for legal services, and allow cost-sharing where appropriate. The bipartisan compromise will also usher the OAA into the 21st century by providing new flexibility throughout the Act, and authorizing a White House Conference on Aging in 2005.

The reauthorization of the Older Americans Act is critically important for millions of older Americans and their families. We are most appreciative of your commitment to the OAA and look forward to working with you to secure final enactment of this legislation in the weeks ahead.

The Office of Management and Budget advises that there is no objection to the transmittal of this letter from the standpoint of the Administration's program.

An identical letter is being sent to Senator Jeffords.

Sincerely,

DONNA E. SHALALA.

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, DC, July 18, 2000.

Hon. JAMES M. JEFFORDS,
Chairman, Committee on Health, Education, Labor, and Pensions, U.S. Senate, Washington, DC.

DEAR CHAIRMAN JEFFORDS: I wanted to take this opportunity to commend the efforts of the Committee in working to address and strengthen vital legislation that enhances services to millions of older Americans. The Department of Labor appreciates the leadership of the Committee in developing this legislation and supports Committee approval of S. 1536, the "Older Americans Act Amendments of 2000."

Among a number of other things, this legislation would reauthorize and amend the Senior Community Service Employment Program (SCSEP) that is authorized under Title V of the Older Americans Act and administered by the Department of Labor. SCSEP provides part-time community service employment to low-income individuals

age 55 and older. This important program provides much needed employment and income to participants, enhances the provision of community services, and promotes economic self-sufficiency by facilitating the re-entry of participants into the labor force and helping them to obtain unsubsidized employment.

The amendments to SCSEP contained in this bill incorporate the key features of the Administration's proposal for reauthorization of the program that were included in S. 1203, sponsored by Senator Mikulski. While retaining the unique and complementary structure of the program under which national nonprofit agencies and organizations as well as States receive grants to operate projects, the bill also contains a number of enhancements to SCSEP.

These enhancements include the establishment of a performance accountability system that would hold each grantee accountable for attaining quality levels of performance with respect to core performance measures. These performance measures include the placement and retention of participants in unsubsidized employment, customer satisfaction of employers and participants, the number of persons served, and the community services provided. The performance measures would be designed to promote the continuous improvement of SCSEP. Failure to attain appropriate levels of performance by a grantee would lead to significant consequences, including the potential loss of part or all of the grant. The Department believes these provisions would strengthen accountability and performance under the program and make a good program even better.

The amendments would also strengthen the linkages of SCSEP with the broader workforce investment system established under the Workforce Investment Act of 1998 (WIA). SCSEP is a required partner in the One-Stop delivery system under WIA, and these amendments enhance the connections between SCSEP and WIA through provisions that would allow older individuals easier access to appropriate services under both programs and avoid duplication of services.

In addition, the amendments would improve States' ability to coordinate services to participants by enhancing the planning process relating to SCSEP programs. The bill provides for broad participation of stakeholders in the development of a plan in each State to ensure the equitable distribution of projects within the State. Other enhancements include the incorporation of fiscal accountability provisions similar to those contained in WIA, including definitions of administrative and programmatic costs and the application of uniform cost principles and administrative requirements.

The Department of Labor believes it is essential that the Older Americans Act be reauthorized and enhanced. This legislation advances those objectives while authorizing important improvements to the program. We urge the Committee to approve this legislation and look forward to continuing to work with you to ensure enactment of this important reauthorization.

The Office of Management and Budget advises that there is no objection to the transmittal of this letter from the standpoint of the Administration's program.

Sincerely,

ALEXIS M. HERMAN.

Ms. MIKULSKI. Mr. President, today I rise with great enthusiasm to support passage of the bipartisan Older Americans Act and its amendments for the year 2000.

This bill enjoys very strong bipartisan support in this institution and in the House and, I believe, among the

American people. Yesterday the House passed this legislation overwhelmingly, 405-2. The Senate companion bill that we are bringing to the attention of our colleagues today already has 72 cosponsors. There is strong bipartisan, bicameral agreement to reauthorize the Older Americans Act. It is built on the strong foundation of S. 1536 and the bipartisan compromises reached by the HELP Committee in that bill.

This legislation also has the strong support of the executive branch. President Bill Clinton's team from HHS was enormously helpful in enabling us to shape not only the reauthorization of the bill as we knew it but help create a framework for the future. The gifted Administrator on Aging, Jeanette Takamura, was tremendously helpful.

This bill is long overdue in its reauthorization. The reauthorization expired in 1995. It became bogged down for almost 5 years in prickly politics, most of which had nothing to do with how we could make sure we were effectively serving the senior population.

This year, as we moved into the 106th Congress, Senator MIKE DEWINE of Ohio and I pledged that we would do everything we could to come up with an excellent framework to meet the needs of the seniors, to not only reauthorize and rubberstamp but to look at it, to be both fiscally prudent but also to be effective with taxpayers' money. He worked very hard in doing that and worked very hard with my staff. I thank him and his staff for their collegial, cordial work on this legislation.

Of course, Senator JEFFORDS has been tremendously helpful. He enabled us to hold our hearings, to move the process forward. I personally thank him. Of course, my champ, the ranking member, Senator KENNEDY, with his very able staff, enabled us to work with the constituency groups, and so on.

So we did all the right process things. Now it is time to move the process to closure. We have had debate. We have had hearings. We have had consultations. We have consensus. Now it is time we have reauthorization. I hope today we can move expeditiously, entertain any amendments that Members would like to offer, and dispose of them in a timely way. The seniors are looking for it.

When I visit the senior centers in my own community, they say: How are you doing on the Older Americans Act? I say: We are doing fine, but the Older Americans Act is being stalled in a variety of procedural matters.

Let's remove the procedural barriers. Let's also deal with the amendments.

What I like about this legislation is that it keeps our promises to older Americans to retain and strengthen the current Older Americans Act programs, but it also provides new innovations and accountability to improve it. It will ensure that the Older Americans Act continues to meet the day-to-day needs of our country's older Americans and yet the long-range needs of an ever increasing aging population.

One of the highlights of this bill is the creation of a program called the National Family Caregiver Support Program. This recognizes the tremendous aging population, many who are left at home, many of whom rely on the primary caregiver as the American family. The American family is stepping forward to take care of older parents and at the same time being able to raise their own children.

This places tremendous stress on the family in terms of time, energy, and even finances, but, as always, the American family is up to it. The American family is ready to step forward. Often the caregiving is primarily done by women, some who have taken temp jobs, some who have taken flextime jobs, some who are juggling so many others, often to the tune of at least 20 or 40 hours a week either in their own home or going to the home of a parent.

The American family is up to it, but we have to be up to supporting the American family. Government should never be a substitute for the family, but the family should be able to rely on the Government for certain support services to enable them to be the best at caregiving and not wear out.

The National Family Caregiver Support Program will provide very important support services. It will also provide information assistance to millions of Americans who are searching for what are the best resources to help their older parent. Also, it provides for them training, counseling, and even some respite care. Even the best family can't keep at it 24-7, 52 weeks of the year.

It will also help grandparents who care for grandchildren, and, as I said, this program has strong bipartisan support.

Later I will go into the need for caregiving, why it is so important, why we need to support the families.

At the same time, though, while we look for innovation, we also maintain the core programs of the Older Americans Act. I remember when this legislation was passed in 1972, I was so excited about it, working in Baltimore's neighborhoods, that we were actually going to have programs that would come right to the community and right at the neighborhood level.

We knew the seniors needed support services. We knew they were facing loneliness. We knew they were facing poor nutrition. We knew they were often the subject of scams and fraud and a variety of kinds of abuse. As a result of what was done in 1972, we stayed the course. But now, what are the best practices, the highest use of new technologies, and so on, to accomplish this goal?

The program called Meals on Wheels changed the face of America.

Fifty volunteers, often working with nonprofits, were able to get meals into a home in order to keep people independent and at the same time keep a unique partnership between the Federal Government and nonprofits, helping people remain independent. There

were people who were lonely—often widows or men who lost wives who were kind of walking around, hanging out at diners or cafes in certain areas. They needed companionship and maybe a hot meal, and they also needed a sense of purpose where they themselves would volunteer. We use the term congregate meals. What an insipid term because what we really wanted them to do is congregate with other people, to have fun and good meals and even learn some new skills which we are going to bring in with crossing the digital divide. Those nutritional programs kept people alive. My own dear mother, when she came home from an acute care facility, temporarily used that as we pitched in with the rest of the family.

We also maintain a separate and distinct title IV program for research and demonstration because we think we have to try new ideas before we create them and institutionalize them into the legislation. Innovation has always been a unique characteristic. We also talk about a White House conference in 2005. We maintain another poor program—support for transportation services. It is absolutely crucial in our own community and into rural areas. This language also requires older American services to be directed to those who need them the most. However, we acknowledged the unmet need that can exist in rural areas, so we included provisions to improve the delivery of services to older individuals in rural areas.

I congratulate Senator DEWINE, who really ensured a sensitivity to that. I represent rural counties myself. At the same time, we recognize the need to strengthen certain programs and increase accountability. The bill gives greater flexibility to transfer of funds between those congregate and home-delivered meals to the areas of greatest need. It also includes performance measures for States and private sector grantees in the Senior Community Service Employment Program. If these standards are not met and performance is not improved, other entities will get the opportunity to competitively bid for a portion or all of the original entity's grant—whatever the word "entity" means. While I believe that overall the current grantees are performing very well, these provisions will ensure that seniors get the high-quality services they deserve. We ensure accountability for not only the taxpayers' funds but the services being delivered.

So this bill strikes a good balance between recognizing the need for additional resources to support OAA programs and protecting the most vulnerable citizens and their access to services. It also authorizes the seniors to make voluntary contributions for all OAA services. It also allows States to require cost sharing for a limited number of services, such as transportation, respite care, and personal care. A long list of services is exempt from cost sharing, such as Meals on Wheels, information and assistance, and that

very important ombudsman program. It also provides guidance to States and protections to help ensure that seniors are not discouraged from seeking services because of cost sharing.

I note the strong need for increased funding for the Older Americans Act programs. Very few OAA programs have seen increased funding in recent years. Yet there is a growing need for services. I support full funding for OAA and also for the new National Family Caregiver Support Program. Also, the core programs need increases in funding.

So I think this is good legislation. I think it is good authorization. I think it will provide immeasurable guidance to the appropriators for the next 3 years. This morning I say we have good legislation. We can be so proud of the bipartisan, bicameral support. This is what America wants us to do, really—focus on the day-to-day needs of our constituents, look ahead to an aging population, and come up with a fiscally prudent, service-effective framework, and get the job done. All too often in this institution, when all is said and done, more gets said than done. Today, let's stay late and get the job done.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I renew Senator DEWINE's earlier request with respect to the Older Americans Act and amend the request to include that at the conclusion or yielding back of the debate time, the bill be set aside with the votes to occur on the amendments and the bill at 5 p.m. today. I further ask consent that the time consumed thus far be deducted from the time agreement accordingly.

Mr. REID. Mr. President, reserving the right to object, I wonder if the Senator from Vermont knows and can give us assurance that that will be the first vote of the day.

Mr. JEFFORDS. I cannot give such assurance.

Mr. REID. We won't object, however. It is quite apparent that we are interested in that being the first vote.

Mr. JEFFORDS. I understand. I have no authority to do that.

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

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

Mr. JEFFORDS. Yes.

Mr. REID. The general debate time is gone. The majority and minority used more than their allotted time. We have 4 hours under the control of the Senator from New Hampshire, and we would make it easier for staff and the parties here debating if we would explicitly determine that the time you are going to use will come off Senator GREGG's time. Otherwise, we don't have any time to be debating. Would the Senator from New Hampshire allow the Senator from Vermont to use part of his time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

THE OLDER AMERICANS ACT AMENDMENTS OF 2000

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

The assistant legislative clerk read as follows:

A bill (H.R. 782) to amend the Older Americans Act of 1965 to extend authorization of appropriations for programs under the Act, to modernize programs and services for older individuals, and for other purposes.

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

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, what is the regular order?

The PRESIDING OFFICER. The Senator from New Hampshire is authorized to offer two amendments to the bill with 2 hours evenly divided on each amendment.

Mr. GREGG. I yield such time as he may consume to the Senator from Vermont at this point.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, it gives me great pleasure that the Senate is moving to pass the Older Americans Act Amendments of 2000. This year is the 35th anniversary of the Older Americans Program. Since 1965, the act has provided a range of needed social services to our Nation's senior citizens.

It is the major vehicle for the organization and delivery of supportive and nutrition services to older persons, and it has grown and changed to meet our citizens' needs. In 1972, we created the national nutrition program; in 1978, we established a separate title for Native Americans; and in 1987, we authorized programs to prevent elder abuse and neglect.

The act has been reauthorized 12 times, most recently in 1992. Reauthorization legislation was considered in the 104th and 105th Congresses but did not pass due to controversy about a number of proposals. Now, we have the chance to pass this act and provide our elderly with desperately needed help.

The Older Americans Act programs play a vital role in all our communities. Because of the Older Americans Act, millions of nutritious meals are delivered each year to the generation that served our country in World War II. It funds the operations of senior centers and other supportive services to enhance the dignity and independence of the Nation's elders; and it provides part-time employment opportunities to tens of thousands of senior citizens.

Indeed, virtually all of our Nation's elderly are benefiting from the act. However, more could be done to help our senior citizens and their families. This is why we are here to pass the Older Americans Act Amendments of 2000. I want to commend all of the members of the Committee on Health, Education, Labor, and Pensions for their work and contributions in this effort. Senator DEWINE and Senator MIKULSKI led the way on this reauthorization effort early in this Congress. The Subcommittee on Aging held a series of seven hearings, receiving testimony from over 30 witnesses. The hearings addressed important issues, including elder abuse, supportive services, State and local views, longevity in the workplace, and long-term family caregiver programs. In March, 1999, we were very fortunate to hear testimony from Ms. Reeve Lindbergh of St. Johnsbury, Vermont. She spoke to our committee about the unacceptable problem of elder abuse which confronts some of our most fragile elders.

Then, in April, we heard from another Vermonter, Mr. John Barbour, who serves as the director of the Champlain Valley Agency on Aging, in Winooski, Vermont. He alerted the committee to changes needed in the nutritional programs outlined in title III of the act. This bill improves the Older Americans Act in several key areas. For example, it sets out specific policies objectives related to income, health, housing, long-term care, employment, retirement, and community services that will improve the lives of all older Americans. One of the most important aspects of this Act is the establishment of the Grassley-Breaux, National Family Caregiver Support Program. According to the 1994 National Long Term Care Survey, there are more than 7 million informal caregivers—including spouses, adult children, other relatives, and friends who provide day-to-day care for most of our Nation's elders.

The National Family Caregiver Program authorizes \$125 million in Federal assistance to help families care for their elderly by providing a multifaceted system of supportive services, including information, assistance, counseling, and respite services. Moreover, it will help older individuals who are caring for relative children, such as their grandchildren. This program will also extend to older folks who are caring for their adult children with mental retardation and developmental disabilities. Significant changes have been made to title V which authorizes community service employment for older Americans to provide part-time community service jobs for unemployed, low-income persons 55 years old and over.

There will be 1.4 million more low-income persons over the age of 55 in the year 2005 than there were a decade earlier, and many of them will continue working. Employment obtained through this program provides these

workers with needed economic support. It keeps them active and involved in their communities, and it provides them with the opportunity to make important contributions to their communities, learn new skills, and enhance their sense of dignity and self-esteem. The changes made in title V by the bill are a critical part of this legislation, because they strengthen and modernize the Senior Employment Program.

To begin, the program will now stress economic self-sufficiency and will increase the number of placements in public- and private-sector unsubsidized employment. The employment program is integrated with the Workforce Investment Act, including one-stop delivery systems and participant assessments and services, while the program itself and the administrative costs are codified. Also, under this title, a State Senior Employment Services Plan is established which provides Governors with greater influence and responsibility concerning the allocation of job slots. The newly established State plan ensures for the first time a planning process with broad participation by representatives from throughout the aging community.

Other sections have also been strengthened. It authorizes the Assistant Secretary for Aging to award funds for training, research, and demonstration projects in the field of aging. This act consolidates the demonstration programs from 18 to 10 categories, including sections on violence against older Americans, rural health, computer training, and transportation. Title VI, grants to Native Americans, authorizes funds for social and nutrition services to older Indians and Native Hawaiians. It also adds a provision which authorizes funds for activities that protect the rights of the vulnerable elderly. I want to take this opportunity to acknowledge the many other individuals and organizations that have contributed to this effort. Senator KENNEDY contributed his long experience to this effort. He helped us find the middle ground and solutions to many thorny issues. Senator HUTCHINSON was especially active on these efforts to address the employment and services needs of the rural elderly.

Among the groups in the network of aging organizations, special recognition must go to the National Council of Older Americans and the National Association of State Units on Aging for their insight in proposing a compromise to the employment services program. AARP, with the leadership of Horace Deets, undertook the difficult task of seeking consensus among the many aging organizations. Green thumb tirelessly educated Members of Congress about the importance of these aging populations, especially those Members representing rural constituencies. The Leadership Council of Aging Organizations, currently being chaired by the Committee to Preserve Social Security and Medicare, provided a continuous forum for many issues to

be addressed. Others contributing to this effort include the Southern Governors Association, the National Caucus on Black Aging, the National Association of Area Agencies on Aging, and Meals on Wheels. Finally, the Administration on Aging, headed by Jeanette Takamura, provided ongoing leadership and continuous expert support in strengthening these programs.

Yesterday our colleagues in the House passed the Older Americans Reauthorization Act by an overwhelming majority. In summary, S. 1536 goes a long way to improving supportive, employment, and nutritional services for the elderly. This legislation updates the Older Americans Act, making it more relevant and useful to our country's senior citizens. All of these individuals have worked hard to develop innovative strategies to strengthen and modernize the Older Americans Act, and I know that through these efforts our Nation's elders will be better served by this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. As I understand, there are 2 hours under my control.

The PRESIDING OFFICER. Both sides have 1 hour on each of the two amendments, so the Senator does have 2 hours.

AMENDMENT NO. 4343

Mr. GREGG. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG] proposes an amendment numbered 4343.

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

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

The amendment is as follows:

Beginning on page 151, strike line 1 through line 23, page 153, and insert the following:

“(d) RESPONSIBILITY TESTS.—

“(1) IN GENERAL.—Before final selection of a grantee, the Secretary shall make an assessment of the applicant agency or State's overall responsibility to administer Federal funds.

“(2) REVIEW.—

“(A) IN GENERAL.—As part of the assessment described in paragraph (1), the Secretary shall conduct a review of the available records to assess the applicant agency or State's proven ability and history with regard to the management of other grants, including Department of Labor grants, and may consider any other information.

“(B) EXISTING GRANTEEES.—As part of the assessment described in paragraph (1), any applicant agency or State who in the prior year received funds under this title shall be assessed in accordance with subparagraph (A), and particular consideration shall be given to such agency or State's proven ability to manage funds under this title.

“(C) TIME FOR REVIEW.—The Secretary shall conduct the review described in this paragraph in a timely manner to ensure that, if such agency or State is determined

to be not responsible and ineligible as a grantee, any competition of funds from such agency or State who in the prior year received funds under this title will be accomplished without disruption to any employment of older individuals provided under this title. Such competition shall be performed in accordance with paragraph (7).

“(3) FAILURE TO SATISFY TEST.—The failure to satisfy any 1 responsibility test that is listed in paragraph (4), except for those listed in subparagraphs (A), (B), and (C) of such paragraph, does not establish that the organization is not responsible unless such failure is substantial or persistent (for 2 or more consecutive years).

“(4) TEST.—The responsibility test shall include the following factors:

“(A) Efforts by the Secretary to recover debts, after 3 demand letters have been sent, that are established by final agency action and have been unsuccessful, or that there has been failure to comply with an approved repayment plan.

“(B) Established fraud or criminal activity of a significant nature within the organization.

“(C) Established misuse of funds, including the use of funds to lobby or litigate against any Federal entity or official or to provide compensation for any lobbying or litigation activity identified by the Secretary, independent Inspector General audits, or other official inquiries or investigations by the Federal Government.

“(D) Serious administrative deficiencies identified by the Secretary, such as failure to maintain a financial management system as required by Federal regulations.

“(E) Willful obstruction of the audit process.

“(F) Failure to provide services to applicants as agreed to in a current or recent grant or to meet applicable performance measures.

“(G) Failure to correct deficiencies brought to the grantee's attention in writing as a result of monitoring activities, reviews, assessments, or other activities.

“(H) Failure to return a grant closeout package or outstanding advances within 90 days of the grant expiration date or receipt of closeout package, whichever is later, unless an extension has been requested and granted.

“(I) Failure to submit required reports.

“(J) Failure to properly report and dispose of government property as instructed by the Secretary.

“(K) Failure to have maintained effective cash management or cost controls resulting in excess cash on hand.

“(L) Failure to ensure that a subrecipient complies with its Office of Management and Budget Circular A-133 audit requirements specified at section 667.200(b) of title 20, Code of Federal Regulations.

“(M) Failure to audit a subrecipient within the required period.

“(N) Final disallowed costs in excess of 2 percent of the grant or contract award if, in the judgment of the grant officer, the disallowances are egregious findings.

“(O) Failure to establish a mechanism to resolve a subrecipient's audit in a timely fashion.

“(5) DETERMINATION.—Applicants that are determined to be not responsible under paragraph (4), shall not be selected as a grantee, and shall not receive a grant, or be allowed to enter into a contract, to provide goods, services, or employment with funds made available under this title.

“(6) AUTHORITY TO BAR PROVIDERS.—If, after notice and an opportunity for a hearing, the Secretary determines that an applicant agency or State who in the prior year received funds under this title, is not respon-

sible under paragraph (4), and that funds expended under such title by a recipient of a grant, directly or indirectly, by a grant to or contract with a provider to provide employment for older individuals, have not been expended in compliance with this title or a regulation issued to carry out this title, then the Secretary shall issue an order barring such provider, for a period not to exceed 5 years as specified in such order, from receiving a grant, or entering into a contract, to provide goods, services, or employment with funds made available under this title.

“(7) COMPETITION FOR FUNDS.—

“(A) IN GENERAL.—In the case of an applicant agency or State, who has in the prior year received funds under this title, and who has been determined to be not responsible under paragraph (4), the Secretary shall establish procedures to conduct a competition for the funds to carry out such project among any and all eligible entities that meet the responsibility test under paragraph (4), except that any existing grantee that is the subject of the corrective action under subsection (e) shall not be eligible to compete for such funds.

“(B) USE OF FUNDS.—The eligible applicant or State that receives the grant through the competition shall continue service to the geographic areas formerly served by the grantee that previously received the grant.

“(8) DISALLOWED COSTS.—Interest on disallowed costs shall accrue in accordance with the Debt Collection Improvement Act of 1996.

“(9) ADDITIONAL AUDITS.—With respect to unspent funds under this title that are returned to the Department of Labor at the end of the program year, the Secretary may use such funds (not to exceed \$1,000,000 annually) to provide for additional auditing and oversight activities of grantees receiving funds under this title.”.

Mr. GREGG. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. GREGG. Mr. President, first, I congratulate the Senator from Ohio and the ranking member, the Senator from Maryland, for bringing this bill forward, the chairman and ranking members of the subcommittee, and also the chairman of the full committee and ranking member of the full committee, the Senators from Vermont and Massachusetts.

The Older Americans Act is a significant piece of legislation. I had the good fortune to chair this subcommittee for a number of years and worked very hard on this piece of legislation. Regrettably, at that time we were unable to pass it all the way through the Congress. Certainly, the work of the Senator from Ohio and the Senator from Maryland in getting it to this point is significant and positive for senior citizens of America.

This is a very important piece of legislation. There is no question about that. The changes made to this bill are extremely constructive to making the plan more flexible, more vibrant, more effective for our seniors and for the States in their ability to administer this program. Again, they have done an excellent job and I look forward to voting for final passage of the full bill.

There is, however, one area where I have reservations about the mechanisms in the bill which are designed to protect the money and make sure the money flows to the benefit of senior citizens. The whole object of this piece of legislation is to benefit our seniors primarily in meals programs, employment programs, and a variety of other programs. It is extremely critical that the dollars that are spent not get tied up in bureaucracy and not get abused or misused, not be subject to fraudulent activity but, rather, actually flow through the system to the benefit of seniors; in the specific area of title V, which is the employment program of the bill, that the dollars flow for the purposes of employing seniors in jobs that can be constructive for them and give them a better lifestyle. That is the purpose of this bill.

The problem, the concern, I have with the bill is that I do not believe it is strong enough in the area of enforcing the discipline in order to assure that the dollars flow through and end up benefiting the seniors of our country.

I have suggested some changes to the bill which are part of this amendment. The bill has what is known as a responsibility test in title V which essentially lays out approximately 12 different areas where the Department must review the activities of grantees in order to determine whether or not they are delivering services correctly.

Let me step back a minute and explain that there are a series of grantees under this title V proposal. One group is funded at the State level; another group is funded at the Federal level. The group funded at the Federal level is made up of a series of named agencies, specific agencies. Some of them are extraordinarily good at what they do. For example, Green Thumb does an extremely good job. Our parks department does an extremely good job. These agencies every year get what amounts to an entitlement, a specific amount of money to specifically grant to them \$350 million in total which flows to each one of these agencies without any competition.

With most Federal grants, most Federal contracts, if you want to build a road or you want to start a program of social service somewhere, you want to help people out in a day-care center, you have to usually compete, go through a system of applying to the proper Federal agency and competing for that money to see if the program you are proposing makes more sense than the program somebody else is proposing. That is called good government, creating that atmosphere of competition so that different ideas come to the table.

In the area of these initiatives, I think nine agencies get the money independent of any competition. They get this money as an entitlement. It is simply a check written every year to them and they get it under the law. They don't have to compete for it.

They don't have to apply for it. All they have to do is go to the Department of Labor and pick up their check.

Obviously, when you have that structure, you are bypassing one of the safeguards for making sure that the money is effectively spent and that it flows to the people who deserve it. You are bypassing the safeguard of annual competition for the funds—a fairly significant decision, by the way.

When you do bypass that safeguard, you need to put into the law something that makes sense in the area of giving the Department of Labor oversight over those dollars so the Department of Labor has the authority and the capacity to look at a grantee who has an absolute right to this money and say: Well, even though you have an absolute right to this money, Mr. or Mrs. Grantee, you have to do a better job or we are going to have to question whether you should get the money. If you don't do a better job, we will have to put you through some disciplines to get you to do a better job or, alternatively—and this is where I am really concerned—if you happen to misuse this money, if you happen to use it in a way which is totally inappropriate to the purposes of assisting seniors in getting better employment, the Department of Labor should have the authority to go in and say you can't have that money any longer. I mean, that is just logical to me. This is pure logic, as far as I see; "intuitively obvious through observation," as a professor of mine once said.

If someone is abusing the money, the Department of Labor ought to have the right to go in and reduce that grant, or maybe even eliminate the grant, take the money back and redistribute it to people who are using it effectively, such as Green Thumb.

But, under the present law, that is not the case. That type of authority really does not rest with the Department of Labor. There are procedures the Department of Labor can go through, but the complication, bureaucracy, and time limit involved in executing those procedures makes them virtually useless. As a result, there is no clear-cut way for the Department of Labor to, essentially, make accountable those agencies which presently have what amounts to an entitlement from the Department of Labor and from us, the Congress, for \$350 million.

What my legislation does is try to address that issue. It tries to add to the responsibility test which is in the bill. The present responsibility test in the bill has good language, but unfortunately it does not have good enforcement and does not have the language we need in order to accomplish enforcement in any sort of reasonable timeframe. It tries to add to that language tightening elements which will make it more effective for the Department of Labor.

Let me run through it briefly. Essentially what it does is it says: First, the grantees have to have the proven abil-

ity to do what they say they are going to do. That is reasonable. You wouldn't want someone who cannot establish that. It says if they misuse the funds—including doing lobbying or litigation against the Federal Government, which is illegal, by the way; they are not allowed to do that—if they misuse the funds and the Secretary identifies that or an independent inspector general audit identifies that or there are official inquiries of the Federal Government that identify that, that misuse of funds is cause for the Department of Labor to move and take the money back from that grantee. It does not have to, but it creates a cause that allows the Department of Labor to do that. One would think they would because why would the Department of Labor want to fund somebody who had been found by, for example, the General Accounting Office or the inspector general, to have misused funds? So that only makes sense, in my opinion.

It also tightens the disallowance. Under the present proceedings, you can have a 5-percent misuse of funds and still get away with it. There is law that says basically if you want to take 5 percent of your grant and misuse it, essentially you are going to get protection. We move that down to 2 percent, which I think seems a little more reasonable. Then what it says is, if there is a grantee who has misused funds, who has been found by the Department of Labor or the IG or the GAO, some group that has the imprimatur of authority of the Federal Government—if that group determines there has been a misuse of funds and revokes the grant, then the dollars get rebid. The dollars flow back into the pool, the pot; they are not lost. They go back into title V and they get rebid.

For example, if one of the nine grantees were found to be acting inappropriately, misusing funds—inappropriateness doesn't lose your funds but misusing funds, fraudulently using funds, that grantee loses its funds—that money would go back in the pool and logically somebody such as Green Thumb or some other agency which has a respectable track record and knows what they are doing and has not been using the money for inappropriate activities and has been getting the money out to the senior citizens would have the right to compete to get those dollars. That is the theme of this amendment: good government, it is called; a good government amendment.

Why do we need it? We need it because we have an example of one of these agencies that gets an entitlement acting in a way which essentially has been a misuse of funds. Yet there has been no way to remove that agency from the list of those who get an entitlement. This agency is, today, called the National Senior Citizens Education and Research Center. It used to be known as the National Council of Senior Citizens. I think it is important to review the things this group has done with these tax dollars which have

flowed to it for the purposes of helping seniors, and have turned out to be doing a lot less than that. In fact, they have been found by innumerable Federal reviews to have actually been misusing those funds in a way that is significant.

This is not a small agency. This agency every year gets \$64 million in tax money written to it as a check, as an entitlement—\$64 million. That is a lot of money to be flowing to an agency without any competition, without any oversight in the sense it has to justify how it uses those dollars or, when it does have to justify them, actually has to produce a result, as we will see from what they have actually done as an agency. So it is not small dollars.

The IG took a number of looks at this. I think it is important to review what the IG has found. The IG found this grantee has misused over \$10 million of Federal taxes since 1992—\$10 million. In an audit in 1992–1994—and remember, the IG does not audit every year, so it could have been more. Who knows? But from an audit in 1992–1994, they questioned \$5.8 million of direct costs claimed by the National Council of Senior Citizens as not allowable under OMB regulations. These regulations are regulations the Department did not enforce: \$3.8 million for health insurance refunds that it received from insurers providing health coverage for seniors participating in the JOBS Program.

This may seem to be a worthy endeavor, purchasing health insurance for seniors. It is. But the IG found the National Council of Senior Citizens paid premiums out of its DOL account but received refunds based on favorable claim experiences and, instead of using the refunds to offset the earlier charges to the DOL grant, the National Council of Senior Citizens essentially pocketed the money. Under the Federal regulation, Circular A-122 of the OMB, the refund should have been credited directly to the costs of the program. But they were not; \$1.1 million of direct costs were questioned in 1992 and 1994 because the National Council of Senior Citizens charged its DOL grant the cost of incurring the administration for this health insurance program on which they got the refunds.

Here is a clever little scheme. They charged a fee to the insurer and claimed the fee for administering the plan was membership promotion income. The fee should have gone to reduce the DOL grant cost as required under the circular I just cited. But, instead, the money went into—where? The National Council of Senior Citizens' pockets. We will later get to what that money went to and, believe me, it was not senior citizens. It is very interesting where this money ended up. This trail leads down some very interesting roads.

Mr. President, \$580,000 of the \$850,000 total general liability insurance cost was also questioned during the 1992–1994 audit as being an arm's length

transaction because the insurance company shared the same management as the personnel of the National Council of Senior Citizens, and it was not competitively bid. In other words, the National Council of Senior Citizens was hiring its leadership to run an insurance company to insure its programs. That has a very suspicious note to it, I would think, under any program. It is a very disturbing finding by the audit.

This very disturbing finding by the audit was that the liability company, which was being run by the National Council of Senior Citizens, appeared to be related almost entirely to the National Council of Senior Citizens and its affiliated entities. Many of the insurance company board members were members of the National Council of Senior Citizens' executive management group.

This is not my information, by the way. This is information found by the IG. The IG found this liability insurance to not be an arm's length transaction, and the DOL, Department of Labor, has even concluded that all of the costs of the policy should be disallowed.

So you have what appears to be a sham contract, not an arm's length contract, for \$850,000 that was not even competed out. The Department of Labor has agreed with the bulk of these findings from the 1992-1994 audit and has issued a final determination that requires the National Council of Senior Citizens to repay millions of dollars in questionable funds. Has the agency repaid these funds? No, it has not. In fact, they have appealed the administrative law judge decision, and are currently in a discovery process.

Then there is, of course, the fact that they will probably go to Federal court, all the time keeping these funds which are so clearly being misused.

Believe me, they are not running to benefit any senior citizen who is trying to get a job under this program.

All during this process, they have been running this sham operation—that is my term; "it is not an arm's length transaction" was the IG's term—all during this process they have been receiving \$64 million a year every year, just being paid out.

There are other items about this organization that are working their way through the Department of Labor which are showing there are even more serious issues and significant problems.

An IG report reviewing the 1995 funds—remember, the ones I was talking about reviewed 1992 to 1994—finds identical violations—identical violations. In other words, after they have already been found to have violated the rules of the Department of Labor, the rules of the Office of Management and Budget, and the rules of objectivity, identical violations were committed in 1995, and it was recommended \$2.8 million be disallowed.

There are still other audits reviewing 1996 and part of 1997 that call into question approximately \$2.7 million. This

grantee has simply not, under any reasonable test, been administering these funds in a responsible way. It has been misusing these funds.

As if these types of findings are not bad enough, there is another audit from the IG dated April 24, 1998—fairly recently—which exposes a \$6.1 million slush fund at the National Council of Senior Citizens maintained for over 14 years. This fund, which they euphemistically call a contingency fund, was set up in 1984 with \$3.7 million in Federal funds to provide financial assistance to enrollees "in case the JOBS Program had been terminated by the Congress or the administration." In other words, they set up a slush fund, the purpose of which was to continue the program in case Congress, by some decision, decided the program was not any good. In other words, they were going to be an extraordinary form of government. We now do not have three branches of Government, we have a fourth over here. It is called the National Council of Senior Citizens which had decided even if Congress determined, which it has not and which it will not, that title V did not make sense, they were going to continue to run title V with tax dollars. That is a new form of government in our midst.

The program was not terminated, of course. It has continued. It will continue as far as the eye can see because it is a program which, on balance, has worked extraordinarily well for our seniors.

Has the slush fund been terminated which was set up in 1984 in case there was a contingency that this program might be terminated? Has that slush fund been terminated? No, it has not. The IG found it. After the IG discovered the fund, by then the money had been transferred to a trust fund. It recommended the money be returned to the Treasury, but the National Council of Senior Citizens filed a lawsuit in Federal court saying they should be able to keep the money.

This is unacceptable. It should be unacceptable to all of us. Anybody who is interested in good government should say, on the face of it, this is an unacceptable action by somebody who is using our Federal dollars in trust for the purposes of helping seniors get jobs.

Many of the grantees who participate in these programs, even the entitlement grantees—in fact, all the entitlement grantees—do so with the understanding that they have local and community organizations; they basically take the money from the Federal Government under this entitlement, and they funnel it out to the local community organizations which then manage the money and the people they administer. Green Thumb is a classic example of this. Urban League and ARP are other examples. This is a very legitimate, good way to do it. They have a national organization and send it out to the local organization. That is the concept behind this.

This is why we had, I presume, although I do not know, the original nine grantees. I hope nine is right. Nine grantees were picked because they were national but they had local organizations or they at least represented they would.

The National Council of Senior Citizens does not. It does not have local affiliates. Instead, they function exclusively as a middleman program. They subcontract the services and the job placement out to other nonprofit organizations in States. They do not have a unique expertise to bring to the table. They are simply an intermediary.

In their case, they are an intermediary which takes a fair amount of the money and keeps it here in Washington, as it would appear, under their insurance program to benefit an insurance company with which it is affiliated, in the sense its membership is the same membership as the National Council of Senior Citizens group, and that it creates a slush fund with the money, and that the IG in 1992, 1993, 1994, 1995, 1996, 1997, and 1998 found in violation of the rules of the Department of Labor and the Office of Management and Budget.

One has to wonder why we need such a middleman. Would it not make more sense, if we are going to have these entitlement programs, if we at least send them to people who are using the money to benefit seniors and give them jobs, such as the Urban League, ARP, or Green Thumb, and let them compete for it.

There is something equally disturbing about this organization because, as I said earlier, where did this money go? What were they doing? It is my understanding that at one point almost 90 percent of the money of this organization came from this entitlement, and even today this entitlement makes up a huge amount of their funds. So shouldn't they be basically working on senior citizens issues? You say, yes, that is right, of course.

It turns out that a lawsuit in New York City involving the Teamsters Union and the illegal use of cash in the electoral process for the president of the Teamsters Union, which some may remember involved transferring money from the Democratic National Committee to the Teamsters Union and the Teamsters Union to the Democratic National Committee—back and forth and in and out—that in that lawsuit, lo and behold, the National Council of Senior Citizens ended up being named as an unindicted co-conspirator.

According to the scheme outlined by the Federal prosecutors in the court documents, the Teamsters allegedly funneled money illegally into the National Council of Senior Citizens, which then arranged to hire direct mailing firms whose president applied a portion of the money received to the campaign for the presidency of the Teamsters Union.

Money, of course, is fungible, but one has to presume that some of the operating dollars was being used by the National Council of Senior Citizens to float this exercise with the Teamsters Union. You explain to me why funds which are supposed to be flowing to benefit seniors getting jobs are flowing to get the president of the Teamsters Union elected president of the Teamsters Union. Explain that to us and tell us that we, as a Senate, justify allowing this to happen. It is pretty hard to explain.

Is that their only illegal campaign activity? No, it is not. In yet another instance involving the same organization, the Federal Election Commission conducted an investigation of the National Council of Senior Citizens, and as part of the complaint filed relating to the 1994 Virginia Senate race, that investigation resulted in the National Council of Senior Citizens admitting that they had violated the law, and I believe they actually paid a fine as a result of violating an election campaign law.

These election violations involved paying for publications specifically endorsing candidates, making illegal corporate advances, and coordinating activities of political candidates.

This, by the way, is an organization which gets a majority of its funding or has traditionally gotten a majority of its funding, as a result of an entitlement to tax dollars, the purpose of those tax dollars being to hire senior citizens to give them work so they can have a better lifestyle.

So one would guess that maybe—this is only a guess or a projection—maybe some of that contingency fund, otherwise known as a slush fund that the IG found was used at least potentially, because money is fungible, be exchanged with the dollars which were being used, in the FEC's opinion, in violation of campaign financing, and in opinion of the U.S. attorney for the district of New York for the purposes of being an unindicted co-conspirator in the election of the president of the Teamsters Union, who later lost his election. He won the election, but it was sort of one of those elections that was thrown out because there was so much inappropriateness about it; and he was found to have violated the law in that election as did a number of other individuals.

So this organization has a pretty sour—and "poor"—would be generous—track record on the management and use of the funds which flowed to it as an entitlement under title V.

Does my language specifically say this organization gets defunded? No, it does not. I would certainly hope there would be a conclusion by the Department of Labor that this sort of action was intolerable and that tax dollars should not be used in this way. They should not be used to create slush funds. They should not be used to fund liability in health insurance corporations which are closely connected to the management of the group that is

paying for them. They should not be used in a mismanaged way, as the IG has found. I would certainly hope that.

But my amendment does not specifically say the National Council of Senior Citizens, which has now been renamed—I always forget its new name, but I guess it is changing its name again anyway. It changes its name a lot. I can't, quite honestly, understand why they did that. They are going to change its name again and are going to be absorbed into the AFL-CIO, which is the original creator of the organization.

