

“(e) SHEYENNE RIVER WATER SUPPLY AND RELEASE OR ALTERNATE FEATURES.—The Secretary shall construct, operate, and maintain a Sheyenne River water supply and release feature (including a water treatment plant) capable of delivering 100 cubic feet per second of water or any other amount determined in the reports under this section, for the cities of Fargo and Grand Forks and surrounding communities, or such other feature or features as may be selected under subsection (d).”.

**SEC. 9. OAKES TEST AREA TITLE TRANSFER.**

Public Law 89-108 (100 Stat. 423) is amended by striking section 9 and inserting the following:

**“SEC. 9. OAKES TEST AREA TITLE TRANSFER.**

“(a) IN GENERAL.—Not later than 2 years after execution of a record of decision under section 8(d) on whether to use the New Rockford Canal as a means of delivering water to the Red River Basin as described in section 8, the Secretary shall enter into an agreement with the State of North Dakota, or its designee, to convey title and all or any rights, interests, and obligations of the United States in and to the Oakes Test Area as constructed and operated under Public Law 99-294 (100 Stat. 418) under such terms and conditions as the Secretary believes would fully protect the public interest.

“(b) TERMS AND CONDITIONS.—The agreement shall define the terms and conditions of the transfer of the facilities, lands, mineral estate, easements, rights-of-way and water rights including the avoidance of costs that the Federal Government would otherwise incur in the case of a failure to agree under subsection (d).

“(c) COMPLIANCE.—The action of the Secretary under this section shall comply with all applicable requirements of Federal, State, and local law.

“(d) FAILURE TO AGREE.—If an agreement is not reached within the time limit specified in subsection (a), the Secretary shall dispose of the Oakes Test Area facilities under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).”.

**SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

Section 10 of Public Law 89-108 (100 Stat. 424; 106 Stat. 4669, 4739)

(1) in subsection (a)—

(A) by striking “(a)(1) There are authorized” and inserting the following:

“(a) WATER DISTRIBUTION FEATURES.—

“(1) IN GENERAL.—

“(A) MAIN STEM SUPPLY WORKS.—There is authorized”;

(B) in paragraph (1)—

(i) in the first sentence, by striking “\$270,395,000 for carrying out the provisions of section 5(a) through 5(c) and section 8(a)(1) of this Act” and inserting “\$164,000,000 to carry out section 5(a)”;

(ii) by inserting after subparagraph (A) as designated by clause (i) the following:

“(B) RED RIVER VALLEY WATER SUPPLY PROJECT.—There is authorized to be appropriated to carry out section 8(a)(1) \$200,000,000.”; and

(iii) by striking “Such sums” and inserting the following:

“(C) AVAILABILITY.—Such sums”;

(C) in paragraph (2)—

(i) by striking “(2) There is” and inserting the following:

“(2) INDIAN IRRIGATION.—

“(A) IN GENERAL.—There is”;

(ii) by striking “\$7,910,000 for carrying out section 5(e) of this Act” and inserting “\$7,910,000 to carry out section 5(c)”;

(iii) by striking “Such sums” and inserting the following:

“(B) AVAILABILITY.—Such sums”;

(2) in subsection (b)—

(A) by striking “(b)(1) There is” and inserting the following:

“(b) MUNICIPAL, RURAL, AND INDUSTRIAL WATER SUPPLY.—

“(1) STATEWIDE.—

“(A) INITIAL AMOUNT.—There is”;

(B) in paragraph (1)—

(i) by inserting before “Such sums” the following:

“(B) ADDITIONAL AMOUNT.—In addition to the amount under subparagraph (A), there is authorized to be appropriated to carry out section 7(a) \$300,000,000.”; and

(ii) by striking “Such sums” and inserting the following:

“(C) AVAILABILITY.—Such sums”;

(C) in paragraph (2)—

(i) by striking “(2) There are authorized to be appropriated \$61,000,000” and all that follows through “Act.” and inserting the following:

“(2) INDIAN MUNICIPAL, RURAL, AND INDUSTRIAL AND OTHER DELIVERY FEATURES.—

“(A) INITIAL AMOUNT.—There is authorized to be appropriated—

“(i) to carry out section 8(a)(5), \$40,500,000; and

“(ii) to carry out section 7(d), \$20,500,000.”;

(ii) by inserting before “Such sums” the following:

“(B) ADDITIONAL AMOUNT.—

“(i) IN GENERAL.—In addition to the amount under subparagraph (A), there is authorized to be appropriated to carry out section 7(d) \$200,000,000.

“(ii) ALLOCATION.—The amount under clause (i) shall be allocated as follows:

“(I) \$30,000,000 to the Fort Totten Indian Reservation.

“(II) \$70,000,000 to the Fort Berthold Indian Reservation.

“(IV) \$80,000,000 to the Standing Rock Indian Reservation.

