The primary objective that the President and those of us who served on the Committee on Education and the Workforce and who have headed up the task force for the Democrats on this side, the gentleman from North Carolina (Mr. ETHERIDGE), who will be speaking very shortly, the gentleman from Indiana (Mr. ROEMER), the three of us have served as task force co-chairs. We were primarily concerned about the needs of our school districts. We want to make sure that the funds that are allocated go directly to the schools.

The irony is that we have had legislation come before this body called Dollars to the Classroom, because there is an intended assumption by the Republican majority that monies ought to go directly to the classroom.

If that is their policy and their thinking, why do they not earmark the monies that are being allocated for the 100,000 new teachers directly for that purpose? Instead, they are putting it into Title VI, which has, by inference and by some specific language, a flow-through to the States, where the States are permitted to retain 15 percent of the funding for administrative purposes. And there is a long list of ways in which the monies that flow into Title VI can be spent, not one of them specifically having to do with hiring teachers and lowering classroom size.

If one is not convinced that the public schools in our country are in need of additional schoolteachers and construction funds to replenish and rebuild their schools, I suggest that the Members look through the mail that they have been receiving this week.

There is one particular one, in a whole batch of things on education, from the American Association of University Women. They point out an alarming statistic which I think has probably floated around many times before, but has not quite been absorbed.

What they say in the second paragraph of their letter is that by the year 2006, enrollment in our public schools is expected to reach 54.6 million, surpassing the number of students in the baby boom years, where the number reached 51.7 million.

We have all talked about this terrible thing about the baby boom crisis and how that is going to impinge upon social security, and we are working to try to meet the crisis that this very large population that came on board in the fifties makes. No one is paying attention to the fact that we have right now in our system an impending burgeoning number of students.

So if we do not meet this challenge right now by providing the incentive for school construction and the hiring of teachers, we are never going to solve the problem of a classroom ratio that can meet the needs of independent special treatment for the students who need that kind of instruction.

The whole fallacy that has been presented by the majority in debating Dollars to the Classroom has to be pointed out. They talk about directing 95 percent of the funding to the classroom. Yet, in the proposals that are floating around for the utilization of the additional monies in education, they are putting it into a block grant provision, Title VI, which has a 15 percent reservation to the States. So the classrooms across the country, if they get any for teachers, will be only at 85 percent, way below what the majority has been talking about.

So it seems to me we ought to get beyond the rhetoric, follow the policy, put the dollars in the classroom, and enhance the teachers by giving their school districts the additional monies for the 100,000 teachers.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PAXON) is recognized for 5 minutes.

(Mr. PAXON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Mr. BARTON of Texas. Mr. Speaker, I ask unanimous consent to take the special order time of the gentleman from New York (Mr. PAXON).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PORTALS INVESTIGATION AND POSSIBLE REFERRALS TO JUSTICE DEPARTMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BARTON) is recognized for 5 minutes.

Mr. BARTON of Texas. Mr. Speaker, the Subcommittee on Oversight and Investigations of the Committee on Commerce has held 7 hearings since August this year into the circumstances surrounding the planned relocation of the Federal Communications Commission to the Portals, a privately owned and financed office complex in Southwest Washington, D.C. in which Mr. Franklin L. Haney is a partner.

In particular, hearings have focused on the questionable fee arrangements Mr. Franklin L. Haney had with several top Washington lawyers/lobbyists, including Peter Knight, a former top Senate aide to Vice President Gore and manager of the Clinton-Gore reelection campaign; James Sasser, a former U.S. Senator from Tennessee, the current United States Ambassador to China; and Mr. John Wagster, a former subcommittee staff director for then Senator Sasser.

At this time the Subcommittee on Oversight and Investigations does not plan to hold any further hearings, but I do believe that the evidence developed to date warrants specific referrals to the Department of Justice for investigation as to whether Mr. Franklin L. Haney, Mr. Peter Knight, Mr. James Sasser, and Mr. John Wagster might have committed one or more illegalities in connection with the Portals matter, the committee's investigation thereof, and other related matters, such as the extension of the Franklin L. Haney lease with the Tennessee Valley Authority.

The Department of Justice campaign finance task force currently is investigating some aspects of the Portals matter, but it is unclear whether the Department is focusing on some of the legal questions that our investigation has raised.

In addition, there is substantial reason to believe that in attempting to conceal the true nature of their fee arrangement, some of the individuals that I have mentioned may have lied under oath or otherwise made false or deceptive statements to the Subcommittee on Oversight and Investigations of the Committee on Commerce, which in and of themselves constitute crimes worthy of referral for further investigation.

In consultation with the full committee chairman, the gentleman from Virginia (Mr. TOM BLILEY) of the Committee on Commerce, I have directed majority committee counsel to prepare expeditiously a report setting forth findings on this matter, and the grounds for specific referrals to the Justice Department, which will be shared with all members of the subcommittee in order to solicit their views.

However, based on a preliminary assessment of the evidence gathered so far and the potentially applicable laws that may have been violated, I believe the subcommittee's investigation has raised the following legal questions: Whether Mr. Franklin L. Haney may have violated 41 U.S. code section 254(a) by retaining Mr. Peter Knight, Mr. James Sasser, and Mr. John Wagster on a contingency fee basis with respect to the Portals and or TVA leases; number 2, whether in violation of the False Statements Act, 18 USC 1001, and the False Claims Act, 31 U.S. Code, Section 3729, Mr. Franklin L. Haney may have caused a false certification of claim to be filed with the government asserting that he had not hired or retained anyone on a contingency fee basis with respect to the Portals and the TVA leases.

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Whether, in violation of the Federal Conspiracy Statute, (18 U.S. Code, Section 371) Mr. Peter Knight, Mr. James Sasser or Mr. John Wagster may have conspired with Mr. Franklin L. Haney in the making of these false certifications, or in an effort to defraud the United States Government by impairing, obstructing, or defeating the lawful function of a department or government agency.