The National Senior Citizens Education and Research Center—the National Council of Senior Citizens—which will soon be an AFL arm, that the organization should lose its funding and that those funds should be made available to other agencies which are doing the job right, does my amendment say that has to happen? No, it does not.

What my amendment says is this. I will run through it. Basically, it boils down to saying we should manage these Federal resources in the way they are intended; that we should manage them for the purposes of giving senior citizens jobs, and making sure the people who are responsible for giving them jobs are responsible organizations. That is essentially what my amendment does.

Let me run through the specifics so people understand this is a reasonably benign amendment. I do not know why it has been resisted. I find the resistance, in light of what the National Council of Senior Citizens has done—in fact, we have a track record of an agency that has clearly misused funds—highly inappropriate.

But in the first part of my amendment, basically, I take the responsibility tests section of the present bill, and I add to them language which says, first, there must be proven ability of the agency which is getting these entitlement dollars from the Federal Government to do the job of delivering a senior citizen employment program. There is nothing unreasonable about that.

Second, we say the Secretary must do a timely review of each agency to determine that they have the capacity to do the job they claim they are going to do.

There is a problem here in that sometimes these—

The PRESIDING OFFICER. Will the Senator suspend?

We have an order to go to morning business until noon.

Mr. GREGG. I ask unanimous consent—

The PRESIDING OFFICER. What is the request?

Mr. GREGG. I ask unanimous consent that I be allowed to continue under this bill.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, I say to my friend

from New Hampshire, we have had a number of people lined up since yesterday to speak in this period of time.

Does the Senator have an idea how long he wants to speak on his statement?

Mr. GREGG. My statement will go for about another 10 minutes.

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

Mr. GREGG. I thank the Chair, and I especially thank the Senator from Nevada for his courtesy in allowing me to proceed.

Anyway, the first section goes to requiring proven ability.

The second section requires that there be timely reviews and that there be no disruption of service. In other words, I do not want seniors losing their jobs because the agency has come in and said that somebody has been misusing their funds.

Thirdly, we make it clear that in three major areas if you are found to be in violation of the responsibility test, you lose your funding if the Department of Labor decides to do that.

The first two are already in the bill: fraud and debts after three demand letters. The third one, which I am putting in, is:

Established misuse of funds, including the use of funds to lobby or litigate against any Federal entity or official or to provide compensation for any lobbying or litigation activity identified by the Secretary, independent Inspector General audits, or other official inquiries or [audits] by the Federal Government.

In addition, as I mentioned earlier, we basically lower the hold harmless from 5 percent to 2 percent.

Lastly—and I think equally importantly—we put in a competition clause so if it is determined that one of these agencies does not qualify, is misusing funds, or has acted fraudulently, then the funds can be competed out.

We also make it clear that the Department of Labor can use some of the extra money which they retained from this program for the purposes of auditing programs to make sure they are being done correctly.

The important point here is this. I am not suggesting anything radical. I am not suggesting anything even remotely outrageous or excessive. All I am saying is, let's, under this responsibility test, have some teeth. Let's make it possible for the Department of Labor to come in, and when they find that a group has been acting inappropriately with these funds, misusing these funds, let's give them the authority they need to take action. They may not take action, but let's at least give them the authority to do that.

Under the present responsibility test, and the time constraints, and the bureaucracy, it is 3 years, at a minimum, before they could take action—3 years for the National Council of Senior Citizens; that is \$64 million a year, almost \$200 million of taxpayer money being misused.

We have already had audits which establish beyond a question that one

agency has acted inappropriately and has misused the funds. It is appropriate we give the Department of Labor the authority to act, so if they determine that, they can take action to make sure the money ends up where it is supposed to be, which is in the pockets of seniors who deserve to have jobs and need those jobs for a better lifestyle.

Mr. President, I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I ask my colleagues to bear with me. I have two unanimous consent requests that have been cleared on both sides.

CARDIAC ARREST SURVIVAL ACT OF 2000

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 572, H.R. 2498.

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

The assistant legislative clerk read as follows:

A bill (H.R. 2498) to amend the Public Health Service Act to provide for recommendations of the Secretary of Health and Human Services regarding the placement of automatic external defibrillators in Federal buildings in order to improve survival rates of individuals who experience cardiac arrest in such buildings, and to establish protections from civil liability arising from the emergency use of the devices.

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

AMENDMENT NO. 4344

Mr. JEFFORDS. Mr. President, Senator FRIST has an amendment at the desk, and I ask for its consideration. It has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS], for Mr. FRIST, for himself, Mr. KENNEDY, Mr. JEFFORDS, Mr. DODD, Mr. ENZI, Mr. HARKIN, Mr. HUTCHINSON, Ms. MIKULSKI, Ms. COLLINS, Mr. WELLSTONE, Mrs. MURRAY, Mr. GORTON, and Mr. GRAHAM, proposes an amendment numbered 4344.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 4344) was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be read a third time and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The bill (H.R. 2498), as amended, was read the third time and passed.

NEEDLESTICK SAFETY AND PREVENTION ACT

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 5178, which is at the desk.

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

The assistant legislative clerk read as follows:

A bill (H.R. 5178) to require changes in the bloodborne pathogens standard in effect under the Occupational Safety and Health Act of 1970.

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

Mr. REID. Mr. President, this is an important piece of legislation. Although we will not spend time on the floor debating it or talking about it, that does not take away from the significance of the needlestick bill.

I extend my appreciation to everyone on the majority side and the many people who have worked on our side for coming up with a bipartisan bill to alleviate a significant problem that nurses in America have had for many years.

NEEDLESTICK SAFETY AND PREVENTION ACT

Mr. REID. Mr. President, on October 17, 1997, 28-year-old Lisa Black, a registered nurse from Reno, Nevada, was nursing a man in the terminal stages of AIDS when a needle containing his blood punctured her skin.

Today, Lisa Black is infected with Hepatitis C and HIV.

She must take 22 pills a day to keep her HIV infection from progressing to full-blown AIDS and to delay the effects of Hepatitis C.

Karen Daley, a nurse for over 20 years and President of the Massachusetts Nurses Association, sustained a needlestick injury when she reached her gloved hand into a needle box to dispose of the needle with which she had drawn blood.

Karen Daley did everything in her power and took all the necessary precautions—including wearing gloves and following proper procedures—to reduce her risk of exposure to bloodborne pathogens. Her injury did not occur because she was careless or distracted or not paying attention to what she was doing.

Karen Daley has good reason to believe that had a safer needle and disposal system been in place at her hospital, she would not be sick today. According to the CDC, eighty percent of all needlestick injuries can be prevented through the use of safer needles.

I am pleased that today we are passing bipartisan legislation—the Needlestick Worker Safety and Prevention Act—that will help reduce the incidence of needlestick injuries and illnesses, like those sustained by Karen Daley and Lisa Black.

The Health Care Worker Safety and Prevention Act will strengthen the Oc-

cupational Safety and Health Administration's (OSHA) standard on bloodborne pathogens to encourage greater utilization of newer, safer devices in health facilities. It will require the involvement of workers who provide direct patient care in determining which safer needles and sharps to use in the workplace and a more consistent documentation of all needlestick injuries.

I would like to thank Senators KENNEDY, JEFFORDS, and ENZI as well as Representatives BALLENGER and OWENS for their commitment to this legislation. I am pleased that we were able to come together across party lines to protect the health and safety of our front-line health care workers.

Mr. KENNEDY. Mr. President, I commend Senator JEFFORDS, Senator ENZI, and Senator REID for their effective work on this important legislation. And I also commend the American Nurses Association, the American Federation of Teachers, the Service Employees International Union and the American Federation of Federal, State, County and Municipal Employees for their effective efforts in supporting it.

Needle stick protection is vitally important to health care professionals and to the many others who come in contact with them. Last year, as many as 800,000 health care professionals suffered needle stick injuries. Over 1,000 health care workers were infected with serious diseases, including HIV, Hepatitis B and Hepatitis C.

These injuries were preventable, and because of this bill, many future needle stick injuries will be prevented. The Center for Disease Prevention estimates that this bill will reduce needle stick injuries by as much as 88 percent.

But numbers alone cannot convey the human tragedy of these injuries. One of my constituents, Karen Daley of Boston, is the President of the Massachusetts Nurses Association and was a registered nurse, a job she loved and found very fulfilling. In January 1999, while on duty in an emergency room in Boston, Karen was accidentally stuck by a contaminated needle. Six months later, she tested positive for HIV and Hepatitis C. Fortunately, Karen is in reasonably good health today, although she may never again be able to practice her chosen profession of nursing.

The Needle Stick Safety and Prevention Act will help prevent tragic accidents like Karen Daley's. This bill requires employers to use, where appropriate, safety-designed needles and other sharp devices to reduce the potential transmission of disease to health care workers and patients. It is not enough to rely solely on one type of control, such as disposable needles and other equipment, when safer, appropriate medical devices are available and can be effective in reducing the risk of contaminated needle injuries.

This bill also provides that employers must establish an injury log to record the kind of devices, and the location, of all needle stick accidents.

This information must be considered when determining appropriate devices to be used.

This bill strikes a critical balance between the reasoned judgment of health care professionals on patient safety and OSHA's responsibility to protect the health and safety of employees. The bill also provides that non-managerial employees and their representatives—those on the front lines of service delivery—must participate in determining the appropriate devices used in health care settings. Nothing in this bill would justify the establishment of an employer-dominated labor organization or the bypassing of a collective bargaining representative in violation of the National Labor Relations Act.

I urge all of my colleagues, on both sides of the aisle, to support this important legislation.

Mr. ENZI. Mr. President, I am extremely pleased to speak today at the passage of H.R. 5178, the Needlestick Safety and Prevention Act. By passing this bill, we ensure a safer workplace for the men and women who perform the valuable service of taking care of the people of this country. The bipartisan nature of this bill is a testament to the importance of the problem we have addressed and the fairness and reasonableness of the solution. I want to commend the hard work of my colleagues Senators JEFFORDS, KENNEDY, and REID and their staff in crafting this solution. I also want to recognize the efforts of my House colleagues, Representatives BALLENGER and OWENS and their staff. This truly was a bipartisan and bicameral effort and it is a wonderful example of what we can accomplish when we all work together.

We came together over this bill to address the convergence of increased concern over accidental needlestick injuries in health care settings ("needlesticks" is a term used broadly, as health care workers can suffer injuries from a broad array of "sharps" used in health care settings, from needles to IV catheters to lancets) with the technological advancements made over the past decade in the many types of engineering controls that can be used in the workplace to help protect health care workers against sharps injuries. We responded to these two factors by drafting a bill that highlights the importance of using newer, safer technologies but also allows health care employers the flexibility to choose the technology that provides the best protection under the circumstances. I have further elaborated on my views on the substance of this legislation in the Joint Statement of Legislative Intent, submitted with the legislation.

The passage of this bill today is extremely significant on several levels. First and foremost, this bill will save lives because fewer health care workers will contract deadly diseases from accidental needlesticks. Almost equally as important, it will also reduce the number of health care workers who are

forced to suffer the living hell of not knowing whether they contracted a deadly disease after a contaminated needlestick. The health care workers on the front lines in hospitals, clinics, and other locations are absolutely critical to this country and I hope this bill will provide some peace of mind to these individuals.

Finally, I want to reiterate the significance of the bipartisan and bicameral nature of this legislation. I believe this bill brings employers and employees together to improve safety in the workplace and I hope to be able to work with my co-sponsors and my colleagues in the House on more such measures in the future.

Mr. JEFFORDS. Mr. President, I rise today to express my gratitude and delight because of the successful outcome of a bipartisan, bicameral effort to protect the health of those who protect the health of others. I speak, of course, of our nation's health care workers, who dedicate their lives to caring for others. And I am gratified because today we have enacted legislation, the Needlestick Safety and Prevention Act, which addresses an important health issue threatening our nation's care givers.

In March of this year, the Centers for Disease Control and Prevention estimated that more than 380,000 percutaneous injuries from contaminated sharps occur annually among health care workers in United States hospitals. Estimates for all health care settings are that 600,000 to 800,000 needlestick and other percutaneous injuries occur annually. Due to these injuries, numerous health care workers have contracted fatal or other serious viruses and diseases, including the human immunodeficiency virus, (HIV), hepatitis B, and hepatitis C.

The statistics paint a bleak picture, but there is hope. There has been an explosion of technological development, resulting in a substantial increase in the number and assortment of new, and much safer, medical devices, such as needleless systems, retractable needles, and syringes with needle guards or sheaths. The legislation that we have passed today will require employers to identify, evaluate, and make use of these devices. As a result, lives will be saved.

This bipartisan success resulted from a shared concern about this health hazard, and a shared belief of how to resolve it, among myself, and Senators ENZI, KENNEDY and REID. I must also thank our dedicated staffs, and also Representatives CASS BALLENGER, and MAJOR OWENS, and their staffs. Senators ENZI, KENNEDY, REID, and I have also worked together on a Joint Statement of Legislative Intent. I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD. I also ask unanimous consent that a letter from Charles N. Jeffress, Assistant Secretary for Occupational Safety and Health, to Senator JIM BUNNING, and a letter from Representatives BALLENGER

and OWENS, addressed to me, be made a part of the RECORD.

I thank all my colleagues who have joined in helping to adopt this important legislation. It is a vital step in ensuring worker safety in health care settings.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF LEGISLATIVE INTENT ON
H.R. 5178

The legislation derives from the convergence of two critical circumstances which have a profound effect on the safety of health care workers in the United States. The first circumstance is the increased concern over accidental needlestick injuries in health care settings. "Needlesticks" is a term used broadly, as health care workers can suffer injuries from a broad array of "sharps" used in health care settings, from needles to IV catheters to lancets. The second circumstance is the technological advancements made over the past decade in the many types of engineering controls that can be used in the workplace to help protect health care workers against sharps injuries. Because of the convergence of these two circumstances—and because of increasing concern over the public health issue related to the spread of hepatitis C, it is appropriate to take this action at this time.

Section 1 of the Bill provides the title the "Needlestick Safety and Prevention Act." Section 2 of the bill provides the Congressional findings.

Section 3 of the bill directly modifies the Bloodborne Pathogens Standard, 29 C.F.R. §1910.1030, one of the health and safety standards promulgated by the Department of Labor's Occupational Safety and Health Administration (OSHA). The legislation builds on the most recent action taken by OSHA related to the Bloodborne Pathogens Standard—the revision in November 1999 to OSHA's Compliance Directive on Enforcement Procedures for the Occupational Exposure to Bloodborne Pathogens ("Compliance Directive").

In modifying the Bloodborne Pathogens Standard ("BBP standard") this bill makes narrowly-tailored changes to the BBP standard. It makes clear in the BBP standard the direction already provided by OSHA in its Compliance Directive: namely, that employers who have employees with occupational exposure to bloodborne pathogens must consider and, where appropriate, use effective engineering controls, including safer medical devices, in order to reduce the risk of injury from needlesticks and from other sharp medical instruments ("sharps"). This bill is not intended to change the existing application of OSHA's BBP standard to all employees who are reasonably anticipated to have occupational exposures to blood or other potentially infectious materials, including health care workers, laboratory personnel, housekeepers and waste disposal employees, among others.

The bill accomplishes this in several ways. First, the BBP standard is modified so that the definition of "engineering controls" at 29 C.F.R. §1910.1030(b) includes as additional examples of such controls, "safer medical devices, such as sharps with engineered sharps injury protections and needleless systems." Following that step, the BBP standard is amended so that both "sharps with engineered sharps injury protections" ("SESIPS") and "needleless systems" are added to the definitions of the standard.

The citing of these examples should not be considered an endorsement or preference of a specific product or assurance of a specific

product's effectiveness. Rather, it is the intent of this legislation to reflect innovation and evolving technology in the marketplace, in particular development in safer medical devices such as SESIPS and needleless systems. This legislation anticipates that hospitals and other employers, in crafting their Exposure Control Plans, will adopt procedures and use devices that have been proven to reduce the risk of needlestick injuries. Employers use their Exposure Control Plans to evaluate appropriate practices and devices for reducing occupational exposure. To focus attention on the need for employers to look at changes in technology, this legislation further modifies the BBP standard by adding to the existing requirements concerning Exposure Control Plans at 29 C.F.R. §1910.1030(c)(1)(iv). Through these modifications, employers will be required to demonstrate in the review and update of their Exposure Control Plans that their Exposure Control Plans reflect changes in technology and also that they document annually the consideration and implementation of appropriate, commercially available and effective safer medical devices.

It is through an employer's Exposure Control Plan that engineering controls, including safer medical devices, are considered and deployed in the workplace. It is not the intent of this legislation to disturb OSHA's existing determination that to the extent that specific types of devices, such as catheter securement devices or sharps destruction devices can reduce the risk of needlestick injuries, such devices could be appropriate components of an employer's comprehensive exposure control plan. OSHA expressed its understanding of and agreement with this intent in a letter to Senator Jim Bunning, dated October 13, 2000. The letter is submitted as an attachment to this joint statement.

It is also not the intent of this legislation to disturb the underlying flexible, performance-oriented nature of the Bloodborne Pathogens Standard. For example, this legislation's reference to the consideration and implementation of safer medical devices is hinged upon the "appropriateness" and the "commercial availability" of such devices. Finally, while this may be stating the obvious, it is not the intent of this legislation, nor for that matter of the current Bloodborne Pathogens Standard, for employers to implement use of any engineering control, including a safer medical device, in any situation where it may jeopardize a patient's safety, an employee's safety or where it may be medically contraindicated. Moreover, all of the affirmative defenses available to an employer under the current BBP standard remain intact with this legislation. It is not the intent of this legislation to alter OSHA's current enforcement of the BBP standard in these circumstances. Attached to this Joint Statement is a letter from Representatives Ballenger and Owens, the co-sponsors of H.R. 5178, expressing their full support for the views expressed in this statement.

The drafters are aware that some of the newer most effective technologies are more expensive than others and may create higher costs for health care facilities. Because some entities largely dependent on Medicare and/or Medicaid, such as long term care providers, will be required to comply with this legislation, we encourage the Health Care Financing Administration to examine the costs of the new technologies and consider these costs when determining Medicare reimbursement rates. Similarly, we hope that the states will examine these costs and determine whether the costs should be reflected in the Medicaid reimbursement rates.

Section 3 of the bill amends the BBP standard in two additional ways. First, it

adds a requirement that in addition to the recordkeeping requirements already found in the BBP standard, employers must record percutaneous injuries from contaminated sharps in a sharps injury log. The legislation sets out the minimum information to be included in such a log, namely the type of device used, an explanation of the incident, and where the injury occurred. Employers are free to include other information should they find it helpful. However, this legislation does require that in recording the information and maintaining the log, the confidentiality of the injured employee is to be protected.

The requirement for a sharps injury log is consistent with current OSHA recordkeeping in two specific ways. First, the sharps injury log requirement does not apply to any employer who is not already required to maintain a log of occupational injuries and illnesses under 29 C.F.R. §1904. Second, employers are not required to maintain the sharps injury logs for a period of time beyond that currently required for the OSHA 200 logs.

The sharps injury log is to be used as a tool for employers so that they may determine their high risk areas for sharps injuries and use it as a means to evaluate particular devices that may or may not be effective in reducing sharps injuries. At a House Subcommittee on Workforce Protections hearing in June, representatives of the American Hospital Association testified that many health care settings, particularly hospitals, already have in place some type of "surveillance system" for tracking needlestick and other sharps injuries. The AHA witness noted that hospitals have found this to be an effective tool to provide necessary information to help reduce such injuries.

The second way in which Section 3 amends the BBP standard is by specifying that employers must solicit input from non-managerial employees responsible for direct patient care who are potentially exposed to injuries from contaminated sharps in the identification, evaluation and selection of effective engineering and work practice controls. Employers are also to document this in the Exposure Control Plans. The intent of this section is simple—to involve in the selection of engineering controls those workers who are potentially exposed to needlestick injuries.

Section 4 of the legislation explains that the modifications as delineated by Section 3 of the bill can be changed by a future rulemaking by OSHA on the Bloodborne Pathogens Standard.

Finally, Section 5 of the bill directs that the modifications to the BBP standard are to be made without regard to the standard OSHA rulemaking requirements or the requirements of the Administrative Procedures Act. Admittedly, preemption of the OSHA rulemaking procedures is not an action to be undertaken lightly. Indeed, the requirements of this bill are driven by the unique circumstances surrounding this narrow and particular public health issue. Although there is no such thing as binding precedent for Congress, it is not the intent of this legislation, through the process used here, to diminish the carefully constructed requirements and procedures for OSHA rulemaking.

The legislation does prescribe, however, that the changes to the BBP standard are to be made by the Secretary of Labor and published in the Federal Register within six months of enactment and that the changes will take effect 90 days after such publication.

Submitted October 25, 2000.

James M. Jeffords, Edward M. Kennedy, Michael B. Enzi, Harry Reid.

U.S. DEPARTMENT OF LABOR, ASSISTANT SECRETARY FOR OCCUPATIONAL SAFETY AND HEALTH,
Washington, DC, October 13, 2000.

Hon. JIM BUNNING,
U.S. Senate,
Washington, DC.

DEAR SENATOR BUNNING: Thank you for your inquiry regarding OSHA's enforcement of the bloodborne pathogens standard and the effect of OSHA's November 1999 Compliance Directive on Enforcement Procedures on Occupational Exposure to Bloodborne Pathogens.

OSHA has long required employers to protect employees from exposure to bloodborne pathogens through the use of engineering controls, which include sharps disposal devices such as sharps destruction devices. To the extent that specific types of engineering controls such as sharps destruction devices can reduce the risk of needlestick injuries, such controls could be appropriate components of an employer's comprehensive exposure control plan. OSHA has allowed, and intends to continue to allow, employers to use sharps destruction devices to help reduce the risk of needlestick injuries in appropriate circumstances, as set forth in OSHA's November 1999 Compliance Directive.

It is my understanding that S. 3067, like the House companion bill, is entirely compatible with and closely tracks the language of OSHA's November 1999 Compliance Directive and will not change in any way OSHA's treatment of needle destruction devices or OSHA's enforcement of the bloodborne pathogens standard's obligation that employers use engineering controls.

I hope that this letter is responsive to your inquiry. Thank you for your interest in occupational safety and health.

Sincerely,

CHARLES N. JEFFRESS,
Assistant Secretary.

COMMITTEE ON EDUCATION AND THE
WORKFORCE, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, October 25, 2000.

Hon. JIM M. JEFFORDS,
U.S. Senate,
Washington, DC.

DEAR CHAIRMAN JEFFORDS: Thank you for your sponsorship of The Needlestick Safety and Prevention Act and for your work on this important legislation. We appreciate your sharing with us the Senate Joint Statement of Legislative Intent and want to express our full support for the views expressed in the Senate statement. We want to reiterate that it is not the intent of this legislation to alter OSHA's current enforcement of the Bloodborne Pathogens Standard.

Sincerely,

CASS BALLENGER,
Chairman, Subcommittee on Workforce Protections.

MAJOR R. OWENS,
Ranking Member, Subcommittee on Workforce Protections.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 5178) was read the third time and passed.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. BRYAN. Mr. President, I ask unanimous consent that following my remarks and those of Senator REID, Senator HOLLINGS be recognized for up to 10 minutes.

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

FAREWELL REFLECTIONS OF THE
HON. RICHARD H. BRYAN

Mr. BRYAN. Mr. President, within the next few days, I will cast my last vote as a U.S. Senator, and by the end of this year, I will conclude 36 years of public experience.

Permit me to reflect for a moment on this experience and share with you some observations.

The last decade of the 20th century has witnessed more change than any decade in human history. When I began my Senate service in January of 1989, the world was a very different place than it is today. The Soviet Union and the United States faced off in a cold war, a cold war that dominated global politics from the end of World War II. The ancient capitals of Eastern Europe were satellite appendages of the Soviet Union. There were two Germanys and a wall divided Berlin. The economic pundits were telling us that the Japanese economic model represented the wave of the future, and it was feared that America was in decline.

All of that has changed. The Soviet Union has imploded. It no longer exists. Eastern Europe is no longer a series of satellite states of the Soviet Union, but nascent democracies are developing in most of eastern Europe. The Berlin Wall has come down. Germany is reunited. And once again, Berlin is the capital of that country. The Japanese economy for the past decade has remained largely stagnant. And here at home, America enjoys the longest economic expansion in the Nation's history.

The way in which we live our day-to-day lives has experienced dramatic change as well, from the omnipresent cellular telephone to the advent of the Internet and the world of e-commerce.

What about the Senate, this place where we spend our working hours. It has seen much change as well: The great debate that preceded a resolution of support for operation Desert Storm was in the finest traditions of Webster and Calhoun—many have said that this was our finest bipartisan hour—the unpleasant duty of sitting in judgment of a fellow colleague and ultimately rendering the appropriate judgment; and the awesome responsibility of determining the fate of an American President, only the second Congress in our Nation's history to be so charged.

There have been moments of inspiration as well. None of us will ever forget listening in those joint sessions of Con-

gress to Lech Walesa, Vaclav Havel share with us their struggle to achieve democracies in their own countries. The democratic spirit may be suppressed but never extinguished.

In the history of the Senate, there have been 1,581 men and women who have served, only 23 of them from Nevada. It has been a great honor and privilege for me to be one of those and to represent the State of Nevada. How effectively I have discharged that responsibility awaits the verdict of history.

As a youngster, I dreamed of serving as Governor of my own State. It was my life goal. Serving in the Senate of the United States is like adding a little frosting to that cake.

I have thought often of my parents during these past 12 years. My father, like so many Nevadans of his generation, came from a poor family. His dream was to become a lawyer. But America was gripped in a great depression. This city and the patronage of Nevada's Congressman James Scrugham made it possible for him to achieve his goal. While attending law school in the Nation's Capital, he met my mother, a native Virginian. The following year, I was born in this city. So in a sense, I have been here before.

I spoke about change a moment ago. The Senate today is a very different institution than it was a decade ago; I fear in many respects a diminished institution. Those of us who seek election to the Senate today frequently denigrate it and seek public favor by demeaning it. This has taken a toll on the public esteem in which we are all held. A media that is appropriately critical of our shortcomings is not always able to find its voice in telling the American public of its successes. We are more partisan, more polarized than we were a decade ago. And for some, compromise has become a nasty word, forgetting our own heritage, because the Senate itself is a product of the great compromise of our Constitution—a Senate with equal representation for each State, and a House of Representatives based on population.

The role of money: Yes, it is fair to say that it has always been a factor in American politics, but today it has become too much of a dominant force. It consumes more of our time. It drives our schedule. It is a corrosive force that threatens to undermine public confidence in our institutions of government.

I believe there is a direct correlation between the decline of citizen participation in government and voting, to the public perception that politics is all about money. Most Americans feel they are excluded from this process.

Perhaps less visible to the public, the rules which have served this institution so well for decades and which govern the way in which we process legislation have broken down.

There is much that I will miss: My colleagues, who represent a broad spectrum of political views, who bring their

varied experience to the Senate, dedicated men and women who labor mightily on behalf of the constituents they represent, most especially my senior colleague with whom I have worked in this body, as well as the State legislature, and on issues affecting the State of Nevada for the last 37 years.

My personal staff, both here in Washington and at home—I have simply loved our working relationship. It has been a joy for me to come to work each morning. I have appreciated their hard work, the long hours, the personal sacrifice. Nevadans have been well served by their dedication. Without their support, any success I might have had would not have been possible.

The people who make our hectic lives a little more manageable—the elevator operators, the Capitol Police, the food servers, those who staff the Cloakrooms, our floor staff and many, many others.

This building in which we work, so rich with the history of our country—there has not been a single day in the past 12 years that I have not felt a sense of awe when coming to work.

And this city, with its magnificent cathedrals of governance that serve as the guardians of the American dream—I will miss that as well.

My wife joins me this morning in the gallery of this great Chamber. Nothing I have been able to do, nothing I have been able to achieve, would have been possible without her support, her personal sacrifice, and those of our three children, Richard, Leslie, and Blair, who have all been a part of my life and a part of public service in my life. Whatever I have become, whatever I am, is largely because of their support of my efforts to pursue my own dreams and goals.

I leave the Senate with a great sense of respect for this institution, which has been so much a part of my life for the past 12 years. It is troubled in many ways, as I have said. However, none of those problems is insurmountable. If we can resist the temptation to seek momentary partisan advantage, if we can restore civility in our public discourse as we debate the great issues and policy differences of our time, if we can apply the rules that govern the process by which we conduct the Senate's business fairly to all, and if we can work together for the common good, I am confident that the future of the Senate can be as bright as the past.

Mr. President, I yield the floor for the last time.

The PRESIDING OFFICER. The Senator from Nevada, Mr. REID, is recognized.

TRIBUTE TO SENATOR RICHARD
BRYAN

Mr. REID. Mr. President, before my friend leaves the floor, I want to say a couple things to him and have on the record of the Senate for the remainder of time of this Republic the fact that

the State of Nevada has had 23 Senators, and never in the history of the State of Nevada on any level of government have there been two elected officials who have worked more closely together than Senators BRYAN and REID.

We took the bar together in 1963. He then began service for a short period of time as a private attorney. Then he became a prosecuting attorney and then Nevada's first public defender. We went to the State legislature together in 1967 where we were known as the "gold dust twins." We were the only two freshmen in that 60-body legislature. That was the beginning of our love for the legislative process.

Senator BRYAN went on to serve, after the Nevada Assembly, in the State senate, then to serve as attorney general of the State of Nevada, as Governor of Nevada, elected twice, and then he came to Washington as a U.S. Senator. No one in the history of the State of Nevada has had such an electric and exciting political career as Senator RICHARD BRYAN. I feel so fortunate that this partnership we have developed over the years is one we both feel good about.

As strong as the partnership is of Senators REID and BRYAN, as he mentioned, the knowledge that we in Nevada have as to the relationship of Richard and Bonnie Bryan is very significant. She literally has been with him every step of the way. She was a wonderful first lady who is still talked about as to her proficiency.

It is with a great deal of sadness that occasions such as this have come since he announced his retirement. The first came when he announced at a press conference in front of his alma mater, Las Vegas High School, he wasn't going to run anymore. I shed about all the tears I could on that occasion. I don't think I have shed any tears since then publicly, but I have privately. My life will never be the same without Senator RICHARD BRYAN working with me. We have had a wonderful run. I hope that at least I can speak from his perspective that the people of the State of Nevada have benefited as a result of his service. He has done some wonderful things—helping local government in Nevada, State government in Nevada, and helping people throughout America, especially with his consumer advocacy.

So I wish there were something I could say that would translate into the love and affection and admiration I have for Senator BRYAN, but I can't do that, other than to close by acknowledging our unique friendship and the love we have for one another.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. HOLLINGS. Mr. President, as I understand it, I have 10 minutes as in morning business.

The PRESIDING OFFICER. That is correct.

TRIBUTE TO SENATOR RICHARD BRYAN

Mr. HOLLINGS. Mr. President, let me say that no one has really performed more distinguished service than our colleague from Nevada, RICHARD BRYAN. I have seen them all now over my 34 years. Senator BRYAN has judgment. It comes from his hard experience as a State's Governor, and it comes from a tremendous sense of history. I have always been impressed with his fascinating knowledge of historical facts, and he brings history into focus in regard to present-day realities. We are going to miss that. We are going to miss that here in the Senate. We are going to miss his charming wife Bonnie. We have worked with both of them, traveled with both of them, and they have made a magnificent contribution to the future of this country.

I have said time and again that, more than a balanced budget, what we need is balanced Senators, balanced Congressmen. If anyone is one who is really balanced in his approach to the needs of the Nation and the way we go about doing our business here in the Senate, it is RICHARD BRYAN of Nevada. I didn't realize that was what we were going to have here this morning, but I jump at the chance to say something about a distinguished Senator such as Senator BRYAN.

BUDGET FRUSTRATIONS

Mr. HOLLINGS. Mr. President, I am going to go into my frustration that, I take it, is well known. I am back almost like George Wallace some 30 years ago when he said there wasn't a dime's worth of difference. Both Republicans and Democrats pass these trade bills on the premise that they are going to create jobs in America, when the truth of the matter is they are going to create jobs outside of America. We are going to transfer the fine, good manufacturing jobs from the United States—more or less the middle class of the country—to countries offshore and to Mexico and the Caribbean. Otherwise, we constantly talk of saving Social Security—both Republicans and Democrats—when the truth of the matter is we are squandering Social Security.

I ask unanimous consent to have printed in the RECORD "Trust Funds Looted to Balance Budget."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRUST FUNDS LOOTED TO BALANCE BUDGET

(By fiscal year, in billions)

	1999	2000	2001
Social Security	855	1,009	1,175

TRUST FUNDS LOOTED TO BALANCE BUDGET—Continued

(By fiscal year, in billions)

	1999	2000	2001
Medicare:			
HI	154	176	198
SMI	27	34	35
Military Retirement	141	149	157
Civilian Retirement	492	522	553
Unemployment	77	85	94
Highway	28	31	34
Airport	12	13	14
Railroad Retirement	24	25	26
Other	59	62	64
Total	1,869	2,106	2,350

Mr. HOLLINGS. Mr. President, it shows that last year—the year 2000—we owed Social Security some \$1.009 trillion. That is a significant figure. The year before that—1999—we owed \$855 billion. But you can see it is jumping in increments of \$150 billion.

These are the trust funds that we are borrowing from when they talk about surplus, because both Republicans and Democrats are talking about the surplus. Governor Bush and Vice President GORE are out on the campaign trail talking about how we are going to spend the money.

Yesterday, in USA Today, the headline was "Clinton announces record \$237 billion surplus."

I ask unanimous consent that this article and headline be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CLINTON ANNOUNCES RECORD \$237B SURPLUS

(By Jeannine Aversa)

WASHINGTON.—Flush with tax revenue from a booming economy, the federal government posted a record \$237 billion surplus for the budget year that ended Sept. 30, the Clinton administration announced Tuesday.

It marked the third straight year of surpluses, something that hasn't happened since the late 1940s. Social Security taxes provided nearly \$150 billion of the surplus.

"This is the third surplus in a row—the first time our nation has done that in 51 years, since 1949, when Harry Truman was president," Clinton said on the White House South Lawn during an event to push his education initiatives.

Clinton said that in 1993, the federal deficit was \$290 billion, the national debt had quadrupled in 12 years and economists predicted that this year, instead of a \$237 billion surplus, the United States would have a \$455 billion deficit.

Clinton then used the new surplus numbers to plug Vice President Gore's bid for the presidency. "Working together, we turned that around—not by chance, but by choice," he said. "I believe we have to first stay with what got us here—pay down the debt, strengthen the Social Security and Medicare systems . . . and we need to then seize this opportunity to take the money that's left to invest in our future, especially education."

The official announcement of the surplus came two weeks before voters elect a new president. A major point of contention between Gore and Texas Gov. George W. Bush, the Republican nominee, has been what should be done with surpluses that are projected to total \$4.6 trillion over the next decade.

Bush has proposed a \$1.3 trillion across-the-board tax cut; Gore has proposed smaller, targeted tax cuts and more government spending.

The government's surplus for 2000 surpassed the record of \$124 billion for fiscal year 1999 and came on top of a \$69.2 billion surplus in fiscal year 1998.

The surplus in 1998 marked the first time the government had managed to finish in the black since 1969.

The last time the government reported three consecutive years of surpluses was in 1947, 1948 and 1949. The record-breaking economy is in its longest-ever streak of uninterrupted growth.

Americans are enjoying plentiful jobs, low inflation—outside of the recent burst in energy prices—and rising incomes. That prosperity also is helping to generate more tax revenue, thanks to increases in both personal and corporate incomes.

Economists say low unemployment has been one of the cornerstones to the prosperity. The surging economy pulled the nation's unemployment rate back down to a three-decade low of 3.9% in September from an already low 4.1% in August.

Last month, Clinton had estimated a surplus of around \$230 billion for the recently ended fiscal year, and the Congressional Budget Office was predicting \$232 billion.

Revenue for fiscal year 2000 totaled \$2.03 trillion, while expenditures came to \$1.79 trillion, the Treasury Department and the Office of Management and Budget said.

Tax payments from individuals totaled \$1 trillion, compared with \$879 billion in fiscal year 1999. Payments from corporate taxes came to \$207.3 billion, up from \$184.7 billion.

The biggest spending categories in fiscal 2000 were:

Social Security, \$441.8 billion, up from \$419.8 billion in fiscal 1999.

Programs of the Health and Human Services Department, including Medicare and Medicaid, \$382.6 billion, compared with \$359.7 billion.

Interest on public debt, \$362.1 billion, up from \$353.5 billion.

Military spending, \$281.2 billion, up from \$261.4 billion.

Mr. HOLLINGS. Mr. President, I see our distinguished chairman of the Budget Committee here.

I ask unanimous consent to have the morning's editorial of the Washington

Post entitled "Say Goodbye to the Surplus" printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAY GOODBYE TO THE SURPLUS

Congressional Republicans reached agreement yesterday on the contents of the tax cut bill they intend to send the president before adjourning. They suggest it's a relatively minor measure, but it's not. If it becomes law atop all the spending increases also agreed to in this session, Congress and the president will have used up, before the election, well over a third of the projected budget surplus—the \$2.2 trillion over 10 years in other than Social Security funds—that the presidential candidates are so busily dispensing on the campaign trail. It's an astonishing display of lack of discipline and misplaced priorities.

The president sent a letter implying that he might sign the tax bill even while objecting to major parts. He ought instead to veto it if congressional Democrats won't block it first. As with the other Republican tax cuts he vetoed earlier in the year, this would cost too much—an estimated quarter-trillion dollars over the 10 years—and too much of the money would go to the part of the population least in need.

In the name of increasing access to health care, the legislation would grant a new tax deduction to people who buy their own insurance. The deduction would mainly benefit those in the top tax brackets who tend already to be insured. The president observed that, far from increasing access, it could have the perverse effect of inducing employers to drop insurance they now maintain for their employees. Among much else, the bill would also increase the amounts that can be contributed annually to tax-favored retirement accounts, a step that by definition benefits only those who can afford to save the maximum now.

The health insurance deduction was part of the Republicans' price for the \$1-an-hour increase in the minimum wage that the bill also contains. The price is too high. Also in the bill will be so-called Medicare givebacks, increases in payments to providers that the president earlier objected were tilted in

favor of managed care companies already overpaid. This is on balance a bad bill dusted with confectioner's sugar and offered up at year's end on a take-it-or-leave-it basis. The right response would be to vote it down.

Mr. HOLLINGS. Mr. President, it is not goodbye to the surplus. We never had it.

I promised the distinguished Senator from New Mexico, Mr. DOMENICI, that I would jump off the Capitol dome if the so-called Balanced Budget Act balanced the budget by this year. I came close to having to buy a parachute and getting ready to jump. I really did.

There was an inordinate collection of revenues, including personal income taxes and corporate returns throughout the year. I was extremely worried and was going to have to face up to the truth to my good friend, the distinguished chairman of our Budget Committee. But I was saved by the bell with the reality that we never had a surplus.

There is no better document than this one. The Treasury news "For Immediate Release" of October 24 entitled "Joint Statements of Lawrence H. Summers, Secretary of the Treasury, and Jacob J. Lew, Director of the Office of Management and Budget on budget results for the fiscal year 2000."

Mr. HOLLINGS. Mr. President, you can see the total Federal securities, and the net transactions at the beginning of this year were \$5,606.1 trillion. At the close of the month, September 30, the end of fiscal year 2000, the debt was \$5,629.0 trillion. The debt increased \$22.9 billion. That is not a surplus.