“(V) \$20,000,000 to the Turtle Mountain Indian Reservation.”;

(ii) by striking “Such sums” and inserting the following:

“(C) AVAILABILITY.—Such sums”;

(3) in subsection (c)—

(A) by striking “(c) There is” and inserting the following:

“(c) RESOURCES TRUST AND OTHER PROVISIONS.—

“(1) INITIAL AMOUNT.—There is”;

(B) by striking the second and third sentences and inserting the following:

“(2) ADDITIONAL AMOUNT.—In addition to amount under paragraph (1), there are authorized to be appropriated—

“(A) \$6,500,000 to carry out recreational projects; and

“(B) an additional \$25,000,000 to carry out section 11;

“(3) RECREATIONAL PROJECTS.—Of the funds authorized under paragraph (2) for recreational projects, up to \$1,500,000 may be used to fund a wetland interpretive center in the State of North Dakota.

“(4) OPERATION AND MAINTENANCE.—

“(A) IN GENERAL.— There are authorized to be appropriated such sums as are necessary for operation and maintenance of the unit (including the mitigation and enhancement features).

“(B) AUTHORIZATION LIMITS.—Expenditures for operation and maintenance of features substantially completed and features constructed before the date of enactment of the Dakota Water Resources Act of 1998, including funds expended for such purposes since the date of enactment of Public Law 99-294, shall not be counted against the authorization limits in this section.

“(5) MITIGATION AND ENHANCEMENT LAND.— On or about the date on which the features authorized by section 8(a) are operational, a separate account in the Natural Resources

Trust authorized by section 11 shall be established for operation and maintenance of the mitigation and enhancement land associated with the unit.”; and

(4) by striking subsection (e) and inserting the following:

“(e) INDEXING.—The \$300,000,000 amount under subsection (b)(1)(B), the \$200,000,000 amount under subsection (a)(1)(B), and the funds authorized under subsection (b)(2) shall be indexed as necessary to allow for ordinary fluctuations of construction costs incurred after the date of enactment of the Dakota Water Resources Act of 1998 as indicated by engineering cost indices applicable for the type of construction involved. All other authorized cost ceilings shall remain unchanged.

“(f) FOUR BEARS BRIDGE.—There is authorized to be appropriated, for demolition of the existing structure and construction of the Four Bears Bridge across Lake Sakakawea within the Fort Berthold Indian Reservation, \$40,000,000.”.

**SEC. 11. NATURAL RESOURCES TRUST.**

Section 11 of Public Law 89-108 (100 Stat. 424) is amended—

(1) by striking subsection (a) and inserting the following:

“(a) CONTRIBUTION.—

“(1) INITIAL AUTHORIZATION.—

“(A) IN GENERAL.—From the sums appropriated under section 10 for the Garrison Diversion Unit, the Secretary shall make an annual Federal contribution to a Natural Resources Trust established by non-Federal interests in accordance with subsection (b) and operated in accordance with subsection (c).

“(B) AMOUNT.—The total amount of Federal contributions under subparagraph (A) shall not exceed \$12,000,000.

“(2) ADDITIONAL AUTHORIZATION.—

“(A) IN GENERAL.—In addition to the amount authorized in paragraph (1), the Secretary shall make annual Federal contributions to the Natural Resources Trust until the amount authorized by section 10(c)(2)(B) is reached, in the manner stated in subparagraph (B).

“(B) ANNUAL AMOUNT.—The amount of the contribution under subparagraph (A) for each fiscal year shall be the amount that is equal to 5 percent of the total amount that is appropriated for the fiscal year under subsections (a)(1)(B) and (b)(1)(B) of section 10.

“(C) LIMITATION ON AVAILABILITY OF FUNDS.—Of the amount authorized by section 10(c)(2)(B), not more than \$10,000,000 shall be made available until the date on which the features authorized by section 8(a) are operational and meet the objectives of section 8(a), as determined by the Secretary and the State of North Dakota.”;

(2) in subsection (b), by striking “Wetlands Trust” and inserting “Natural Resources Trust”;

(3) in subsection (c)—

(A) by striking “Wetland Trust” and inserting “Natural Resources Trust”;

(B) by striking “are met” and inserting “is met”;

(C) in paragraph (1), by inserting “, grassland conservation and riparian areas” after “habitat”;

(D) in paragraph (2), by adding at the end the following:

“(C) The power to fund incentives for conservation practices by landowners.”.

**HIGHER EDUCATION AMENDMENTS OF 1998**

**DODD (AND OTHERS) AMENDMENT NO. 3113**

Mr. DODD (for himself, Mr. WARNER, Mr. HAGEL, and Mr. ROBB) proposed an

amendment to the bill, S. 1882, supra; as follows:

On page 1, after line 14, insert:

(c) Section 102(b)(2)(D) of the Arms Export Control Act is further amended in clause (ii) by inserting after the word "to" the following words: "medicines, medical equipment, and,"

Re-number succeeding subsections accordingly.

**SANTORUM (AND OTHERS)  
AMENDMENT NO. 3114**

Mr. SANTORUM (for himself, Mr. DEWINE, and Mr. COVERDELL) proposed an amendment to the bill, S. 1882, supra; as follows:

On page 466, between lines 19 and 20, insert the following:

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "proof that reasonable attempts were made" and inserting "proof that the institution was contacted and other reasonable attempts were made"; and

(B) in subparagraph (G), by striking "certifies to the Secretary that diligent attempts have been made" and inserting "certifies to the Secretary that diligent attempts, including contact with the institution, have been made".

