thank them. I think it gives a new face for the capital. It says that people do care.

Mr. Speaker, I think we do best as Americans when we respond to others to show that we are neighbors. Yes, we are legislators, but also we are human beings in America.

EDUCATION SPENDING BILL

The SPEAKER pro tempore (Mr. FLETCHER). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 60 minutes as the designee of the majority leader.

Mr. SCHAFFER. Mr. Speaker, I am joined tonight by a couple of colleagues and others that I know are expecting to come over to the floor to help in this discussion.

What we want to focus on this evening is our efforts to pass a series of appropriations bills that bring this country in under the budget caps that both the Congress and the White House had agreed to previously and, also, to alert our colleagues as to some of the real challenges that confront us as a Congress tonight and over the weekend and over the next couple of days that we are here in Washington as we move toward this deadline of Wednesday that we have set for ourselves, an expectation and anticipation that we will be able to arrive at a compromise with the White House.

Because it is very clear, Mr. Speaker, that compromising with the White House is an expensive proposition.

The Congressional Budget Office, as had been pointed out by colleague the gentleman from Georgia (Mr. KINGSTON) who spoke just a few moments ago, had certified that the proposal that Republicans had put forward does balance the budget without raiding the Social Security trust fund and dip into Social Security funds to pay for Government, as has been the tradition over a great many years. And we are have very proud of that, and we want to stick as closely as possible to that ultimate goal.

But things are getting a little more challenging in these negotiations with the White House. And I want to talk specifically about the budget as it relates to the topic of education.

The United States Department of Education is an agency that controls approximately $120 billion in assets and expenditures, about $35 billion in annual expenditures, at least according to the dollar amounts that we have set for the Department of Education; and the balance being the loan portfolio that the Department of Education maintains.

Well, the President believes that we need to spend more. We have in fact, as I mentioned, budgeted $35 billion for the Department in the current spending bill, including $1.2 billion for the process of teaching to help appeal to the professional senses of our educators and classroom professionals throughout the country, to provide for more training for more teachers for those districts that wish to hire them and to do so within a framework of flexibility, not constraints but flexibility, in exchange for accountability.

We believe there is a legitimate role for the Federal Government to be concerned about local schools but not to run them. We want to send the dollars back to local school districts, back to classrooms, and appeal to the professional sensibilities and the care and compassion and concern of qualified superintendents, school principals, locally elected school board members, and so on.

Therein lies the difference, Mr. Speaker, that I want to zero in on tonight. Because the President's plan and the reason he vetoed the education spending bill, the reason he is holding that particular bill up at this very moment is a matter of philosophy. You see, we really do believe on the Republican side in our philosophy and our values of getting dollars back to the States with freedom and flexibility.

But the President, instead, would like to hire approximately 100,000 Government agents, Federal agents, and have those Federal employees working in classrooms and in my school where my children are educated. We believe, the Republican side, we want to give those dollars to classrooms and give them to local leaders and so on, but we do not want to define specifically how those dollars must be spent. We do not want to confine principals. We do not want to constrain superintendents. We do not want to limit the options and the freedom and liberty that local elected educators have. And we also want to honor and respect the leadership of governors throughout the country.

There was a reporter just today who asked the President the following question, and I will quote the question. He says, ''Mr. President, on the issue of funding for teachers, sir, you resent it when Congress tells you to spend money in ways which you do not deem appropriate.''

Let me stop right there at the reporter's question as it was put to the President. The President does disagree with this. We want to get dollars to the classrooms, to the local schools, and allow local professionals to determine how best to utilize those funds in the best interest of children. As the reporter accurately points out, the President resents it when Congress tells ''you'', the President, to spend money in ways which do you not deem appropriate.

The reporter goes on: ''Why should a state governor who would like to spend that money differently feel any differently?'' And of course, the President has a different answer when it comes to governors. Here is what the President said in responding to governors and to this question. He said, ''Well, because it's not their money.''

Now, this is the problem with Washington. In fact, that is what is sick with this city in Washington, D.C., when it comes to taking cash from the American people, bringing it here to Washington, sending those dollars back to the States, and putting crippling rules and regulations on those dollars and placing conditions on those dollars, which is what governors resent and what governors feel differently about.

The President's answer is one that so many people in this bureaucratic mentality of Washington represent. He says, ''Well, because it's not their money.''

The point being, this money must be his money. This money must be Government's money. This money must have been created somehow by people here in Washington.

Well, I think most Americans, when they realize the attitude that comes from the other end of Pennsylvania Avenue, it does not represent them, that this attitude is what people are most disgusted about when they think about Washington, D.C.

We are trying to change that in this budget. That is the element of the debate that currently is holding up the agreement from going forward in this negotiation between the White House and the Congress.