I ask unanimous consent to have printed in the RECORD the table of budget realities.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLINGS' BUDGET REALITIES

President and year	U.S. budget (outlays) (in billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (bil- lions)	Annual in- creases in spending for interest (bil- lions)
Truman:						
1946	55.2	-5.0	-15.9	-10.9	271.0	
1947	34.5	-9.9	4.0	+13.9	257.1	
1948	29.8	6.7	11.8	+5.1	252.0	
1949	38.8	1.2	0.6	-0.6	252.6	
1950	42.6	1.2	-3.1	-4.3	256.9	
1951	45.5	4.5	6.1	+1.6	255.3	
1952	67.7	2.3	-1.5	-3.8	259.1	
1953	76.1	0.4	-6.5	-6.9	266.0	
1954	70.9	3.6	-1.2	-4.8	270.8	
Eisenhower:						
1955	68.4	0.6	-3.0	-3.6	274.4	
1956	70.6	2.2	3.9	+1.7	272.7	
1957	76.6	3.0	3.4	+0.4	272.3	
1958	82.4	4.6	-2.8	-7.4	279.7	
1959	92.1	-5.0	-12.8	-7.8	287.5	
1960	92.2	3.3	0.3	-3.0	290.5	
1961	97.7	-1.2	-3.3	-2.1	292.6	
1962	106.8	3.2	-7.1	-10.3	302.9	9.1
Kennedy:						
1963	111.3	2.6	-4.8	-7.4	310.3	9.9
1964	118.5	-0.1	-5.9	-5.8	316.1	10.7
Johnson:						
1965	118.2	4.8	-1.4	-6.2	322.3	11.3
1966	134.5	2.5	-3.7	-6.2	328.5	12.0
1967	157.5	3.3	-8.6	-11.9	340.4	13.4
1968	178.1	3.1	-25.2	-28.3	368.7	14.6
1969	183.6	0.3	3.2	+2.9	365.8	16.6
1970	195.6	12.3	-2.8	-15.1	380.9	19.3
Nixon:						
1971	210.2	4.3	-23.0	-27.3	408.2	21.0
1972	230.7	4.3	-23.4	-27.7	435.9	21.8
1973	245.7	15.5	-14.9	-30.4	466.3	24.2
1974	269.4	11.5	-6.1	-17.6	483.9	29.3
1975	332.3	4.8	-53.2	-58.0	541.9	32.7

HOLLINGS' BUDGET REALITIES—Continued

President and year	U.S. budget (outlays) (in billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (bil- lions)	Annual in- creases in spending for interest (bil- lions)
Ford:						
1976	371.8	13.4	-73.7	-87.1	629.0	37.1
1977	409.2	23.7	-53.7	-77.4	706.4	41.9
Carter:						
1978	458.7	11.0	-59.2	-70.2	776.6	48.7
1979	504.0	12.2	-40.7	-52.9	829.5	59.9
1980	590.9	5.8	-73.8	-79.6	909.1	74.8
1981	678.2	6.7	-79.0	-85.7	994.8	95.5
Reagan:						
1982	745.8	14.5	-128.0	-142.5	1,137.3	117.2
1983	808.4	26.6	-207.8	-234.4	1,371.7	128.7
1984	851.9	7.6	-185.4	-193.0	1,564.7	153.9
1985	946.4	40.5	-212.3	-252.8	1,817.5	178.9
1986	990.5	81.9	-221.2	-303.1	2,120.6	190.3
1987	1,004.1	75.7	-149.8	-225.5	2,346.1	195.3
1988	1,064.5	100.0	-155.2	-255.2	2,601.3	214.1
1989	1,143.7	114.2	-152.5	-266.7	2,868.3	240.9
Bush:						
1990	1,253.2	117.4	-221.2	-338.6	3,206.6	264.7
1991	1,324.4	122.5	-269.4	-391.9	3,598.5	285.5
1992	1,381.7	113.2	-290.4	-403.6	4,002.1	292.3
1993	1,409.5	94.2	-255.1	-349.3	4,351.4	292.5
Clinton:						
1994	1,461.9	89.0	-203.3	-292.3	4,643.7	296.3
1995	1,515.8	113.3	-164.0	-277.3	4,921.0	332.4
1996	1,560.6	153.4	-107.5	-260.9	5,181.9	344.0
1997	1,601.3	165.8	-22.0	-187.8	5,369.7	355.8
1998	1,652.6	178.2	69.2	-109.0	5,478.7	363.8
1999	1,703.0	251.8	124.4	-127.4	5,606.1	353.5
2000	1,788.0	259.9	237.0	-22.9	5,629.0	361.9

Mr. HOLLINGS. Mr. President, as you can see, during 1968-1969, when President Lyndon Johnson last balanced the budget, we had at that particular time a \$2.9 billion surplus. We have been running deficits ever since.

I heard the litany in the debates why we had not done anything.

When this Congress started 8 years ago, as the RECORD shows, in 1992, there was a deficit of \$403.6 billion. We were spending \$403.6 more than we were taking in.

Under the 1993 provisions, whereby we not only cut spending but we increased taxes, including the tax on Social Security and the tax on gasoline. We reduced the Federal workforce by 300,000 employees. That got us on the road to reducing the deficit from \$403.6 billion to \$22.9 billion. But the debt has continued to increase, and there is no surplus. That is the point I am trying to make.

Only on last evening, in trying to renegotiate the State-Justice-Commerce bill—I don't know whether it will be included—but they wanted the statement that \$240 billion shall be used to pay down the debt. Absolutely false. They transfer the debt to these trust funds that I have already listed in the RECORD with respect to Social Security, Medicare, military retirement, civilian retirement, unemployment compensation, and on down the list. They are really transferring. They are not paying down anything. There is no surplus. We have increased the debt.

The reality is that we have just created the biggest waste in the history of government.

I served on the Grace Commission against waste, fraud, and abuse. We worked very diligently and carried out about 85 percent of the recommendations of the Commission. In spite of our efforts, however, under President Reagan's so-called "voodoo" economics, the debt increased. We kept going, first

under President Reagan, with a \$1 trillion debt, and then a second trillion dollars, a third trillion dollars, a fourth trillion, a fifth trillion, and now the debt has grown to \$5.7 trillion.

Along with that is the interest cost. Under President Johnson, when we balanced that budget, it was \$16 billion. That is 200 years of history including the cost of all the wars, from the Revolutionary War, World Wars I and II, Korea, and Vietnam. It has gone from \$16 billion up to \$362 billion.

I ask unanimous consent that this document entitled "The Public Debt To the Penny" be printed in the RECORD and the list of interest costs be printed in the RECORD as of the day before yesterday, which is the most recent.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The public debt to the penny

	Amount
Current:	
10/24/2000	\$5,674,018,471,636.91
Current month:	
10/23/2000	5,670,684,446,983.21
10/20/2000	5,671,113,923,599.68
10/19/2000	5,670,716,361,031.21
10/18/2000	5,664,293,307,225.32
10/17/2000	5,664,975,939,816.81
10/16/2000	5,660,152,346,828.33
10/13/2000	5,654,691,872,296.28
10/12/2000	5,652,782,594,061.86
10/11/2000	5,660,113,029,266.52
10/10/2000	5,658,397,995,719.35
10/06/2000	5,660,786,987,693.59
10/05/2000	5,662,225,814,331.71
10/04/2000	5,653,380,479,214.62
10/03/2000	5,653,358,623,363.58
10/02/2000	5,661,548,045,674.53
Prior months:	
09/29/2000	5,674,178,209,886.86
08/31/2000	5,677,822,307,077.83
07/31/2000	5,658,807,449,906.68
06/30/2000	5,685,938,087,296.66
05/31/2000	5,647,169,888,532.25
04/28/2000	5,685,108,228,594.76
03/31/2000	5,773,391,634,682.91

The public debt to the penny—Continued

	Amount
02/29/2000	5,735,333,348,132.58
01/31/2000	5,711,285,168,951.46
12/31/1999	5,776,091,314,225.33
11/30/1999	5,693,600,157,029.08
10/29/1999	5,679,726,662,904.06
Prior fiscal years:	
09/29/2000	5,674,178,209,886.86
09/30/1999	5,656,270,901,615.43
09/30/1998	5,526,193,008,897.62
09/30/1997	5,413,146,011,397.34
09/30/1996	5,224,810,939,135.73
09/29/1995	4,973,982,900,709.39
09/30/1994	4,692,749,910,013.32
09/30/1993	4,411,488,883,139.38
09/30/1992	4,064,620,655,521.66
09/30/1991	3,665,303,351,697.03
09/28/1990	3,233,313,451,777.25
09/29/1989	2,857,430,960,187.32
09/30/1988	2,602,337,712,041.16
09/30/1987	2,350,276,890,953.00

Source: Bureau of the Public Debt.

**INTEREST EXPENSE ON THE PUBLIC DEBT
OUTSTANDING**

The monthly Interest Expense represents the interest expense on the Public Debt Outstanding as of each month end. The interest expense on the Public Debt includes interest for Treasury notes and bonds; foreign and domestic series certificates of indebtedness, notes and bonds; Savings Bonds; as well as Government Account Series (GAS), State and Local Government series (SLGs), and other special purpose securities. Amortized discount or premium on bills, notes and bonds is also included in interest expense.

The fiscal year Interest Expense represents the total interest expense on the Public Debt Outstanding for a given fiscal year. This includes the months of October through September.

Interest Expense—Fiscal Year 2000	
September	\$18,230,568,576.64
August	22,180,621,064.98
July	19,332,594,012.00
June	75,884,057,388.85
May	26,802,350,934.54
April	19,878,902,328.72
March	20,889,017,596.95
February	20,778,646,308.19
January	19,689,955,250.71

December	73,267,794,917.58
November	25,690,033,589.51
October	19,373,192,333.69

Fiscal Year Total ...	361,997,734,302.36
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Available Historical
Data—Fiscal Year End

2000	361,997,734,302.36
1999	353,511,471,722.87
1998	363,823,722,920.26
1997	355,795,834,214.66
1996	343,955,076,695.15
1995	332,413,555,030.62
1994	296,277,764,246.26
1993	292,502,219,848.25
1992	292,361,073,070.74
1991	286,021,921,181.04
1990	264,852,544,615.90
1989	240,863,231,535.71

Mr. HOLLINGS. Mr. President, you can see the interest cost of \$361,997,734,302.36, and on down the list.

At \$1 billion a day—I will never forget the comments made by the distinguished majority leader at the time President Clinton was making his address to the joint session of Congress at the beginning of the year. He said that gentleman is costing us \$1 billion a minute. The President talked for 90 minutes. Governor Bush wants to cut taxes some \$90 billion. So the two of them—the Bush program and the Clinton program—are \$180 billion. We are spending \$362 billion on interest costs alone.

That leaves \$182 billion that you can use to increase research for cancer, increase defense—defense is stretched now—and everything else.

The point is we are spending a fortune on absolutely nothing. With the profligacy of these past Congresses, the lack of awareness of the American people, and the media's failure to deliver the truth to the American public, I wanted the record to be cleared.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, do I understand I have a half hour?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. Thank you, Senator HOLLINGS, for your kind remarks. I don't agree with your theory or your conclusions, but I appreciate working with you over the years. Your dedication to getting the debt under control has not gone unnoticed over the years. We had an unusual recovery with huge amounts of new taxes coming in that neither you or I expected. Society has changed, no doubt about that.

ODD GIFT OF BONDS

Mr. DOMENICI. Mr. President, today I will speak about Vice President GORE's lack of a Social Security policy. I will entitle my premise today "Odd Gift of Bonds."

Let me start by saying I found it interesting that just 2 days ago the Treasury Secretary—that is, Secretary Summers—took time out of his busy schedule to speak with reporters and

go on the talk show circuit to comment on Governor Bush's Social Security proposal. Some of Secretary Summers's conclusions appeared on the front page of the Washington Post yesterday. The title was "Cabinet Opens Up On Bush." "Treasury Secretary says Social Security Math Doesn't Add Up."

I hope when I am finished some people will take a look at the Vice President's so-called Social Security plan, and maybe they will conclude, as I have, that the math does add up, but it doesn't do a thing for Social Security long term. Nothing. Zero.

It should be noted, at least while I have been here, that traditionally, Secretaries of the Treasury do not get themselves involved in political campaigns, and for good reason. Indeed, former Secretary Bob Rubin, also an appointee of this administration, stayed out of the campaign in 1996. But apparently Secretary Summers had enough time to give interviews; but he didn't have enough time to offer any real evidence to back up his stated claims. None. No evidence. In fact, I'm quite sure that the Secretary of the Treasury is grading a fictional Bush plan so that he can join with the Vice President and many other Democrats in orchestrating a campaign to scare senior citizens, as they have done regularly in past campaigns.

Also, I find it interesting that the Washington Post reporter—whom I know—who wrote this story, didn't come to any Member or anyone who has tried to understand the Gore Social Security plan to ask for some comments about it and whether it does anything at all for Social Security.

So today I will take a few minutes to explain the Clinton-Gore Social Security plan, and then the Gore plan, which is slightly different than the Clinton-Gore plan, which is really not a plan at all but an illusion of a plan. It is not a plan. It is an illusion of a plan.

President Clinton initially proposed a version of this plan in January of 1999. It was never taken seriously then or now. And for good reason. I can remember it was very difficult to get a Democrat to offer the President's plan, including the so-called Social Security fix in the budget hearings, in the Budget Committee, and surely there were never more than a few Senators whom I believe in clear partisan dedication who supported this odd gift of bonds to the Social Security trust fund.

This so-called plan, the one that President Clinton sent us in 1999, is strictly a political exercise intended to create the perception that the President and Vice President have met their commitment to "save Social Security first," as they state it, when, in fact, they have no such plan, and the Social Security long-term problems remain absolutely unresolved.

In fact, as Governor Bush has said, for 8 years the Clinton-Gore administration has promised to save Social Se-

curity, and yet, under the Clinton-Gore administration, the present value of the Social Security deficits have already increased 60 percent during that 8 years of doing nothing, according to the Social Security actuaries. That's roughly \$28,000 per household. That is the amount that it has gone up. Perhaps Secretary Summers, as the managing trustee of Social Security, should be asked why he has allowed that to happen. It has happened because we have not taken steps to reform or fix Social Security.

Now I will talk about the \$40 trillion IOU plan. What does the Clinton-Gore plan do? Beginning in the year 2011, and continuing through 2050, they transfer IOUs from the general fund of the government to the Social Security trust fund. I will soon introduce a letter from the Congressional Budget Office that says over that period of time from 2011 to 2050 the total accumulated costs of both interest and IOUs—get this—will be \$40 trillion. That means for that plan to make sense somehow, some way, some time, during 2011 and 2050, they will have to ask the American people to do one of three things:

No. 1, increase taxes by \$40 trillion over that period of time. Why? To pay off the IOUs which are soon going to be needed by the Social Security recipients of our country.

No. 2, restrain and restrict the programs of our Federal Government over that period of time; that is, discipline our programs so we will save \$40 trillion and put it against the IOUs—a mammoth expectation without any probability of occurring.

Or we can do some of the two of them.

Or we can just say we will do it all by cutting programs of ordinary people that are going on day by day.

Nonetheless, these estimates will indicate that we will have to do something in the future to raise large amounts of money that are not currently within the Social Security actuarial expectations from the payroll tax. It will have to come from somewhere. Is that a plan to fix Social Security? I ask anyone if that is a plan? It is not a plan. It won't work. It has been more or less unacceptable to Congress for the 2½ years that it has been lounging around someplace, for somebody to consider.

The estimate I am talking about comes from the Social Security actuaries who estimated the initial amount of general fund transfers to be \$9.9 trillion.

We then asked the Congressional Budget Office to calculate for us how much additional interest would be paid to the trust fund, based on these transfers. CBO, the Congressional Budget Office, using the actuaries' numbers, estimated that the interest payments would add \$30 trillion to the general fund transfers to the trust fund. In total, then, that is \$40 trillion in IOUs by 2050.

For those who might have a little difficulty with IOUs, let me just say,

think of it as a postdated check. The check is there and it is valuable because it has a signature on it: USA. But it is dated 2050. Then when you say: OK, the check is good, pay me—we will, as a nation, have to come up with \$40 trillion.

When the President initially made this proposal, he—that is President Clinton—he at least proposed one real provision that would have changed Social Security's long-term financing. The President proposed to set up a new Government-run board that would invest up to 15 percent of the Social Security trust fund in the stock market and private bonds. President Bill Clinton recommended that. But it would be run by the Government and the Government would be involved in huge numbers and huge dollar values of the stock of the American stock exchanges and of companies of America.

There was a resounding opposition to using a Government board to invest Social Security money in the stock market because it would become political. It would become a board that might not want to invest in this because of public opinion, or that, because the particular corporation causes obesity by selling hamburgers, that is not the right thing so you would not invest in that particular stock.

The Federal Reserve Board Chairman said, to that piece of the President's plan: Too much Government involvement in the private economy.

So the Vice President has said he does not support that portion of President Clinton's plan. So what he has left is a plan with no investment and \$40 trillion will accumulate, by the year 2050, which we will have to pay from somewhere.

If you ask, Has he helped anything in his plan? Well, I ask you. He also, I think, makes matters a little worse by proposing two new unfunded benefit expansions that will cost between \$100 and \$180 billion over 10 years, which just adds to the numbers we have been talking about because we have expanded Social Security without the wherewithal to pay it after 2011.

To show you the lack of seriousness of this IOU proposal, the Gore plan does not start transferring funds to Social Security until 2011, well beyond any two terms that he might serve, and five Congresses from now. What he is really saying is he wants the economy of this country to commit \$40 trillion in general funds on the promise that we will impose fiscal discipline on 10 future Presidential terms and 20 Congresses. But he will not transfer a penny to Social Security until 2011.

Who is going to pay these IOUs off? Our children and our grandchildren. They will be saddled with all the debt and they will be forced to pay these IOUs back—in the form of higher taxes or through the other suggestions that are possibilities that are talked about.

In March of 1999, Senator BOB KERREY said, this plan “has a great deal of pain in [the] plan—a hidden

pain in the form of income tax increases that will be borne by future generations of Americans.”

That is by BOB KERREY, Democrat from Nebraska. I could not agree more.

What is more, the President's own budget for 2000 agreed with Senator KERREY:

These [trust fund] balances . . . are claims on the Treasury that, when redeemed, will have to be financed by raising taxes, through borrowing from the public, or reducing the benefits or other expenditures. The existence of large trust fund balances, therefore, does not, by itself, have any impact on the Government's ability to pay the benefits.

An odd gift of bonds—which is the full extent, that I can find, of the plan the Vice President has put forth. I can find very few economists who believe these transfers to Social Security are a good idea and they will fix Social Security.

In fact, Ed Gramlich, whom this President recently appointed to the Federal Reserve Board, headed a commission for the President on Social Security. This is what he said:

During the deliberations of the 1994-1996 Social Security Advisory Commission, we considered whether general revenues should be used to help shore up the Social Security program. This idea was unanimously rejected for a number of reasons . . . there are serious drawbacks to relaxing Social Security's long-run budget constraint through general revenue transfers.

Alan Blinder, GORE's economic adviser, said, in 1999, that the administration should drop the “gift of bonds.”

It is from his quote that I named this assessment. He said that the administration should drop the “gift of bonds.”

This is what he said, that is Blinder, at a Ways and Means Committee hearing in 1999.

It amounts to a pledge to provide that much more money for Social Security in the future—somehow. But it does not specify the sources. Thus, by itself, it does not fill any of the funding gap. . . . There is a simpler and more intuitively appealing plan which, had the President proposed it, would, I believe, have generated less confusion and raised fewer objections. That would be to dedicate the [Social Security surpluses] over the next 15 years to debt reduction, and therefore to national saving—and to forget about the new gift of bonds and odd scorekeeping rules.

Meaning that you have to invent some way to score this in a budget way or to make sense.

The Clinton-Gore plan is not really a plan at all. It is a political proposal to confuse the debate and absolve him from the responsibility to offer a real plan to save Social Security.

Mr. President, I ask unanimous consent the article by Glenn Kessler regarding the Secretary of Treasury's assessment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 25, 2000]

CABINET OPENS UP ON BUSH

TREASURY SECRETARY SAYS SOCIAL SECURITY MATH DOESN'T ADD UP

(By Glenn Kessler)

Treasury Secretary Lawrence H. Summers offered a detailed critique of Texas Gov.

George W. Bush's Social Security plan yesterday, wading into a political fight usually shunned by his predecessors and creating an unusual chorus of criticism of the GOP presidential nominee by senior Cabinet officials.

In an interview, Summers said that Bush's comments on Social Security “reveal a fundamental misunderstanding of the system.” The Bush plan to divert a portion of payroll taxes to help establish individual accounts for young workers, he added, well require either “large cuts” in guaranteed benefits or an infusion of billions of dollars in new revenue.

But Summers—an economist who also serves as managing trustee of Social Security and conducted academic work on funding the system before he entered government—said there is no way money collected now can also pay current benefits if it is channeled into investment accounts.

“It is an arithmetic challenge that cannot be met,” Summers said, asserting that under the Bush plan the Social Security trust fund would be fully depleted when someone who is now 42 retires.

Summers' remarks come as the Gore campaign and the Democratic National Committee are pounding battleground states with advertisements and recorded phone calls that echo the themes outlined by Summers—that Bush's math on Social Security doesn't add up and that the Republican is bound to break promises to either senior citizens or young workers.

While Summers is a key behind-the-scenes economic adviser to Vice President Gore, the Treasury Secretary, the Secretary of State, the Defense Secretary and the Attorney General are generally the Cabinet officials who try to remain aloof from politics in presidential elections.

Yet, over the weekend, Secretary of State Madeleine K. Albright also departed from that tradition, taking the unusual step of denouncing Bush's proposal to withdraw U.S. ground forces from the Balkans as risky and misguided and possibly leading to the dissolution of NATO.

“This is a very inappropriate continuing pattern of the politicization of the most sensitive Cabinet agencies, State and Treasury,” said Bush spokesman Ari Fleischer. “In the waning days of the Clinton era, perhaps it was too much to hope that the historically nonpolitical agencies could remain about the fray.”

As Treasury secretary four years ago, Robert E. Rubin would only obliquely make observations about the economic proposals offered by Republican presidential candidate Robert J. Dole, usually in response to questions and then mostly to defend administration policy. Nicholas Brady, Treasury secretary in 1988 under President Ronald Reagan and in 1992 under Bush's father, President George Bush, said yesterday that Summers' comments were “totally inappropriate.”

“I don't think it's his business to be commenting on Governor Bush's proposal on Social Security,” Brady said.

Allen Sinai, chief executive of Primark Decision Economics, agreed that the critique was unusual but said it was appropriate, given Summers' background. “We happened to have the coincidence of having a Treasury secretary who is also the finest economist of our generation,” Sinai said. “Who's to say what's fair or not fair?”

Treasury officials made much the same case, saying Summers' comments were justified because he is the managing trustee of Social Security and had been considered an expert in the field when he was in academia.

Summers also took issue with Bush's claim that he would be able to build up \$3 trillion in these new private accounts while also

eliminating the national debt by 2016. Gore has set a goal of eliminating the debt by 2012.

"Without dedicating Social Security surpluses to debt reduction rather than to new private accounts, it appears to me that on any realistic basis it is impossible to eliminate the debt any time in the next 20 years without using nearly the entire budget surplus, which is clearly precluded by their large tax cuts," Summers said.

Under the Bush plan, about \$1.9 trillion would be transferred from the Social Security surplus to the private accounts by 2016, which the campaign says would grow to \$3 trillion, assuming a 5.5 percent return and moderate inflation. But that money could not also be used to pay down the debt.

Fleischer insisted the Bush plan will pay down the entire national debt by 2016.

Summers began making the case against Bush's Social Security plan in a little-noticed address before the Conference Board in New York last week. In that speech, he said that diverting two percentage points of the payroll tax—about 15 percent—a year "would lead to an excess of benefits over tax revenues by 2005, and the total exhaustion of the trust fund in the early 2020s."

Yesterday, Summers expounded on that theme and also targeted Bush's contention in his first debate with Gore that "I want to get a better rate of return for your own money than the paltry 2 percent that the current Social Security trust gets today."

Summers said that reflected a "fundamental misunderstanding" because payroll taxes are used to provide benefits for retirees, the disabled and survivors, and thus can't be invested. "Comparing rates of return is just not a legitimate argument," Summers said.

Mr. DOMENICI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 11 minutes.

Mr. DOMENICI. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I sent on October 6 to Dan L. Crippen—he is the Congressional Budget Office Director. I asked him the following:

I am attaching a June 26, 2000 memorandum from the SSA [the Social Security people] actuaries which gives the exact size of these annual transfers. Their data shows that \$9.8 trillion in cumulative annual transfers will have been made by 2050 under the Administration's proposal. I would like CBO to estimate what the cumulative interest on these transfers would be in the years specified in the attached table. Secondly, could you tell me the total amount of IOUs that will be deposited into the [Social Security] trust fund as a result of the cumulative transfers plus the cumulative interest on these transfers in each of the specified years.

I ask unanimous consent that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, October 6, 2000.

DAN L. CRIPPEN,
Director, Congressional Budget Office, Washington, DC.

DEAR DR. CRIPPEN: The Administration's Mid-Session Review on the Budget for Fiscal Year 2001 contains a proposal related to Social Security trust fund reserves.

Specifically, the Administration proposes to begin transferring general revenues to the Social Security trust fund in 2011 and con-

tinuing to 2050. These general revenue transfers will add to the trust fund balances (in the form of Treasury IOUs) and will generate additional interest income (in the form of Treasury IOUs) for the trust fund as well.

I am attaching a June 26, 2000 memorandum from the SSA actuaries which gives the exact size of these annual transfers. Their data shows that \$9.8 trillion in cumulative annual transfers will have been made by 2050 under the Administration's proposal. I would like CBO to estimate what the cumulative interest on these transfers would be in the years specified in the attached table. Secondly, could you tell me the total amount of IOUs that will be deposited into the SS trust fund as a result of the cumulative transfers plus the cumulative interest on these transfers in each of the specified years.

Thank you for your prompt consideration of this request.

Sincerely,

PETE V. DOMENICI,
Chairman.

(\$ trillion)			
Year	Cumulative transfers (IOUs)	Cumulative interest on transfers (IOUs)	Cumulative transfers + interest on transfers (IOUs)
2015	859.6		
2020	2144.6		
2025	3429.6		
2030	4714.6		
2035	5999.6		
2040	7284.6		
2045	8569.6		
2050	9854.6		

Mr. DOMENICI. I ask unanimous consent the June 26, 2000, memorandum to Social Security chief actuary Harry C. Ballantyne, on long-range OASDI financial effects of the President's proposal for strengthening Social Security, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY ADMINISTRATION
MEMORANDUM, JUNE 26, 2000

To: Harry C. Ballantyne, Chief Actuary
From: Stephen C. Goss, Deputy Chief Actuary
Subject: Long-Range OASDI Financial Effects of the President's Proposal for Strengthening Social Security—Information

This memorandum provides estimates of the financial effects of the proposal presented in the President's Mid-Session Review of the Fiscal Year 2001 Budget on June 20, 2000. This proposal would require that transfers be made from the General Fund of the Treasury of the United States to the Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) trust funds for each fiscal year 2011 through 2050. In addition, the President proposes that a portion of the transfers would be invested in corporate equities (stock), up to a limited portion of the total assets of the trust funds.

If transfers were invested only in special interest-bearing obligations (special issues) of the United States Treasury, the date of exhaustion of the combined OASI and DI trust funds would be extended by an estimated 20 years, from 2037 under present law to 2057 under the proposal. The estimated size of the long-range actuarial deficit would be reduced from 1.89 percent of effective taxable payroll under present law to 0.86 percent of payroll under the proposal. All estimates reflect the intermediate assumptions of the 2000 Trustees Report, adjusted to reflect the recent enactment of the retirement earnings

test beginning in the year 2000 for persons who have attained their normal retirement age.

In addition to the transfers, the President proposes that up to 15 percent of trust fund assets would eventually be invested in stock. With both the transfers and the investment in stock, the date of exhaustion of the combined OASI and DI trust funds would be extended by an estimated 26 years, from 2037 under present law to 2063 under the proposal. The estimated size of the long-range actuarial deficit would be reduced from 1.89 percent of effective taxable payroll under present law to 0.48 percent of payroll under the proposal. (Due to interaction among provisions, a complete elimination of the actuarial deficit would require additional OASDI changes that would reduce the present law deficit by up to about 0.75 percent of taxable payroll.) These estimates are based on the intermediate assumptions of the 2000 Trustees Report (adjusted for elimination of the earnings test at the normal retirement age) and other assumptions described below.

The amount of transfer for each year would be based on a calculation of the increase in the combined OASI and DI trust fund assets that would have occurred during fiscal years 2001 through 2015 if all trust-fund assets had been invested in obligations of the United States Treasury. However, actual transfer amounts would be limited to dollar amounts specified in the law, based on projected on-budget surpluses in the President's Mid-Session Review of the FY 2001 Budget.

Base transfer amounts are intended to be equal to the amount by which interest on publicly-held Federal debt would be lower as a result of the OASDI "surplus" during fiscal years 2001 through 2015 than if there had been no such surplus, assuming that all transfers had been invested solely in special issues of the Treasury.

Beginning in the year 2011, 50 percent of the amount transferred would be used to purchase stock and 50 percent would be used to purchase special issues of the Treasury. All dividends would be reinvested in stock. This procedure would continue until the market value of all stock held by the OASDI trust funds reaches 15 percent of total OASDI trust fund assets. Thereafter, the percentage of total trust fund assets that is held in stock would be maintained at 15 percent by buying and selling stock as necessary.

Stock investments would be managed by the private sector. Stock investments would be required to reflect the composition of all publicly-traded stock in the United States (for example, the composition of the Wilshire 5000 index).

TRANSFER AMOUNTS FROM THE GENERAL FUND OF THE TREASURY TO THE OASI AND DI TRUST FUNDS

The proposal would provide for transfers in each fiscal year 2011 through 2050 with the amount based on the following procedure:

(1) A base amount would be computed for each fiscal year 2011 through 2016 equal to:

(a) the calculated increase in the amount of assets in the combined OASI and DI trust funds that would have occurred from September 30, 2000 to the September 30 immediately prior to the start of the fiscal year, if all assets had been invested only in special issues of the Treasury, multiplied by,

(b) an interest rate based on the average market yield on all marketable interest-bearing obligations of the United States forming a part of the publicly-held debt in the month prior to the fiscal year.

(2) The actual transfer amount for each fiscal year 2011 through 2016 would be equal to the base transfer amount for the year, subject to a dollar-specified limit in the law. This limit, computed by the Office of Management and Budget, represents the amount

of on-budget surplus that was projected to be available for transfers to the OASDI trust funds under the assumptions and policy of the President's Mid-Session Review of the FY 2001 Budget.

(3) The actual transfer amount for fiscal years 2017 through 2050 would be equal to the actual transfer amount computer for fiscal year 2016.

Under (1)(b), calculation of the interest rate would be based on yields on corporate bonds if there is no publicly-held debt. In this case, the interest rate would be based on the current market yield of investment-grade corporate obligations, less an adjustment to account for the estimated difference between yields of such corporate obligations and "obligations of comparable maturities issued by risk-free government issuers selected by the Secretary of the Treasury."

ESTIMATED TRANSFER AMOUNTS AND LIMITS UNDER THE PROPOSAL

(Billions of current dollars)

Fiscal year	Estimated base amount ¹	Dollar-specified limit ²	Estimated transfer amount
2011	\$122.4	\$123	\$122.4
2012	145.0	147	145.0
2013	169.8	172	169.8
2014	196.7	200	196.7
2015	225.7	230	225.7
2016 and later	257.0	263	257.0

¹Based on the intermediate assumptions of the 2000 Trustees Report (adjusted for elimination of the earnings test at the normal retirement age).

²Specified in law, computed by the Office of Management and Budget based on the President's Mid-Session Review of the FY 2001 Budget.

It should be noted that the "base" amounts that would be computed for transfers in years 2011 through 2016 may be higher or lower than the estimates provided above based on the intermediate assumptions of the 2000 Trustees Report. For example, if price inflation (increase in the CPI) turns out to be higher or lower than assumed by the Trustees between now and 2015, with real rates of growth as currently assumed, the based transfer amounts could differ substantially.

If inflation is lower than expected through 2015, making base amounts computed in years 2011 through 2016 lower than those estimated above, the dollar-specified limits on transfers would not affect these base amounts in the determination of actual transfers. However, if inflation is higher than expected through 2015, making base amounts computed in years 2011 through 2016 higher than those estimated above, the dollar-specified limits on transfers would reduce the actual transfer amounts to levels below the base amounts.

OASDI TRUST FUND ASSETS IN STOCK

The 1994-96 Advisory Council on Social Security requested estimates assuming that the total annual real yield on stock investments would ultimately average about 7 percent, approximately the average (geometric mean) total yield on stocks since 1900 (or since 1926). Total yield includes dividends as well as capital gains. Estimates for this proposal are based on this assumption. (See section below for analysis of the sensitivity of the estimates to variation in the assumed real yield on stock.)

The 4-percentage-point difference between this assumed ultimate real stock yield and the Trustees' 3.0-percent assumed ultimate real yield on government bonds held by the trust funds (the equity premium) is assumed to be maintained, on average, throughout the 75-year projection period.

The table below provides the estimated percentage of OASDI trust fund assets that

would be held in stock at the end of each calendar year 2010-17. The stock holdings are estimated to reach the level of 15 percent of total trust fund assets by the end of 2017, after which point this percentage would be maintained under the proposal.

PERCENT OF OASDI TRUST FUND ASSETS IN STOCK, END OF YEAR

Year	Percent
2010	0.5
2011	2.4
2012	4.4
2013	6.6
2014	8.9
2015	11.4
2016	13.8
2017	15.0

The portion of the total value of publicly-traded stock in the United States that is held by the OASDI trust funds will depend not only on the yield achieved in the market, but also on the rate of growth in the total market value of all stock. The total value of stock represented in the Wilshire 5000 index (a fair representation of all publicly-traded stock in the United States) was \$9.3 trillion at the beginning of 1998.

Assuming that the total market value of publicly-traded stock will rise on average by the rate of growth in GDP after 1998, the trust funds would be expected to hold about 3.7 percent of the total market value, on average, over the 30-year period 2011 through 2040.

AVERAGE PERCENTAGE OF TOTAL STOCK MARKET VALUE HELD BY OASDI

Years	Percent
2011-20	2.3
2011-30	3.5
2011-40	3.7
2011-50	3.6

SENSITIVITY TO ASSUMED REAL YIELD ON STOCK

Due to the current, historically-high, level of stock prices relative to corporate earnings, many analysts expect that the total real yield on stock will average less than 7 percent over the next 75 years. For example, the 1999 Technical Panel appointed by the Social Security Advisory Board recommended the assumption that the ultimate real yield on stock would exceed the real yield on government bonds held by the trust funds by 3 percentage points, on average, over the next 75 years. In the context of the intermediate assumptions of the 2000 Trustees Report, this would imply a long-run average total real yield on stock of 6 percent (3 percentage points above the Trustees' assumption of an average 3-percent real yield on government obligations held by the trust funds).

Assuming a 6-percent average total real yield on stock over the long-range (75-year) period, the estimated year of trust fund exhaustion would be extended by 25 years, from 2037 to 2062 (one year sooner than with an assumed 7 percent real stock yield). The estimated long-range OASDI actuarial deficit would be reduced from 1.89 to 0.57 percent of taxable payroll (0.09 percent of payroll higher than with an assumed 7 percent real stock yield).

STEPHEN C. GOSS.

Mr. DOMENICI. This is the response to my letter, dated October 18, which has an attachment to it. I will read a paragraph.

Although the transfers (and the interest earned on them) would improve the apparent

solvency of the trust fund, they would increase the liabilities in the rest of the budget at the same time.

That is what I have been saying.

As a result, the proposed transfers would have no impact on the Government's net indebtedness, nor would they directly enhance Government's ability to meet promises to future retirees. Indeed, the Government's revenues and expenditures would be the same regardless of whether the transfers were made.

I ask unanimous consent that Dan Crippen's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 18, 2000.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: In your letter of October 6, you asked the Congressional Budget Office (CBO) to use data you provided from the Social Security actuaries to estimate the size of the cumulative impact, including interest, of the President's proposal to make transfers from the general fund of the Treasury to the Social Security trust funds.

Although the transfers (and the interest earned on them) would improve the apparent solvency of the trust funds, they would increase the liabilities in the rest of the budget at the same time. As a result, the proposed transfers would have no impact on the government's net indebtedness, not would they directly enhance the government's ability to meet its promises to future retirees. Indeed, the government's revenues and expenditures would be the same regardless of whether the transfers were made. Ultimately, the government's ability to pay for future commitments, whether they are Social Security benefits or some other payments, depends on the total financial resources of the economy—not on the balances in the trust funds.

As you requested, CBO prepared its estimates using information about the proposal and the size of the transfers from a June 26, 2000, memorandum issued by the actuaries of the Social Security Administration. For its estimates, CBO used the actuaries' assumptions about interest rates from the 2000 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds and assumed that the transfers would be made in the middle of the fiscal year. The estimates using these data are listed in the enclosed table. CBO has not evaluated the actuaries' assumptions.

Please feel free to call me if you have any questions, or have your staff contact Douglas Hamilton at 202-226-2770.

Sincerely,

DAN L. CRIPPEN,
Director.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the attached table be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EFFECTS OF PRESIDENT'S PROPOSED TRANSFERS FROM THE GENERAL FUND TO THE SOCIAL SECURITY TRUST FUNDS ON THE CUMULATIVE INTEREST PAID TO THE SOCIAL SECURITY TRUST FUNDS

[In trillions of dollars]

	2010	2015	2020	2025	2030	2035	2040	2045	2050
Cumulative Transfers	0	0.9	2.1	3.4	4.7	6.0	7.3	8.6	9.9
Cumulative Interest on Transfers	0	0.1	0.7	1.9	4.1	7.4	12.4	19.7	30.0
Total	0	1.0	2.8	5.3	8.8	13.4	19.7	28.3	39.9

Source: Completed using data from the actuaries of the Social Security Administration.

Note: Numbers may not add up to totals because of rounding.

Mr. DOMENICI. Mr. President, I will tell the Senate what it says. It is attached to CBO's letter, and it goes 2010, 2015, 2020, right up to 2050, and it has the cumulative IOU transfers that were put in and then the cumulative interest on the transfers.

I was shocked—maybe I should not have been; it is almost automatic, it is almost arithmetic—but the total of the cumulative interest on the IOUs and the cumulative transfers amount to \$40 trillion by the year 2050. That is the IOU that we give to the American people. They will have to pay it in order to keep Social Security solvent, but nobody is being told that. They are being told we have fixed the plan for x number of years from now.

LET'S GET IT RIGHT

Mr. DOMENICI. Mr. President, I want to take a few moments on two other subjects. First, the Vice President of the United States continues to tell the American people that he has been a master at reorganizing our Government and making it efficient, and that a very large number of employees have been cut from the payroll of the U.S. Government due to this effort.

I want to print in the RECORD a chart from the Office of Management and Budget—their own—the total executive branch civilian full-time equivalent employees during this period of time that they claim they reduced the workforce.

All I want to say is one thing: It did not take much to do this because 96 percent, a larger number than I thought, 96 percent of the employee reduction—that is the civilian full-time equivalent reduction—are military civilians who were taken off the payroll as we reduced the Defense Department of the United States; 96 percent. Four percent is the reduction in the non-military civilian payroll of the United States.

Let's get it right, Mr. Vice President. Let's tell it right. There were no real reductions other than civilians who were laid off because we reduced the Defense Department. I want to be correct. I said there were none; 4 percent of reductions were from the rest of the civilian Government of the United States.

On the last item, let's get this one right. Mr. Vice President, you referred twice in debates to a program to give health insurance to kids. There is a program called CHIP which the U.S. Government gave money to each State

so they could try to insure or bring into Medicaid or at least in some way cover more children.

The Vice President said to the Republican nominee: Texas has not done very well with that. Your program for covering children obviously indicates—I am paraphrasing—that you did not care about children's health.

What should have been said is that 40 States of the Union were unable to use their CHIP money. Would that not have been a fairer thing to say rather than say Texas? The State that has the largest amount of money under that program for children's health and cannot spend it, has not spent it to this date is the State of California. As a matter of fact, they had \$591 million that they could not spend on children's health coverage because the program will not work. You cannot fit it into States. You cannot get it approved by the legislature. You cannot find the match, or whatever the reason.

Those 40 States, in addition to Texas, are California, Georgia, Washington, Minnesota—Minnesota had the highest percentage of that money left over because they could not spend it, 99 percent. New Mexico, my State, had 92. Arizona had 67 percent of their money.

Let's be fair. When you talk about children's health coverage and this Federal program, do not say Texas was unable to spend theirs. Let's say 40 States have been unable, so there must be some deficiency in the program, not in the States. All of those States are led in dollar numbers by the State of California which could not spend \$591 million because the program is difficult to do and very difficult to effectuate the coverage of children.