On page 494, between lines 20 and 21, insert the following:

**SEC. 434. NOTICE TO SECRETARY AND PAYMENT OF LOSS.**

The third sentence of section 430(a) (20 U.S.C. 1080(a)) is amended by inserting "the institution was contacted and other" after "submit proof that".

On page 501, between lines 14 and 15, insert the following:

(d) PUBLICATION DATE.—Section 435(m)(4) (20 U.S.C. 1085(m)(4)) is amended by adding at the end the following:

"(D) The Secretary shall publish the report described in subparagraph (C) by September 30 of each year."

At the end, add the following:

**SEC. \_\_\_\_ . LIAISON FOR PROPRIETARY INSTITUTIONS OF HIGHER EDUCATION.**

Title II of the Department of Education Organization Act (20 U.S.C. 3411 et seq.) is amended by adding at the end the following:

**"SEC. 219. LIAISON FOR PROPRIETARY INSTITUTIONS OF HIGHER EDUCATION.**

"(a) ESTABLISHMENT.—There shall be in the Department a Liaison for Proprietary Institutions of Higher Education, who shall be an officer of the Department appointed by the Secretary.

"(b) APPOINTMENT.—The Secretary shall appoint, not later than 6 months after the date of enactment of the Higher Education Amendments of 1998 a Liaison for Proprietary Institutions of Higher Education who shall be a person who—

"(1) has attained a certificate or degree from a proprietary institution of higher education; or

"(2) has been employed in a proprietary institution setting for not less than 5 years.

"(c) DUTIES.—The Liaison for Proprietary Institutions of Higher Education shall—

"(1) serve as the principal advisor to the Secretary on matters affecting proprietary institutions of higher education;

"(2) provide guidance to programs within the Department that involve functions affecting proprietary institutions of higher education; and

"(3) work with the Federal Interagency Committee on Education to improve the coordination of—

"(A) the outreach programs in the numerous Federal departments and agencies that

administer education and job training programs;

"(B) collaborative business and education partnerships; and

"(C) education programs located in, and involving, rural areas."

**SESSIONS (AND OTHERS)  
AMENDMENT NO. 3115**

Mr. SESSIONS (for himself, Mr. GRAHAM, Mr. MCCONNELL, and Mr. COVERDELL) proposed an amendment to the bill, S. 1882, supra; as follows:

At the end add the following:

**SEC. \_\_\_\_ . ELIGIBLE EDUCATIONAL INSTITUTIONS PERMITTED TO MAINTAIN QUALIFIED TUITION PROGRAMS.**

(a) IN GENERAL.—Section 529(b)(1) of the Internal Revenue Code of 1986 (defining qualified State tuition program) is amended by inserting "or by 1 or more eligible educational institutions or any organization exempt from taxation under this subtitle that consists solely of eligible educational institutions" after "maintained by a State or agency or instrumentality thereof".

(b) CONFORMING AMENDMENTS.—

(1) The text and headings of each of the sections 72(e)(9), 135(c)(2)(C), 135(d)(1)(D), 529, 530(b)(2)(B), 4973(e), and 6693(a)(2)(c) of the Internal Revenue Code of 1986 is amended by striking "qualified State tuition" each place it appears and inserting "qualified tuition".

(2)(A) The section heading of section 529 of such Code is amended to read as follows:

**"SEC. 529. QUALIFIED TUITION PROGRAMS."**

(B) The item relating to section 529 in the table of sections for part VIII of subchapter F of chapter 1 of such Code is amended by striking "State".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

**SEC. \_\_\_\_ . EXCLUSION FROM GROSS INCOME OF EDUCATION DISTRIBUTIONS FROM QUALIFIED STATE TUITION PROGRAMS.**

(a) IN GENERAL.—Section 529(c)(3)(B) of the Internal Revenue Code of 1986 (relating to distributions) is amended to read as follows:

"(B) DISTRIBUTIONS FOR QUALIFIED HIGHER EDUCATION EXPENSES.—

"(i) IN GENERAL.—If a distributee elects the application of this clause for any taxable year—

"(I) no amount shall be includible in gross income under subparagraph (A) by reason of a distribution which consists of providing a benefit to the distributee which, if paid for by the distributee, would constitute payment of a qualified higher education expense, and

"(II) the amount which (but for the election) would be includible in gross income under subparagraph (A) by reason of any other distribution shall not be so includible in an amount which bears the same ratio to the amount which would be so includible as such expenses bear to such aggregate distributions.

"(ii) IN-KIND DISTRIBUTIONS.—Any benefit furnished to a designated beneficiary under a qualified State tuition program shall be treated as a distribution to the beneficiary for purposes of this paragraph.