Well, we passed legislation, as I mentioned earlier, that deals with this effort to try to get dollars to local school districts and do it in a much more powerful and effective way and a way that more closely approximates the local priorities of school districts. And we are very serious about following through on that.

We believe the liberty to teach and the freedom to learn are goals and objectives to which not only this Congress should aspire but the American people in general wish us to pursue, and we are going to stay on that course.

The argument is compounded even further in our position, and the strength of it I think becomes even more apparent when you consider today's headline in the New York Daily News. I know this is small, but it is a copy of the front page. ''Not Fit to Teach Your Kid. In some city schools, 50 percent of teachers are uncertified,'' says the headline in the New York Daily News.

And the article that follows this headline shows that when you throw dollars at a goal of just simply hiring more Government employees that frequently you do not get the quality of teachers in this case that the American people would expect and that children in fact need.

That is, I am afraid, the ultimate goal of the President's approach of restricting the dollars as they go to States, restricting them by tying strings to them, attaching mandates to those dollars. It will result I submit, Mr. Speaker, in more headlines like this not just in New York City but throughout the country. It is the kind of headline that we are working very

hard to avoid, in fact, and have headlines that we can be quite proud of about the professional kinds of teachers that we have in mind for hiring around the country through the leadership and through the initiative of governors, State legislators, school board members, principals, and superintendents.

Mr. Speaker, I yield the floor to the gentleman from Pennsylvania (Mr. PETERSON) who has worked very hard on this very topic and knows quite well how important it is to fight to get dollars to the classroom.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the gentleman from Colorado (Mr. SCHAFFER) for yielding.

Mr. Speaker, it is interesting, because most budget battles are about dollars, but the education debate going on in Washington now is not about more money. There is no argument about how much money we should spend but where the control lies.

I think this is a pretty significant discussion that the American people needs to take seriously. And the question I ask, should the Federal Government dictate priorities for our local school districts? I think the vast majority of Americans would vote no to that. The vast majority of Americans would not want the Federal Government dictating local educational policies.

Now, it is interesting, last year in some debate I remember the numbers, I think we take credit for supplying between 6.8 to 7 percent of the local dollars for basic education. But many said we provide 70 percent of their bureaucratic nightmares. In other words, to get your hands on the Federal money, you have to have a lot of expertise. And it is interesting, when you look at the numbers of school districts who get very little Federal money and those who get a lot, that is the answer.

So small, rural school districts, which I represent, I have school districts who get less than one-half of one percent of their money from the Federal Government. So no matter what we do here, it will not have a huge impact. And why do they not get that money?

Well, in rural school districts you have a school superintendent and he is the butcher, the baker, and the candlestick maker. He does not have a finance officer. He does not have a curriculum director. He or she plays numerous roles because they do not have the dollars to have this bureaucracy within the school districts that can go after Federal dollars.

Most school districts that are successful have specialized grantsmen who do nothing but look through the records and find out what programs may apply and how to apply for them. Urban suburban areas also have the luxury of educational consultants they can hire to help them get the Federal money.

Now, when you have a bureaucratic system like that, it is rich get rich and the poorer get poorer because the poor do not have the money to invest in getting the Federal money. That is why in Pennsylvania, where I come from, there are schools who get less than one-half of one percent of their money from the Federal Government and there are schools that get 12 and 13 percent of their money from the Federal Government. Now, that is 25 times as much. Is that fair? No, that is not fair. But that is Federal bureaucracy, this federalized system.

It is interesting because now the President is really hanging out out there and I heard his top people over the weekend talking about they were hanging out for a 100,000 teachers. In other words, if you will hire teachers, you can get in line for this money. But if you need computers, if you need more classrooms, if you need technology of some kind, if you need your school wired, if you need new books, we are not going to help you.

Now, I think that that is the mistake. And I want to relate it back to several years ago the President wanted 100,000 cops, and the record on that program in place a number of years now has never put 100,000 cops on the streets of America.

In fact, I recently had my staff working with two communities who are on hard times who got seduced by that program to hire more cops because they were free and they could use the police protection. But now they are finding out that is a temporary program and that is this teaching program, if I understand it right, it is a temporary program. So they are going to hire more teachers and in a couple years there will be no Federal money to pay for them, they will have to have the local resources.

Now, should we be seducing schools and communities to hire more teachers and more cops if we are not going to be there year after year? Is that how we build a good educational system? I do not think so. Because just a few years ago, we had more computers and more technology, more emphasis on science and math. And basic literacy has been an issue year after year, and we have several dozen literacy programs.

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Is it cost effective to have several dozen literacy programs that schools can apply for, or to have one literacy program? Now we have several dozen. We have had programs to promote parental involvement. We have had programs suggested that we should build schools from the Federal level. And, of course, the issue of accountability never really gets addressed very much. And I think that is the question parents ask, is how do we keep our educational system accountable?