It is widely recognized that this S-CHIP program began slowly because State legislatures and HCFA had to approve plans. Right now, we are busy trying to extend the plan for 2 more years for all States. That is because 40 of them have been unable to spend all of the money available.

I ask the Vice President: In all those States, including California because they have this huge balance they could not use, is the Governor there adverse to covering children and having more children involved in something like children's insurance or Medicaid or the like? I do not think so, nor do I think the Governor of Texas is because I believe when 40 States cannot do it, we ought to tell it like it is.

The next time you are talking about this, Mr. Vice President, you ought to say not Texas alone but California and 39 other States have been unable to use

this CHIP money, this children's insurance money, for one reason or another. Texas is among the 40. They do not stand alone.

I ask unanimous consent that information that summarizes what I have said be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE CHILDREN'S HEALTH INSURANCE PROGRAM

1. FEDERAL FUNDING AND REQUIREMENTS

As part of the 1997 Balanced Budget Act, Congress created the State Children's Health Insurance Program (S-CHIP).

The program provides allotments to States to expand health insurance coverage for children based on a formula that takes into consideration the number of low income children in the state with no health insurance coverage.

States must match the federal funding, but at a rate that is more favorable to the states than Medicaid.

States may use S-CHIP funds to: expand Medicaid, provide coverage outside of Medicaid as long as the program meets certain requirements, or some combination of the two.

The aggregate federal allotments for S-CHIP are as follows:

[Dollars in billions]

Year	Dollars
1998	4.3
1999	4.3
2000	4.3
2001	4.3
2002	3.2
98-02	20.3
98-07	39.7

2. LARGE ELIGIBLE BUT UNENROLLED POPULATION

Estimates indicate that there are 2 to 4 million children eligible but not enrolled in Medicaid and another 2 million or more who are eligible but not enrolled in S-CHIP.

Some families lack information; others wait to sign up for the program when they need to get health care.

As more working class families have become eligible, it is likely that many of them get health insurance sporadically through work, but most S-CHIP programs do not provide subsidies for employer-based coverage.

3. STATES WITH UNEXPENDED FY 1998 FUNDS

There are approximately 40 states that did not use their full FY 1998 allotment by the end of FY 2000.

32 states had no spending in FY 1998

6 states had no spending at all in FY 1998 and FY 1999.

[Dollars in millions]

Selected states	FY 98 Allotment	Unused FY 1998 Funds*	Percent unused
California	\$855	\$591	69
Texas	581	449	77
Arizona	117	78	67
Georgia	125	77	61
Washington	47	46	98

[Dollars in millions]

Selected states	FY 98 Allocation	Unused FY 1998 Funds*	Percent unused
Minnesota	28	28	99
Louisiana	102	74	73
New Mexico	63	58	92

*Source: Health Care Financing Administration (6-27-00).

4. EXTENSION OF USE OF FUNDS

It is widely recognized that the S-CHIP program began slowly because state legislatures and HCFA had to approve state plans.

Congress is expected to allow states with unused funds from FY 1998 and FY 1999 to keep those funds for an additional period of time as enrollment accelerates.

Mr. DOMENICI. Mr. President, with reference to how many civilian full-time equivalent employees have been reduced during the 8 years showing that 96 percent of it is military and 4 percent civilian comes from OMB, I ask unanimous consent that chart be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TOTAL EXECUTIVE BRANCH CIVILIAN FULL-TIME EQUIVALENT EMPLOYEES: 1993-2000

[In thousands]

Fiscal year	Department of Defense	All other agencies	Total executive branch
1993	932	1207	2139
1994	868	1184	2053
1995	822	1148	1970
1996	779	1113	1892
1997	746	1089	1835
1998	707	1083	1790
1999	681	1097	1778
2000	661	1195	1857
Decrease from 1993-2000	-271	-12	-282
Portion of Total Decrease from 1993 to 2000	271/282=96%	12/282=4%	

Source: Office of Management and Budget, The Budget of the United States Government for Fiscal Year 2001, Historical Tables, Table 17.3, p. 282.

Mr. DOMENICI. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FITZGERALD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

Ms. MIKULSKI. Mr. President, we concluded a short time ago with the argument by the Senator from New Hampshire, Mr. GREGG, on his concerns about some aspects of the Older Americans Act. I thought we were going to resume a robust debate. That does not quite seem like it is going to happen, but I am going to have things to say. Right now I suggest the absence of a quorum and ask unanimous consent that it be charged equally, and then I will take the floor and begin my rebuttal.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, I ask unanimous consent that the Senator from North Dakota, Mr. DORGAN, be recognized for 15 minutes to speak as in morning business.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator has 15 minutes.

OUR COUNTRY'S ECONOMY

Mr. DORGAN. Mr. President, I want to speak for a few minutes today about the issue of this country's economy. I was reminded the other day, in one of the discussions with respect to the contest for the Presidency this year, that some say: Really, nothing has happened with respect to the last 8 years and this administration. It got me to thinking of where we have been and what we are experiencing in this country today.

As I have indicated previously, I believe we are blessed in this country. We have the strongest economy in the world and the longest economic expansion in this country's history. And this is not all accidental. Some say that had nothing to do with Government, it had to do with the American people. The American people were working very hard in the 1950s and the 1980s, and during other periods. However, you also need a set of sensible Government policies that reduce the Federal indebtedness, stimulate investment and do the other things that are necessary to allow this economic engine to run and to work right. So this is not an accident.

Let me describe where we are. At the moment, we are 115 months into the longest economic expansion on record. That is something all of us should feel very good about.

Let me describe what happened to us back in the 1980s. In the early 1980s especially, we began a significant amount of red ink, deficit after deficit after deficit, and it kept getting worse and worse.

As you can see from this chart, the deficits went up to \$290 billion in the Federal budget in 1992. Then, in 1993, Congress made some hard decisions. This President, a new President, proposed a controversial new economic plan. Some did not like it. Some still do not like it. It passed the Senate by one vote and passed the House by one vote. This new economic plan provided a different direction. The deficits got smaller and smaller, and then we began to see surpluses, and more surpluses, and more.

Is this a turnaround? Yes, I think so. Is it accidental? No. It happened, as you can see indicated on this chart, when a new President proposed a bold economic plan and, by one vote in the House and the Senate, we embraced a new direction and a new approach. You can see by this chart what the result has been. We went from the largest deficits in history to the largest surpluses in this country's history.

Jobs created. The Government does not create jobs. But jobs are created in a timeframe in which the Government, with a set of policies, provides for economic opportunity in the expansion of the economy. Under the Reagan administration, in 8 years, 16 million jobs were created; the Bush administration, 4 years, 2.5 million jobs; under this administration, in 8 years, 22 million new jobs. It is a wonderful record, with an economy that is working better than anyone ever could have anticipated.

The unemployment rate. This economy is full of good news for our country. You can see what has happened to the unemployment rate, beginning in 1992 and 1993, when this Congress set this country on a different course to an economy of reduced deficits, with more robust growth. Unemployment has gone down, down, way down. That is good economic news for America's families.

The inflation rate is down. As we can see, we have had a low inflation rate that has been stable throughout the 1990s.

The lowest poverty rate in two decades. You can see from this chart what happened when this economy began to kick into fifth gear and we began to see lower deficits and more economic growth. We saw lower unemployment, and now we see lower poverty rates.

Some say: That is just an accident; isn't it? No, it is not just an accident. This Congress, by one vote, embraced a new plan offered by a new President in 1993. It was very controversial, and it worked. The evidence is all around us.

We had people on the floor of the Senate who said: Pass this plan, and it will bankrupt our country. Pass this plan, and our country will experience a recession. Pass this plan, and there will be people unemployed in the streets.

They were wrong. Where we were headed was a very difficult circumstance for our country: Bigger and bigger deficits; slow, anemic economic growth. We changed the plan. The Clinton-Gore proposal in 1993 was passed by one vote in both the House and the Senate. We changed direction. And we see unemployment down, inflation down, poverty rates down, and more.

And now, as a result of economic growth and better opportunity, the federal income tax burden on middle-income taxpayers has decreased, as well as the percent of income paid in Federal income taxes.

With respect to the burden of Federal income taxes on middle-income workers, those with average income of \$39,000 in 1999, the Federal income tax

burden has actually decreased during this same period.

Federal spending as a percentage of the gross domestic product in this country is down. That is not an accident either. That relates how much we spend to what our economy is in terms of its total value of goods and services produced. Federal spending is lower as a percent of GDP.

Let's review the U.S. economy, since we passed the bill in 1993, that a new President, a new Vice President proposed that we pass to change direction. We were headed in the wrong direction. We saw deficit after deficit. It was getting larger.

Let me show the chart again, because I think it is important—deficit after deficit, getting larger each year. Here is where we were. As you can see, a \$290 billion Federal deficit in that 1 year, growing by leaps and bounds. We changed direction. The deficits got smaller and smaller and turned into surpluses. That is not an accident. That is a function of good public policy.

In 1992, we had the highest dollar deficit in history. Today, we have the largest dollar surplus in our Federal budget history. Economic growth, 2.8 percent annually in the 12 years before 1993, since 3.9 percent annually; job growth, 1989 to 1992, one of the worst 4-year periods in history, 2.5 million new jobs; in the 8 years since, 22 million new jobs. The unemployment rate average, 7 percent from 1981 to 1992; 4.1 percent in the last 8 years, the lowest in 30 years. Home ownership fell between 1982 and 1992. Now it is the highest in history. Median family income fell from 1988 to 1992. Now it has increased by \$5,000 since 1993. Welfare rolls increased 22 percent from 1982 to 1992; decreased by 53 percent between 1993 and 2000. The Dow Jones was at 3,300, and now it is over 10,000.

That is the consequence of having an economic plan that works. When people say, well, not much has changed, a lot has changed. In 1992, this country was headed in the wrong direction. Now it is headed in the right direction. In 1992, we had an anemic economy that was producing higher deficits, slower growth, more unemployment. Now we have an economy that is producing budget surpluses, lower unemployment, lower inflation, and the longest economic expansion in this country's history.

When I hear discussions on the campaign trail about where we have been and where we are, they need to be rooted in some basis of fact. You would have had to have been on another planet not to understand that the last 8 years have been truly significant.

I am not saying that one side or the other should claim credit for everything. I am saying this because I was here and I know it. This country was headed in the wrong direction, with fiscal policies that said you can have a very big tax cut, you can double defense spending, and somehow every-

thing will turn out all right. It didn't. It turned out with huge, growing, abiding deficits every year that sucked the strength out of this country's economy. It meant people didn't have jobs when they wanted jobs. It meant businesses couldn't expand when they wanted to expand. It meant our Federal budget deficit was swollen with red ink.

It wasn't working. It was a plan that didn't work. David Stockman told us in his book, shortly after helping concoct the plan in early 1981, that it wouldn't work. It didn't work. It put this country in a deficit ditch, a deep hole.

We had a new plan, a different plan. No, it wasn't the same old trickle down where you pour something in at the top and hope everybody down at the bottom gets damp somehow. It was a plan that percolates up, saying that this country's economic engine works best when everybody has a little something to work with, when everyone has confidence in the future.

Our economy rests on a mattress of confidence of a sort. If people are confident about the future, they do things that manifest that confidence. They buy a car, a house, do the kinds of things that manifest confidence in the future. If they are not confident in their future, they do exactly the opposite and the economy contracts.

No one has ever repealed the business cycle nor will they. We have economic expansions and contractions. But economic expansions occur when people are confident, and they are sustained when people are confident.

Right here, in 1993, this new President, President Clinton, and Vice President GORE said: We have a different plan. We are going to change directions. We don't want to be in the same deficit ditch we have been in all these years. It is going to be tough. It is going to be controversial, but we want you to be with us to make these changes. Enough of us were. As I indicated, by one vote in the Senate and one vote in the House, we changed direction.

The American people had an assessment that was different than the assessment they had in the past. They became confident that Congress finally was going to do something to tackle these deficits, not just talk about them but tackle them, to get this country's fiscal policy back under some amount of control.

People's confidence increased. The result was that our economy began to rebound. It produced more economic growth than anyone thought possible. It produced lower unemployment than virtually anyone thought possible, and we have economic strength and opportunity across the entire country as a result of it.

Some areas have been left behind; I understand that. My point is, even as we work on those remaining areas, this country has done very well. It is not an accident. I get a little fatigued hearing people say nothing has happened in the last 8 years.

What has happened is this administration, the Clinton-Gore administration, inherited a weak, anemic economy, and we turned it around. Was it easy? No. We paid a price for the votes we cast to do it. It wasn't easy. It wasn't the best political choice. It wasn't the most popular choice. But it was the required choice to say what is happening in this country isn't right and we need to change it.

Changing it has meant that virtually everything in this country has improved. Welfare rolls are down, home ownership is up, unemployment down, inflation down. Almost every indices of economic health in this country shows strong, sustained improvement. That is not some historical accident. It is not. It is a function of a Congress, a President, and Vice President teaming up to make tough choices, to say we are moving in the wrong direction and, with as much strength and courage as it takes, we are going to turn that steering wheel and move the country back in the right direction.

When people said, we blame you for the votes you cast in 1993, even back then, just after the vote, I said: You can't blame me. I demand that you give me credit for that vote. As unpopular as it might be, it was the right thing for this country to do. I am proud to have participated in it. I feel exactly the same way today. Do not dare to blame me for that vote. I voted to change direction because this country was headed in the wrong direction.

This country is now headed in the right direction. We have a lot of challenges ahead of us and a lot to do. One of my great worries is that those people who now say, oh, by the way, we are going to have 10 years of surpluses, don't understand the lessons of history. We don't have 10 years of surpluses. We have economic uncertainty ahead, unless we maintain a fiscal policy that makes sense. A trillion and a half dollars in tax cuts before even the surplus exists will put us right back into the same deficit ditch we had been in for so long back in the 1980s and early 1990s.

We dare not squander this opportunity. We need a fiscal policy that makes sense, one on which we can rely, one that says to the American people, our first priority is not to give tax cuts with money we don't have. Our first priority, when we have better economic times and have a budget surplus, is to use part of that surplus to pay down the Federal debt. If during tough times you run up the Federal debt, as we did, during good times you ought to have the common sense to pay down part of that Federal debt, as we should.

This is the story. This is where we have been, and this is where we are. I worry very much that the kind of proposals offered by some here and by Governor Bush running for President—about \$1.5 trillion in new tax cuts, most of which will go to those who need it least—will put us right back into the same deficit we have been in too long. We have worked too hard to squander our economic strength now.

THE OLDER AMERICANS ACT
AMENDMENTS OF 2000—Continued

Mr. DEWINE. Mr. President, the business before us is the Older Americans Act.

The PRESIDING OFFICER. Who yields time to the Senator from Ohio?

Mr. DEWINE. I yield myself as much time as I may consume.

The PRESIDING OFFICER. The time is under the control of Senator JEFFORDS of Vermont.

Mr. JEFFORDS. Mr. President, how much time do I have?

The PRESIDING OFFICER. There are 108 minutes remaining.

Mr. JEFFORDS. How much time does the Senator desire?

Mr. DEWINE. One minute, and then I will ask that my colleague from Iowa be recognized.

Mr. JEFFORDS. I yield 5 minutes to the Senator from Ohio.

Mr. DEWINE. Mr. President, the business before the Senate is the Older Americans Act. Specifically, we have Senator GREGG's amendment. I rise, very reluctantly, to oppose that amendment. In a moment, I will explain to my colleagues why I believe that amendment is unnecessary and why I believe it simply must be turned down if we are going to pass the Older Americans Act this year.

Before I do that, I want to allow my colleague from Iowa, who has come to the floor and has a major provision in this bill, to talk about this provision. I compliment him on it. He has been the lead sponsor in the Senate on a separate bill. We incorporated his bill into the Older Americans Act. The provision he will explain to the Senate is one of the new provisions of the Older Americans Act in this bill and it is a major contribution. I thank him for that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, I have a question for the Senator from Ohio. He has the floor. I thought we would be alternating in the spirit of comity. What was the preference?

Mr. DEWINE. I was trying to accommodate Mr. GRASSLEY, whom I asked to come over here about this time. It is my understanding he has about 10 minutes. I would be happy to have you proceed at any point. At some point, I am going to talk about the Gregg amendment and why I think it should be opposed. I will be on the floor, so it doesn't matter when I do it.

Ms. MIKULSKI. My suggestion is that Senator GRASSLEY proceed and then our colleague, Senator MURRAY, proceed. She wishes to speak for 10 minutes. How about if those two speak—GRASSLEY followed by MURRAY—and then, if it is appropriate, unless other Members want to speak, the Senator and I can engage in debate on the amendment.

Mr. DEWINE. That is fine with me.

Mr. JEFFORDS. Mr. President, I yield to the Senator from Iowa 10 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I rise today in support of H.R. 782, the Older Americans Act Amendments of 2000. I join my colleagues in commending Chairmen JEFFORDS and DEWINE and other members of the committee for their hard work and endless energy in bringing this important measure to the floor.

In its 35th year, the Older Americans Act continues to meet its mission of helping seniors stay independent and part of their community. The wide array of services available under the act serve as the life-line to millions of seniors across the Nation.

Seniors in both rural and urban areas rely heavily on one or more of these services: nutrition services such as home-delivered meals; meals served in congregate settings; transportation services to medical appointments; legal assistance; protection from abuse through the ombudsman program; pension counseling services; in-home services; and volunteer and employment opportunities for older persons.

As chairman of the Senate Special Committee on Aging, I am particularly pleased that this bill contains the National Family Caregiver Support Program. Over the past 3 years, Senator BREAU and I have convened a number of hearings to examine the important role that family caregivers play. More than 20 million Americans are caring for an aging or ailing family member. To put this number in perspective, there are fewer than 2 million seniors living in nursing homes. So simply by looking at the numbers, we can conclude that the bulk of caring for our Nation's elderly is carried out by family and friends in the form of informal caregiving.

The story of Barbara Boyd, a state legislator from Ohio who testified before the Special Committee on Aging last year, provides a good example of what a caregivers job entails. Ms. Boyd cared at home for her mother who had Alzheimer's disease and breast cancer. Her mother had \$20,000 in savings and a monthly Social Security check. That went quickly. Her prescription drugs alone ran \$400 a month. Antibiotics, ointments to prevent skin breakdown, incontinence supplies, and other expenses cost hundreds of dollars a month.

Ms. Boyd exhausted her own savings to care for her mother, and exhausted herself. She isn't complaining. Family caregivers don't complain.

The contribution of family caregivers is enormous. Economically, family caregiving is worth billions of dollars. Emotionally and physically, caregiving is often an overwhelming task. Caregivers know what it entails to juggle personal and professional demands with the responsibilities that accompany caregiving.

This is why the Family Caregiving Support Program, now a part of the Older Americans Act bill before us, is

critically important to families caring for loved ones who are ill or who have disabilities. The program uses existing resources to meet a pressing need. In this case, the already successful network of aging centers will administer the program.

It will serve millions of caregivers throughout hundreds of communities nationwide by providing: respite care; information and assistance; caregiving counseling and training and supplemental services to caregivers and their families.

Our country is aging, and that demographic shift creates new needs, and this legislation helps us meet those needs. The Older Americans Act not only serves as a critical safety net, but it embraces important principles that we should uphold in policies that serve our nation's elderly.

The act calls attention to the need to prepare our nation's aging population for its own longevity by enhancing health promotion opportunities, improving flexibility for states and area agencies on aging, by modernizing programs and services, and in calling for a White House Conference on Aging in 2005.

Finally, the act provides authorization for the thirteen area agencies on aging in my home state of Iowa. In 1999, these funds enabled the agencies to serve nearly 293,000 elderly Iowans. The services the act funds are critical to older Americans in my state and throughout the country.

I ask unanimous consent that a copy of a letter I recently received from Representative BOYD be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OHIO HOUSE OF REPRESENTATIVES,
Columbus, OH, October 16, 2000.

Senator CHUCK GRASSLEY,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR GRASSLEY: We have in the state of Ohio term limits, and I am at the end of my fourth term. I will certainly miss the House, but I know my work is not done. I will continue to advocate for the elderly, especially Alzheimer's and caregivers. There is a rumor that I will be in other areas of "expertise", which are Welfare Reform, Human Services, and healthcare. It is my understanding that I have a great advocacy being voiced in my interest in public policy in the state of Ohio.

My passion will always revolve around the issue of caregiving. I have found that I remain a voice on the issue and a sounding board for those who are heartbroken.

October 21st will be two years since Mother passed, and there is not a day that dawns that I do not think of her. She, in her last years, taught me more than I ever learned in college. Everyday I marvel at the fact that I did what I set out to do during those five and a half years. Truly, my heavenly father watches over me.

If there is ever an opportunity to serve on a national level, on a board or committee on caregiving, please keep me in mind. I will be sure to keep in touch with you.

Thank you again for giving me an opportunity to tell my story as a caregiver.

Yours in Service,

BARBARA BOYD,
State Representative.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I am pleased to join with my colleagues on the HELP Committee in urging passage of this important bipartisan legislation to reauthorize the Older Americans Act.

For more than 30 years, the Older Americans Act has been our Nation's most important resource for helping seniors get the services they need in their own communities.

The OAA provides funding for senior centers, transportation, recreation, adult education, Meals-on-Wheels, preventive health care, and other essential services.

In fiscal year 2000 alone, OAA programs have provided more than \$15 million in services in Washington State.

In addition, the act provides resources for the Nation's largest program for older workers, and it provides subsidized jobs and training to more than 65,000 low-income workers over age 54.

With more people retiring, the demand for OAA services has grown dramatically in recent years. Unfortunately, the program has not kept pace with current needs.

Today, we have an opportunity to finally reauthorize the Older Americans Act, and I'm calling on my colleagues to pass a clean reauthorization bill that is based on the bipartisan legislation developed by the members of the HELP Committee.

As a member of the Aging Subcommittee of the HELP Committee, I have been eager to pass a strong reauthorization bill.

While I'm disappointed it has taken so long, I know this bill will improve the programs that seniors and their families rely on.

As I have traveled around my State, I've seen the impact these programs are making. It's not just seniors who want the act reauthorized. Their families, physicians and communities also want to see the Act strengthened.

The safety net programs authorized in the Older Americans Act provide a life line for our most vulnerable citizens.

The Older Americans Act closes the gaps in services and offers seniors a way to maintain a dignified quality of life.

The nutritional assistance programs alone are critical to addressing the needs of low and moderate income seniors.

Job training programs allow seniors to keep their economic independence and to maintain important social ties to their communities.

The most significant improvement in this legislation is the creation of the new Family Caregiver Support program.

This innovative new program will offer families real support in meeting the long term care needs of their loved ones.

It will also provide assistance to older spouses—often older women—who are left to care for a frail family member.

The Aging Subcommittee heard testimony from many family members who are struggling to care for their aging parents. Because they don't have any help, they face significant financial and emotional burdens.

I know this new program will begin to address the problems facing those families who are caring for aging relatives in their homes.

I thank the chairman of the Aging Subcommittee, Senator DEWINE, for his leadership in making this bill a reality.

I also thank Senator MIKULSKI for her efforts and hard work in making sure we honor the commitment to our seniors before we adjourn for the year.

I urge my colleagues to defeat the pending amendment and send this bill to the President without further delay.

We cannot allow this session to end without continuing the programs that have served America's seniors so well throughout the years.

I yield the floor.

Mr. JEFFORDS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Ninety-three minutes.

Mr. JEFFORDS. Mr. President, I yield to the Senator from Ohio 15 minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. I thank the Chair, and I thank the chairman of the committee.

Mr. President, I rise very reluctantly to oppose the amendment of my colleague, Senator GREGG. I do so reluctantly because it is very well intended. Frankly, as I listened to his speech, there was very little, if anything, about which I disagreed. The bottom line is that the reforms he has requested and about which he has been so eloquent over the last few years are, in fact, included in the bill that is in front of us. The reality is that while those reforms are already in the bill, if his amendment were accepted, it would kill the bill at this late date.

We need to keep in mind that the House of Representatives has already passed this bill overwhelmingly with only two dissenting votes. This bill is the result of over 2 years of compromise work and labor. This bill has the accountability and the reforms that my colleague was asking about and has requested. I salute him for bringing these issues up not just on the floor today but, frankly, for bringing them up during the committee hearings, and I salute him for bringing them up before that. Because of what my colleague has done and because of the issues he has raised, we have incorporated these reforms into this bill. He

gets a lot of credit, I believe, for doing that.

I think, therefore, his amendment is simply just not necessary and ultimately, at this late date, turns out to be an amendment that could kill this bill.

I would like to talk a minute about this bill from the point of view of the Governors. I think when looking at it from the point of view of the Governors, we can get a better understanding of the reforms this bill makes, the improvements this bill makes, and the accountability that is now in this bill that does not exist in the status quo.

Let me make something very clear. The killing of this bill will not improve the status quo. We will be stuck with the status quo if this bill goes down. The question is, Does this bill fundamentally improve where we are today and bring about more accountability? I think clearly a fair reading of this bill indicates that it would.

Let me talk about this bill from the point of view of the Governors.

First of all, this bill recognizes growth in States that have more senior citizens, and therefore it is fair and it is the right thing to do.

No. 2, this bill has numerous reforms in regard to title V. We recall what title V is. Title V is employment for seniors who couldn't get a job. That helps them; it not only helps them but helps the community. We have these all over the country. My colleague talked about Green Thumb and talked about the National Park Service. These jobs are all over the country in all 50 States. They are very valuable to the seniors and very valuable to the communities that are being served.

The appropriators have traditionally, year after year, split this money 78 percent and 22 percent—78 percent going to the 9 or 10 national contractors and 22 percent going to the States. That has not changed. That is what the appropriators have done year after year.

We bring about some more equity and fairness. We say dollars on top of that up to \$35 million—any additional dollars up to \$35 million—we are going to split and we are going to reverse that. Basically, we are going to have 25 percent that is going to go national but 75 percent of the money will be spent by the Governors in the local communities as they see fit. That is a fundamental change. Again, it is one of the reasons the Governors of our Nation want this bill.

We then go further and say beyond \$35 million—if the appropriators put in beyond \$35 million—it would be a 50-50 split; again, certainly an improvement over the status quo. Again, we get to the issue of accountability.

The next reason the Governors like this bill is that they get to submit for the first time a plan to the Department of Labor for the national contractors that are coming into the States. The complaint we hear from them now is: These national contractors come into

our States, and they may be doing good work, but they may be in the wrong area or they may not spread around the States. The Governors and the people in the States of Ohio, or Illinois, or Pennsylvania, or Florida understand what our communities' needs are. We ought to have some input in that.

This bill says: Yes, you can have that input. You can submit this plan to the Department of Labor, and they have to pay attention to it for the first time. That is an improvement in local control. That is one of the reasons the States like this bill so much and one of the reasons the National Governors' Association has endorsed this bill wholeheartedly.

We next provide more accountability. We say after the national contractor comes in, after the national contractor begins its work, after they have this employment, if the State of Ohio or the State of Vermont or the State of Massachusetts decides the contractor is not doing a good job, they have redress and procedures they can follow to hold that national group accountable—again, a very significant improvement. Again, a reform that is contained in this bill.

In summary, Governors will have a greater role in planning and administering a program within a State. Under our reauthorization bill, Governors will submit a State plan to the Department of Labor which will describe where these jobs are needed within a State, where the population of older individuals who qualify for the program are located, and describe how the plan would coordinate with the programs under the Workforce Investment Act. The Governors are also given, under our bill, the opportunity to submit recommendations to the Secretary of Labor regarding proposed projects within the State that would be carried out by the public and private nonprofit grantees.

Finally, under our bill, the Governors can hold those public and private grantees that operate in their States, for the first time, accountable if they fail to serve seniors. Under the bill, the Governor can request the Secretary of Labor to review a public and private nonprofit grantee operating within the State. If the grantee is not meeting performance standards, the Secretary, under our bill, is required to take corrective action against that grantee.

Next, new cost controls will prevent misuse of funds by the grantees. That is very important. The reauthorization bill would codify definitions of administrative expenses and programmatic expenses. It would also require at least 75 percent of a grantee's funds be used for enrollee wages and benefits. This bill also explicitly states that the funds a grantee receives for the program must be used solely for that particular program. Moreover, the bill expressly requires each grantee to comply with OMB circulars and rules, and requires the grantees to maintain records sufficient to permit tracing of

funds to ensure that funds have not been spent unlawfully.

Further, grantees will be required to serve seniors or they will lose their grant. The reauthorization bill introduces performance measures in competition into the program for the first time.

The bill will establish a three-strikes-and-you-are-out policy to ensure performance goals are met. Failure to meet performance standards will first result in technical assistance and require the grantee to come up with a plan for the future. Failure to meet performance standards a second consecutive year will result in a net loss of 25 percent of the grant which will be competitively bid in an open competition. Failure to meet performance standards a third year will cut off the grantee from the program, and the grant will be competitively bid in open competition. Failure of a public and private nonprofit agency grantee to meet performance standards a fourth year in an individual State will also lead to the loss of the grant, which will then be competitively bid in an open competition.

These reforms significantly improve the Older Americans Act. They protect the taxpayers and provide seniors with a jobs program that works. Failure to pass these reforms this year will only continue a system that has not served the job placement needs of seniors in many States and will not correct the deficiencies in the administration and planning of the program. The only way these improvements will be realized is to pass this bill, the Older Americans Act, a bipartisan, bicameral initiative.

Under the bill, funding may only be used for provisions of title V. I want to make this very clear. The provisions of training and jobs to low-income seniors is the only legal use of money under our bill. You can't use, under this bill, money for lobbying. Under our bill you cannot use it for litigation. We make sure of that by specific reference to the OMB circular and we make reference in the bill to that which prohibits that type of activity.

Each grantee receiving funds must comply with the law. They cannot do lobbying; they cannot do electioneering activities. That is under our bill, as well.

Under our bill, the Secretary must conduct a review and apply responsibility tests to all applicants receiving funds, just as the Gregg amendment provided. Under our bill, it is simple: If you fail to meet a responsibility test, you cannot be a grantee.

Putting this bill together has not been an easy task. Let me remind my colleagues, it has been 8 years since Congress reauthorized the Older Americans Act. It has been 5 years since that last reauthorization expired. It has not been easy, but we are here today with a bill that fundamentally changes the status quo. Our bill makes significant and substantial improvements to the existing Older Americans Act. Failure

to pass this bill would mean that we are going to be stuck with the status quo for at least 2 more years.

I will be quite candid. After what we have gone through to put this together, if this bill fails today, I don't know how anybody thinks we could put another bill together next year or the year after. It would force another Congress to rehash these issues and try to pass a bipartisan bill. Keep in mind, we now have a bill that is more acceptable to our friends in the House. We worked this bill and coordinated this bill closely with them. They passed this bill yesterday 405-2. This bill has the support, as I indicated a moment ago, for very good and substantial reasons, of the National Governors' Association. It is not easy getting all 50 Governors to agree on anything. They agree on this bill. They want this bill. They have lobbied for the bill. They have been a part of putting it together. Failure to pass this bill means we will be stuck with the status quo for a long time.

I congratulate my colleague from New Hampshire for his work. I believe it is abundantly clear we have covered the concerns he has raised. The good news is if we pass the bill before the Senate, we can change the status quo for the better, particularly title V.

Let me talk for a moment about the status of title V. It is funded now at \$440 million annually and administered by the Department of Labor, which awards grants to 10 national organizations, AARP, Green Thumb, U.S. Forest Service, and the State governments. As I outlined, 78 percent of the funds are awarded by the Department of Labor on a noncompetitive basis to the 10 national organizations; 22 percent of the funds are distributed to the States. That is the status quo. As I indicated a moment ago, we fundamentally change that status quo.

Let me conclude by referencing the bill. If my colleagues have concerns about the reforms, whether or not they were in this bill, I reference them to this bill, to actually look at the bill. We provide for accountability in regard to title V entities in two separate ways. One, we do it before the fact, before they are chosen; second, we provide it after the fact.

The first is what is labeled in the bill as a responsibility test. In the section on the responsibility test, it outlines what the Federal Government must look at before a grantee is chosen. Let me emphasize this is not in current law. The great improvement this bill makes is we put this in law. No matter who the Secretary of Labor is, no matter which party runs the Department of Labor, they have to follow the law. They have strict criteria that they have to follow. We spell it out.

The bill provides:

Before final selection of a grantee, the Secretary shall conduct a review of available records to assess the applicant agency or State's overall responsibility to administer Federal funds.

As part of that, the Secretary may consider any information about that

proposed grantee-specific language which I will read.

The organization's history with regard to the management of other grants—

So I listened very carefully to the concerns of my colleague from New Hampshire about a specific grantee. I say to him, look at the language in this bill. We have addressed those concerns. The Department of Labor will look at these things and they will look at a past history and they will look at a pattern and they will look to see if there have been problems in the past. We go on and spell this out, page after page, all the different things the Department can look at and should, in fact, look at:

Failure to submit required reports; failure to maintain effective cash management or cost controls; failure to ensure that a subrecipient complies with the Office of Management and Budget Circular[s]; failure to audit a subrecipient within the required period; willful obstruction of audit process; failure to establish a mechanism to resolve a subrecipient's audit in a timely fashion—[et cetera, et cetera.]

I will not read them all. They are all here. Then we also provide any history and we provide any information.

So the Department, for the first time, is being told they have to consider this information, and that is what the law will be after we pass this bill.

We next say after the fact, if they get that, if they do get the grant, we then provide in a section called "National Performance Measures And Competition For Public And Private Nonprofit Agencies And Organizations":

The Secretary shall determine if each public or private nonprofit agency or organization that is a grantee has met the national performance measures established. . . .

We outline, as I indicated a minute ago, how that is done as well. That is in this bill as well. We step them down and we punish them and we eventually, if they keep doing it, say they do not get any more money and they are gone. That is what is in this bill.

So let me conclude. We have a strong bill in front of us. It is a bipartisan bill. It is our chance to pass the Older Americans Act. We will not have another chance in this Congress. We may not get another chance in the next Congress. It is the right thing to do. There are groups across this country that want this but, more importantly, the senior citizens of this country need it. It is the right thing to do.

We address the concerns my colleague has raised. I again thank my colleague from New Hampshire for raising this amendment, but I very reluctantly must oppose it, and I urge my colleagues to oppose it. Make no mistake about it, we have this covered. We have the reforms in the bill and, No. 2, if his amendment would pass, this bill would die and we would not reauthorize the Older Americans Act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I yield myself such time as I may consume. I yield myself enough time to congratulate the Senator from Ohio for doing a tremendous job. We have been waiting 8 long years to solve some of these problems. I also congratulate the Senator from New Hampshire for raising these issues over and over. I firmly believe we have, now, a bill that takes care of those problems and we have one that we must vote in favor of, otherwise this bill will die. That would be a terrible thing to happen.

I suggest the absence of a quorum, and I ask the time be charged evenly against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Ms. MIKULSKI. Mr. President, I thank my colleagues for all of their kind comments on this legislation and also how they were complimentary, both on the content and the bipartisan nature of it. We really only have one unresolved issue and that is the amendment raised by our colleague from New Hampshire. I say to my colleague from New Hampshire, we admire his stewardship over Federal funds and his insistence on accountability. However, we think his amendment, though very well intentioned, is really misguided.

We are concerned, both on the basis of content and then also the consequences for this legislation. Number one, if the Gregg amendment should prevail, this could have the consequence of really killing this bill. This is a bill that has been arrived at through a very delicate bipartisan agreement, not only within our own institution but in the House. We are in the closing hours of the 106th Congress. If an amendment is agreed to, we are going to have to have a conference on this bill will go back to the House. Then the lid goes off and we will be involved in a variety of other discussions. I think my colleagues know that once you start talking you tend not to stop talking.

So we really encourage that people be aware this could sink the Older Americans Act for the 106th Congress. I would so regret that because we have worked so hard among ourselves with constituency groups and others. Really, from the standpoint of process, I hope, one would really look at this.

The second point is, in terms of the Gregg amendment itself, we are concerned that it does not provide due process. What it would do is allow a preliminary finding from an agency other than the Department of Labor to stop an organization from running its jobs program. There would be no opportunity to appeal or to be heard. There would be an audit by the IG or GAO,

which would then serve as a final determinant. Audits are meant to raise questions, not to be a final determination. So we would raise that as, really, a very serious question.

This amendment is not needed. Current law already prohibits using these funds for lobbying or litigation against the Government. These are in well-known, well-circulated OMB circulars. Also, our own legislation pending before the Senate already has pretty firm, strict, and clear accountability. It says if you don't meet the standards, you lose all or part of your grant. And then those funds not used, because you have lost them, will be able to be competed for by other national organizations. This is a process for recompeting funds of a State or nonprofit agency or organization that does not meet established performance standards. I believe the process will work, and we should not interfere with it.

We believe we do have very firm accountability in this legislation. These performance measures in this bill are simply this: If an organization or a State fails to meet these standards or improve its performance, other entities will get the opportunity to competitively bid for a portion or all of the organization's grant. We establish a minimum amount that must be spent on enrollee wages and fringe benefits. We clarify the way the organization must define and report their costs, so there is no room for ambiguity. We codify our own clear responsibility tests and have very firm criteria for granting eligibility. We require a broad planning process so the area of greatest need within a State is served as efficiently and as specifically as possible. These provisions will ensure seniors get the high-quality services they deserve, and taxpayers will get value for their dollar.

Also, know that in addition to what we have in this legislation, as I said, the Government already has Government-wide standards and procedures, applicable to the suspension and debarment of any Federal contractor and grant recipient. The NSCERC is currently engaged in an audit resolution process with DOL. All indications are that this process is working and we should not interfere with it.

Also, during the debate words were used such as "slush fund," et cetera. I think that was a little harsh and inaccurate. Did the National Senior Citizens Education Research Center have problems? You bet.

The Department of Labor did an audit. They found that there was no malicious intent to defraud. There was no intent to be scum or scam. What they did was essentially have a certain program related to the HIP indemnity in the wrong category.

Do they owe the Federal Government some money? Yes. Is there discussion ongoing now about the most effective way to recapture that? Yes.

I ask unanimous consent that a document giving the status of the National

Senior Citizens Education and Research Center grant program be printed in the RECORD, along with a letter from the Department of Labor essentially saying how all of this is currently going through a process and is coming to a satisfactory conclusion. Some serious mistakes were made, but they were not malicious, they were not criminal, and they were not intentional.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATUS OF THE NATIONAL SENIOR CITIZENS EDUCATION AND RESEARCH CENTER GRANT, OCTOBER 5, 2000

The Senior Community Service Employment Program (SCSEP) provides community service employment opportunities to economically disadvantaged senior citizens. The National Senior Citizens Education and Research Center (NSCERC) is one of 10 national grantees. It is funded for over \$65.0 million, which it subgrants to about 150 groups in 28 States, including local governments, and nonprofit organizations. This year it will provide positions to about 15,000 low-income seniors.

Prior to 1996, the SCSEP program was operated by the National Council of Senior Citizens, NCSC. As a result of 1995 legislation, NCSC as a 501(c)(4) organization became ineligible to be a grantee. Consequently, a novation agreement was made which transferred the grant to NSCERC, an affiliated but separate 501(c)(3) organization.

An audit was conducted by the Department's Inspector General (IG) of NCSC's program administration which covered a three year period from July 1, 1992 thru June 30, 1995. The audit was initiated by the IG as part of its regular responsibility to audit federal employment programs. A Final Determination was issued in March, 2000 disallowing nearly \$5 million. This determination is under appeal to the Department's Office of Administrative Law Judges (ALJ's). The ALJ's decision can be appealed to the Secretary.

"About 78 percent of the disallowed costs are attributed to NCSC's/NSCERC's treatment of the program's Hospital Indemnity Insurance Plan (HIP) refunds and administrative funds. Payments for participant insurance were charged to the SCSEP grant. NCSC/NSCERC treated the refunds as royalty income instead of program income, crediting the refunds to the NCSC organization rather than to the SCSEP grant."