"(iii) DISALLOWANCE OF EXCLUDED AMOUNTS AS CREDIT OR DEDUCTION.—No deduction or credit shall be allowed to the taxpayer under any other section of this chapter for any qualified higher education expenses to the extent taken into account in determining the amount of the exclusion under this subparagraph."

(b) ADDITIONAL TAX ON AMOUNTS NOT USED FOR HIGHER EDUCATION EXPENSES.—Section 529(c)(3) of the Internal Revenue Code of 1986

(relating to distributions) is amended by adding at the end the following:

"(E) ADDITIONAL TAX ON AMOUNTS NOT USED FOR HIGHER EDUCATION EXPENSES.—The tax imposed by section 530(d)(4) shall apply to payments and distributions from qualified tuition programs in the same manner as such tax applies to education individual retirement accounts."

(c) COORDINATION WITH EDUCATION CREDITS.—Section 25A(e)(2) of the Internal Revenue Code of 1986 (relating to coordination with exclusions) is amended—

(1) by inserting "a qualified tuition program or" before "an education individual retirement account", and

(2) by striking "section 530(d)(2)" and inserting "section 529(c)(3)(B) or 530(d)(2)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2003, for education furnished in academic periods beginning after such date.

**SEC. \_\_\_\_ . QUALIFIED TUITION PROGRAMS INCLUDED IN SECURITIES EXEMPTION.**

(a) EXEMPTED SECURITIES.—Section 3(a)(4) of the Securities Act of 1933 (15 U.S.C. 77c(a)(4)) is amended by striking "individual;" and inserting "individual or any security issued by a prepaid tuition program described in section 529 of the Internal Revenue Code of 1986;"

(b) QUALIFIED TUITION PROGRAMS NOT INVESTMENT COMPANIES.—Section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)) is amended by adding at the end the following:

"(15) Any prepaid tuition program described in section 529 of the Internal Revenue Code of 1986."

**BINGAMAN (AND OTHERS)  
AMENDMENT NO. 3116**

Mr. BINGAMAN (for himself, Mr. COCHRAN, Mr. REID, and Mr. HOLLINGS) proposed an amendment to the bill, S. 1882, supra; as follows:

Insert at the end of Title II, Part A (page 237, after line 14):

**"SEC. 237. ACADEMIC MAJORS FOR SECONDARY SCHOOL TEACHERS.**

"(a) States and postsecondary programs that prepare secondary school teachers and receive Federal funds under this Act excluding aid provided under Title IV, shall, unless they have already done so, adopt within 3 years after the date of enactment of the Higher Education Amendments of 1998 a policy that all undergraduate candidates preparing to be secondary school teachers be required to successfully complete an academic major, as defined by the institution of higher education at which the student attends, in the academic area in which they plan to teach."

"(b) Nothing in this Section shall affect the eligibility of an individual student or an institution of higher education to receive Federal grants or loans under Title IV under this Act."

**WARNER (AND ROBB) AMENDMENT  
NO. 3117**

Mr. WARNER (for himself and Mr. ROBB) proposed an amendment to the bill, S. 1882, supra; as follows:

At the appropriate place insert:

Nothing in this bill shall be construed to prohibit an institution of postsecondary education from disclosing, to a parent of a student, information regarding violation of any federal, state, or local laws governing the use or possession of alcohol or drugs, whether or not that information is contained in

the student's education records, if the student is under the age of 21.

**HARKIN (AND REID) AMENDMENT  
NO. 3118**

Mr. HARKIN (for himself and Mr. REID) proposed an amendment to the bill, S. 1882, supra; as follows:

At the appropriate place in title IV, insert the following:

**SEC. . . . REDUCTION IN STUDENT LOAN FEES.**

(a) FEDERAL DIRECT STAFFORD LOANS.—Section 455(c) (20 U.S.C. 1087e(c)) is amended by inserting “, except that the Secretary shall charge the borrower of a Federal Direct Stafford Loan an origination fee in the amount of 3.0 percent of the principal amount of the loan” before the period.

(b) SUBSIDIZED FEDERAL STAFFORD LOANS.—

(1) AMENDMENT.—Subparagraph (H) of section 428(b)(1) (20 U.S.C. 1078(b)(1)) is amended—

(A) by striking “not more than”; and  
(B) by striking “will not be used for incentive payments to lenders” and inserting “shall be paid to the Federal Government for deposit in the Treasury”.

(2) REPEAL.—Subparagraph (H) of section 428(b)(1) (20 U.S.C. 1078(b)(1)) is repealed.

(c) UNSUBSIDIZED STAFFORD LOAN AND PLUS LOAN INSURANCE PREMIUM REDIRECTION.—

(1) UNSUBSIDIZED STAFFORD LOANS.—Section 428H(h) (20 U.S.C. 1078-8(h)) is amended—

(A) by striking “may” and inserting “shall”;

(B) by striking “not more than”;  
(C) by striking “, if such premium will not be used for incentive payments to lenders”; and

(D) by inserting at the end the following: “The proceeds of the insurance premium shall be paid to the Federal Government for deposit into the Treasury.”.

(2) PLUS LOANS.—Section 428B (20 U.S.C. 1078-2) is amended by adding after subsection (f) (as added by section 427(2)) the following:

“(g) INSURANCE PREMIUM.—Each State or nonprofit private institution or organization having an agreement with the Secretary under section 428(b)(1) shall charge the borrower of a loan made under this section a single insurance premium in the amount of 1 percent of the principal amount of the loan. The proceeds of the insurance premium shall be paid to the Federal Government for deposit into the Treasury.”.

(d) EFFECTIVE DATES.—

(1) SUBSECTION (b)(1).—The amendments made by subsection (b)(1) shall take effect on the date of enactment of this Act.

(2) SUBSECTIONS (a) AND (b)(2).—The amendments made by subsections (a) and (b)(2) shall take effect on July 1, 1999.

(3) SUBSECTION (c).—The amendments made by subsection (c) shall take effect on October 1, 1998.

**KENNEDY AMENDMENT NO. 3119**

Mr. KENNEDY proposed an amendment to the bill, S. 1882, supra; as follows:

On page 458, between lines 2 and 3, insert the following:

**SEC. 425. MARKET-BASED DETERMINATIONS OF LENDER RETURNS.**

Part B of title IV (20 U.S.C. 1071 et seq.) is amended by inserting after section 427A the following:

**“SEC. 427B. MARKET-BASED DETERMINATIONS OF LENDER RETURNS.**

“(a) FINDINGS.—Congress finds that—  
“(1) in the field of consumer lending, market forces have resulted in increased quality of services and decreased prices, and more

extensive application of market forces to the Robert T. Stafford Federal Student Loan Program should be explored;

“(2) Federal subsidies to lenders making or holding loans made, insured, or guaranteed under this part should not exceed the level necessary to ensure that all eligible borrowers have access to loans under this part;

“(3) setting the level of lender returns necessary to achieve the objective described in paragraph (2) in statute is necessarily inexact and insufficiently flexible to respond to market forces, and therefore lender returns should be determined through the use of market-based mechanisms;

“(4) alternative market-based mechanisms must be tested before a final selection is made as to the particular mechanism to be used for all loans made, insured, or guaranteed under this part;

“(5) the results of testing alternative market-based mechanisms should be evaluated independently; and

“(6) if the independent evaluation concludes that the testing of alternative market-based mechanisms has been successful, a market-based mechanism to determine lender returns on all loans made, insured, or guaranteed under this part should be implemented as expeditiously as possible.

“(b) JOINT PLANNING STUDY TO SELECT AUCTION-BASED MECHANISMS FOR TESTING.—

“(1) PLANNING STUDY.—The Secretary and the Secretary of the Treasury jointly shall conduct a planning study, in consultation with the Office of Management and Budget, the Congressional Budget Office, the General Accounting Office, and other individuals and entities the Secretary determines appropriate, to—

“(A) examine the matters described in paragraph (2) in order to determine which auction-based mechanisms for determining lender returns on loans made, insured, or guaranteed under this part shall be tested under the pilot programs described in subsection (c); and

“(B) determine what related administrative and other changes will be required in order to ensure that high-quality services are provided under a successful implementation of auction-based determinations of lender returns for all loans made, insured, or guaranteed under this part.

“(2) MATTERS EXAMINED.—The planning study under this subsection shall examine—

“(A) whether it is most appropriate to auction existing loans under this part, to auction the rights to originate loans under this part, or a combination thereof;

“(B) whether it is preferable to auction parcels of such loans or rights, that are similar or diverse in terms of loan or borrower characteristics;

“(C) how to ensure that statutory, regulatory, or administrative requirements do not impede separate management and ownership of loans under this part; and

“(D) what is the appropriate allocation of risk between the Federal Government and the owners of loans under this part with respect to interest rates and nonpayment, or late payment, of loans;

“(3) MECHANISMS.—In determining which auction-based mechanisms are the most promising models to test in the pilot programs under subsection (c), the planning study shall take into account whether a particular auction-based mechanism will—

“(A) reduce Federal costs if used on a program-wide basis;

“(B) ensure loan availability under this part to all eligible students at all participating institutions;

“(C) minimize administrative complexity for borrowers, institutions, lenders, and the Federal Government; and

“(D) facilitate the participation of a broad spectrum of lenders and ensure healthy long-

term competition in the program under this part.

“(4) REPORT.—A report on the results of the planning study, together with a plan for implementing 1 or more pilot programs using promising auction-based approaches for determining lender returns, shall be transmitted to Congress not later than April 1, 1999.

“(c) PILOT PROGRAMS.—

“(1) AUTHORIZATION.—

“(A) IN GENERAL.—Notwithstanding any other provision of this title, after the report described in subsection (b)(4) is transmitted to Congress, the Secretary is authorized, in consultation with the Secretary of the Treasury, to begin preparations necessary to carry out pilot programs meeting the requirements of this subsection in accordance with the implementation plan included in the report.

“(B) DETERMINATION.—Before commencing the implementation of the pilot programs, the Secretary shall determine that such implementation is consistent with enhancing—

“(i) the modernization of the student financial assistance delivery systems;

“(ii) service to students and institutions of higher education; and

“(iii) competition within the program under this part.