The OIG has also conducted audits of the NCSC's/NSCERC's grants for subsequent fiscal years. There are substantial amounts of questioned costs for these years, as well. A large portion of the questioned costs related to the same issue, the proper application of HIP refunds. The Department, NCSC, and its successor grantee NSCERC continue to work to resolve issues related to these subsequent audits. On March 24, 2000, the Department issued an Initial Determination on the second audit, covering the period 7/1/95 to 6/30/96. This determination proposes to disallow \$1.3 million in direct cost against both NCSC and NSCERC. The Department anticipates issuing a final determination in the near future.

As a result of these audit findings the Department has taken the following steps:

1. Payments for the hospital insurance indemnity plan, which produced the refunds were phased out as of September 1999.

2. An escrow account has been established to receive refunds and other insurance payments until a final resolution can be reached on the audits. As of March 2000, the escrow account totaled approximately \$3.1 million.

3. A clear organizational separation was established between NCSC and NSCERC. Each organization now has a separate board and management.

4. The Department is committed to providing "due process" and a fair and equitable resolution of the audit findings.

U.S. DEPARTMENT OF LABOR, AS-
SISTANT SECRETARY FOR EMPLOY-
MENT AND TRAINING,

Washington, DC, October 24, 2000.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: We are pleased to respond to your request for information about the status of the agency determinations with respect to the Department of Labor's (DOL) Final Determination of the National Council of Senior Citizens (NCSC) and National Senior Citizens Education and Research Center (NSCERC) audits conducted by the DOL's Office of the Inspector General (OIG).

Prior to 1996, NCSC operated a grant under the Senior Community Service Employment Program (SCSEP). Pursuant to legislative and regulatory requirements, NCSC as a 501(c)(4) organization became ineligible to be a grantee. Consequently a novation agreement was made which transferred the grant to NSCERC, an affiliated but separate 501(c)(3) organization.

The status of the DOL's Final Determination is as follows:

Background: The OIG issued an audit on February 3, 1999 which covered the period from July 1, 1992 through June 30, 1995—with a total cost audited of \$184,746,124. Of the audited costs, \$5,814,942 or 3.1 percent of the total grant funds was questioned by the auditors.

Final Determinations: On March 2, 2000, ETA issued a Final Determination disallowing \$4,961,583 or 2.7 percent of the total costs audited.

Current Status: The Final Determination was appealed to the Office of Administrative Law Judges on March 20, 2000.

The OIG issued a second audit on September 24, 1999. The resolution status of this audit is as follows:

Background: The audit covered the period from July 1, 1995 through June 30, 1996 with a total cost audited of \$60,828,900. Of the audited costs, the auditors questioned \$2,250,828 or 3.7 percent; they also questioned the indirect cost allocation base proposed by NCSC and NSCERC.

Initial Determination: On March 24, 2000, ETA issued an Initial Determination proposing a disallowance of \$1,262,607 in direct costs and an undetermined amount of indirect costs pending the negotiation of a Final Indirect Cost Agreement between the Department of Labor, NCSC and NSCERC.

Current Status: The Department of Labor's Office of Cost Determination is currently in negotiations with NCSC and NSCERC to reach an agreement on the final indirect cost rate. If an agreement is reached, a Final Determination will be issued relating to the questioned direct costs only. If no agreement is reached, a Final Determination will be issued addressing both the direct and indirect questioned costs with an indirect costs rate determined by the Office of Cost Determination.

A third OIG audit was issued March 29, 2000. It covered the period from July 1, 1996 through December 31, 1997. The Department of Labor has not issued an Initial Determination, pending a review of the indirect cost rate.

Should you or your staff have any questions, please contact Raymond J. Uhalde, Deputy Assistant Secretary of Labor. Mr. Uhalde can be reached at (202) 693-2700.

As a courtesy, I am sending a copy of this letter to Senate Health Education, Labor and Pensions Committee Chairman, Senator Jeffords.

Sincerely,

RAYMOND J. UHALDE
(For Raymond L. Bramucci).

GOOD REASONS TO SUPPORT SCSEP

The Senior Community Service Employment Program (SCSEP) authorized under Title V of the Older Americans Act should be preserved and expanded for the following reasons:

1. The SCSEP is our country's only workforce development program designed exclusively to maximize the productive contributions of a rapidly growing older population through training, retraining, and community service and is a good model of success in the area of welfare-to-work programs. History has taught us that mainstream employment and training programs like JTPA and CETA are not successful in serving older workers. A targeted approach is needed.

2. The SCSEP is primarily operated by private, nonprofit national aging organizations that are customer-focused, mission driven, and experienced in serving older, low-income people. These nonprofit organizations work in close partnership with the Governors, Department of Labor, aging network, and employment and training system, actively participating in One Stop Service initiatives designed to streamline and integrate services.

3. The SCSEP is a critical part of the Older Americans Act, balancing the dual goals of community service as well as employment and training for low-income seniors. Many nutrition programs and other services for seniors are dependent on labor provided by SCSEP.

4. The SCSEP has consistently exceeded all goals established by Congress and the Department of Labor, surpassing the 20% placement goal for more than 15 years. Virtually all appropriated funds are spent each grant year, in stark contrast to similar programs.

5. The SCSEP is a means tested program, serving low-income Americans age 55+. The program serves less than 1% of those who are eligible; long waiting lists are common in most areas of the country.

6. The SCSEP serves the oldest and poorest in our society, and those most in need: 41% of enrollees are minorities—the highest minority participation rate of any Older Americans Act program; 73% are female; 36% are age 70 and older; 83% are age 60 and older; 36% do not have a high school education; and 11% have disabilities.

7. The SCSEP ensures national responsiveness to local needs by directly involving participants in meeting critical human needs in their communities, from child and elder care to public safety and environmental preservation. The SCSEP has been a major contributor to national disaster relief efforts, most recently resulting from floods in the midwest, hurricanes in the southeast, and the California earthquakes.

8. The SCSEP has demonstrated high standards of performance and fiscal accountability unique in government programs. Less than 15% of funding is spent on administrative costs—one of the lowest rates among federal programs.

9. The SCSEP historically has enjoyed strong public support because it is based on the principles of personal responsibility, lifelong learning, and service to community. In addition, the program is extremely popular among participants, host agencies, employers, communities, and the membership of our nation's largest aging organizations.

Ms. MIKULSKI. Mr. President, the other point I want to make is we have

the accountability. This is a good program, and it is hard to administer. The Senior Community Service Employment Program is under title V. Do you know what it does? It helps old people of modest income find work. This is not easy.

This program itself serves the oldest and poorest in our society. Forty-one percent are minorities, the highest minority participation of any Older Americans Act program. This primarily helps women. Seventy percent of them are women. They are old. They are poor. They are trying to add extra money to hold body, soul, and prescription drugs together.

At the same time, 83 percent are over 60; 36 percent do not have a high school education; 11 percent have disabilities. This is a very intensive hands-on program to operate. It takes a lot of help to get people ready for a job and a lot of professionalism to find the jobs for them. By all accounts, all of the grantees have met those criteria.

I could go through example after example in my own State, but I will give two. An 85-year-old woman is now a senior aide working as a library assistant for \$7.17 an hour. Another 71-year-old female was employed as a customer service rep of one of our Maryland agencies because she had good manners and a good work ethic, and therefore they taught her the skills to earn some extra money. These are the kinds of people this program helps.

Many of the nonprofits that operate these programs operate with a very low margin. This is a very cost-intensive and labor-intensive program to operate. I hope we defeat the Gregg amendment because: First, it is not necessary. We have good, tight accountability requirements in the bill and responsibility. Second, it will kill the bill. And third, we do not need to add more bureaucracy, more shackles, more audits, more paperwork just because we are cranky with one organization. Let's give them the chance to meet the responsibilities established by the Department of Labor and pay the money back, and let's renew the Older Americans Act and leave this Senate with our heads held high that we defied the laws of inertia in this institution and reauthorized the Older Americans Act.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield myself such time as I may use.

Mr. President, the case has been very well stated by the Senators from Ohio, Vermont, and Maryland. I listened carefully to the points the Senator from New Hampshire made earlier today. It is worthy for our committee to give consideration to these points. I thought the Senator from Ohio and others thoroughly explained how steps were already taken to address those issues and went into considerable detail in explaining the provisions of the bill that will address the challenges which the good Senator raised.

A great deal of time was taken by the committee to address those challenges. I think the committee has done a good job in addressing them. I do not think, therefore, that amendment is necessary to ensure the interests of the elderly people, as well as the taxpayers.

We must remember that it is not unusual for auditors to identify expenditures which do not conform with the terms of a grant, and for the Department to require repayment of the disputed amounts. Disallowed costs are usually nothing more than good-faith errors or honest disagreements over the interpretation of the terms of a grant.

For example, during 1998, the Employment and Training Administration of the Department of Labor which administers title V of the Older Americans Act, amongst the many workforce programs it supervises, reviewed 84 audits, examining \$30 million in questioned costs, and ultimately disallowed \$18 million in grantee expenditures. The disallowed costs included agencies of State and local governments, as well as private organizations, and the disallowance of costs is a routine part of supervision that in no way impugns the integrity of the grantees involved.

The Gregg amendment is an extreme and unfair response to a problem which has already been remedied. The Department of Labor has already disallowed the insurance royalty payments which were the major focus of the inspector general's report on NCSC's Title V program grant, ordered the financial practice in question terminated, and demanded repayment of the disallowed costs. The cost items which DOL has disallowed cover the period between 1992 and 1996. The objectionable practices have been stopped. The matter is currently before an administrative law judge.

Furthermore, the legislation reported from the HELP Committee already addresses the financial accountability of title V program operators. It establishes strong new performance measures which program operators must meet each year, and provides for removal of operators who consistently fail to meet performance standards. It sets strict limits on the purposes for which the funds can be used. It sets forth in statute a 14-point "Responsibility Test" which each program operator must pass in order to be eligible to participate in the title V programs. Section 514(d) requires a detailed examination of the organization's past performance in administering federal funds. The Department will have ample authority to disqualify those program operators whom it deems untrustworthy or unreliable. The procedures we have established are tough and fair. After extensive review of the Senior Community Service Employment Program, the committee believes that these new performance standards and responsibility tests will effectively protect the interest of both the senior citizens who participate in the program and the taxpayers who fund it.

SENATOR GREGG'S "DEAR COLLEAGUE LETTER"

The Senator from New Hampshire claimed in a "Dear Colleague" dated September 27 that: "Under current law, nine grantees—mostly aligned with the Democratic Party and organized labor—receive over \$400 million in federal grant dollars on a noncompetitive basis." This statement is both factually inaccurate and highly misleading. Firstly, over \$400 million does not go to private organizations under the Senior Citizens Community Employment Act. Of that amount, \$96 million actually goes directly to state government agencies, and an additional \$28 million goes to the U.S. Forest Service. Secondly, the largest private grantee is Green Thumb, which receives \$107 million each year. Green Thumb's principal activity is operating senior employment programs and its political involvement is minimal. AARP receives \$51 million and the National Council on the Aging receives \$38 million. They are broadbased advocacy groups for senior concerns, not aligned with any political party. Another \$38 million is divided amongst four organizations focused on serving low income minorities—African-Americans, Hispanics, Asians, and American Indians, and \$15 million is provided to the National Urban League to support its senior employment efforts.

The National Council of Senior Citizens, which the Senator from New Hampshire has so sharply criticized, receives less than 15 percent of the total appropriation for title V. While I certainly disagree with the allegations he has leveled against NCSC, it would be grossly unfair to impugn the legitimacy of the entire Senior Community Service Employment Program based on those allegations even if his claims about NCSC were accurate. The same organizations which are receiving funds today to operate senior employment programs were selected to operate those programs in the Reagan and Bush administrations, as well as in the current administration. The facts clearly demonstrate that these program operators were not selected because of their partisan "alignment," as the "Dear Colleague" letter implies. They have been selected because of their strong track record of delivering employment services to seniors.

NCSC/NSCERC PROGRAMS

As I noted earlier, the inspector general reports which the Senator from New Hampshire discussed cover the period from 1992 to 1996. In fact, NCSC has not been the recipient of grants to operate senior employment programs since that time. As a result of legislation passed by Congress in 1995, NCSC as a 501(c)(4) organization became ineligible to be a grantee. A new 501(c)(3) organization, the National Senior Citizens Education and Research Center (NSCERC) was established to receive the grant and operate the program. Federal funds received by NSCERC have been used by NSCERC to operate the senior employment program. Thus,

the activities, political and otherwise, which NCSC may have engaged in since that time are not relevant to the operation of the Senior Community Service Employment program in any way.

Let's look at the program which NSCERC operates and the impact it has on the lives of thousands of older Americans each year. One hundred and forty-four senior employment projects are operated by NSCERC in 27 states and the District of Columbia. More than 15,500 seniors are enrolled in these programs each year, working in public and non-profit organizations. Most of these older workers would be living below the poverty line but for this program. Three quarters of them are women and half are minorities. A third of them never graduated from high school. Without this program it would be extremely difficult for them to find employment. This program makes an enormous difference in their lives. (Worker Profiles).

The impact of the program extends far beyond the seniors who are employed in it. They perform a broad variety of community services, including teaching children as aides in schools and day care centers, performing clerical work in libraries and in government and charitable organization offices, delivering meals to homebound elderly, assisting with in-home health care services, and driving senior citizen transport vans. Their work touches the lives of countless people—the very young and the very old, the sick, the frail, and the disabled. We should not make light of their contributions, nor of the importance of the non-profit senior employment program operators who make the program possible.

Let me give you a few examples. NSCERC works with the Flint Michigan Community School system and operates a Senior AIDES project in the schools. Dr. James E. Ray, the Superintendent of Community Education explains the importance of the program:

Flint Community Schools and NSCERC have piloted a unique Title V intergenerational tutor training program. This initiative has proven to be very successful in meeting the educational and emotional needs of our at-risk elementary school children, while at the same time providing income assistance and social purpose for low-income senior citizens. It has been so successful in fact that a consultant for the U.S. Department of Labor (DOL) recommended that DOL partner with the U.S. Department of Education to expand the program nationwide.

NSCERC works with the Mexican American Opportunity Foundation in Los Angeles to help Hispanic children bridge the language barrier. Martin Castro, president of the foundation, describes the program:

Since 1978, our agency, the Mexican American Opportunity Foundation, has operated three Title V Programs through contractual agreements with the National Council of Senior Citizens and now with the National Senior Citizens Education and Research Center. Our three Senior AIDES Programs, with a combined enrollment of almost 300 Senior Aides, have provided thousands of Hispanic

elderly with the opportunity to remain in the workforce while simultaneously increasing their skills to obtain unsubsidized employment . . . This partnership has allowed our organization to develop a comprehensive intergenerational model in teaching preschool children in a bilingual and bicultural environment. It has allowed our preschool children in East Los Angeles, the majority of whom speak only Spanish, to learn English by the time they enter Kindergarten. Senior Aides assigned to our child care centers have contributed enormously to the success of this teaching model.

NSCERC and its predecessor NCSC have worked with Seniors Inc. in Colorado to operate that state's largest program. Seniors Inc.'s executive director Lewis Kallas explains the significance of NSCERC's participation:

Seniors Inc. is Colorado's largest Title V local sponsor with 225 senior positions in 18 counties. We have contracted with Colorado's Aging Services Division and NSCERC to effectively administer the Title V Program since 1970. Our long and positive relationship and experiences with NCSC, and now NSCERC, have resulted in a Colorado program that serves as a national model. Much of this success is directly attributed to the National Council of Senior Citizens and NSCERC. These national organizations do business with one thing in mind—the needs of older and vulnerable senior citizens—My insight is not in passing; but rather historic and based upon real experiences that I now have enhanced the lives of thousands of low-income Colorado seniors.

While the prime purpose of the program is to fund community service employment for low income seniors, it also helps to train these workers and place many of them in unsubsidized jobs. Of the nine national organizations and fifty states that operate senior employment programs, NSCERC has one of the highest success rates in placing senior workers in unsubsidized jobs. It has the third highest placement rate amongst national organizations, and its placement rate is higher than the rates achieved by 41 of the states. (1998)

"DISALLOWED COSTS"

The Senator from New Hampshire has made it sound as if having "disallowed costs" means a program operator has engaged in serious misconduct. That is simply not an accurate portrayal. Agencies which receive substantial federal grants are audited routinely. It is not unusual for the auditors to identify expenditures which do not conform with the terms of a grant, and for the Department to require repayment of the disputed amounts. "Disallowed costs" are usually nothing more than good faith errors or honest disagreements over the interpretation of the terms of a grant. For example, between 1997 and 1999, the Employment and Training Administration of the Department of Labor, which administers title V of the Older Americans Act amongst the many workforce programs it supervises, reviewed 71 audits—examining \$102.4 million in questioned costs out of \$1.9 billion in federal grants examined, and ultimately disallowing \$76.8 million in grantee expenditures. The percentage of costs questioned by the inspector general

was 5.3 percent, and the percentage disallowed by the Department of Labor was 4.0 percent. The grantees found to have "disallowed costs" included agencies of State and local governments as well as numerous private organizations. The disallowance of costs is a routine part of grant supervision, and in no way impugns the integrity of the grantees involved.

The inspector general's audit which questioned certain expenditures by NCSC covered the fiscal years 1992 through 1995. The audit was completed in February of 1999. Based on that audit, the Department of Labor issued its final determination disallowing \$5 million in costs over the three year period. During that period, NCSC had received approximately \$180 million in funding for the operation title V programs. Thus, the amount disallowed constituted less than 3 percent of the federal funds which NCSC received during that period. Most of the disputed amount involved one administrative practice by NCSC which was disapproved by the auditors. A subsequent audit covering fiscal year 1996 led to an initial determination of \$1.3 million in disallowed costs for that period. Most of the disallowance arose from the same disputed administrative practice. Again, this disallowance involved less than 3 percent of the \$61 million in funding which the organization received to operate title V programs.

The administrative practice which gave rise to the disallowances involved payments from a health insurance company which provided coverage to NCSC members and to title V program participants. The health insurance premiums for senior citizens participating in the title V program were properly paid from the title V grant. Under the terms of the policy, the insurance company made a payment to NCSC at the end of each year based upon the profit it made on the account during that year. NCSC viewed those payments as "royalties" for the use of the organization's name by the insurer in soliciting business. Such royalties would belong to the organization. The DOL auditors viewed those payments as "rebates." If they were rebates, then the portion attributable to title V participants should have been credited to the federal grant. The treatment of those payments from the insurer constitutes an overwhelming majority (approximately 80 percent of the costs which DOL has disallowed).

When the issue of these disputed payments from the insurance company was raised by the first inspector general's Report in early 1999, the practice was stopped. Federal funds have not been used to purchase insurance for more than one year. Over \$3 million has been placed by NCSC in an escrow account to cover a portion of the reimbursement which the Department of Labor is seeking. The issue of whether the payments were "royalties" or "rebates" is currently pending before an administrative law judge. Like all disputes regarding disallowed costs, this case will

be resolved through the established legal process. Congressional intervention in that legal process would be wrong. The administrative practice which the auditors objected to is no longer taking place. It was terminated more than one year ago. No congressional action is needed to prevent this practice from occurring in the future. Any attempt to change the law retroactively or to impose harsh additional penalties after the fact would be unfair and unconstitutional. Congress is expressly prohibited from passing *ex post facto* laws, and that is what the Gregg amendment would be.

CONCLUSION

There are governmentwide regulations established by the Office of Management and Budget which set forth the standards for debarring a grantee from further participation in a federal program. The disallowance of costs in the NCSC/NSCERC matter is not the type of incident which would even remotely justify debarment under the existing rules. There is no rational basis for establishing a different debarment standard for title V of the Older Americans Act than for every other program in the federal government. Yet, that is what the Gregg amendment would do. It would set a much harsher standard and apply that standard retroactively. The amendment should be soundly rejected.

The rules governing debarment should remain uniform throughout the federal system. These rules certainly should not be changed retroactively for one program.

The Senate should not allow this issue to jeopardize passage of the Older Americans Act, which is so important to the well-being of so many senior citizens across America. The legislation before you represents a delicate consensus which has been reached across the aisle and between the Chambers. Its provisions have been carefully negotiated over a 2-year period. It is supported by the National Governors' Association and by more than 40 senior citizens organizations. The House of Representatives has already passed it. The Gregg amendment would unravel that consensus. If the Gregg amendment were to pass, the Older Americans Act would not be reauthorized this year. We should not allow this narrow issue to stand in the way of a very important bill. We owe it to millions of seniors to look at the big picture—to reauthorize the Older Americans Act and to create the National Family Caregiver Program.

So I again commend all of our colleagues, the chairman of our committee, Senator DEWINE, and particularly the good work of the Senator from Maryland. Their work has been indispensable.

I think we have a very solid piece of legislation. I hope we will get an overwhelming vote in the Senate in support of it.

Mr. BREAUX. Will the Senator from Massachusetts yield me time?

Mr. KENNEDY. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. Fifty-eight minutes.

Mr. KENNEDY. Sure.

Mr. BREAUX. Five minutes is fine.

Mr. KENNEDY. That is fine.

Mr. BREAUX. I thank the Senator from Massachusetts for yielding me some time to make some comments on this very important legislation.

The Older Americans Act is a piece of legislation that is incredibly important, not only to the 14 percent of all Americans who are legally classified as being elderly—those who are over the age of 65—but it is a piece of legislation that is incredibly important, not only to them but also to their children, to their grandchildren, and to other members of their family and friends who are concerned that, while we make great strides in technology in this country in keeping people living longer, it is also extremely important we recognize that just having medical technology to allow people to live longer is not as important as also making sure we allow them to live better.

It is one thing to live longer, but if you are living longer in conditions that are not what we, as Americans, think are ideal, sometimes people wonder whether, in fact, it is really worth it.

So the Older Americans Act clearly addresses some of these types of issues and questions about how do we, with medical science, as a society, allow our citizens to enjoy living longer lives but also living better, more fruitful lives in their golden years.

Part of that is the Older Americans Act, which provides, in many cases, some of the services that allow people to live better lives. It really is a wonder that this act is supported not only by seniors in this country but, I think, by most Americans by a very large margin. It has not been reauthorized in over 5 years. People would say: What is the matter, Congress? Don't you realize the importance and the numbers of older Americans who depend on this particular piece of legislation?

In many cases, they depend on it for their transportation because many seniors are homebound and have no way of getting around. It is a program that provides hot meals delivered to the homes of seniors who do not have the ability to go outside their home for meals. That is extremely important. It is a program that encourages the employment of more and more seniors in the workforce, which is incredibly important at a time when we actually have a labor shortage in this country. It has been shown, very clearly, that the shortfall can be made up, in many cases, by talented, experienced, learned seniors who can contribute to the workforce past their normal retirement years.

It is a program that provides assistance for adult day care, which is extremely important now, as more and more of the traditional caregivers are working themselves. It is a program

that helps provide adult day care for seniors in this country, which is incredibly important.

It is a program that addresses the question of abuse prevention, and helps elders in this country to know what their civil rights are to make sure they are not taken advantage of by unscrupulous telemarketers, for instance.

All of those things are done by the Older Americans Act, which expired 5 years ago.

Finally, today, this body—and the House did a couple days ago, I think—will be able to reauthorize this very important program.

I am delighted that part of the program contains legislation that I have introduced called the National Caregiver Program. I introduced it along with Senator CHUCK GRASSLEY and other distinguished Members of the Senate. This is now going to be part of the Older Americans Act.

If I may take a moment to say what the National Caregiver Program does, I think it addresses something that is an incredibly serious problem, and one that is growing every day, of the so-called "sandwich generation"—those adults in this country who are trying to raise small children but also are having to divide up their time by helping to take care of their senior parents. That is a very serious problem for many Americans—making sure I am taking care of my children, that I am raising them properly, but that I am also taking care of my parents who have given me so much and it is now time for me to help them in their golden years.

The National Caregiver Program will provide \$125 million a year. It is an authorization to provide assistance for all of those who are caring for an aging parent or an aging spouse, for instance, in their home. I think this is very important and something that this legislation, for the first time, will make available.

We have had hearings in Louisiana by the aging committee, of which I serve as the ranking Democratic member, with Chairman CHUCK GRASSLEY. We are told there are about 22 million families in America who are struggling every day in their lives to provide care for their children and at the same time trying to balance that with caring for a senior parent or a senior spouse.

The National Caregiver Program that is now part of this legislation will provide information to these families about available services of which many of them are not aware. This program will offer individual counseling to these family caregivers about support groups and how you go about making caregiving work more efficiently and better.

It will provide respite care, which is so incredibly important. Sometimes families who are providing 24-hour-a-day care, 7 days a week, 12 months out of the year for their children, and are trying to do it for their parents as well—in the same home—quite frankly,

need a break. They need a rest from this 24-hour-a-day burden, which they are happy to do. It is a joy to be able to be in a position to provide this type of service. But every now and then you simply need a break.

The National Caregiver Program will be able to provide what we call respite care, to give someone a break, to get out of the house, to go out with their family and enjoy a meal outside of the home, or to take a child to a school function, knowing that someone will be there to take care of their adult family member who still resides in their home. Also, it can provide some other supplemental services, which I happen to think is incredibly important.

So I say to my colleagues—both on the Republican side as well as on our side of the aisle—this is good legislation. It is important legislation. Everywhere I went in Louisiana over the past couple days, I spoke with senior groups and aging councils, and they all asked the same question: Senator, when is Congress going to get around to passing the Older Americans Act? For the life of me, I never had a good reason to tell them why we have not done it before.

Is this a program that has some things that are not run 100 percent correctly? We have had examples of that in the past, but you cannot tell me a Federal program that can't be improved upon.

The PRESIDING OFFICER. The Senator has used his 5 minutes.

Mr. BREAU. I ask for 2 more minutes, if that is all right.

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

Mr. BREAU. Let me conclude by saying there were problems in the program back in the early 1990s that are being corrected—have been corrected. I think the fact is, Congress is showing that we are going to provide careful and adequate oversight to this program. I think it is very important. We, on the aging committee, have spent an incredible amount of time, under Chairman GRASSLEY's leadership, looking at programs that benefit seniors. We are making sure we have GAO looking at these programs, and making sure they are run properly. I can tell you, they are getting a great deal more scrutiny than they have had in the past. The end result is that we have a better program than we had back in the early 1990s.

It is essential. It is important. It is necessary. It has widespread, across-the-board support. I commend Senator JEFFORDS and Senator KENNEDY for at last being able to bring this to the floor of the Senate. They eliminated all the roadblocks. I think this is well on its way to passing as a clean bill. I strongly support it and strongly oppose any amendments which would probably result in the bill not passing because of the lateness of the hour. I add my strong voice to the support of those who know this is the right thing to do and the right time to do it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I see my friend from Vermont on the floor. If he wanted to make some other remarks on this legislation, I would certainly yield for that purpose, if I could get the floor back after he has concluded. I want to address the Senate on another related matter on health care.

Mr. JEFFORDS. I have 3 minutes.

Mr. KENNEDY. I yield then to the Senator from Vermont and ask unanimous consent that after he concludes, I be recognized.

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

The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I first thank all Members for the support they have given to this legislation during the period it has been under consideration. It has been a long time, some 8 years now, for those of us who have been strong in wanting to get it revised and take a good look at it. Eight years is long enough.

I also thank the Senator from New Hampshire for his long-term efforts to reauthorize the act. As the chairman of the Aging Subcommittee during the last Congress, Senator GREGG was instrumental in bringing to light many of the improvements that are now included in this bill.

Let me be clear about the changes that have been made to the Senior Employment programs in this bill, the effort that has gone into crafting this balanced agreement, and the broad support this compromise enjoys.

This act makes significant reforms to the Senior Employment Program. That is where the problems have been. It focuses the purposes of employment programs on enrollee economic self-sufficiency and on unsubsidized employment in the public and private sectors. It coordinates SCEP with the Workforce Investment Act programs. That is important. Importantly, it implements stringent eligibility and accountability tests for all grant applicants. Administrative and program costs are now defined in statute and capped so that resources are directed into employment services for the elderly.

The bill includes new cost controls that will prevent the misuse of funds by grantees. It also would require at least 75 percent of a grantee's funds be used for enrollee wages and benefits, and the bill explicitly states that the funds a grantee receives must be used solely for the employment program.

Moreover, the bill expressly requires each grantee to comply with OMB circulars and rules and requires the grantees to maintain records sufficient to permit tracing of funds to ensure that funds have not been spent unlawfully.

The bill institutes and requires performance outcome measures, annual grantee evaluations, grantee accountability, and it creates a new grant competition for those not meeting performance measures.

It provides Governors and States greater resources and influence over

job slot allocations, but also requires broad stakeholder participation in a State Senior Employment Services Plan coordinated through the Governors' offices.

This bill marks a landmark agreement between the States and the grantee providers of jobs. The bill allocates new funding above the current level of effort such that any increases up to \$35 million will be divided 75 percent to States and 25 percent to other grantees; amounts above \$35 million would be divided 50/50. This was very important to the States and a good compromise.

Finally, grantees will be required to serve seniors or they will lose their grant. Our bill introduces performance measures and competition into the senior employment program for the first time. The bill would establish a "three strikes and you're out" policy to ensure performance goals are met.

Failure to meet performance measures will first result in technical assistance and will require the grantee to come up with a plan on how it will meet performance measures in the future.

Failure to meet performance standards a second consecutive year will result in a loss of 25 percent of the grant, which will be competitively bid in an open competition.

Failure to meet performance standards a third consecutive year will cut off the grantee from the program, and the grant will be competitively bid in an open competition.

Failure of a public and private non-profit agency grantee to meet performance measures in an individual state will also lead to the loss of the grant, which will then be competitively bid in an open competition.

These reforms significantly improve the Older Americans Act, protect the taxpayers and, and provide seniors with a jobs program that works. Failure to pass these reforms this year will maintain the status quo. It will only continue a system that does not serve the job placement needs of seniors in many states, and will not correct the deficiencies in the administration and planning of the program. The only way these improvements will be realized is to pass the Older Americans Act Amendments of 2000, a bipartisan, bicameral initiative.

The bill will bring agreement for the first time in almost 10 years. It is supported by the National Governors Association, the Southern Governors Association, the Administration, and over 40 national aging groups. Yesterday, the House passed this measure on a vote of 405-2. This measure has 73 cosponsors in the Senate.

This is a delicate compromise, and any further amendments to this measure will surely prevent it from being enacted this year. I urge all of my colleagues to vote against any amendments and join in the bipartisan and bicameral effort to pass the Older Americans Act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

THE CREDIBILITY GAP IN HEALTH CARE

Mr. KENNEDY. Mr. President, few, if any, issues are of greater concern to American families than quality, affordable health care. Americans want an end to HMO abuses. They want good health insurance coverage. They want a prescription drug benefit for senior citizens under Medicare. They want to preserve and strengthen Medicare, so that it will be there for both today's and tomorrow's senior citizens. And they want these priorities not only for themselves and their loved ones but for every American, because they know that good health care should be a basic right for all.

The choice in this election is clear, and it is not just a choice between different programs, it is also a choice based on who can be trusted to do the right thing for the American people. AL GORE's record and his program are clear. He has been deeply involved in health care throughout his career.

The current administration has made significant progress in improving health care in a variety of ways—from expanding health insurance to protecting Medicare. He has consistently stood for patients and against powerful special interests.

AL GORE lays out a constructive, solid program that is consistent with his solid record. He is for expanding insurance coverage to all Americans, starting with children and their parents. He is for a strong Patients' Bill of Rights. He has a sensible plan for adding prescription drug coverage to Medicare. He will fight to preserve Medicare, without unacceptable changes designed to undermine Medicare and force senior citizens into HMOs and private insurance plans.

George W. Bush's approach is very different. His proposals are deeply flawed. But even worse than the specifics of his proposals is his failure to come clean with the American people about his record in Texas or about his own proposals.

On health care, George Bush doesn't just have a credibility gap. He has a credibility chasm. He has consistently stood with the powerful against the people. He refuses to take on the drug companies, the insurance companies, or the HMOs. His budget plan puts tax cuts for the wealthy ahead of every other priority, and leaves no room for needed investments in American families. On health care, his values are not the values of the American people.

On the issue of the Patients' Bill of Rights, George Bush said in the third debate that he did support a national Patients' Bill of Rights. He said he wanted all people covered. He said that he was in favor of a patients' right to sue, as provided under Texas law. He said he brought Republicans and Demo-

crats together in the State of Texas to pass a Patients' Bill of Rights.

That's what he said. But the reality is very different. Governor Bush vetoed the first Patients' Bill of Rights passed in Texas. He fought to make the second bill as narrow and limited as possible. He was so opposed to the provision allowing patients to sue their HMOs that he refused to sign the final bill, allowing it to become law without his signature. That's not the record of a person who is candid about where he stands and what he has done. And it's not a record that recommends him for national office for any citizen concerned about a strong, effective Patients' Bill of Rights. It's the record of a candidate who stands with powerful insurance companies and HMOs, not with American families. And it isn't a record that shows leadership, either. In Congress, the House of Representatives passed a good Patients' Bill of Rights by an overwhelming bipartisan margin. That bill is supported by all the organizations of doctors, nurses, and patients. No other proposal enjoys support from any of those groups. Yet it remains mired in the Senate because of the adamant opposition of the Senate Republican leadership.

On the most recent vote on this bill, we were one vote shy of having a majority. Governor Bush is now the leader of his party. One phone call from Governor Bush to TRENT LOTT and that bill would be law today. But Governor Bush has declined to make that call, just as he has declined to support the Patients' Bill of Rights itself.

Yesterday, my good friend from Texas stated that the only reason Governor Bush vetoed that first bill and let the right to sue under the second program become law without his signature was that there was a disagreement on how much the caps on pain and suffering would be. I regret that my colleague has been misled. The fact is there was no provision for lawsuits in the first Patients' Bill of Rights bill vetoed by the Governor. To reiterate, there was no provision for lawsuits at all in the first bill, yet the Governor vetoed it.

In the second bill, there also was no issue about the caps on pain and suffering. Texas already had caps on pain and suffering under their existing general tort law, and everybody assumed those caps would apply to lawsuits against HMOs. There was never any discussion of this issue. The fact is that Mr. Bush, despite what he may say today, simply doesn't believe health plans should be held accountable. That is why he refused to sign the law allowing suits against HMOs. Once again, he distorted his record in Texas, and both the record and distortions call into serious questions where he would stand as President.

In the course of the debate yesterday, my colleagues from Texas said they were tired of hearing Texas "trashed". They implied that I had said offensive things about their State. Let me be

clear. I think Texas is a wonderful State. I have many good friends in Texas. Texas has produced statesmen who have made our country a better place—from Sam Houston to Lyndon Johnson. It produces much of the oil that keeps our country running. I have no quarrel with the State of Texas. My quarrel is with George W. Bush's distortion of his record in Texas. My quarrel is with the priorities that the Bush record in Texas demonstrates. My quarrel is with the idea that the interests of powerful special interests are more important than the interests of patients. My quarrel is with the idea that tax cuts for the wealthy are more important than health care for children.

On health insurance, the record is equally clear and equally bleak. Governor Bush claims he wants insurance for all Americans. He blames Vice President GORE for the growth in the number of uninsured. Governor Bush's record in Texas is one of the worst in the country. Texas has the second highest proportion of uninsured Americans in the country. It has the second highest proportion of uninsured children in the country. Yet Governor Bush has not only done nothing to address this problem, he has actually fought against solutions. In Texas, he placed a higher priority on large, new tax breaks for the oil industry instead of good health care for children and their families.

When Congress passed the Child Health Insurance Program in 1997, we put affordable health insurance for children within the reach of every moderate- and low-income working family. Yet George Bush's Texas was one of the last States in the country to fully implement the law. Despite the serious health problems faced by children in Texas, Governor Bush actually fought to keep eligibility as narrow as possible.

In fact, the Bush campaign's defense of this unacceptable record is almost as telling as the record itself. According to the New York Times, the Bush campaign acknowledges that Governor Bush had fought to keep eligibility narrow, but that he did so because he was concerned about costs and the spillover effect on Medicaid. This so-called spillover effect is the increase in enrollment of Medicaid-eligible children that occurs when the Children's Health Insurance Program is put into effect. Vigorous outreach efforts by State governments would identify children who qualify for the new program, and many other children would also be identified who qualify for Medicaid.

In other words, Governor Bush not only opposed expanding eligibility for the new program, he was worried that uninsured children eligible for Medicaid might actually receive the coverage to which they were already entitled. It is no wonder his Texas administration was cited by a Federal judge for its failure to live up to a consent order to let families of poor children know

about their eligibility to enroll their children in Medicaid and about the health services to which they were entitled.

An article in *Time* magazine says it all. It is titled "Tax Cuts Before Tots. Candidate Bush is pushing his compassion, but poor kids in Texas have not seen much of it." Under a box entitled "Lost Opportunity? Bush and Poor Kids," the author makes the following points:

Bush helped to secure tax cuts by underfunding Medicaid, causing a \$400 million shortfall in the program. He delayed on State law to expand Medicaid coverage for 303,000 new kids. They went five years without health insurance. He fought efforts to require automatic coverage for families forced off welfare rolls.

There it is, Mr. President. That isn't the Senator from Massachusetts talking, that is *Time* magazine and their conclusion based upon the facts in Texas.

Yesterday, my colleague from Texas offered all sorts of explanations for Governor Bush's miserable record with regard to covering children. She said the court case I referred to was begun before Governor Bush took office. That is true, but the consent decree settling the case was agreed to by Governor Bush's administration in February of 1996. And the recent action by the Federal judge was based on the Bush administration's failure to live up to the consent decree to which it agreed. The Bush administration did not keep its word. Children were simply not its priority.

She said Texas could not implement the CHIP program promptly because its legislature only meets every 2 years. But other States have legislatures that meet every 2 years and they were able to get their programs going more promptly. In fact, Texas was the next to last State in the whole country to approve the CHIP program.

Now my colleagues yesterday and my friend from New Mexico today raised a red herring in trying to defend the indefensible. They claimed that I criticized Governor Bush for failing to spend all his CHIP money and said that 40 other states had not spent their full allotment. I did nothing of the kind. Many states had difficulty in implementing the program promptly and fully enough to spend all their allotted funds. But they did not delay for almost three years in passing their programs. They do not set up barriers that make it difficult for children that enroll. They do not put a higher priority on tax cuts than children's health. Their Governors, by and large, did not fight to keep eligibility narrow instead of broad. But Governor Bush has done all these things, and then he tries to mislead the American people about his record.

The fact is that Bush's shoddy record on children goes well beyond CHIP. Far more uninsured children are eligible for Medicaid than CHIP, and Bush fought efforts to get them enrolled. He

fought a bill to provide for automatic re-enrollment in Medicaid of children whose parents lose cash welfare payments. Texas remains one of only ten states that impose an assets requirement on children seeking Medicaid eligibility, and it is one of just a handful of states that require parents to go in person to the welfare office to apply for their children. In fact, Governor Bush's record is so bad that, although Texas has more than one million children who are uninsured, Texas is one of the few states where the number of children enrolled in CHIP or Medicaid actually declined in 1999.

When it comes to health care for children, George W. Bush gives new meaning to the term "compassionate conservative." Based on his record, he is compassionate because he claims to understand the pain of uninsured children and their families, and he is conservative because he won't do anything about it.

Governor Bush's misstatement of his Texas record does not end with uninsured children. In the debates, Vice-President GORE pressed Governor Bush on the Texas record on the uninsured. Governor Bush said that Texas was spending \$4.7 billion a year for uninsured people. But it turns out that actually only one-quarter of that amount was being spent by the State of Texas. The vast majority of the spending was by hospitals, doctors, and county governments.

On the Texas record on the uninsured, Governor Bush stated that the percentage of the uninsured in Texas had gone down, while the percentage of the uninsured in America has gone up. In fact, in 1994, when Governor Bush took office, the percent of the uninsured in Texas was 24.2. By 1998, that percentage had increased—not decreased—to 24.5. The number of the uninsured had grown by 300,000. In 1998, the overall percentage of the uninsured dropped by identical amounts both nationally and in Texas—4.9 percent in Texas and 4.9 percent nationally.

But, because of Governor Bush's inaction on children, the percentage of children who were uninsured dropped almost twice as much nationally as in Texas—10 percent nationally and only 5.2 percent in Texas. When Governor Bush took office, Texas ranked second from the bottom of all 50 states in covering children and citizens of all ages. Today, after six years under his watch, Texas still ranks second from the bottom.