“(C) IMPLEMENTATION DATE.—The Secretary may commence implementation of the pilot programs under this subsection not earlier than 120 days after the report is transmitted to Congress under subsection (b)(4).

“(D) DURATION AND LOAN VOLUME.—The pilot programs under this subsection shall be not more than 2 years in duration, and the Secretary may use the pilot programs to determine the lender returns for not more than 10 percent of the annual loan volume under this part during each of the first and second years of the pilot programs under this subsection.

“(2) REQUIREMENTS.—In carrying out pilot programs under this subsection, the Secretary—

“(A) shall use auction-based approaches, in which lenders bid competitively for the loans under this part, or rights to originate such loans (such as a right of first refusal to originate loans to borrowers at a particular institution, or a right to originate loans to all such borrowers remaining after a right of first refusal has been exercised), as the Secretary shall determine;

“(B) may determine the payments to lenders, and the terms, applicable to lenders, of the rights or loans, as the case may be, for which the lenders bid; and

“(C) shall include loans of different amounts and loans made to different categories of borrowers, but the composition of the parcels of loans or rights in each auction under a pilot program may vary from parcel-to-parcel to the extent that the Secretary determines appropriate.

“(3) VOLUNTARY PARTICIPATION.—Participation in a pilot program under this subsection shall be voluntary for eligible institutions and eligible lenders.

“(4) INDEPENDENT EVALUATION.—The Secretary shall enter into a contract with a non-Federal entity for the conduct of an independent evaluation of the pilot programs, which evaluation shall be completed, and the results of the evaluation submitted to the Secretary, the Secretary of the Treasury, and Congress, not later than 120 days after the termination of the pilot programs under this subsection.

“(d) CONSULTATION.—

“(1) IN GENERAL.—As part of the planning study and pilot programs described in this section, the Secretary shall consult with lenders, secondary markets, guaranty agencies, institutions of higher education, student loan borrowers, other participants in the student loan programs under this title, and other individuals or entities with pertinent technical expertise. The Secretary shall engage in such consultations using such methods as, and to the extent that, the Secretary determines appropriate to the time constraints associated with the study and programs. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to such consultations.

“(2) SERVICES OF OTHER FEDERAL AGENCIES.—In carrying out the planning study and pilot programs described in this section, the Secretary may use, on a reimbursable basis, the services (including procurement authorities and services), equipment, personnel, and facilities of other agencies and instrumentalities of the Federal Government.”

On page 457, line 23, strike “The” and insert “Except as the Secretary of Education may otherwise provide under section 427B of the Higher Education Act of 1965, the”.

On page 505, strike line 5 and all that follows through page 506, line 16.

#### JEFFORDS AMENDMENT NO. 3120

Mr. JEFFORDS proposed an amendment to the bill, S. 1882, supra; as follows:

At the end of title VII, insert the following:

#### SEC. \_\_\_\_ RELEASE OF CONDITIONS, COVENANTS, AND REVERSIONARY INTERESTS, GUAM COMMUNITY COLLEGE CONVEYANCE, BARRIGADA, GUAM.

(a) RELEASE.—The Secretary of Education shall release all conditions and covenants that were imposed by the United States, and the reversionary interests that were retained by the United States, as part of the conveyance of a parcel of Federal surplus property located in Barrigada, Guam, consisting of approximately 314.28 acres and known as Naval Communications Area Master Station, WESTPAC, parcel IN, which was conveyed to the Guam Community College pursuant to—

(1) the quitclaim deed dated June 8, 1990, conveying 61.45 acres, between the Secretary, acting through the Administrator for Management Services, and the Guam Community College, acting through its Board of Trustees; and

(2) the quitclaim deed dated June 8, 1990, conveying 252.83 acres, between the Secretary, acting through the Administrator for Management Services, and the Guam Community College, acting through its Board of Trustees, and the Governor of Guam.

(b) CONSIDERATION.—The Secretary shall execute the release of the conditions, covenants, and reversionary interests under subsection (a) without consideration.

(c) INSTRUMENT OF RELEASE.—The Secretary shall execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instrument effectuating the release of the conditions, covenants, and reversionary interests under subsection (a).

#### SEC. \_\_\_\_ SENSE OF CONGRESS REGARDING GOOD CHARACTER.

(a) FINDINGS.—Congress finds that—

(1) the future of our Nation and world will be determined by the young people of today;

(2) record levels of youth crime, violence, teenage pregnancy, and substance abuse indicate a growing moral crisis in our society;

(3) character development is the long-term process of helping young people to know,

care about, and act upon such basic values as trustworthiness, respect for self and others, responsibility, fairness, compassion, and citizenship;

(4) these values are universal, reaching across cultural and religious differences;

(5) a recent poll found that 90 percent of Americans support the teaching of core moral and civic values;

(6) parents will always be children’s primary character educators;

(7) good moral character is developed best in the context of the family;

(8) parents, community leaders, and school officials are establishing successful partnerships across the Nation to implement character education programs;

(9) character education programs also ask parents, faculty, and staff to serve as role models of core values, to provide opportunities for young people to apply these values, and to establish high academic standards that challenge students to set high goals, work to achieve the goals, and persevere in spite of difficulty;

(10) the development of virtue and moral character, those habits of mind, heart, and spirit that help young people to know, desire, and do what is right, has historically been a primary mission of colleges and universities; and

(11) the Congress encourages parents, faculty, and staff across the Nation to emphasize character development in the home, in the community, in our schools, and in our colleges and universities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Congress should support and encourage character building initiatives in schools across America and urge colleges and universities to affirm that the development of character is one of the primary goals of higher education.