Perhaps the most ominous revelation about Governor Bush's true attitude to this issue came in the third debate, when he said, "It's one thing about insurance, that's a Washington term."

Insurance a Washington term?

Governor Bush should try telling that to hard-working families in Texas and across the country who don't take their children to the doctor when they have a sore throat or fever because they can't afford the medical bill.

He should try telling that to the young family whose hopes for the fu-

ture are wrecked when a breadwinner dies or is disabled because an illness was not diagnosed and treated in time. He should try telling that to the elderly couple whose hopes for a dignified retirement are swept away on a tidal-wave of medical debt.

He should tell that to the 200,000 families who are forced into bankruptcy every year because of medical bills they cannot pay. He should tell that to the nine million families who spend more than one-fifth of their income on medical costs. He should tell that to the parents of the four hundred thousand children suffering from asthma who never see a doctor—to the parents of the five hundred thousand children with recurrent earaches who never see a doctor—and to the parents of the more than five hundred thousand children with severe sore throats who never see a doctor. Mr. President, he should tell that to the 27,000 uninsured women who are diagnosed with breast cancer every year—and are 50 percent more likely to die of the illness, because they are uninsured. He should tell that to the 83,000 Americans who die every year because they are uninsured and, as a result, do not receive timely or adequate medical use.

Insurance is far more than just a Washington term. It's a Main Street term in every community in America, and its lack of availability is a crisis for millions of families across the country.

Prescription drug coverage under Medicare is another major aspect of the health care challenges facing America. Few issues are more important to senior citizens and their families. They deserve a prescription drug benefit under Medicare—and we should provide it in a way that strengthens the promise of Medicare, not in a way that breaks that promise and breaks faith with the elderly.

The differences between Vice-President GORE and Governor Bush on this issue are fundamental. Governor Bush stands with the big drug companies, and Vice-President AL GORE stands with senior citizens. But Governor Bush has sought at every turn to blur the differences between their two plans in a way that is so misleading as to make a mockery of his own attacks on the Vice-President's credibility.

Vice-President GORE laid out his vision for Medicare in clear terms. He wants a guarantee—a lock-box—to assure that the current Medicare surplus will be used only for Medicare—and not diverted to other purposes. He wants to use some of the surplus to strengthen Medicare and keep it solvent for the future. He wants an immediate prescription drug benefit under Medicare that will benefit all senior citizens, not just very low income seniors. He wants to assure that senior citizens who prefer to stay with the current Medicare program and retain the right to choose their own doctors are not penalized for that choice or coerced into joining an HMO.

In spite of direct challenges from Vice-President GORE, Governor Bush refused to endorse a lock-box. It's not part of his priorities, and the reason is clear. He needs to use some of Medicare's surplus to finance his massive tax cuts for the rich.

Vice-President GORE has clearly pointed out the many flaws in Governor Bush's prescription drug plan for senior citizens. But Governor Bush has no response on the merits. Instead, he hides behind phrases like "fuzzy numbers" and "scare tactics."

But the numbers aren't fuzzy, and senior citizens should be concerned. Let's look at the facts.

Prescription drug coverage under the Bush plan is not immediate, and most senior citizens would be left out. As Vice-President GORE has pointed out, for the first four years, the Bush plan would cover low income seniors only. AL GORE cited the example of a senior named George McKinney. He said, "George McKinney is 70 years old, has high blood pressure. His wife has heart trouble. They have income of \$25,000 a year. They cannot pay for their prescription drugs. And so they're some of the ones that go to Canada regularly in order to get their prescription drugs."

Governor Bush responded, "Under my plan, the man gets immediate help with prescription drugs. It's called immediate helping hand. Instead of squabbling and finger-pointing, he gets immediate help." He kept accusing Vice-President GORE of using "fuzzy math" and "scare tactics."

But Governor Bush's own announcement of his Medicare plan proves AL GORE's point. This is what Governor Bush said:

For four years, during the transition to better Medicare coverage, we will provide \$12 billion a year in direct aid to low income seniors . . . Every senior with an income less than \$11,300—\$15,200 for a couple—will have the entire cost of their prescription drug covered. For seniors with incomes less than \$14,600—\$19,700 for couples—there will be a partial subsidy.

George McKinney has an income of \$25,000. He would clearly be ineligible for help under Governor Bush's plan. If Governor Bush thinks that's fuzzy math, then education reform is even more urgent than any of us realized. And in the third debate, Governor Bush finally admitted that the first phase of his program is only for "poor seniors."

George McKinney is not alone. The vast majority of senior citizens would not qualify for Governor Bush's prescription drug program—and many of those who did qualify would not participate.

Even this limited program for low income seniors would not be immediate, because every state in the country would have to pass new laws and put the program in place—a process that could take years in many states.

The low priority that Governor Bush places on this problem is also demonstrated by the fact that sixteen states have enacted programs to help low income senior citizens with their

prescription drug costs, and Texas is not one of them.

George Bush's prescription for middle-income senior citizens is clear—take an aspirin and call your HMO in four years.

Governor Bush's prescription drug plan would also require senior citizens to go to an HMO or an insurance company to obtain their coverage. In the first debate, Vice-President GORE pointed out that most senior citizens "would not get one penny for four to five years, and then they would be forced to go into an HMO or an insurance company and ask them for coverage. But there would be no limit on the premiums or the deductibles or any of the terms or conditions."

Again, Governor Bush did not respond to the Vice-President's specific points. Instead, he claimed that the Vice-President was trying to "scare" voters.

The facts are clear. Governor Bush's policy paper states that, "Each health insurer, including HCFA-sponsored plans that wish to participate . . . will have to offer an 'expanded' benefit package, including out-patient prescription drugs This will give seniors the opportunity to select the plan that best fits their health needs."

In other words, to get prescription drug coverage under the Bush plan, you have to get it through a private insurance plan. How high will the co-payments be? How high will the premiums be? How high will the deductible be? Governor Bush has no answer. Those important points are all left up to the private insurance companies.

Governor Bush says senior citizens will have the opportunity to select the plan that best meets their health needs. But what they will really have is the opportunity to select whatever plan private insurers choose to offer. If it costs too much, senior citizens are out of luck. If it doesn't cover the drugs their doctor prescribes, they're out of luck. The Bush plan is an insurance industry's dream, and a senior citizen's nightmare.

Governor Bush believes that private insurance companies and HMOs are the best way to provide prescription drug coverage to seniors. I don't question his sincerity. But I do question his unwillingness to defend his position in an open debate in front of the American people. When Vice-President GORE points out the facts, it isn't enough to evade the issue by calling the facts "fuzzy math" or a "scare tactic".

The ads that the Republican National Committee is running for the Bush campaign against the Gore plan reach new lows in disinformation. Under the Bush plan, senior citizens would have to get their prescription drugs through an HMO or private insurance company, but the GOP ads stand reality on its head by stating that under the Vice-President's proposal, senior citizens would have to obtain their coverage from a "government-run HMO."

In fact, under the Vice President's plan senior citizens would obtain their

drug coverage through Medicare, in essentially the same way they obtain physician and hospital coverage today. The Gore plan specifically guarantees that it will cover any drug that a senior citizen's doctor prescribes. That's not true under the Bush plan—and it is a glaring omission.

Another issue in the debate over prescription drug coverage has not received sufficient attention—the linkage in Governor Bush's proposal between prescription drug coverage and other cutbacks in Medicare. When the American people and senior citizens understand what Governor Bush is proposing, they will reject it resoundingly.

Governor Bush has been very clear. His drug benefit won't be available to senior citizens unless they are willing to accept severe changes in Medicare's coverage of their doctor's bills and hospital bills. He reiterated that point in the second debate. He said, "I think step one to make sure prescription drugs are more affordable for seniors . . . is to reform the Medicare system." Prescription drug coverage that senior citizens need should not be held hostage to changes in Medicare that senior citizens don't want—and it won't be held hostage under AL GORE's plan.

Governor Bush thinks that Medicare is obsolete and should be sent to the scrap heap. He favors a new model—in which senior citizens have to join HMOs or other private insurance plans or pay exorbitant premiums. But Medicare is still far and away one of the most successful social programs ever enacted. Senior citizens don't think that Medicare is ready for the scrap heap. They don't want to have to give up their family doctor and join an HMO in order to obtain coverage. But under the Bush plan, the price of staying in current Medicare and keeping your own doctor could be a premium increase of as much as 47 percent in the very first year, according to the Medicare actuary. For the vast majority of senior citizens, this heavy financial pressure could force them to give up their current Medicare coverage and their own doctor, and join an HMO.

Under the leadership of the Clinton-Gore administration, Medicare has gone from a condition of imminent bankruptcy to one in which Medicare will be solvent for the next quarter century—the longest period of projected Medicare solvency in the program's entire history. The independent Medicare Commission recently considered a proposal similar to the Bush plan, and the Commission said it could cause Medicare to become insolvent as early as 2005—just five years from now. If so, Congress would be faced with the stark choice of raising taxes, cutting benefits, or raising premiums. That's the Bush plan—and it's not a plan to protect senior citizens. It's a plan to privatize Medicare, and turn it over to the tender mercy of HMOs and the private insurance industry.

On prescription drugs and every other aspect of Medicare, the choice

between the two presidential candidates is very clear—and it is clear on every other aspect of health care. The Bush record in Texas is one of indifference and ineptitude—of putting powerful interests ahead of ordinary families.

The Bush record in the campaign is one of consistent deception and distortion. The Bush proposals are at best inadequate and at worst harmful. Tax cuts for the wealthy are not as important as health care for children and prescription drugs for seniors. The American people understand that—but Governor Bush does not.

AL GORE has a career-long record of fighting for good health care for families, for children, and for senior citizens. The current administration has a solid record of bipartisan accomplishment, ranging from protecting the solvency of Medicare to improving health insurance coverage through enactment of the Kassebaum-Kennedy bill and the Child Health Insurance Program. AL GORE's program responds to the real needs of the American people with real resources and a detailed action plan.

I am hopeful that every American will examine the records of the two candidates carefully. On health care, there should be no question as to which candidate stands with powerful special interests and which candidate stands with the American people. The choice is clear. Governor Bush stands with the powerful, and AL GORE stands with the people.

ORDER OF PROCEDURE

Mr. JEFFORDS. Mr. President, will the Senator yield? The Senator's words have kind of strayed a little bit from the Older Americans Act. Perhaps I could put in a unanimous consent request so that the Senator from Massachusetts is aware and so that we perhaps can do something else.

Mr. REID. Mr. President, parliamentary inquiry. It is my understanding the Senator from Massachusetts is speaking under a unanimous consent agreement. He can speak for as long he wants.

Mr. JEFFORDS. On the Older Americans Act, I believe.

Mr. REID. No. There is no subject.

The PRESIDING OFFICER. The time is under the control of Senator JEFFORDS.

Mr. REID. I thought that under the unanimous consent agreement he could speak for as long as he needs.

Mr. KENNEDY. Parliamentary inquiry? I believe when I started to speak there was still time.

Mr. JEFFORDS. I am just asking what happens at the end. I would like to put a unanimous consent request in to make sure that we have time available before we vote.

Mr. KENNEDY. Mr. President, I yield for that purpose, if he wants to make that request at this time with the understanding that I be recognized.

The PRESIDING OFFICER. If the Senator from Vermont would state his unanimous consent request?

Mr. JEFFORDS. Following the remarks of Senator KENNEDY, I ask unanimous consent all time be yielded back on the bill and that there be 30 minutes equally divided for closing remarks prior to the vote on the bill with Senator GREGG to be recognized for the last 15 minutes.

Mr. REID. Mr. President, reserving the right to object, I understand that at 4:30 we would go to general debate on this bill with Senator GREGG getting the last 15 minutes.

Mr. JEFFORDS. That is correct.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Reserving the right to object, as I understand it, if this is not objected to, then we are in a period of morning business without a time limitation.

Mr. REID. The Senator from Massachusetts, I say to the Presiding Officer, has no time constraint on his speaking now.

The PRESIDING OFFICER. Under the 24½ minutes that are now remaining in opposition to the Gregg amendment, time has been yielded for as much as he may consume to the Senator from Massachusetts after which the previous unanimous consent agreement will take effect.

The Senator may complete his statement.

Mr. KENNEDY. That is the order as stated by the Senator from Vermont. Am I correct?

Mr. JEFFORDS. Mr. President, I further ask unanimous consent that the Senate enter into a period of morning business until the hour of 3 p.m. with the time equally divided in the usual form.

Mr. REID. Mr. President, reserving the right to object, does the Senator from Vermont have any idea what we will do at 3 o'clock?

Mr. JEFFORDS. I have no idea.

Mr. REID. My point is, I say to my friend from Vermont, that until we have something more to do on the floor—we have had a number of requests on this side and probably on your side for people to speak in morning business—we will wait until 3 p.m. If there is no other business, we will go into morning business at 3 o'clock.

The PRESIDING OFFICER. Is there objection?

Ms. LANDRIEU. Mr. President, reserving the right to object, would it be appropriate to inquire now if I could be placed on the list to speak as if in morning business for approximately 10 minutes?

The PRESIDING OFFICER. When does the Senator wish to speak?

Ms. LANDRIEU. Following Senator KENNEDY's time, which I understand would be about 20 more minutes, and then we go into morning business. I understand Senator ALLARD also wants to speak. I would be happy to follow Senator ALLARD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Massachusetts.

EDUCATION

Mr. KENNEDY. Mr. President, I want to just take a few minutes to review the education record. I think I have tried to outline in as an objective way as possible what the record is with regard to health, particularly with regard to children in the State of Texas, the Governor's record on the Patients' Bill of Rights, on the CHIP program, and also on the Medicaid program.

I think one can't review that record—not only my statements or the statements in the most recent Time Magazine which have drawn effectively the exact same conclusion—and not reach the conclusion that children have not been a priority on the political agenda of Texas over the period of the last six years.

On the issue of education, I spoke briefly yesterday in the Senate. I am troubled, as many of our colleagues, that we are not having cloture on the Elementary and Secondary Education Act. In spite of all of the assurances that were given by the majority leader and Republican leadership, we still failed to do it.

I commend again our colleagues, Senator DEWINE, Senator JEFFORDS, Senator MIKULSKI, and others for effectively concluding the Older Americans Act shows even in these final hours that bipartisanship can work in a very important area. I welcome the chance to work with our colleagues on the committee and the chairman to make sure that we are going to take action. That is an enormously important piece of legislation for our seniors.

Education is enormously important for families as well. In spite of the fact that assurances were given by the majority, we still have not done so. For the first time in 35 years, we have not completed our work and reauthorized the Elementary and Secondary Education Act.

What has to be a central distress to all families is it appears now that the appropriations that are going to fund the Elementary and Secondary Education Act will be the last train out of the station.

They are more than 3½ weeks late after the end of the fiscal year. It is troublesome to me to hear all of the statements about the importance of prioritizing education when we see that we have basically failed to do our work here in the Senate on this issue.

I want to take a moment to find out what we might look to in terms of the future, again looking to what has happened in Texas over the period of these last several years.

On the issue of the record on education in Texas, it is more of an "education mirage" than an "education miracle."

Under Governor Bush, in 1998, according to the National Center for Educational Statistics, Texas ranked 45th in the nation in high school completion

rates. Seventy-one percent of high school dropouts in Texas are minorities. Hispanic students in Texas dropped out at more than twice the rate of white students in the State.

In August, the College Board reported nationally that from 1997 to 2000, SAT scores have increased. But in Texas they have decreased. In 1997, Texas was 21 points below the SAT national average, and by 2000 the gap had widened to 26 points.

Let me review that very quickly. Since we have had a lot of talk and we have had a lot of sound bites on education, let's look at what has happened.

We will come back to what happened under the last several years in these same areas at the national level, which the Vice President was involved in and which he would like to see continued and expanded.

On Tuesday, Governor Bush heard more bad news. The Rand Corporation released a study that raises serious questions about the validity of the gains in student achievement claimed by the Governor. On CNN in August, the Governor said: Our state . . . has done the best . . . not measured by us but measured by the Rand Corporation . . . who take an objective look as to how states are doing when it comes to educating children.

Clearly, at that time, George W. Bush trusted the conclusions by Rand.

On CNN, in September, Governor Bush said: One of my proudest accomplishments is I worked with Republicans and Democrats to close the achievement gap in Texas.

The recent Rand study shows his claim is false. The achievement gap in Texas is not closing; it is widening.

On Fox News, in August, Governor Bush said: Without comprehensive regular testing, without knowing if children are really learning, accountability is a myth, and standards are just slogans.

But, the Rand study shows that the tests cited by Governor Bush to support his claim are biased. They found the gains in student achievement are the product of a discredited practice called "teaching to the test," and that claims of real success in student achievement far exceed the actual results in Texas.

The Rand study also says the gains in student achievement in Texas may be inflated, questioning the validity of the scores. According to the study, gains on the Texas State test are far greater than the results for the same students on standard national tests.

The Rand study questions the value of the Texas State test because it involves teaching to the test instead of real learning. The Bush education plan has the same serious flaw. It focuses on tests, tests, and more tests. We, as a country, have more tests than any other country in the world.

Inevitably, schools will focus more and more on test preparation, as happened in Texas with the State tests,

and less on real teaching. In the end, it is education that suffers and so do the students.

In addition, in Texas more and more students with disabilities are excluded from taking the test, and more and more students are dropping out or being held back. That is not a satisfactory prescription for improving education.

Instead, we should look at the success of States such as North Carolina, which is improving education the right way by investing in schools, teacher quality, and afterschool programs in order to produce better results for students.

Governor Bush's plan mandates more tests for children but it does nothing to ensure schools actually improve so that children will obtain a better education.

It is clear that Governor Bush is out of touch with parents and students when it comes to education. Governor Bush says everything in education is failing—it is all doom and gloom. His solutions go back to the old scheme to abandon public schools and refuse to make needed investments in education. He mandates more and more tests for children, but does nothing to help create the change needed to ensure that all the children pass the tests. He turns his back on what works and resorts to right wing policies instead, which are inadequate to meet the challenges of genuine school reform.

Early education initiatives are especially important. Study after study has shown that children who have quality learning experiences early in life have a greater ability to learn in school, to work successfully with their teachers and their peers, and to master needed skills. We can do more—much more—to put this impressive research into practice. But Governor Bush has no plan to expand access to preschool education. He has no plan to expand Head Start—only empty rhetoric about reforming the program.

Assistance for low-performing schools is also essential. We know that with needed investments, failing public schools will improve. In North Carolina, low-performing schools are given technical assistance by special state teams that provide targeted support to help turn around those schools. In the 1997–98 school year, 15 schools were selected and received intensive help from these state assistance teams. In August 1998, the state reported that most of these schools had achieved "exemplary" growth—and none continue to be identified as low-performing. In the 1998–99 school year, 11 schools were identified and received help from the assistance teams. Nine schools met or exceeded their growth targets at the end of the year. That's the kind of aid to education that works, and we should support it in all states. Instead, Governor Bush abandons low-performing schools—and proposes instead a private school voucher plan that drains needed resources from troubled schools and traps low-income children in them.

Another major problem hindering schools' ability to teach students effectively is the fact that many schools have obsolete, crumbling and inadequate facilities. All teachers and students deserve safe, modern facilities with up-to-date technology. Sending children to dilapidated and overcrowded classrooms sends an unacceptable message. It tells them they don't matter. No CEO would tolerate a leaky ceiling in the boardroom—and no teacher should have to tolerate it in the classroom. We have an obligation to children and parents to modernize the nation's schools—to build more schools, so that there are more classrooms and less overcrowding, and more computers and other equipment. It is long past time to end the days when the worst building in town is the school house with its crumbling walls and broken pipes and leaky roofs that plague students and teachers and classrooms. But congressional Republicans have repeatedly refused to address these pressing needs. Governor Bush doesn't do nearly enough either. He makes only a token investment in school construction, and he ignores communities' needs to repair crumbling and unsafe schools.

Smaller classes are also an indispensable element of school reform. Research documents what parents and teachers have always known—that small classes improve student achievement. Teachers are able to maintain discipline more effectively. Students receive more individual attention and instruction. Students with learning disabilities are identified earlier, and their needs can be met without placing them in costly special education. Instead of applying this basic and widely accepted principle, Governor Bush eliminates the current and increasingly effective effort to help communities reduce class sizes. We must also make a stronger commitment to help communities attract, train and support the highest quality teachers and principals. Two million new teachers will be needed over the next 10 years, because of the large number of teachers nearing retirement and the continuing large increases in student enrollment. The shortage of teachers is compounded by the shameful fact that 50 percent of teachers leave the profession within 5 years.

Instead of using our budget resources to strengthen programs that work to improve teacher quality and put well-trained teachers in all classrooms, Governor Bush would simply hand over a block grant to states—a blank check—and hope that state governors will spend the federal aid in ways that improve teacher quality. Clearly, America can do better than that. We have to do better than that. We must also do more to make college accessible and affordable. Parents and students across the country are also struggling to pay for college. The opportunity for a college education should not be determined by the level

of family income. Any student who has the ability, who works hard, and who wants to attend college should have the opportunity to do so. We should do more—much more—to make college affordable for every qualified student.

We also need to do more to help train workers who have lost their jobs because of corporate down-sizing or business relocations, so they can find other good jobs in their communities. Workers need opportunities to upgrade their skills to remain competitive, especially in the modern economy. Better services and real training for dislocated workers will give them the skills they need to continue their careers. It will also help to meet employers' growing needs for well-qualified workers. But, Governor Bush has no plan to make college more affordable or help these dislocated workers. He expands Pell grants primarily for the first year of college only. He makes only a limited effort to help the nation's workers upgrade their skills.

The vast majority of Americans want us to address these challenges more effectively. We know that many schools across the country are doing an excellent job. The real challenge is to do what it takes to create better schools and better college opportunities for all students. Like Governor Bush, this Republican Congress deserves a failing grade for its lack of support for school reform. Too often, we have abandoned states and local school districts in their efforts to provide students with a good education. Too often, Congress has stood on the sidelines and declined to be an active participant in the nation's education policy. It is only through a strong and cooperative commitment at every level—federal, state, and local—that the nation can adequately meet its education needs. We have a responsibility to do all we can to meet the pressing challenge to guarantee that students will graduate from school and college well-prepared for careers in the new information-age and in our technologically-advanced economy and our competitive global society.

That's what AL GORE and Democrats in Congress are proposing—a constructive and more effective balance between accountability for better results and additional resources for programs that work to improve schools. We will ensure that every child receives a good early education, by ensuring that preschool is available to all children. We will help communities improve public schools. Our goal is to put a well-trained teacher in every classroom. We understand that when class size goes up, opportunity for learning goes down. We will help schools reduce class size, so the nation's students can be taught more effectively. We will make major investments in helping communities to build new schools, to alleviate overcrowding and to repair and modernize obsolete and dilapidated classrooms and facilities. We will hold states and schools accountable for results, so that all children have the opportunity to

meet high standards. We will expand opportunities for college and later learning by making college tuition tax deductible and by increasing Pell grants. We will reach out to millions of disadvantaged young children and help them to see and believe that college can be a realistic option for their future. We will help the nation's workers obtain the on-going skills training they need, and provide tax credits for employers who offer worker training.

In all of these ways, AL GORE's approach to education is the right direction for the nation's future. We have reached the final days of this Congress, and we have yet to give needed priority to education. Negotiations are underway, and there is still a chance to meet our commitment to families and communities across the country, and do what is needed to meet their education needs.

At the end of this Congress, families across the country will assess what we have done to meet these priorities, and the verdict has to be, "too little, too later." This Republican Congress deserves a failing grade on education, and no "election eve conversion" is enough to avoid that failing grade. The American people share our Democratic commitment to the nation's students, parents, schools and communities. We have already made students and families across the country wait too long for this needed education assistance.

We have seen the SAT math scores at their highest in 30 years. This is a very modest improvement nationwide, but all the indicators are going in the right direction as compared to Texas, and scores have increased both for males and females.

The number of students taking advanced math and science classes from 1990 to 2000: There is an increase in the number of students taking precalculus, calculus, and physics; students are taking more difficult and challenging courses. They are doing better on the national standardized tests. That is because they want to go to college because there is an increasing opportunity available to them under the proposals made by the administration. That is catching on with students all over the country because we are finding more and more students are taking the SAT. More and more students are taking the difficult, challenging, rigorous tests. Students are doing better in spite of the fact more are taking more difficult and challenging courses, and the national trends are moving in the right direction. That is completely contrary to what has happened in the State of Texas.

This is not to suggest we don't have many areas of our country and many school districts that don't need a great deal of help and assistance. However, what we are seeing as a result of the administration, which Vice President Gore has been a part of, and he has been strongly supportive of, these education programs are moving in the right direction. They are moving in the right direction.

When he talks about smaller class sizes, better trained teachers, mentoring in terms of teaching, afterschool programs, new technology, and accountability, it is being based upon the schools and school districts which are effectively breaking the mold where we are getting children with enhanced achievement and accomplishment. That is what I think families want in this country, not just cliches.

I also wish to mention a final point of contrast between Governor Bush and the Vice President on the early education initiatives and how important they are. Study after study has shown that children who have quality learning experiences early in life have a greater ability to learn in school, to work successfully with their teachers, their peers, and master needed skills. We can do much more to put this impressive research into practice.

We have some bold initiatives which are bipartisan. I commend the leadership, Senator STEVENS, Senator JEFFORDS, and others who have been a part of this effort for some period of time. I think we have some real movement here. That debate has been independent of the broader issues on elementary and secondary education. I know in the Vice President's proposal, in terms of investing in the future, this early education program has an important commitment.

I remind our colleagues that this whole area was an area that had bipartisan support a number of years ago when the Governors met in Charlottesville. The first recommendation was made to the American people that the Governors were going to be committed. We were challenging the administration. The Congress was ready to learn. Children ought to be ready to learn when they go to school. "Ready to learn" means giving those children the kind of confidence building that is so essential in the very early years, when their brains are in formation.

Various Carnegie commission reports have demonstrated the early interventions help build confidence. They also demonstrate children begin to appreciate learning in these early formative years. Second, the children develop interpersonal skills which are enormously important when they begin their education experience. Finally, the tests show they develop a sense of humor, which I think is probably of value in carrying one through life.

This early intervention has been particularly and repeatedly emphasized and stressed by the Vice President. It ought to be taken into strong consideration.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Colorado.

Mr. ALLARD. Are we in morning business?

The PRESIDING OFFICER. We are in morning business.

Mr. ALLARD. I ask unanimous consent I be allowed to speak for 10 minutes under morning business.

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

THE DEFICIT

Mr. ALLARD. Mr. President, I have been following the debate between the two Presidential candidates and notice that the Vice President wants to take full credit for paying down the deficit. At the time that the legislation went through the Congress, the President's proposal was a tax increase, and it was a proposal to increase spending in 1993.

I served on the Budget Committee in the House and I expressed at that time in reality this was not a tax to cut the deficit; it was a tax to increase spending. As members of the House Budget Committee, we had pointed out at that time that it was going to create a \$2 billion deficit as far as the mind's eye could see.

So now we have the Vice President on the campaign trail taking credit for having eliminated the deficit. In reality, what it was, it was the Republican Congress. In 1993, when this was passed, Democrats controlled the Senate, Democrats controlled the House, and Democrats were in control of the Presidency. This passed by a very narrow margin in the House. Not one Republican voted for it. It came over to the Senate and would not have passed the Senate if at that time the Vice President, AL GORE, had not voted for the budget proposal which, in effect, was going to maintain the deficit at \$200 billion.

So I wanted to bring some facts to the floor in that regard. I thought it was important I do that.

This year, in July, just before we were ready to adjourn, the assistant minority leader pointed out that I made a comment at one time and my comment was, about the President's plan in 1992, which we were voting on:

In summary, the plan has a fatal flaw—it does not reduce the deficit.

Today I am standing up on the Senate floor to stand by my remarks because, if we look historically, that plan did not reduce the deficit. In fact, I repeat, AL GORE's record is that of a tax hike because he is the one who voted for this—his vote alone. AL GORE would like to have you believe that actually what he was doing was putting in place a plan to eliminate the deficit.

I point out there is no document in the Clinton-Gore administration that exists that shows the largest tax hike—and that is what this was—the largest tax hike in American history did, or would have, or could ever have balanced the budget—not one document.

I have here before me "A Vision of Change For America." This is dated February 17, 1993. This is the President's plan on how he was going to eliminate the deficit. If we look at that, on page 22 of that document, we see the projected deficit 5 years out, from 1993, is \$241 billion, despite all the rhetoric and how it is going to pay down the deficit with the tax increase.

Then, in September of the same year, in 1993, if we look on page 34 of the "Mid-Session Review" of the 1994 budget, we see the projected deficit out to 1998 is \$181 billion.

Then, if we look at the budget of the U.S. Government proposed for 1995, proposed in 1994, again, on page 13 of that particular document we see the projected deficit, 5 years out from the date of that document, is \$181 billion again. It is flat-lining out at approximately \$200 billion a year.

Then we have another document that was published in 1994, the "Mid-Session Review" of the 1995 budget. On page 3 of that document, it shows that the deficit, 5 years out from that date, is projected to be \$207 billion. This is deficit spending. This is where you are going in, on any one fiscal year, and you are spending more than what you bring in, in revenues.

Then, following out through the first couple of years since his proposal, we look at the document, "The Budget Of The U.S. Government, Fiscal Year 1996." If we look on page 2 of that particular document, we see the projected deficit for the year 2000, 5 years out, was \$194 billion.

Then, in the Mid-Session Review on that particular budget, Mid-Session Review of the 1996 budget, we see the projected deficit 5 years out on that document is \$235 billion in 2005.

If you recall, in 1996 we had the Republican Congress elected. Under pressure from the Republicans in the Congress, the President finally admitted that his plan was not going to eliminate the deficit. So, in working with the Republican Congress, a new plan was beginning to be put in place. That is what this chart reflects. It reflects two things. The red part is this projected deficit that was passed by the President and the Congress and put into law. As we can see, it is about \$200 billion deficit spending. This is a tax increase, the largest tax increase in the history of this country.

Then we see the Republicans come into power in 1996, and what happens, which is reflected by this black line, is that the deficits dramatically are reduced, and then we find, a little past 1997, actually we are beginning to get some surpluses until where we are at 2000, where we have the huge surpluses we are dealing with today.

I think the wrong person is taking credit for this. It is the Republican Congress that made a difference on deficit spending. It was not the largest tax increase in the history of this country which was passed in the Senate, here, by the Vice President. So this is a summary of what happened 2 years after the largest tax hike in history. Finally, Clinton and GORE admitted America was still 10 years away and almost \$1 trillion short of a balanced budget.

It is not just their documents I demonstrated with on the floor of the Senate. In their own words, they verify this. During the signing ceremony on the largest tax hike in history, not a

word was uttered by President Clinton about balancing the budget or saving Social Security or paying off the national debt. At that time, the Republican plan was we really needed to have dramatic changes if we were going to make a difference in saving Social Security, eliminating the deficit, and paying down the debt. But all the plan we got out of AL GORE and the administration was that we increased taxes and we would eliminate the deficit, and it was not working because they also increased spending.

If we look at the President's comments at the signing of the Omnibus Budget Reconciliation Act of 1993, on August 10 of 1993—this is from a book entitled "Public Papers of the President, William J. Clinton," 1993, volume 2, page 1355. If you read through his comments and examine his remarks, not once was a word uttered about balancing the budget, saving Social Security, or even paying off the national debt. Thus, AL GORE's tax hike was actually no act of heroism. What it really was, was a tax-and-spend vote instead of a tax to end the deficit.

So I wanted to address that issue here on the floor of the Senate.

In summation, Mr. President, no Clinton-Gore budget document from February 13, 1993, through July 28, 1995, ever shows a balanced budget resulting from Mr. GORE's record tax hike. No Clinton-Gore budget document from February 13, 1993, through July 28, 1995, ever shows a Social Security surplus being saved from Mr. GORE's record tax hike. And no Clinton-Gore budget document from February 13, 1993, through July 28, 1995, ever shows debt reduction or elimination resulting from Mr. GORE's record tax hike. Yet AL GORE now claims and lectures as if he actually created this surplus.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

ADOPTION TAX CREDIT FOR SPECIAL NEEDS CHILDREN

Ms. LANDRIEU. Mr. President, I was on the floor yesterday and said that I would be back every day speaking about this issue. I think one of the more important issues that we need to address before we leave town. Nobody is too sure when that is actually going to happen. Some of us were expecting to be back home, having finished the people's work, weeks ago. Even as I inquire on both sides of the aisle, there is not any sense of when we will get home. I will stay here as long as it takes to get the job done, and I am not complaining.

One of the things I hope we can get done in some way, somehow, through some rule, some procedure, or some bill before we leave is to fix something so we will not be embarrassed about what we have not done. I will explain.

A few years ago, 5 years to be exact, a wonderful new provision was put in the law called the adoption tax credit.

I am the cochair, along with Senator CRAIG, my wonderful colleague from Idaho. This is a wonderful coalition of Democrats, Republicans, conservatives, liberals, but we have all come together on the issue of adoption, promoting it as a wonderful way to build families, to strengthen communities, to give children hope, to put parents together with children whom they have always wanted to have, dreamed, and worked for, who will love them and raise them because governments do not do a very good job of that. The fact is, there are literally millions and millions of children in this world who are desperate for someone to love them and provide a home.

Congress, in a bipartisan expression, overwhelmingly put into effect a wonderful tax credit because adoptions, unlike pregnancy, are not covered by insurance. There are not the same benefits, unfortunately, in the labor market or in business for pregnancies and adoption.

Recognizing the somewhat disadvantage on families who build their families through adoption, the Congress rightfully put in place a \$5,000 credit for families.

There is a recent Treasury report that says the credit is being used by thousands of families. This report, which was filed in the last 2 weeks, goes into some very clear and interesting detail about who is using this credit, how much the expenses related to adoption are.

For those who are not familiar, since our children are adopted, I can say from personal experience that there are expenses associated not only with the legal act itself but with agency expenses. In the United States, that can range anywhere from a low of \$2,000 to a high of \$15,000 or \$20,000. For international adoptions—and there are many Members and staffers who have adopted who can give personal testimony—that can range anywhere from a low of \$5,000 to \$30,000. It is an expense with which many moderate- and middle-income families have difficulty.

Despite those difficulties, there are families all over this Nation who have adopted not one not two children. I met a family recently from Philadelphia that has adopted 20 children, some of them with special needs. This is not a family that inherited a fortune or is heir to a great fortune. This is a working family struggling to put food on the table, but because they felt compelled to give hope and prayer to some children, they have opened their home to 20.

I do not expect there will be many people who will adopt 20. I am one of nine, and my mother did a pretty terrific job of raising nine of us. I have two children, which is what I can handle at this time.

This adoption tax credit is working to a certain extent. We are ready to extend it because it runs out this year. We want to do that, and we want to increase it. Right now, it is \$5,000 for a

regular adoption and \$6,000 for a special needs child.

The problem is—and I urge my colleagues and those who are interested in this issue to hear me—that under the current Tax Code, special needs children—special needs children are defined as those who are in foster care. There are 100,000 of them whose parental rights—the rights of their parents—have been terminated. These children are freed for adoption. There are another 400,000 children of all ages, races, and background in foster care, either on their way to being reunited with their family, which is always our hope if that is possible, or on their way to an adoptive family.

If we do not make a change in the bill on which we will be asked to vote sometime in the next few days, or if we do not make a change in the phraseology about this tax credit, we are going to leave behind 100,000 children. If the train is leaving the station, it is as if you are waving goodbye to 100,000 children in this Nation, some of the most vulnerable children, children the system has failed, children whose parents abandoned them, abused them, or grossly neglected them. The system has already failed them once, Mr. President. I do not have the heart and I do not think we have the heart to fail them again.

I know there are many issues, big bills and important issues, but for 100,000 kids in America, Serina being one of them, if we do not fix this problem, which I think is the intention of this body, then we are going to leave children like Serina behind. Let me tell you a little about Serina.

Serina was taken into foster care immediately upon her birth. Her mother was a 16-year-old foster child herself who was addicted to crack cocaine. Because of her mother's drug addiction, one might say we could blame the mother, but since the system failed her and left her in foster care without a real mother and real father, then I am not sure who is to blame, but this child was born with cerebral palsy because babies do not take crack cocaine very well, as well as other multiple problems, including addiction, a history of herpes, encephalitis, seizure disorders, including epilepsy. She has two biological siblings, one of whom was also adopted by her adoptive parents.

The family that adopted Serina, knowing full well these conditions, knowing full well the difficulties involved in raising this child—the doctors said she could never walk; she could never hear; she could never function. She is doing all of these things beautifully. She, under our current Tax Code, gets nothing. Her parents get nothing for the adoption because she is a special needs child, as is obvious. There are no expenses necessarily associated with her adoption. These are not the kind of children that agencies regularly place. There were no legal fees. There are no adoption agency fees.

We are about to pass a bill that is going to leave behind 100,000 of the

most vulnerable, most needy children and their families who are doing God's work.

I am happy these other children—a little girl from Guatemala and a little boy from the United States—are able to use the current adoption system. Their parents, too, have done a wonderful job giving these children an opportunity for life, love, and success. The adoption credit is working for them. I say hooray and let's continue it. But, please, let us not leave behind the special needs children of our own country, American citizens, children born in the United States.

We say in the adoption caucus—and I am proud to be one of the leaders—that there are no unwanted children; there are just unfound families.

If our Tax Code can help people build homes, can help businesses start up, and can help very wealthy people support their products internationally, if we can give millions and hundreds of tax credits to special interests, I most certainly think the Members of this body—the House and Senate; Republicans and Democrats—can find the will to add not one dollar but to change a phrase in the law so all children and all families can benefit from this adoption credit.

Mr. President, I yield back the remainder of my time. But I will be back on the floor later today and every day, if not today, until we leave here. If I have to read the names of every one of the 100,000 children waiting, I am going to try to do that, until I get some response that this tax credit we are about to pass is going to include the children who need the help the most and their families. If I have to read all 100,000 names—this I hold in my hand is just a few—I am prepared to do it.

I thank the Chair and yield back the remainder of my time.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mrs. HUTCHISON. Will the Senator yield?

Mr. President, I ask how much time is left in morning business so I can ask unanimous consent that I have time after the Senator from Missouri has spoken. Could the Presiding Officer tell me what the time limit at this point is?

The PRESIDING OFFICER. The majority has 13 minutes; the minority has 14 minutes 20 seconds.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that after the Senator from Missouri speaks, we extend the time for the majority and the minority equally by 15 minutes each; 15 minutes for the majority, 15 minutes for the minority.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mrs. HUTCHISON. I thank the Chair.

AMERICA'S BRAVE SERVICE MEN AND WOMEN AND VICE PRESIDENT GORE'S RECORD ON FOREIGN POLICY

Mr. BOND. Mr. President, I rise today to address two issues that are related; first, to express support for one of the most lethal and effective foreign policy instruments we know; that is, our brave service men and women who are standing guard on distant shores. We were reminded of that recently by the terrorist attack on the U.S.S. *Cole* in Yemen. It was yet another reminder that our forces are on watch 24 hours a day in farflung places many of us have never heard of. Their presence and service is a crucial component of foreign policy.

The effort of the sailors aboard the U.S.S. *Cole* in saving the ship is a testimony to the honor, courage, and commitment the Navy expects from every sailor wearing the Navy uniform.

Our thanks and our congratulations go to them; our sorrow, of course, for those who were lost; and our sympathies and prayers go with their families.

But in light of the danger in which these fighting men and women of the United States are placed, it is important we assess our foreign policy, and that we take a look at the record of what has happened in the past.

What have the two candidates done? Where would the Vice President lead us, based on his experience to date?

When you talk about experience with respect to Vice President GORE's foreign policy, I am reminded of that old saw that "experience is what you get when you expected to get something else." His record of experience has been a very bad one, and one that will put at risk other sailors and other U.S. military in the future. You don't need to look too far to share these concerns.

First, let me call attention to a Wall Street Journal editorial page article, "Gore's Hidden Weakness: Foreign Policy" from Monday, October 23. There Robert Zoellick expresses concern over the supposed foreign policy experience that Vice President GORE would bring to the White House.

In the article he said that in the Chernomyrdin agreement:

... he blessed Russian exports to Iran of weapons that could only be targeted against the U.S. Navy, which protects the world's energy lifeline.

He went on to say:

... Russian technicians continued to help Iran develop "laser isotope separation technology" used to enrich uranium for nuclear weapons.

This was to a country that the State Department called "the most active state sponsor of terrorism." We would have hoped that our Vice President, in his agreements with Mr. Chernomyrdin, would have been trying to build a market economy based on the rule of law. He should have prodded them to close down the corrupt commissions. But what we seem to have seen, as a result, or what has followed

on that agreement, was a Soviet-style bureaucracy that never made any progress.

There was an admission that the IMF money went to foreigners and Russian speculators.

Quoting the editorial further, the former chairman of Russia's security commission said:

"I cannot explain why the Western governments didn't pay serious attention." And Anatoly Chubais, Mr. Chernomyrdin's deputy, said pithily: "We conned them out of \$20 billion."

And the editorial writer, Mr. Zoellick, says:

Mr. Gore's Russian record is more than a litany of costly mistakes. The vice president was unable to either perceive the true nature of Russia's transformation or to design creative U.S. policy to match the circumstances.

I think we ought to be alarmed. We ought to be alarmed at the record that Vice President GORE has written as he takes credit for our foreign policy with Russia.

Is it really credit, when we find that the Russians continue to export arms to Iran? Would it alarm Americans that Iran, which relies on Russian arms sales to maintain its own military, sends arms also to Hezbollah's guerrillas in Lebanon, which uses those same arms against Israeli soldiers in settlements?

Yesterday, the Senate Committee on Foreign Relations began hearings to probe the recent press reports that Vice President AL GORE and the Russian Prime Minister Viktor Chernomyrdin made a secret agreement 5 years ago promising the Clinton White House would not enforce the law requiring sanctions for Russian sales to Iran.

Is this what we can expect, secret deals with Russia that have not stopped the sales of dangerous weapons to Iran? We are still seeking disclosure to the appropriate committees of Congress of the details of the Gore-Chernomyrdin agreement.

They have not come forward even to give the committees of jurisdiction the details on that agreement. What is going on? Why is it being hidden?

I think we all ought to be very much concerned about what appears to be a series of deadly mistakes covered up—covered up—and kept out of the view of the congressional committees.

Now, portions of the 12-page agreement between Vice President GORE and Mr. Chernomyrdin appeared in the October 17 edition of the Washington Times. In there, it appeared that the U.S. Vice President committed our country to "avoid any penalties to Russia that might otherwise arise under domestic law." The final document reads: "This aide memoire, as well as the attached annexes, will remain strictly confidential."

This secret Gore-Chernomyrdin agreement, and the Clinton-Gore administration's promise not to implement U.S. laws requiring sanctions for

Russian weapons proliferation to Iran, was first reported in the New York Times on October 13 of this year. It said there that:

In exchange for the Russian promises, the United States pledged not to seek penalties against Russia under a 1992 law that requires sanctions against countries that sell advanced weaponry to countries the State Department classifies as state sponsors of terrorism. Iran is on that list.

The law they are referring to, of course, is the 1992 Iran-Iraq Non-Proliferation Act. That was sponsored by the Senator from Tennessee, Mr. AL GORE, along with Senator MCCAIN.

Let's be clear. This law requires the President impose sanctions on countries that sell advanced weaponry or assist in nuclear weapons programs in countries sponsoring terrorism. Russian cooperation with Iran's nuclear program was a major concern behind enactment of that legislation. How do you get around that?

The White House has attempted to downplay the impact of Vice President GORE's deal by arguing the weaponry transferred was "antiquated."

I see nothing antiquated about laser isotope separation technology, which was described in the Wall Street Journal article, being used to enrich uranium for nuclear weapons.

It is my understanding that some of the weapons sold to Iran by Russia included the Kilo-class submarine, which is difficult to detect and track in the shallow waters of the Persian Gulf because they generate very little noise while operating on battery power. In the event of a crisis, these submarines would present a credible threat to U.S. forces, allied vessels, and merchant marine traffic. They also aid wake-homing torpedoes and antiship mines. If these weapons pose a significant threat to U.S. ships and forces in the region, then these transfers appear to me to meet the threshold for sanctions under the Gore-McCain Act.

Make no mistake, were tensions to escalate between the United States and countries in the Middle East, these weapons could have a catastrophic effect on our sailors and other military personnel on ships in the region. We just saw what a small simple boat loaded with explosives could do. What other reminders do we need.

The Vice President defends his actions claiming that none of the weapons included met the standard for triggering sanctions. Yet the Washington Times uncovered a letter sent last January to the Russian Foreign Minister by Secretary of State Madeleine Albright admitting:

Without the aid memoire, Russia's conventional arms sales to Iran would have been subject to sanctions based on various provisions of our laws.

In classified documents obtained by the Washington Times, a 1995 letter, apparently written by Mr. Chernomyrdin to Vice President GORE, said:

The information we are passing on to you is not to be conveyed to third parties, including the U.S. Congress. Open information concerning our cooperation with Iran is obviously a different matter, and we do not object to the constructive use of such information. I am counting on your understanding.

These secret agreements between the Vice President and Mr. Chernomyrdin took place in the context of a Gore-Chernomyrdin Commission, which began in 1993 and was conducted in twice yearly meetings until Mr. Chernomyrdin was removed from his position in 1998. These secret agreements contradict administration and Vice President GORE's concerns regarding the spread of dangerous missiles in the Middle East and the proliferation of weapons of mass destruction to a country such as Iran who exports terrorism.

Former Secretaries of State and Defense, Directors of Central Intelligence, National Security Advisers, have put out a strong letter, dated October 24, saying in part:

This is why we are deeply disturbed by the agreement made by Vice President Gore and then Russian Premier Chernomyrdin in which America acquiesced in the sale by Russia to Iran of highly threatening military equipment such as modern submarines, fighter planes, and wake-homing torpedoes.

We also find incomprehensible that this agreement was not fully disclosed even to those committees of Congress charged with receiving highly classified briefings—apparently at the request of the Russian Premier. But agreement to his request is even more disturbing since the Russian sales could have brought about sanctions against Russia in accordance with a 1992 U.S. law sponsored by Senator John McCain and then Senator Al Gore.

This letter was signed by George Schultz, Jim Baker, Zbigniew Brzezinski, Frank Carlucci, Henry Kissinger, Donald Rumsfeld, James Schlesinger, Brent Scowcroft, Caspar Weinberger, and James Woolsey. I think their concerns ought to be concerns of all of us.

This foreign policy effort is part and parcel with Vice President GORE's approach to the people. Who does the Vice President trust. Apparently not the people, not the U.S. Congress.

The reason we are here discussing this issue is because exactly 13 days ago the New York Times revealed that Vice President GORE signed this secret agreement I have been discussing. This Gore-Chernomyrdin deal has broad foreign policy ramifications. The decision to allow Russia to escape the consequences of providing Iran with conventional weapons is one which affects the security of our allies and more importantly the security of our troops such as those who routinely patrol the waters of the Persian Gulf and the Gulf of Oman. This is not the type of agreement which should have been kept from the American people.

In closing, I find it unconscionable that the Vice President of the United States could willingly withhold information from the Congress regarding the sale of arms from Russia to Iran; to

a state described by his own administration as "the most active state sponsor of terrorism." I find it highly disturbing knowing the difficulties we have faced in this region over the years that the Vice President would willingly hide from the people a deal that puts in the hands of the Iranian government weapons that could do real harm to our forces in the region who routinely patrol the Persian Gulf and Gulf of Oman. Our forces put their lives at risk any time they enter this region of the world because tensions are so high. Is it unrealistic to ask that the Government that sends our military forces into harm's way would work at decreasing the availability of arms in the region that could potentially be used against them?

Is it unrealistic to expect from our President and Vice President sufficient trust in the people and our form of government to convey information to the Congress critical to our national security, critical to the security of our allies and critical to the stability of a region of the world that is wrought with tension and hatred for our allies such as Israel? I think not. I urge my fellow citizens to not simply accept the spin by supporters of Vice President GORE that his foreign policy experience is necessarily good for America and the troops we send in harm's way to enforce it.

I urge this body to take action to get copies of that agreement from the administration. We should demand it. We should subpoena it. I hope my colleagues will join me in seeking that resolution.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal and the statement by former Secretaries of State be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, October 23, 2000]

GORE'S HIDDEN WEAKNESS: FOREIGN POLICY

By Robert B. Zoellick

Events around the world have thrust foreign policy into the presidential campaign and political commentators are making routine references to Al Gore's "experience." Yet the vice president's international seasoning reminds me of the hapless Hapsburgs: The Austro-Hungarians had a long record of battles, but kept retreating and losing . . . wars, territories, and eventually their country! If experience is bad, it is a defect, not a credential. Here are four of Mr. Gore's major defects.

MAJOR FLAWS

First: Mr. Gore proclaims that he led U.S. policy toward Russia. We have learned from the New York Times, however, that he blessed Russian exports to Iran of weapons that could only be targeted against the U.S. Navy, which protects the world's energy lifeline. After Mr. Gore signed a secret agreement approving these arms sales in 1995, the prime ministers of Russia and Iran jointly described the U.S. presence in the Gulf as "totally unacceptable." Instead of making the Russians pay a price for subverting U.S. interests, Mr. Gore promised Russia that

America would help Moscow find more customers for its arms and make its military industry eligible for technical assistance.

Mr. Gore also stopped sanctions against Russia, required by a law that he had cosponsored in 1992. In return, the Russians promised to stop those arms sales by the end of 1999 but, responding to U.S. weakness, reneged on the deal and sold additional weapons to Iran. Meanwhile, according to the administration's own testimony, Russian technicians continued to help Iran develop "laser isotope separation technology" used to enrich uranium for nuclear weapons. And the State Department recently called Iran "the most active state sponsor of terrorism."

This example is part of a pattern: Mr. Gore's diplomatic myopia, a function of his concentration on near-term tasks, leaves him blind to the wider, strategic implications of his actions. Consider Mr. Gore's dealings with Russia's economy. Energetically pursuing his penchant for bureaucratic detail, he embraced a commission with Viktor Chernomyrdin, the Russian prime minister, that approached economics with faculty "Gosplan" logic.

The old Soviet approach to economic relations was to establish joint ventures blessed by high-level officials (who, like Mr. Chernomyrdin, received preferential treatment). To build a market economy based on the rule of law, Mr. Gore should have prodded Russia to close down corrupt commissions and open avenues for private entrepreneurs. Yet as the head of the political section in the U.S. Embassy in Moscow reported, the Gore-Chernomyrdin commission resembled a Soviet-style bureaucracy with any information that contradicted success filed away forever.

Admitting that the IMF's money went to "foreigners and Russian speculators," the former chairman of Russia's Securities Commission said: "I cannot explain why the Western governments didn't pay serious attention." And Anatoly Chubais, Chernomyrdin's deputy, said pithily: "We conned them out of \$20 billion."

Mr. Gore's Russia record is more than a litany of costly mistakes. The vice president was unable either to perceive the true nature of Russia's transformation or to design creative U.S. policy to match the circumstances. Mr. Gore was committed to process over substantive results. Unwilling to face unpleasant truths, he did not hold Russians accountable for lies and other actions that harmed U.S. interests. Second: Commentators generally assume that Mr. Gore supports free trade, but his track record suggests that his "leadership" on trade would be tepid at best, and counterproductive at worst.

After the 1994 elections, Mr. Gore would not defend the North American Free Trade Agreement, much less make the larger case for free trade. The administration set distant goals for trade, but was unwilling to back words with actions. By the time Messrs. Clinton and Gore stirred themselves to try to recover fast-track trade negotiating authority in 1997, protectionists had made it impossible. As a result, the administration retreated when it could only get the support of about 40 out of over 200 Democrats in the House.

Mr. Gore's record provides additional evidence that he is unwilling to expend political capital to promote trade. He did not lift a finger to prevent the World Trade Organization fiasco in Seattle; but he did applaud Mr. Clinton's destructive announcement that any new trade agreement must include labor provisions backed by sanctions, which the administration's own negotiators had resisted.

When Mr. Clinton and George W. Bush worked this year to win votes for normal trade relations with Beijing—so that China could enter the WTO—Mr. Gore again dodged responsibility. In fact, he told union protectionists behind closed doors that if Mr. Clinton failed with the China vote, he—Al Gore—would insist on labor provisions in any new agreement.

Third: Mr. Gore's experience with the environment should be of concern to Americans, regardless of their views on climate change. He locked our climate change policy into a bureaucratic, restrictive, and impractical Kyoto treaty. The Senate, Democrats and Republicans alike, voted 97 to 0 in protest against this agreement. The treaty has many flaws, not the least of which is a failure to include greenhouse gas requirements for China, India and other countries whose growing emissions could dwarf America's own reductions.

Even some environmentalists are concerned privately that this impractical agreement—like other in Mr. Gore's international file—impedes realistic goals based on scientific evidence and practical plans to deal with greenhouse gases. Indeed, Joe Lieberman, who recognized that the Kyoto treaty had created stalemate instead of progress, tried to fashion legislation that bypassed the Kyoto strictures.

POOR JUDGMENT

Finally, Mr. Gore's experience flashes warning signs about his approach to being commander-in-chief. Mr. Gore reminds us that he voted in support of the Gulf War resolution. He does not admit, however, that in critical Senate testimony only about six weeks before the war began, he harshly criticized President Bush's decision to send the military reinforcements to the Gulf that were necessary to launch a successful attack. Instead, Mr. Gore wanted to rely on economic sanctions.

It was also discouraging that Mr. Gore told a national TV audience that he would impose social policy "litmus tests" on appointments to the Joint Chiefs of Staff. After learning that this idea would have politicized the military—and precluded the service of Colin Powell, Norman Schwarzkopf and others who differ with him on gays in the military—the "experienced" vice president reversed himself.

Mr. Gore's spinners are now programmed to blurt out that he has 20-odd years of foreign policy exposure. There is more than a touch of truthful irony in that claim. This is part of a pattern of the vice president relying on references to resumes, committees and agreements—instead of outlining strategies to use U.S. power for sound ends. Mr. Gore does indeed have foreign policy experience. Unfortunately for him, it is bad experience.

STATEMENT BY FORMER SECRETARIES OF STATE, DEFENSE, DIRECTORS OF CENTRAL INTELLIGENCE AND NATIONAL SECURITY ADVISORS ON THE SALE OF RUSSIAN WEAPONS TO IRAN, OCTOBER 24, 2000

The following individuals, who include supporters of both Governor George W. Bush and Vice President Gore, believe strongly that:

"The President's most important job is safeguarding our nation's security and our ability to protect our interests, our citizens and our allies and friends. The military balance in regions of vital interest to America and her allies—including the Persian Gulf, which is a critical source of the world's energy supplies—is the essential underpinning for a strong foreign policy.

"This is why we are deeply disturbed by the agreement made between Vice President Gore and then Russian Premier

Chernomyrdin in which America acquiesced in the sale by Russia to Iran of highly threatening military equipment such as modern submarines, fighter planes, and wake-homing torpedoes.

"We also find incomprehensible that this agreement was not fully disclosed even to those committees of Congress charged with receiving highly classified briefings—apparently at the request of the Russian Premier. But agreement to this request is even more disturbing since the Russian sales could have brought about sanctions against Russia in accordance with a 1992 U.S. law sponsored by Senator John McCain and then Senator Al Gore."

George P. Shultz, former Secretary of State.

James A. Baker, III, former Secretary of State.

Zbigniew Brzezinski, former Assistant to the President for National Security Affairs.

Frank C. Carlucci, former Secretary of Defense and former Assistant to the President for National Security Affairs.

Lawrence S. Eagleburger, former Secretary of State.

Henry A. Kissinger, former Secretary of State and former Assistant to the President for National Security Affairs.

Donald H. Rumsfeld, former Secretary of Defense.

James R. Schlesinger, former Secretary of Defense and former Director of Central Intelligence.

Brent Scowcroft, former Assistant to the President for National Security Affairs.

Caspar W. Weinberger, former Secretary of Defense.

R. James Woolsey, Attorney and former Director of Central Intelligence.

THE PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I commend my colleague from Missouri for bringing up a very important issue.

THE RECORD IN TEXAS

Mrs. HUTCHISON. Mr. President, it looks as though we are going to have to respond to the many charges that are being made on the Senate floor in the Presidential campaign. I am sorry it has come to that because I don't like to see that happening on the Senate floor. I am committed to not letting the record go unchallenged when I know for a fact the record is being misrepresented.

In fact, the Senator from Massachusetts earlier this afternoon misrepresented the facts about Governor Bush's record in Texas. I am very proud to say that Governor Bush has an outstanding record in Texas; that Texas is a great place to live; that Texas has surpassed New York now to be the second largest State in America. That is because so many people are choosing to come to Texas to live. They are coming for a variety of reasons. Quality of life is No. 1. A good solid public education system that is improving every day is another. Quality health care is another. We have many reasons to be proud of the record of our State and the Governor and the legislature of our State.

I will address first the issue of education. This has been the most egregious misrepresentation. In fact, the Rand organization that does research

into many areas put out just this last July a comprehensive study of public education reforms in our country. The report based its analysis on the National Assessment of Educational Progress tests given between 1990 and 1996. The authors ranked the 44 participating States by raw achievement scores, by scores that compare students from similar families and by score improvements. They also analyzed which policies and programs accounted for the substantial differences in achievements across States that can't be explained by demographics.

What they were doing is taking 44 States that had significant public education reforms and determining what worked and what didn't. I will read directly from the press release that was issued by the Rand Corporation.

Math scores are rising across the country at a national average rate of about one percentile point per year, a pace outstripping that of the previous two decades and suggesting that public education reforms are taking hold. Progress is far from uniform, however. One group of states—led by North Carolina and Texas and including Michigan, Indiana and Maryland—boasts gains about twice as great as the national average.

I just learned that Senator KENNEDY made the charge that Texas is dead last in public education.

I think the Rand study released in July of this year that looked at a comprehensive set of scores from 44 States should be given some weight.

No. 2, from the Rand report:

Even more dramatic contrasts emerge in the study's pathbreaking, cross-State comparison of achievement by students from similar families. Texas heads the class in this ranking. . . .

I am not going to read the names of the States that are at the bottom because I don't think it is necessary. Texas is No. 1.

Although the two States are close demographic cousins, Texas students, on average, scored 11 percentile points higher on the NAEP math and reading tests than their . . . counterparts. In fact, the Texans performed well with respect to most States. On the fourth grade NAEP math tests in 1996, Texas non-Hispanic white students and black students ranked first compared to their counterparts in other States, while Hispanic students ranked fifth.

The report goes on to say:

The most plausible explanation for the remarkable rate of math gains by North Carolina and Texas is the integrated set of policies involving standards, assessment and accountability that both States implemented in the late 1980s and early 1990s.

I remind you that Governor Bush was elected in 1994 in Texas. That is when we started beginning to see the results of the reforms that have taken place.

Let's talk about Governor Bush's record. Since being elected Governor, George Bush has seen minority test scores increase by 85 percent. Overall test passage rates increased by 38 percent. Governor Bush and the legislature, working together, increased teacher salaries by one-third since his election, increased public funding of education by \$8 billion, and per pupil

expenditures have increased by 37 percent. Under Governor Bush's education reform plan, social promotions were ended. We spent \$200 million in new early education funding to make sure all third graders read at grade level.

That is the emphasis Governor Bush has made in Texas that is beginning to reap the great rewards shown by the students who have been tested in these recent tests that are now being studied. In fact, Texas is at the top of the class. It is because they are going to the third grade level to target students who don't have reading skills. Governor Bush believes that if a child can't read at grade level in the third grade, of course, the child is going to have trouble going through the public education system.

It does not take a rocket scientist to know if the child is trying to progress without reading skills, the child is going to fall behind. That is what we are trying to correct in Texas, and it is working. It is working. That is why our test scores are skyrocketing.

I think we need to put to rest all of the misinformation that is out there about the Texas public education system. We are very proud that we are putting the money into the system; we are increasing teacher's salaries; we are attracting more teachers so that our teacher shortages will go down.

Most public schools have teacher shortages, and we are trying to address that issue with creativity. We are trying to attract people into the classroom who have specific skills that we don't have in the classroom now because of the teacher shortages. So we are targeting math and science and languages and computer skills. We are looking to retired military people, people retired from industry, and we are trying to attract them to the teaching profession because we think it is so important that our young people have access to this kind of quality in the classroom.

We in Texas stand second to none in the improvements in our public education system, and it is going nowhere but up. We know if we can catch those children in the third grade, they are going to have a chance to reach their full potential, and that is what Governor Bush is doing in Texas and what he wants to do for our country.

Let's talk about health care. Governor Bush and the Texas Legislature have led the effort to enact the Nation's first comprehensive Patients' Bill of Rights. In fact, Texas has a Patients' Bill of Rights, and it is a terrific program. It is working. It is working because we have an independent review process, because we are targeting health care; we are not targeting trial lawyers being able to sue HMOs—although that is allowed if all of the appeals are exhausted. It is allowed, but there are caps on noneconomic damages. So that brings more reasonable limits to irrational lawsuits, but it allows the protection of the patient who doesn't get the good care.

But the focus is not on retribution; the focus is on getting health care in the first place. It doesn't help the patient to be able to sue later for a terrible accident. What we want is for the health care decisions to be made by the patient and the doctor. That is what the Patients' Bill of Rights does in Texas. It became law while Governor Bush was our Governor, working with our bipartisan legislature.

Today, we have 100,000 children enrolled in the CHIP program. We will enroll 425,000 by the end of next year. We are in the process of educating parents about who is eligible for the CHIP program. We are going to reach every child who is eligible for this program so that our children will have health care.

Let me tell you what Governor Bush and the legislature did to make sure of that coverage. They allocated the largest part of the tobacco settlement that Texas got to the CHIP program for health insurance for every child in Texas, and they put into a trust fund billions of dollars from which the interest will go to every county in Texas for the purpose of providing indigent health care in those counties because, of course, in many counties in Texas the buck stops with them for the provision of health care for their indigent population.

This money will come in perpetuity to every one of the 254 counties in Texas. Every one of those counties will participate in the interest on that trust fund for their health care needs in that county, and that is a huge help for those counties providing that health care. That was done under the leadership of Governor Bush and the great speaker of the Texas House and the Lieutenant Governor of Texas. It was a bipartisan effort that made that happen.

So I think our Texas health care system is very sound. I have heard a lot of charges being made about the quality of our public education and our health care, and I just happen to know firsthand that those making the charges are misinformed. I don't think we need to run down one of the great States in our Nation in order to get advantages in the Presidential race.

I am disappointed, frankly, in my colleagues who would do this. I am disappointed that they don't have enough to say about their views and their visions for our country, that they have to come to the Senate floor and run down Texas in their campaign for President of the United States. I don't think it is necessary, I don't think it is proper, and I don't think it is seemly. I think we can do better in this country, and I don't think—at least I hope that not one person in this country is going to have his or her vote swayed because of what is happening in Texas.

I would like to think that if people are looking at Texas they have the facts and that they have a good feeling about my great State. I certainly don't think running down my State is the

way to run a Presidential campaign because people are moving to our State by the thousands. That is why Texas is now the second largest State in America—surpassing New York. They are coming there because it is a good climate in which to do business; it is a good climate in which to create jobs; and it is a good climate in which to raise a family. It is a good place to live. And we have a Governor who has contributed a whole lot to make that happen. We have a great legislature that has worked with our Governor in a bipartisan way.

That is what our Governor would like to bring to the Congress. We would like to be able to work in a bipartisan way to make the laws that will achieve the dreams of every American child. We would like to have cooperation between the Republicans and the Democrats. But I don't think we are fostering cooperation when people come to the Senate floor and run down my State. I don't think that is very bipartisan, and I don't think it is very honorable.

I hope we can turn off the Texas bashing. I hope we can talk about the dreams and aspirations of our Presidential candidate. I hope we can give Governor Bush the credit for the reforms in the public education system that are making such a difference in the lives of so many Texans. Our children are learning to read and they are beginning to like school. They are wanting to stay in school, and they are not going to drop out of high school if they have a chance to see that their public education is going somewhere. We are giving hope to our children. We are taking care of them. That is what we should all want for all of our States.

I don't think we should have to continually come to the floor to defend our State. I hope I don't have to do it again. But I guarantee that I will be here again if I hear that one of my colleagues is bashing Governor Bush and the State of Texas. Every time I hear that is happening, I am going to come to the floor and I am going to ask for time to set the record straight because the record is a good one. The record is one of education reform that has a goal, that allows every child in Texas to reach his or her full potential, and a goal that we want for every State in this country. We want no child to be left behind. We want every child to reach his or her full potential with a public education—not that we don't wish the children who have private education well. We want them to have those choices. We want children to be able to go to private schools, or parochial schools, or public schools, or charter schools. We want all the options out there because we believe with all of the options that every child will then have a chance to do what is best for that child, and we believe the base of all of this is a strong system of public education.

We believe that a public education that has competition is a better public education. That is why we want the

choices and the creativity for our children's education.

I hope this is the end of Texas bashing. I hope this is the end of our congressional session so we can have our Presidential campaign on the merits so that the people of our country will be able to listen to the Presidential candidates. But I don't think we need to have a Presidential race that runs down the State of one of our candidates. Thank goodness we don't see that happening on the other side of the aisle. The Republicans are not bashing Tennessee. We like Tennessee very much. We don't think it is necessary to run down a State from which another Presidential candidate comes in order to get advantages. We happen to believe Tennessee is a great State. We believe Texas is a great State, too.

I hope this is the end of this kind of politicking. I hope it is the end of using the Senate floor for political advantage in the Presidential race.

I hope we can give the credit that is deserved to the Governor of Texas and to the Legislature of Texas working together and for their willingness to address the issues of education reform, for their willingness to address the issues related to health care and health care coverage for our children because we have made it a priority in Texas. That is why it is such a terrific State; we believe in the jobs that are created in Texas and the good working people who live in Texas have been able to do very well because we have a healthy climate in Texas and a healthy business climate, as well as a healthy environment and a healthy climate in which to raise families. Those are the fundamentals of what our State has to offer, and it is why so many people are moving to our great State and why we welcome that move.

I thank the Presiding Officer for allowing me to correct the record that was created with some misinformation earlier today. I hope we will not have to defend Texas again. I hope we are very close to ending the Texas bashing because I don't think anybody is going to vote against Governor Bush because of misinformation about Texas. I think the people of America are smarter than that. I think the people of America deserve better than that. It is my fervent hope that they are able to hear the candidates' views on the issues without the negative campaigning on what is happening in Texas. I think if anybody would just come to Texas and see for themselves, they would be very pleased with the leadership of Governor Bush and our Texas Legislature.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER (Mr. L. CHAFEE). The Senator from Texas.

Mr. GRAMM. Mr. President, I ask unanimous consent that I may proceed in morning business for 20 minutes.

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

TEXAS

Mr. GRAMM. Mr. President, I thank my dear colleague from Texas for her comments on the floor. It seems that our colleague, Senator KENNEDY from Massachusetts, has decided that now he wants to come over daily and tell people how terrible Texas is. I think my dear colleague from Texas has done a very good job answering Senator KENNEDY. But I don't think, quite frankly, the charges need to be answered per se in any other way other than saying that in America, thank God, we have a freedom where people can move. So if Texas were this terrible State that Senator KENNEDY says it is, then we would expect people to be exercising their freedom to move out of Texas and to move to paradise States such as Massachusetts.

Mr. BENNETT. Mr. President, will the Senator yield for a quick unanimous consent request?

Mr. GRAMM. I would be happy to yield.

Mr. BENNETT. I am thrilled with the presentation of the Senator from Texas.

Mr. President, I ask unanimous consent that when he is through I be recognized.

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

Mr. BENNETT. Thank you. I thank the Senator.

Mr. GRAMM. Mr. President, Senator KENNEDY would have us believe that Texas is a terrible place. But we can look at what is actually happening in Texas. We created 1.6 million new, permanent, productive, tax-paying jobs for the future since Governor Bush has taken office. This is 50% faster than job growth nationwide. And while the Nation has lost manufacturing jobs, we have created almost 100,000 new manufacturing jobs in Texas under the leadership of Governor Bush.

But there is a simple, empirical test as to whether people want to live in a State and what the quality of life is and how good the political leadership is of that State. People vote with their feet. People vote with their feet by leaving places that have bad government and they come to places that have good government.

Senator KENNEDY wants us to believe that Texas is this terrible place. The incredible paradox is, consistently now for over 30 years, people have been leaving Massachusetts and moving to Texas. For over 30 years, Texas has exploded in population as Americans have chosen to move there, make their life there, and cast their lot with those who were elected to represent them in Texas. And for over 30 years, people have cast their lot by picking up, packing up their children in the station wagon, and driving out of Massachusetts. It seems to me that is the empirical test.

I personally believe that this silly business about attacking States as part of a political campaign doesn't make any sense. I don't know why Sen-

ator KENNEDY feels compelled to talk about it. I don't know why he feels compelled to try to attack Texas. The last fellow that tried to attack Texas was General Santa Ana. It did not turn out too well for him. Maybe Senator KENNEDY thinks it is going to turn out better for him than it did for General Santa Ana.

I think the message here is not that Massachusetts is a bad place because people are picking up and moving out of it; in fact, it is a very nice place. They have very good people. But they have politicians who have implemented in Massachusetts the program that AL GORE wants to implement in America. They have spent and taxed, spent and taxed, spent and taxed. In the process, every time we take a census, every time we reapportioned representation in the U.S. Congress for the last 30 years, relatively speaking, as compared to the population growth of the country, people have moved out of Massachusetts and moved to Texas. We have gained congressional representation, and Massachusetts has lost congressional representation.

I don't think that says that Massachusetts is a bad place. Everything I know about their people, they are wonderful people. But it says something about the key issue in the campaign for President of the United States. It says that when Americans have the right to vote with their feet, they turn their backs on the policies of AL GORE—spend and tax, spend and tax, spend and tax—and they vote with their feet by walking away from those policies.

Senator KENNEDY has come over today and yesterday and instead of defending GORE's policies, which no one can defend, he tries to attack Texas. But the plain truth is, the people who have moved out of Massachusetts in the last 30 years have moved because they were rejecting AL GORE's policies of spend and tax that have been implemented in Massachusetts.

Here is the problem. If we implemented those policies in America, the policies that have been implemented in Massachusetts and that AL GORE has proposed, with almost \$3.3 trillion worth of new Government spending, over 70 massive new Government programs and program expansions, if we adopted those policies in America, where would you move? How would you move with your feet? Who is ready to walk off and leave their country?

The problem is, we can vote with our feet to leave Massachusetts and flee bad government and come to Texas. But we can't vote with our feet, we don't want to vote with our feet, to leave America. So again we don't want to leave America. I say to my dear colleague from Utah; we need to turn our back on the policies of tax and spend that have been imposed by politicians in Massachusetts and we need to reject them for America.

I have thought it is bad policy and bad form to debate the campaign for

President on the floor of the Senate. But given that Senator KENNEDY is now going to do it every day, apparently, I thought I would take the bait and talk for a moment.

When people were listening to the Presidential debates—the Senator from Utah watched them, I know, because we talked about it the next morning—they kept hearing AL GORE say: 1 percent of Americans get all the benefit. They get all these tax cuts. It is the rich people. It is the people against the privileged. And AL GORE is for the people. That is what they heard.

Those, by the way, are the same slogans that destroyed ancient Rome and destroyed ancient Athens. And I have to say that AL GORE sounds like a socialist candidate running in a Third World country, to stoop low enough to use that kind of language.

I want to explain to people why it is phony. Let me start by talking about AL GORE's record on taxes. Everybody knows he is not for George W. Bush's proposal to cut taxes. We all know that. Let me talk about his record in Congress, and as Vice President, on taxes. How many people know that when Jimmy Carter was President he proposed a tax cut in 1978, that among other things raised the personal exemption from \$750 to \$1,000 for working families with children, and made the earned-income tax credit permanent. When Jimmy Carter in 1978 said the American people deserve a tax cut and because of inflation—remember, Senator BENNETT, the inflation was in double digits when Jimmy Carter was President—he said we need to raise the personal exemption. What did AL GORE say? It is for the rich. It is for the rich. When you raise the personal exemption from \$750 to \$1,000, it will help the rich people. So he voted against the tax cut. Apparently, everybody that got a tax cut was rich.

Then in 1981 when Ronald Reagan proposed reducing taxes across the board for everybody, taking millions of families off the tax rolls completely, AL GORE thought that was a tax cut for rich people, and so he voted no.

Then when we had our effort to reduce the tax burden in 1995, AL GORE again had a chance to support tax cuts, but he supported the veto that killed the bill.

Then when we had the Tax Relief Act of 1999, a tax relief that was aimed at repealing the marriage penalty, AL GORE again supported the veto that killed the bill. He believed that if you make \$21,800 and you meet another person who makes \$21,800 a year and you fall in love and you get married, you become too rich to deserve a tax cut, and you are going to pay on average \$1,400 a year to the Federal Government in taxes for the right to be married.

Why should you do that? Because AL GORE believes that he can spend that \$1,400 better than your family can spend it. So when he had a chance in that tax cut to say yes, he said no.

When we passed the marriage penalty repeal, free standing, in the year 2000, he was opposed to it because we actually stretched the tax bracket for couples with each person making \$21,925 a year so that they didn't go into the higher, 28 percent tax bracket. But AL GORE thought they were the 1 percent who were privileged and so he supported the President in vetoing the repeal of the marriage tax penalty.

Then we passed the death tax repeal. This is a tax that small business people and family farmers pay. They work a lifetime to build up a business or family farm. They scrimp, they sacrifice, they save, and they build up the farm or business. They may not have much cash, but their land, if they are farmers, is worth a lot of money if they sold it. But they don't want to sell it. Their father worked it. They worked it. They want their children to work it. But AL GORE said: No, you are rich. And, besides, if you have to sell your family business, if you have to sell your family farm, it is worth it because the Government can spend this money better than you can spend this money.

Now look, here are all of the tax cuts since AL GORE has been a Member of Congress, or Vice President, that have been considered—major tax cuts by the U.S. Congress in all the years since AL GORE came to the House of Representatives. Guess what. He thought every one of these tax cuts was for rich people, because he never voted for a major tax cut. Not once since he came to Congress has he believed, on a major tax bill, that we ought to be cutting taxes.

I guess he thought, when we were raising the exemption for children from \$750 to \$1,000, that all those children were rich. When Reagan cut taxes across the board, took millions of people off the tax rolls, I guess AL GORE thought they were all rich, because he was against it. The point is, he has been against every major tax cut since he has been in public life; every one of them has been a dangerous scheme, to AL GORE.

Now that is only part of the story. You see, we have raised taxes since AL GORE has been in Congress. In fact, I have here every major tax increase that has been voted on since AL GORE came to Congress and while he was Vice President. Guess what. One thing you have to give him credit for, he is totally consistent; he has never voted against a major tax increase since he has been in public life. He voted for the major tax increase in 1983, 1984, 1987, in 1990, and 1993, and let me talk briefly about 1993.

You heard, if you watched all those debates, that AL GORE wants to tax rich people. He loves capitalism, but he seems to hate capitalists. He loves economic growth, but he seems to hate people who create it. He wants to pit people against each other, so if somebody is creating jobs, you ought to resent them if you are a worker.

I do not know about our colleague from Utah, but neither of my parents

graduated from high school. No poor person ever hired me in my life. Every job I ever got was from somebody who had a lot more money than I had. I was glad to have the job. Those jobs made it possible for people such as me to be successful in America. But AL GORE supported every major tax increase that has been voted on since he has been in public life—he voted for it.

Do you remember the point in the debate where he said: I am proud to have cast the deciding vote on the 1993 Clinton economic program. He did not tell people that that deciding vote was for a gasoline tax increase. The rhetoric of AL GORE and Bill Clinton was their 1993 tax bill only taxed rich people—it did not tax anybody but rich people. But listen to their definition of rich.

If you drove a car or a truck in America, you paid a higher gasoline tax, so, by AL GORE's definition, you were rich. If you remember, in the bill that was voted on in the House, that AL GORE supported, it had a Btu tax that would have taxed everybody's utility bills. Guess what. If you have heating or air-conditioning, if you use electricity or heating oil or natural gas, AL GORE believes you are rich, because he said he was only taxing rich people. Yet he supported taxing everybody's utility bill.

The final one, which was the ultimate, it seems to me, was the tax on Social Security. You know, it is funny. When you are not in these debates, you watch them on television, and you are brilliant. If you were just there, you would know exactly what to say. It is funny, when you are there, you never quite know what to say. But when AL GORE was talking about Social Security and he was accused of never having done anything about it, he didn't defend himself. But in fact he has done something. AL GORE, in fact, cast the deciding vote on something that profoundly affected Social Security, and that deciding vote was to tax the Social Security benefits of people who make over \$25,000 a year—in fact, to tax 85 percent of the benefits of every retiree in America who made over \$25,000 a year.

Wait a minute. AL GORE said, when he was for this bill, that it only taxed rich people. If you make \$25,000 a year and you are drawing Social Security, to AL GORE you are rich.

A final thing, and then I will stop. I thought it would be interesting. We heard all this business about who gets AL GORE's tax cut. I decided to do a little experiment. It is a little bit clever—it is not too clever—but here is the basic point. I decided to take a page out of the Washington Post. This is a want ads page of the Washington Post. It is page D11, on Tuesday, October 24. I have reproduced it up here.

I went through this list of jobs and asked: Who taking a job in this list would not be too rich to get AL GORE's tax cut? I am not talking about a tax cut you get if you do what AL GORE wants you to do. I am talking about a

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?

Mrs. BOXER. I am happy to yield.

Mr. REID. The Senator talked about tax cuts. You are aware, are you not, that the Vice President and the minority, the Senate Democrats, pushed very hard for tax cuts—for example, a tax cut to allow parents to deduct \$10,000 a year to send their child to school?

Mrs. BOXER. To college, absolutely.

Mr. REID. Yes. Also, the Senator has worked since she has been in the Congress on afterschool programs and on child care. The Senator is aware that, again, Vice President GORE and the Democrats in the Senate have pushed for making sure that people who have to work have some help taxwise with child care.

Mrs. BOXER. I think one of the biggest differences in the Presidential race, which is mirrored on the floor of the Senate as we debate tax legislation, is the fact that in Vice President GORE's plan it is the middle class who will get the breaks; in Governor Bush's plan, it is the very top 1 percent.

I want to be specific because I think people are tired of hearing that, and they don't really know exactly what we are talking about. Under Governor Bush's plan, if you earn over \$350,000 a year, you get back \$50,000 a year. You get back \$50,000 a year. That is more than three full-time minimum wage jobs, I say to my friend. If under Governor Bush's plan you earn \$30,000 a year, you get back about \$200 a year. So I think my friend is right to point out that the kind of tax cuts Vice President GORE has in his plan, the kind of tax cuts that we stand here and fight for, would be for those in the middle class who really need to have the help.

I think that tax deduction for tuition is very important because the cost of college is going up enormously.

Mr. REID. Will the Senator also yield? I will make sure she has adequate time for her statement.

Mrs. BOXER. Absolutely.

Mr. REID. Has the Senator noticed what happened on the floor in the last couple of days? An independent group, the Rand Corporation, that doesn't have a political bone in its body—it is independent; it is bipartisan; it is fair; and it has been around for a long time. The Senator from California is aware that, in effect, the Rand Corporation's independent report came out yesterday and said the things Governor Bush has been saying about education in Texas are wrong, not true, misleading. The children in Texas, in fact, aren't doing any better than the children in other places. They are doing worse. Has the Senator noticed those statements from the other side in trying to explain education?

Mrs. BOXER. I have.

Mr. REID. Today, I got up and read the newspaper and the American Academy of Actuaries—another group similar to the Rand Corporation—which also is not political, has said that what Governor Bush has been saying about his tax plan, his dream for this coun-

try, is flawed; it would bankrupt the country. In the last 2 days, there were two blockbuster reports, from the Rand Corporation and the American Academy of Actuaries, which say what Governor Bush said is wrong about education and that his tax plan would bankrupt the country.