On page 379, between lines 5 and 6, insert the following:

#### “SEC. 235. ACCOUNTABILITY FOR PROGRAMS THAT PREPARE TEACHERS.

“(a) INFORMATION COLLECTION AND PUBLICATION.—

“(1) DEFINITIONS.—

“(A) Within six months of the date of enactment, the Commissioner of the National Center for Education Statistics, in consultation with States and institutions of higher education, shall develop key definitions and uniform methods of calculation for terms related to the performance of elementary school and secondary school teacher preparation programs.

“(B) In complying with this section, the Secretary and State shall ensure that fair and equitable methods are used in reporting and that they protect the privacy of individuals.

“(2) INFORMATION.—

“(A) STATE REPORT CARD ON THE QUALITY OF TEACHER PREPARATION.—States that receive funds under this Act shall provide to the Secretary, within two years of enactment of the Higher Education Amendments of 1998, and annually thereafter, in a uniform and comprehensible manner that conforms with the definitions and methods established in (a)(1), a state report card on the quality of teacher preparation, which shall include at least the following:

“(1) A description of the teacher certification and licensure assessments, and any other certification and licensure requirements, used by each State.

“(2) The standards and criteria that prospective teachers must meet in order to attain initial teacher licensing or certification and to be licensed to teach particular subjects or in particular grades within the State.

“(3) A description of the extent to which those assessments and requirements are

aligned with the State’s standards and assessments for students.

“(4) The percentage of teaching candidates who passed each of the assessments used by the State for licensure and certification, and the “cut score” on each assessment that determines whether a candidate has passed that assessment.

“(5) The percentage of teaching candidates who passed each of the assessments used by the State for licensure and certification, disaggregated by the teacher preparation program in that State from which the teacher candidate received his or her most recent degree. States shall make these data available widely and publicly.

“(6) Information on the extent to which teachers in the State have been given waivers of State licensure or certification requirements, including the proportion of such teachers distributed across high and low poverty districts and across subject areas.

“(7) A description of each State’s alternative routes to teacher certification, if any, and the percentage of teachers certified through alternative certification routes who pass state licensing assessments.

“(8) For each State, a description of proposed criteria for assessing the performance of teacher preparation programs within institutions of higher education, including but not limited to indicators of teacher candidate knowledge and skills as described in (b)(1)(A).

“(B) REPORT OF THE SECRETARY ON THE QUALITY OF TEACHER PREPARATION.—The Secretary shall publish annually and make widely available a report card on teacher qualifications and preparation in the United States, including all the information reported in (A)(1-8), beginning three years after enactment of the Higher Education Amendments of 1998. The Secretary shall report to Congress a comparison of States’ efforts to improve teaching quality. The Secretary shall also report on the national mean and median scores on any standardized test that is used in more than one State for teacher licensure or certification. In the case of teacher preparation programs with fewer than 10 graduates taking any single initial teacher certification assessment during any administration of such assessment, the Secretary shall collect and publish information with respect to an average pass rate on State certification or licensure assessments taken over 3 years.

“(C) INSTITUTIONAL REPORT CARDS ON THE QUALITY OF TEACHER PREPARATION.—Each institution of higher education that conducts a teacher preparation program that enrolls students receiving federal assistance shall, not later than two years after the enactment of the Higher Education Amendments of 1998, and annually thereafter, report, in a uniform and comprehensible manner, the following information to the State, and the general public, including through publications such as course catalogues and promotional materials sent to potential applicants, high school guidance counselors, and prospective employers of its program graduates, in a manner that conforms with the definitions and methods established under (a)(1):

“(1) For the most recent year for which the information is available, the passing rate of its graduates on the teacher certification and licensure assessments of the state in which it is located, but only for those students who took those assessments within three years of completing the program. A comparison of the program’s pass rate with the state average pass rate shall be included as well. In the case of teacher preparation programs with fewer than 10 graduates taking any single initial teacher certification assessment during any administration of such assessment, the institution shall collect

and publish information with respect to an average pass rate on State certification or licensure assessments taken over 3 years.

“(2) The number of students in the program, the average number of hours of supervised practice teaching required for those in the program, and the faculty-student ratio in supervised practice teaching.

“(3) In States that approve or accredit teacher education programs, a statement of whether the institution's program is so approved or accredited.

“(4) Whether the program has been designated as low performing by the State under (b)(1)(B).