Mrs. BOXER. I am aware of those reports, and I am aware of yet another report that came out in the last few days as well. Another independent, nonpartisan report says Texas is 48th in ranking as far as a good place to raise a child. Only two States were worse than Texas in terms of raising a child.

I say to my friend that I don't really know why we are in session now. We should have finished our work a long time ago. As long as we are in session, I intend, on behalf of the people I represent, to come down to this floor and make sure the folks in the country understand the choices they are facing, both in the Presidential election and in the congressional elections.

When our friend from Utah comes and talks about the economy and says, amazingly, the reason we are doing well in this economy is because of what happened 20 years ago, I have to scratch my head and say this is back to the future, folks, back to the future. He is citing things that happened 20 years ago.

I want to cite what happened when then-President Bush in the 1980s went to Japan. He was there to beg for guidance on what to do about our economy, which was failing. People had no hope. They were afraid. The recession was taking hold. Things could not have been worse. Deficits were as far as the eye could see. He went to Japan and said: Please, sir, tell me what you are doing.

Well, the answer was right here in America: faith in the entrepreneurship of our people, faith in our children, investing in their education, and the guts to cut this deficit, to make the hard choices that President Clinton and Vice President GORE made. We were proud to stand with them and we saw AL GORE cast the tie-breaking vote. So our friends on the other side of the aisle are going to go back 20 years. That is similar to saying if you had a disease 20 years ago and you took something for it and it didn't work, but something else in the nineties worked, you are giving credit to that medicine.

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

Mrs. BOXER. I am happy to yield.

Mr. REID. The Senator and I were in the Congress in 1993 when not a single Republican in the House or a single Republican in the Senate voted for President Clinton's Budget Deficit Reduction Act. The Senator remembers that.

Mrs. BOXER. Absolutely.

Mr. REID. Does the Senator remember listening to Senator WAYNE ALLARD, then a Representative, saying: "In summary, the plan has a fatal flaw; it does not reduce the deficit."

Mrs. BOXER. I remember that.

Mr. REID. Does the Senator remember Senator CONRAD BURNS saying: "So we are still going to pile up some more debt, but most of all we are going to cost jobs in this country."

Mrs. BOXER. I remember that, and I remember serving on the Budget Committee and listening to these remarks in the committee by Senator PHIL GRAMM from Texas predicting the worst. What did he say?

Mr. REID. Senator GRAMM said: "This program is going to make the economy weaker. Hundreds of thousands of people are going to lose their jobs as a result of this program."

He said: "I believe hundreds of thousands of people are going to lose jobs as a result of this program. I believe Bill Clinton will be one of these people."

Mrs. BOXER. How about 22 million new jobs instead of 100,000 lost jobs?

Mr. REID. The Senator knows that a majority of those jobs are high-wage jobs. As far as the deficit they talked about—how this deficit was going to be exploding—\$300 billion a year in deficit, and it was masked because there was about \$100 billion a year we used to offset the debt, which would have been really \$400 billion.

Mrs. BOXER. That is correct.

Mr. REID. We have a \$260 billion surplus now. I say to my friend, you know what they are saying. I was on a little debate on public television with some of them. They are scripted. I didn't realize it—I said you got this from Frank Luntz, and I didn't realize he was up in the room and he briefed them beforehand.

Mrs. BOXER. He is a Republican pollster.

Mr. REID. I am sorry I didn't mention that he is a Republican pollster. He scripts them. They are saying the Republican majority has put this economy on the road to recovery even though not a single one of them had the nerve to vote with the Democrats to get the economy on the right track.

I appreciate very much the Senator from California. I have so much admiration for the Senator from California because she represents a country, as far as most of the Senators are concerned. She represents 35 million people. I think what you say we should listen to because you have seen the economy in California reverse itself.

Mrs. BOXER. Yes. The economy in California was just on its knees; it was so bad when Bill Clinton and AL GORE took over. I remember being on an airplane talking to Leon Panetta, the then-budget adviser to President Clinton. And we were looking at every avenue to bring hope to the people. One of the things they did was invest in defense technology. We had the Technology Reinvestment Act. We did so many things to bring this country back. That is why I wonder why the Bush camp isn't ahead in California because they have spent \$1 million practically every week—if not more—bashing AL GORE. People remember, I say

to my friend. We were in a horrible situation.

I was an economics major in college, which doesn't qualify me for that so much. But I do know something about Economics 101. It is pretty simple. You don't give a big massive tax cut in a time when the economy is running strong.

We have been joined by our friend from New Jersey who ran an extraordinarily successful business and came here. We are going to miss him so much. He knows because it is so clear that you don't give the stimulus with tax cuts to wealthiest people in the middle of a prosperous time. You don't do that. You will only then add to inflation, which will lead to higher interest rates, which will then turn around and make it more expensive for people to buy a home, to send their kids to college, or to buy cars. As sure as you can bet on it, people will start retrenching, and it will lead to a recessionary atmosphere.

We know the George W. Bush plan is wrong—not because we are talking about it from an academic point of view but the fact is we lived through the trickle-down economics. We lived through that decade. Oh, you could go back and find some quotes from those trickle-down big tax cuts to the wealthy. What were the wealthy going to do? They were going to invest in the businesses here and create jobs. Let me tell you that didn't happen. A lot of that money went offshore. The bottom line is we got into big trouble. While our Republican friends were talking about a constitutional amendment to balance the budget, guess what we did. We balanced the budget without one of their votes.

Mr. REID. Will the Senator yield?

Mrs. BOXER. I am happy to yield.

Mr. REID. The Senator remembers that the Senator from California and I sponsored our own constitutional amendment to balance the budget. Does she remember that? We wanted to exclude the surpluses from Social Security, but they wouldn't vote with us.

Mrs. BOXER. That is right. We wanted to protect Social Security. They did not want to go that way, which really led me to Social Security.

Mr. REID. Mr. President, I ask unanimous consent that the Senator from California be recognized for 5 minutes. It is my understanding we would have 10 minutes remaining after that. Is that right?

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

Mr. REID. Mr. President, before the Senator from New Jersey takes the floor, he is a person who came to the Senate with wealth. He created it himself. He knows what it means to be an entrepreneur. Yet he has been someone who has fought for the working men and women of this country for his entire 18 years in the Senate. He recognizes that the business community needs direction to try to do that. There

has been nobody in the Senate that has been more for the working men and women of this country than FRANK LAUTENBERG. When he speaks on an economic issue, we should listen.

Mrs. BOXER. Mr. President, Senator LAUTENBERG has been my real chairman of the Budget Committee. Senator DOMENICI is the official chairman. But I always call Senator LAUTENBERG my chairman because he speaks for me. He has incredible experience on growing a business that turns into a mega business with his compassion and his caring about his employees and people who work for a living. My friend helped on the issue of Social Security. We tried to protect Social Security and set aside that surplus in a lockbox, and we finally made it happen.

I want to say again, if we had followed Governor Bush on Social Security, he promised a trillion dollars to the seniors, and he promised the same trillion dollars to the young people, telling them they could have their private stock market accounts.

The other thing I didn't mention today is I used to be a stockbroker after I graduated from college with my degree in economics. It was a long time ago. But I have seen the market go up, and I have seen the smiles on the faces of the people who entrusted me with their investments. I have seen the market go down.

I think what we need to keep in mind as we talk about privatization of Social Security is this: If you happen to retire on a day when your stock market funds are turned into an annuity and prices are high, you are doing great. But with a volatile stock market that can go down 400 points in one day, and that happens to be your day, or within the days of the month that you are going to turn that stock market fund into an annuity, you are going to find yourself in deep trouble.

That is another reason why AL GORE makes so much sense because he is saying save Social Security; keep it the foundation of the house. And if you want to do a voluntary stock market investment on top of your Social Security foundation, that is fine.

My friends, that makes sense. It is conservative. It isn't a river boat gamble. It is another great issue at stake. Great issues are at stake in this election. It is an exciting election. It is not an election between two people who agree on everything. They do not agree. We have a Republican candidate who wants to go back to the 1980s with trickle-down economics of the past, with small investments in education.

I will end my remarks with education because the Senator from Utah said there is a big difference between Republicans and Democrats. He said Democrats want the Federal Government to tell the local school districts what to do. That is incorrect. Every single program that we support dealing with school construction, dealing with smaller class sizes, dealing with after school, dealing with high tech in the

schools—those are all options the school districts can take advantage of if they so choose. There is no program on this side of the aisle, or any in AL GORE's portfolio, that says that any local school district has to take these funds. I think that is key.

It goes back to Dwight David Eisenhower, whom I always quote, because he said you can't really be a strong country and you can't be secure unless you have an educated workforce. This was a Republican President. I liked Ike. My family liked Ike. One of the reasons they liked Ike was because he said that educating our children was a national priority and the Federal Government shouldn't just say: Here, States; take a whole lot of money and do what you want. He started the National Defense Education Act. That wasn't a blank check to the States. It was clearly for a purpose, and the purpose was to make sure that our teachers knew math and knew science and could teach math and science.

We know if you follow the Dwight Eisenhower kind of system that we need to look at our school districts and say: What do you need help with? Can we help you? We have the resources thanks to the great stewardship of the Clinton/Gore team. We have the great stewardship of the economy. We can invest some money.

Do you know what they told us? We need to help with the hiring of teachers. We need school construction. We need afterschool funds so our kids can learn after school. And the Democrats responded.

The big fight at the end of this year is over a lot of those issues. We stand with the children; we stand with the families; and we stand with the seniors against the HMOs. That will be a big issue in the last few days. Are we just going to do giveaways to the HMOs and keep letting them drop the seniors out of Medicare? We on this side of the aisle and Vice President GORE are ready to stand up to the HMOs. We are ready to stand up to the tobacco companies. We are ready to stand up for our children. In the waning days, I think these issues will play themselves out.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has approximately 9 minutes remaining.

Mr. LAUTENBERG. Mr. President, I say to Senator BOXER and Senator REID, thank you for your comments, but, more than that, for our ability to work together to try to take care of our citizens as we believe they would want, to look at the issues fairly and squarely, and not spend as much time dancing around the truth and around the issues, as often goes on here. I thank the Senator, and I will send my thanks to Senator REID. I will miss working with both of you and colleagues on both sides of the aisle.

I am particularly grateful to the occupant of the chair, the chairman of the Environment and Public Works

Committee, who, although we had some disagreements in terms of particular policies, always tried to work

them out. I appreciate that balanced view, even though we didn't win as many as I wanted to.

NOTICE

Incomplete record of Senate proceedings. Except for concluding business which follows, today's Senate proceedings will be continued in the next issue of the Record.

ORDERS FOR FRIDAY, OCTOBER 27, 2000

Mr. BROWNBACk. Mr. President, I ask unanimous consent that when the Senate completes its business today, it recess until 9:30 a.m. on Friday, October 27. I further ask consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date and the time for the two leaders be reserved for their use later in the day.

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

PROGRAM

Mr. BROWNBACk. For the information all Senators, the Senate will resume consideration of the tax legislation tomorrow at 9:30 a.m. Debate is expected to take place throughout the morning with a vote expected in the early afternoon. The Senate is also expected to have a vote on the motion to proceed to the conference report to accompany the D.C. appropriations bill, which contains the Commerce-State-Justice language. After a short period for debate, a vote on adoption of the conference report will occur. Therefore, including a vote on a continuing resolution, Senators can expect four votes during tomorrow's afternoon session.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BROWNBACk. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in recess under the previous order.

There being no objection, the Senate, at 9:53 p.m., recessed until Friday, October 27, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 26, 2000:

SECURITIES AND EXCHANGE COMMISSION

ISAAC C. HUNT, JR., OF OHIO, TO BE A MEMBER OF THE SECURITIES AND EXCHANGE COMMISSION FOR THE TERM EXPIRING JUNE 5, 2005. (REAPPOINTMENT)

NATIONAL COUNCIL ON DISABILITY

GERALD S. SEGAL, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2003. VICE SHIRLEY W. RYAN, TERM EXPIRED.

THE JUDICIARY

S. ELIZABETH GIBSON, OF NORTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT, VICE SAMUEL JAMES IRVIN, III, DECEASED.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. ROBERT G.F. LEE, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

KENT W. ABERNATHY, 0000
CARLO J. ACCARDI, 0000
FREDERICK AIKENS, 0000
WILLIAM L. ALDRED, JR., 0000
BOYD L. ALEXANDER, 0000
ANTHONY ALFORD, 0000
CHARLES M. ALLEN, JR., 0000
JAMES M. ALLEN, 0000
PATRICK D. ALLEN, 0000
RONALD C. ALLEN, 0000
JOHN R. ALVARADO, 0000
NICHOLAS C. AMODEO, 0000
ROMA J. AMUNDSON, 0000
MARCYA L. ANDREWS, 0000
PERRY E. ANTHONY, 0000
JAMES F. ARGABRIGHT, 0000
JAMES W. ATCHISON, 0000
MICHAEL E. AYAKIAN, 0000
PETER M. AYLWARD, 0000
JOHN T. BAKER, 0000
ROBERT K. BALSTER, 0000
PAUL BARABANI, 0000
LOGAN B. BARBEE, 0000
CHRISTOPHER R. BARBOUR, 0000
HUGH G. BARCLAY IV, 0000
KENNETH F. BARDEN, JR., 0000
JOHN I. BARNES III, 0000
WAYNE C. BARR, JR., 0000
PERRY E. BARTH, 0000
TIMOTHY L. BARTHOLOMEW, 0000
DAVID E. BASSERT, JR., 0000
GARY W. BAUMANN, 0000
RICHARD A. BAYLOR, 0000
RICHARD L. BAYSINGER, 0000
WILLIAM G. BEARD, 0000
DONALD L. BELANGER, 0000
THOMAS A. BELOTE, 0000
ROY C. BENNETT, 0000
RICHARD J. BERESFORD, 0000
LAWRENCE E. BERGESON, 0000
MARCELO R. BERGQUIST, 0000
GEORGE M. BESHENICH, 0000
VICTORIA A. BETTERTON, 0000
VICTOR A. BETZOLD, 0000
LETTIE J. BIEN, 0000
DONALD J. BILLONI, 0000
EDWARD J. BINSEEL, 0000
ERNEST BIO, 0000
CHARLES D. BLAKENEY, 0000
ROBERT C. BLIX, 0000
JOSEPH G. BLUME, JR., 0000
KEITH J. BOBENMOYER, 0000
ROBERT C. BOLTON, 0000
PHILLIP BOOKERT, 0000
CANFIELD D. BOONE, 0000
THOMAS P. BOYLE, JR., 0000
JAMES P. BOYNTON, JR., 0000
PAMELA J. BRADY, 0000
ALLEN E. BREWER, 0000
GORDON M. BREWER, 0000
PHILIP S. BREWSTER III, 0000
WILLIAM E. BRITTIN, 0000
DEBRA A. BROADWATER, 0000
CURTIS R. BROOKS, JR., 0000
TILDEN L. BROOKS, JR., 0000
MICHAEL P. BROWN, 0000
STEVEN L. BROWN, 0000
LOUIS J. BRUNE III, 0000
WILLIAM J. BRUNKHORST, 0000
RALPH T. BRUNSON, 0000
RICHARD L. BUCK, 0000
TERRY L. BULLER, 0000
ROBERT W. BURNS, 0000
CHARLES N. BUSICK, 0000
THOMAS D. BUTLER, JR., 0000
GLEN CADLE, JR., 0000
JOHNNIE L. CAHOON, JR., 0000
SAMUEL E. CANIPE, 0000
THOMAS W. CAPLES, 0000
HUBERT D. CAPPS, 0000
PHILIP R. CARLIN, 0000
BRUCE W. CARLSON, 0000
ANTHONY J. CARLUCCI, 0000
MELVIN J. CARR, 0000
JOHN D. CARROLL, 0000
ROOSEVELT CARTER, JR., 0000
MARK A. CENTRA, 0000
WALTER B. CHAHANOVICH, 0000
ROBERT J. CHANDLER, JR., 0000

ROBERT L. CHILCOAT, 0000
MARK J. CHRISTIAN, 0000
DONALD L. CHU, 0000
MICHAEL L. CHURCH, 0000
ALAN D. CHUTE, 0000
EUGENE CLARK, 0000
RICHARD L. CLARK, 0000
ROBERT G. CLARK, 0000
WILLIAM J. CLEGG III, 0000
LESTER L. CLEMENT, 0000
WILLIAM G. COBB, 0000
GERALD W. COCHRANE, 0000
WILLIAM B. COLLINS, 0000
PETER M. COLLOTON, 0000
MARTIN D. COMPTON, 0000
MICHELE G. COMPTON, 0000
CHARLES R. CONN, 0000
JAMES A. CORMAN, 0000
STEPHEN G. CORRIGAN, 0000
JAMES W. CORRIEVEAU, 0000
ROBERT O. CORTEZ, 0000
BILLY J. COSSON, 0000
HARRY E. COULTER, JR., 0000
BRARRY A. COX, 0000
WARREN G. CRECY, 0000
JOSEPH A. CUELLER, 0000
WILLIAM N. CULBERTSON, 0000
WALTER R. CYRUS, 0000
JEAN L. DABREAU, 0000
JOHN A. DAROCHA, 0000
DAVID M. DAVISON, 0000
MICHAEL E. DEBOLD, 0000
ROBERT F. DELCAMPO, 0000
WILLIAM DENEGE, 0000
LYNNE E. DEKIE, 0000
JOSEPH R. DEWITT, 0000
RONALD F. DIANA, 0000
JOSEPH B. DIBARTOLOMEO, 0000
RICHARD R. DILLON, 0000
THADDEUS A. DMUCHOWSKI, 0000
JAMES M. DOBINS, 0000
HARRY C. DOBSON, 0000
MICHAEL F. DOSSETT, 0000
WILLIAM C. DOWD, 0000
JAMES D. DOYLE, 0000
JOSEPH H. DOYLE, 0000
DONALD A. DRISCOLL, 0000
DEBRA A. DUBOIS, 0000
ROGER B. DUFF, 0000
DONALD C. DURANT, 0000
KENT J. DURING, 0000
LOUIS R. DURNYA, 0000
JOHN B. DWYER, 0000
RONALD J. DYKSTRA, 0000
MARK M. EARLEY, 0000
STEVEN D. ECKER, 0000
MARK K. EDER, 0000
GREGORY E. EDWARDS, 0000
KENNETH D. EDWARDS, 0000
THOMAS R. EICHENBERG, 0000
DAVID J. ELICERIO, 0000
DALE G. ELLIS, 0000
KATHLEEN K. ELLIS, 0000
ALLAN L. ENRIGHT, 0000
WILLIAM L. ENYART, JR., 0000
THOMAS P. ERSFELD, 0000
BEVERLY F. ERTMAN, 0000
GEORGE C. ESCHER, 0000
CARL W. EVANS, 0000
WILLIAM C. FALKNER, 0000
JOHN M. FARENTH, 0000
JACKIE D. FARR, 0000
GERALD T. FAVEIRO, 0000
PETER S. FEDORKOWICZ, 0000
DONALD P. FIORINO, 0000
RONALD A. FLORES, 0000
PATSY M. FLOYD, 0000
DOUGLAS J. FONTENOT, 0000
GERALD W. FONTENOT, 0000
ROBERT G. FORD, 0000
HENRY J. FORESMAN, JR., 0000
BRIAN A. FORZANI, 0000
FOSTER F. FOUNTAIN, 0000
WALTER E. FOUNTAIN, 0000
PETER D. FOX, 0000
STEPHEN R. FRANK, 0000
DALE L. FRANK, 0000
DONALD W. FULLER, 0000
PAMELA A. FUNK, 0000
JAMES L. GABRIELLI, 0000
BERTRAND R. GAGNE, 0000
RONALD S. GALLIMORE, 0000
ALBERT J. GARDNER, 0000
GLENN H. GARDNER, 0000
JAMES P. GARDNER, 0000
RICHARD A. GARZA, 0000
JERRY T. GASKIN, 0000
REGINALD B. GEARY, 0000

RICHARD P. GEBHART, 0000
 DAVID L. GERSTENLAUER, 0000
 DANIEL G. GLAQUINTO, 0000
 GERALD G. GIBBONS, JR., 0000
 WILLIAM J. GLASSER, 0000
 WILLIAM J. GOTHARD, 0000
 MARTIN L. GRABER, 0000
 ROBERT D. GRAMS, 0000
 ANTHONY J. GRATSON, 0000
 THOMAS R. GREATHOUSE, 0000
 ELLEN P. GREENE, 0000
 TERRY L. GREENWELL, 0000
 DAVID J. GROVUM, 0000
 MICHAEL A. GRUETT, 0000
 RAUL A. GRUMBERG, 0000
 WILLIAM C. HAASS, 0000
 WILLIAM B. HAGOOD, 0000
 JEANETTE G. HALL, 0000
 RICK D. HALL, 0000
 ROBERT E. HAMMEL, 0000
 EMANUEL HAMPTON, 0000
 ROBERT C. HARGREAVES, 0000
 BLAKE L. HARMON, 0000
 LINDA C. HARREL, 0000
 DONALD J. HARRINGTON, 0000
 EARNEST L. HARRINGTON, JR., 0000
 STEPHEN J. HATCH, 0000
 MARK C. HATFIELD, 0000
 FLOYD D. HAUGHT, 0000
 REED T. HAUSER, 0000
 LAWRENCE M. HAYDEN, 0000
 ROBERT W. HAYES, JR., 0000
 WILLIAM J. HAYES, 0000
 HARRY W. HELFRICH IV, 0000
 KARL D. HELLER, 0000
 HOWARD W. HELSER, 0000
 CARY R. HENDERSON, 0000
 KATHY L. HENNES, 0000
 JEFFREY W. HETHERINGTON, 0000
 JAMES D. HOGAN, 0000
 GAROLD D. HOLCOMBE, 0000
 FRANK E. HOLLAND II, 0000
 THOMAS M. HOLLENHORST, 0000
 NOREEN J. HOLTSHAUS, 0000
 GREGORY R. HOOSE, 0000
 THOMAS F. HOPKINS, 0000
 DEBORAH Y. HOWELL, 0000
 MELVIN A. HOWRY, 0000
 STEPHAN K. HUCAL, 0000
 JOHN C. HUDSON, 0000
 PAUL F. HULSLANDER, 0000
 STEPHEN J. HUMMEL, 0000
 BERNIE R. HUNSTAD, 0000
 CHARLES H. HUNT, JR., 0000
 LIMUEL HUNTER, JR., 0000
 PAUL J. HUTTER, 0000
 JAMES G. IVEY, 0000
 ROBERT C. JACKLE, 0000
 MARK H. JACKSON, 0000
 RAYMOND JARDINE, JR., 0000
 STEPHANIE A. JEFFERDS, 0000
 DANIEL J. JENSEN, 0000
 MARK A. JENSEN, 0000
 CRAIG D. JOHNSON, 0000
 DAVID H. JOHNSON, 0000
 ERIC P. JOHNSON, 0000
 FREDERICK J. JOHNSON, 0000
 JEFFREY W. JOHNSON, 0000
 ROBERT W. JOHNSON, 0000
 SCOTT W. JOHNSON, 0000
 GARY L. JONES, 0000
 KAFFIA JONES, 0000
 TED S. KANAMINE, 0000
 JAMES M. KANE, 0000
 JANIS L. KARPINSKI, 0000
 GUSTAV G. KAUFMANN, 0000
 WILLIAM J. KAUTT III, 0000
 DEMPSEY D. KEE, 0000
 GARY E. KELLY, 0000
 LARRY T. KIMMICH, 0000
 GARY G. KLEIST, 0000
 PETER KOLE, JR., 0000
 GERY W. KOSEL, 0000
 RANDOLPH J. KRANEPUHL, 0000
 DONALD L. KREBS, 0000
 JOHN R. KREYE, 0000
 KIRK M. KRIST, 0000
 NORMA J. KRUEGER, 0000
 RANDALL W. LAMBRECHT, 0000
 MARK E. LANDERS, 0000
 WILLIAM H. LANDON, 0000
 LENWOOD A. LANDRUM, 0000
 ROBERT E. LANDSTROM, 0000
 DOUGLAS J. LANGE, 0000
 DAVID E. LECKIONE, 0000
 JERRY G. LEDOUX, 0000
 SCOTT D. LEGWOLD, 0000
 JEFFREY L. LEIBY, 0000
 RICHARD L. LEMMERMAN, 0000
 PETER S. LENNON, 0000
 RICHARD A. LENNON, 0000
 JAMES W. LENOIR, 0000
 GREGORY W. LEONG, 0000
 ROBERT S. LEPIANKA, 0000
 LESTER B. LETTERMAN, 0000
 GLENN R. LEVAY, 0000
 ALBAN LIANG, 0000
 PATRICIA LINGRENGRICHNIK, 0000
 ELIZABETH J. LIPPMANN, 0000
 DENNIS A. LITTLE, 0000
 DAVID A. LIVELY, 0000
 ROGER A. LIVINGSTON, 0000
 JOHN I. LODER, 0000
 CORY L. LOFTUS, 0000
 HENRY S. LONG, JR., 0000
 TOM C. LOOMIS, 0000
 FELIPE J. LOPEZ, 0000

JERRY G. LOVE, 0000
 ROBERT L. LOWERY, JR., 0000
 DAVID M. LOWRY, 0000
 JOHN D. LYBRAND, JR., 0000
 NEIL D. MACKENZIE II, 0000
 CHRISTINE T. MALLOS, 0000
 HENRY M. MARTIN, JR., 0000
 SHIRLEY M. MARTIN, 0000
 HECTOR M. MARTIR, 0000
 MATTHEW G. MASNIK, 0000
 LARRY J. MASSEY, 0000
 ROBERT A. MAST, JR., 0000
 JOHN R. MATHEWS, 0000
 TERRELL W. MATHEWS, 0000
 JEFF W. MATHIS III, 0000
 MICHAEL D. MATZ, 0000
 GEORGE P. MAUGHAN, 0000
 WILLIAM R. MAY, 0000
 ELLSWORTH E. MAYFIELD, 0000
 JOSE S. MAYORGA, JR., 0000
 MICHAEL E. MCCALISTER, 0000
 DENNIS P. MCCANN, 0000
 MATTHEW A. MCCOY, 0000
 WEYMAN W. MCCRANIE, JR., 0000
 JERRY T. MCDANIEL, 0000
 COLONEL Z. MCPADDEN, 0000
 GARY R. MCPADDEN, 0000
 MICHAEL W. MCHENRY, 0000
 BYRON W. MCKINNON, 0000
 GARY A. MCKOWN, 0000
 LESA M. MCMANIGELL, 0000
 KURT M. MCMILLEN, 0000
 KENNETH B. MCNEEL, 0000
 DAVID A. MCPHERSON, 0000
 ADOLPH MCQUEEN, 0000
 KENNETH D. MCRAE, 0000
 ARSENY J. MELNICK, 0000
 GLENN L. MELTON, 0000
 EDWIN MENDEZ, 0000
 JOHN M. MENTER, 0000
 MICHAEL E. MERTENS, 0000
 THOMAS E. MERTENS, 0000
 GERALD L. MEYER, 0000
 EVAN G. MILLER, 0000
 GREGORY R. MILLER, 0000
 RUFUS C. MITCHELL, 0000
 BLAISE S. MO, 0000
 RANDY M. MOATE, 0000
 DOUGLAS MOLLENKOPF, 0000
 CHARLES E. MOORE, 0000
 JOHN D. MOORS, JR., 0000
 WILLIAM J. MORRISSEY, 0000
 RONALD O. MORROW, 0000
 CRAIG H. MORTON, 0000
 BRUCE E. MUNSON, 0000
 PATRICK A. MURPHY, 0000
 ROBERT E. MURPHY, 0000
 STEPHEN T. NAKANO, 0000
 JOSE A. NANEZ, JR., 0000
 DAVID B. NELSON, JR., 0000
 HOMER L. NEWTON, 0000
 CHARLES D. NICHOLS, JR., 0000
 TERRY R. NOACK, 0000
 MICHAEL H. NOEL, 0000
 RALPH E. NOOKS, JR., 0000
 MARY R. NORRIS, 0000
 PAUL T. NOTTINGHAM III, 0000
 JOHN M. NOWAK, 0000
 CASSEL J. NUTTER, JR., 0000
 WAYNE A. OAKS, 0000
 PATRICK J. O'DONNELL, 0000
 CLIFFORD A. OLIVER, 0000
 KEITH D. OLIVER, 0000
 RICHARD E. OLSON, 0000
 ISAAC G. OSBORNE, JR., 0000
 SHERRY L. OWNBY, 0000
 THOMAS L. PAGE, 0000
 THOMAS PALCUTA, 0000
 RONALD J. PARK, 0000
 WILLIAM H. PATTERSON III, 0000
 ROBERT W. PATTY, 0000
 TOMMY W. PAULK, 0000
 VERNON D. PAYETTE, 0000
 TIMOTHY W. PAYNE, 0000
 STEVEN M. PEARCE, 0000
 WILLIAM B. PEARLE, 0000
 JUAN F. PEDRAZACOLON, 0000
 DAVID C. PERKINS, 0000
 DARRYL M. PERRILLOUX, 0000
 THOMAS M. PERRIN, 0000
 FRANCIS P. PETRELL, 0000
 LAWRENCE PEZZA, JR., 0000
 GREGORY W. PHELPS, 0000
 JAMES F. PHILLIPS, 0000
 DONALD W. PIPES, 0000
 STANLEY C. PLUMMER, 0000
 GEORGE W. POGGE, 0000
 BOBBY B. POLK, 0000
 LOUIS T. PONTILLO, 0000
 BARBARA J. POOLE, 0000
 JERRY D. PORTER, 0000
 CARL J. POSEY, 0000
 WAYNE A. PRATT, 0000
 EDWARD H. PREISENDANZ, 0000
 RICHARD J. PREVOST, 0000
 JOHN M. PRICKETT, 0000
 KENNETH PRITCHARD, 0000
 DAVID E. PURTEE, 0000
 LARRY E. RAAF, 0000
 CURT M. READ, 0000
 DEBORAH R. READ, 0000
 NORMAN L. REDDING, JR., 0000
 LARRY D. REESE, 0000
 TIMOTHY J. REGAN, 0000
 ROBERT C. REGO, 0000
 PRICE L. REINERT, 0000
 TIMOTHY R. RENSEMA, 0000

DANIEL M. REYNA, 0000
 BARRY L. REYNOLDS, 0000
 CHARLES W. RHOADS, 0000
 KENNETH W. RIGBY, 0000
 WILLIAM D. ROBERTS, 0000
 JOSEPH L. ROGERS, 0000
 LARRY E. ROGERS, 0000
 KEITH C. ROGERSON, 0000
 CARROLL ROHRICH, 0000
 MICHAEL E. ROPER, 0000
 ALAN E. RUEGEMER, 0000
 JON R. RUIZ, 0000
 JAMES P. RUPPER, 0000
 MILLARD C. RUSHING, 0000
 JOSEPH T. SAFFER, 0000
 RANDALL M. SAFIER, 0000
 CHARLES D. SAFLEY, 0000
 LLOYD F. SAMMONS, 0000
 RAFAEL SANCHEZ, 0000
 GREGORY J. SANDERS, 0000
 RICHARD L. SANDERS, 0000
 JOHN C. SANFORD, 0000
 GUS L. SANKEY, 0000
 ANGEL L. SARRAGA, 0000
 JAMES M. SCHAEFER, 0000
 WESLEY H. SCHERMANN, JR., 0000
 AUSTIN SCHMIDT, 0000
 RONALD M. SCHROCK, 0000
 JAMES A. SCHUSTER, 0000
 BARBARA A. SCHWARTZ, 0000
 BRION L. SCHWEBKE, 0000
 DENNIS E. SCOTT, 0000
 LOUIS J. SCOTTI, 0000
 HENRY P. SCULLY, 0000
 DENNIS S. SEARS, 0000
 THOMAS J. SELLARS, 0000
 KAREN J. SHADDICK, 0000
 ANTHONY S. SHANNON, 0000
 LEN D. SHARTZER, 0000
 FREDERICK A. SHAW III, 0000
 DANIEL E. SHEAROUSE, 0000
 DONALD H. SHEETS, 0000
 GARY E. SHEPPER, 0000
 JAMES E. SHEPHERD, 0000
 RICHARD J. SHERLOCK, JR., 0000
 SAMUEL M. SHILLER, 0000
 STANLEY P. SHOPE, 0000
 KING E. SIDWELL, 0000
 KEITH D. SIMMONS, 0000
 CHARLES R. SINGLETON, 0000
 JOHN J. SKOLL, 0000
 BRENDA G. SMITH, 0000
 CHERYL A. SMITH, 0000
 LARRY E. SMITH, 0000
 MICHAEL D. SMITH, 0000
 RONALD B. SMITH, 0000
 SIMS H. SMITH, 0000
 MICHAEL R. SNIPES, 0000
 SHELDON R. SNOW, 0000
 WILLIAM S. SOBOTA, JR., 0000
 GLENN A. SONNIE, 0000
 NORMAN R. SPERS, 0000
 PHILIP W. SPIES, JR., 0000
 REX A. SPITLEY, 0000
 EDDY M. SPURGIN, 0000
 ROBERT P. STALL, 0000
 MARCY A. STANTON, 0000
 DAVID E. STARK, 0000
 CHARLES M. STEELMAN, 0000
 THOMAS S. STEFANKO, 0000
 JEANETTE L. STERNER, 0000
 STANLEY M. STRICKLEN, 0000
 GEORGE M. STRIPLING, 0000
 JAMES M. STRYKER, 0000
 JAMES C. STUBBS, 0000
 THOMAS R. SUTTER, 0000
 ANDREW A. SWANSON, 0000
 STANLEY P. SYMAN, 0000
 DENIS H. TAGA, 0000
 FRANCIS B. TAVENNER, JR., 0000
 BENNY M. TERRELL, 0000
 BURTHEL THOMAS, 0000
 KEVIN D. THOMAS, 0000
 NANCY A. THOMAS, 0000
 RANDAL E. THOMAS, 0000
 GEORGE C. THOMPSON, 0000
 KARL C. THOMPSON, 0000
 DOUGLAS R. THOMSON, 0000
 PHILIP J. THORPE, 0000
 RONALD L. THORSETT, 0000
 TERRY E. THRALL, 0000
 EMELIO K. TIO, 0000
 JAMES B. TODD, 0000
 RICHARD K. TREACY, 0000
 WILLIAM D. TROUT, 0000
 CARL E. TURNER, 0000
 MICHAEL J. ULEKOWSKI, 0000
 THOMAS J. UMBERG, 0000
 ROBERT L. VALENCIA, 0000
 RICHARD C. VINSON, 0000
 RAYMOND D. WADLEY, 0000
 SCOTT D. WAGNER, 0000
 DONALD P. WALKER, 0000
 WILLIAM A. WALSH, 0000
 ANDREW C. WARD, 0000
 ROBERT S. WARREN, 0000
 MARVIN B. WARZCHA, 0000
 ROBERT E. WATSON, 0000
 CRAIG A. WEBBER, 0000
 BILLY H. WELCH, 0000
 CHRIS H. WELLS, 0000
 CAMILLA K. WHITE, 0000
 JAMES R. WHITE, 0000
 NORMAN J. WHITE, 0000
 MICHAEL J. WHITEHEAD, 0000
 THOMAS M. WHITESIDE, JR., 0000
 FRANCIS B. WILLIAMS III, 0000

JOE D. WILLINGHAM, 0000
 RODNEY E. WILLIS, 0000
 SUZANNE H. WILSON, 0000
 JEFFRY K. WOLFE, 0000
 KENNETH W. WOODARD, 0000
 CLAUDELL WOODS, 0000
 HARLEY K. WOOSTER, JR., 0000
 GLENN R. WORTHINGTON, 0000
 JOHN M. WUTHENOW, 0000
 WILLIAM C. YOUMANS, 0000
 DAVID K. YOUNG, 0000
 ROBERT E. YOUNG, 0000

CONFIRMATIONS

Executive nominations confirmed by
 the Senate October 26, 2000:

UNITED STATES POSTAL SERVICE

ALAN CRAIG KESSLER, OF PENNSYLVANIA, TO BE A
 GOVERNOR OF THE UNITED STATES POSTAL SERVICE
 FOR A TERM EXPIRING DECEMBER 8, 2008.

OFFICE OF PERSONNEL MANAGEMENT

AMY L. COMSTOCK, OF MARYLAND, TO BE DIRECTOR OF
 THE OFFICE OF GOVERNMENT ETHICS FOR A TERM OF
 FIVE YEARS.

FEDERAL LABOR RELATIONS AUTHORITY

CAROL WALLER POPE, OF THE DISTRICT OF COLUMBIA,
 TO BE A MEMBER OF THE FEDERAL LABOR RELATIONS
 AUTHORITY FOR A TERM EXPIRING JULY 1, 2004.

PEACE CORPS

MARK L. SCHNEIDER, OF CALIFORNIA, TO BE DIRECTOR
 OF THE PEACE CORPS.

POSTAL RATE COMMISSION

GEORGE A. OMAS, OF MISSISSIPPI, TO BE A COMMIS-
 SIONER OF THE POSTAL RATE COMMISSION FOR A TERM
 EXPIRING OCTOBER 14, 2006.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO
 THE NOMINEE'S COMMITMENT TO RESPOND TO RE-
 QUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY
 CONSTITUTED COMMITTEE OF THE SENATE.

BROADCASTING BOARD OF GOVERNORS

MARC B. NATHANSON, OF CALIFORNIA, TO BE A MEM-
 BER OF THE BROADCASTING BOARD OF GOVERNORS FOR
 A TERM EXPIRING AUGUST 13, 2001.

MARC B. NATHANSON, OF CALIFORNIA, TO BE CHAIR-
 MAN OF THE BROADCASTING BOARD OF GOVERNORS.

TOM C. KOROLOGOS, OF VIRGINIA, TO BE A MEMBER OF
 THE BROADCASTING BOARD OF GOVERNORS FOR A TERM
 EXPIRING AUGUST 13, 2001.

ROBERT M. LEDBETTER, JR. OF MISSISSIPPI, TO BE A
 MEMBER OF THE BROADCASTING BOARD OF GOVERNORS
 FOR A TERM EXPIRING AUGUST 13, 2003.

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

DON HARRELL, OF NEW YORK, TO BE A MEMBER OF
 THE FEDERAL RETIREMENT THRIFT INVESTMENT
 BOARD FOR A TERM EXPIRING SEPTEMBER 25, 2002.

THOMAS A. FINK, OF ALASKA, TO BE A MEMBER OF THE
 FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
 FOR A TERM EXPIRING OCTOBER 11, 2003.

UNITED STATES INFORMATION AGENCY

NORMAN J. PATTIZ, OF CALIFORNIA, TO BE A MEMBER
 OF THE BROADCASTING BOARD OF GOVERNORS FOR A
 TERM EXPIRING AUGUST 13, 2001.

BROADCASTING BOARD OF GOVERNORS

EDWARD E. KAUFMAN, OF DELAWARE, TO BE A MEM-
 BER OF THE BROADCASTING BOARD OF GOVERNORS FOR
 A TERM EXPIRING AUGUST 13, 2003.

ALBERTO J. MORA, OF FLORIDA, TO BE A MEMBER OF
 THE BROADCASTING BOARD OF GOVERNORS FOR A TERM
 EXPIRING AUGUST 13, 2003.

THE JUDICIARY

JOHN RAMSEY JOHNSON, OF THE DISTRICT OF COLUM-
 BIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR
 COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM
 OF FIFTEEN YEARS.

GERALD FISHER, OF THE DISTRICT OF COLUMBIA, TO
 BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF
 THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN
 YEARS.

WITHDRAWAL

Executive message transmitted by
 the President to the Senate on October
 26, 2000, withdrawing from further Sen-
 ate consideration the following nomi-
 nation:

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

MARC LINCOLN MARKS, OF PENNSYLVANIA, TO BE A
 MEMBER OF THE FEDERAL MINE SAFETY AND HEALTH
 REVIEW COMMISSION FOR A TERM OF SIX YEARS EXPIR-
 ING AUGUST 30, 2006 (REAPPOINTMENT), WHICH WAS SENT
 TO THE SENATE ON JUNE 8, 2000.