In addition to the actions authorized in S. 487(c), the Secretary may impose a fine not to exceed \$25,000 on a teacher preparation program for failure to provide the information described in (a)(2)(B) in a timely or accurate manner.

“(b) ACCOUNTABILITY.—

“(1) States receiving funding under this Act, shall develop and implement, no later than three years after enactment of the Higher Education Amendments of 1998, the following teacher preparation program accountability measures and publish the measures publicly and widely:

“(A) A description of state criteria for identifying low-performing teacher preparation programs which may include a baseline pass rate on state licensing assessments and other indicators of teacher candidate knowledge and skill. States that do not employ assessments as part of their criteria for licensing or certification are not required to meet this criterion until such time as the State initiates the use of such assessments.

“(B) Procedures for identifying low-performing teacher preparation programs based on the criteria developed by the state as required by (b)(1)(A), and publish a list of those programs.

“(C) States that have, prior to enactment, already conformed with (b)(1)(A-B), need not change their procedures, unless the State chooses to do so.

“(2) Not later than four years after enactment of the Higher Education Amendments of 1998, any teacher preparation programs for which the State has withdrawn its approval or terminated its financial support due to the low performance of its teacher preparation program based on procedures described in (b)(1).

“(1) shall be ineligible for any funding for professional development activities awarded by the Department of Education; and

“(2) shall not be permitted to accept or enroll any student that receives aid under title IV of this Act in its teacher preparation program.

#### NOTICE OF HEARING

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management.

The hearing will take place on July 22, 1998 at 2:00 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this hearing is to receive testimony on the following general land exchange bills: S. 2136, a bill to provide for the exchange of certain land in the State of Washington; S. 2226, a bill to amend the Idaho Admission Act regarding the sale or lease of school land; H.R. 2886, a bill to provide

for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System, and H.R. 3796, a bill to authorize the Secretary of Agriculture to convey the administrative site for the Rogue River National Forest and use the proceeds for the construction or improvement of offices and support buildings for the Rogue River National Forest and the Bureau of Land Management.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Amie Brown or Mark Rey at (202) 224-6170.

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON ARMED SERVICES

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, July 9, 1998, at 10:00 a.m. in open session, to receive testimony on U.S. Export Control and Nonproliferation Policy and the role and responsibility of the Department of Defense.

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

##### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing Thursday, July 9, 9:00 a.m., Hearing Room (SD-406), on S. 1222, the Estuary Habitat Restoration Partnership Act; S. 1321, the National Estuary Conservation Act; and H.R. 2207, the Coastal Pollution Reduction Act.

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

##### COMMITTEE ON FINANCE

Mr. JEFFORDS. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, July 9, 1998 beginning at 9:30 a.m. in room 215 Dirksen.

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

##### COMMITTEE ON THE JUDICIARY

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to hold an executive business meeting during the session of the Senate on Thursday, July 9, 1998, at 9:00 a.m., in Room 226, of the Senate Dirksen Office Building.

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

##### COMMITTEE ON THE JUDICIARY

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, July 9, 1998 at 2:00

p.m. in Room 226 of the Senate Dirksen Office Building to hold a hearing on: “The Nomination of Beth Nolan, of New York, to be Assistant Attorney General for the Office of Legal Counsel.”

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

##### SUBCOMMITTEE ON INVESTIGATIONS

Mr. JEFFORDS. Mr. President, I ask unanimous consent on behalf of the Permanent Subcommittee on Investigations of the Governmental Affairs Committee to meet on Thursday, July 9, 1998, at 9:30 a.m. for a hearing on the topic of “The Safety of Food Imports: From the Farm to the Table—A Case Study of Tainted Imported Fruit.”

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

##### SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, July 9, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2:00 p.m. The purpose of this hearing is to receive testimony on S. 1333, a bill to amend the Land and Water Conservation Fund Act of 1965 to allow national park units that cannot charge an entrance fee or admission fee to retain other fees and charges; S. 2129, a bill to eliminate restrictions on the acquisition of certain land contiguous to Hawaii Volcanoes National Park; S. 2232, a bill to establish the Little Rock Central High School National Historic Site in the State of Arkansas; and S. 2106 and H.R. 2283, bills to expand the boundaries of Arches National Park, Utah, to include portions of certain drainages that are under the jurisdiction of the Bureau of Land Management, and to include a portion of Fish Seep Draw owned by the State of Utah, and for other purposes.

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

#### ADDITIONAL STATEMENTS

##### DEATH OF MOSHOOD ABIOLA

● Mr. FEINGOLD. Mr. President, it is with great dismay that I wish to note the passing of Chief Moshood Abiola, the apparent winner of the 1993 presidential elections in Nigeria. Chief Abiola was apparently stricken by heart failure during a meeting with senior U.S. officials, including Undersecretary of State Thomas Pickering and Assistant Secretary of State for Africa, Susan Rice, on July 7. In great ironic tragedy, the U.S. delegation was in Nigeria, in part, to push the new government of that country for the release of Abiola and dozens of other political prisoners. There was broad speculation that Abiola would have been released within days.