It is interesting as we have this debate and the unfairness of it, when we have 6.8 percent of the money is what we claim funds local education. I recently asked the Department of Education in Pennsylvania, I would like a printout of the money that each and every school district in Pennsylvania, and there are 530 some, gets to fund their schools, local money, State money and Federal money. They have that, and they gave me this printout. The part that surprised me was when they added up the column for Federal aid, it came to 3.1 percent. We said, there must be something wrong. So we sent it back to them. We said, you must have missed some Federal program, some major one. They came back to us and they said, no, we think all Federal money is included.

So the question I ask is, if 6.8 percent is what we are supposed to be providing, and if only 3.1 percent in this State, Pennsylvania, is getting into the classroom, where did the rest of the money go? I do know one thing, that when I served in State government, the bureaucracy there was pretty well funded with Federal dollars. We have a bureaucracy here in town funded with Federal dollars. We have regional bureaucracies that are funded with Federal dollars. It is my opinion, and I am not saying 3.1 percent is totally accurate because I expected to have a couple of percent chewed up in bureaucracy. I did not expect over half.

But as we continue to review this, I think it helps make the argument we make. Let us fund dollars that get to the classroom. Let us not say to schools, if you want our money, you have got to buy computers or you have got to hire teachers or you have to build more schools or you have to do certain things, because those things vary from State to State and community to community. We have 530 school districts in Pennsylvania. Multiply that by 50 States. There is a huge difference in what goes on in Alaska and what goes on in Florida and what goes on in Maine and what goes on in Missouri or Arizona, or Pennsylvania, or California. There are very different parts of this country.

I think saying 100,000 teachers is about politics. That is a slogan. That is a campaign issue. That is not about helping education. Because if we really wanted to help education, we would cut through this bureaucratic maze and we would get dollars into the classroom that would be allowed to fix up the classroom, that would be allowed to hire more teachers if that is the goal, would be allowed to buy more computers and more technology, buy more books, do things that enhance the educational process, recruit the right kind of teachers for science and math which are in short supply, but allow the local districts to make those decisions of how they can best use those dollars.

I say, Mr. President, when I have school districts that get less than 1 percent of their funding from the Federal Government, I am sure they are not going to be standing up clapping when you talk about 100,000 new teachers, because there is no way they can reach that.

I just want to share, I was disappointed in the President's comments

today. He said, ''Well, because it's not their money,'' and he is not the first politician that has said that. Lots of politicians have said that. It is like it is their money. But he went on to say, ''If they don't want the money, they don't have to take it. If they are offended by it, they can give it to the other States and other school districts.'' I am disappointed in that kind of rhetoric at this point in the process. I am disappointed in that kind of an attitude, because I think it is time that we think about the kids, we think about maximizing their potential education, and stop arguing about political slogans that will be used in brochures another 12 months and get down to saying, let us get the money to the schools. If we are only getting 60 percent of it there, let us say we try to get 70 this year. If we are only getting 50 percent there, let us say we try to get 65 and next year 85 and let us get the money driven out. Let us somehow work through this bureaucratic maze that is chewing up these bucks and have the money go out there in someway that poor districts, that rural districts who do not have grantsmen, who do not have a lot of staff can get their fair share of Federal resources.

The Federal program, in my view, rewards the rich, those who have the staff, those who have their own bureaucracy and can meet the needs of a Federal bureaucracy and leaves the poor, impoverished school districts out to lunch.

Mr. SCHAFFER. Your comments about the differences between rural districts, urban districts, wealthy districts and poor districts is right at the heart of this debate over Clinton teachers versus local school teachers. It comes down to this. There are many, many places in America where districts need more teachers. They need the resources to hire more teachers, get them into classrooms, reduce class size, where these are the locally established goals, goals established by locally elected school board members, by principals who know the names of the students in those classrooms, by superintendents who know the names of the principals and so on. For those school districts, we say you ought to be able to spend your money on classroom reduction, to hire new teachers, local teachers if you would like.

The President's answer is one that you have summed up perfectly, referring to his comments earlier today, that we should do it Clinton's way, because, as he says, well, because it is not their money. It is not that local principal's money, it is not that Governor in Pennsylvania's money or Colorado's money. This money somehow, according to people in the White House, belongs to, well, the White House, and they therefore believe that they have some title to define how those dollars should be spent. The principals who want to hire more teachers, they ought to be able to use their funds, their Federal funds, to hire more teachers, but those that wish to invest in technology, to buy a new school bus, to resurface the roof, to do a number of other things that they might believe to be more important, to target those dollars to reading programs for disadvantaged children and things of that sort, those teachers ought to have the full freedom, the full liberty to use their money as they see fit. That is the difference. We view these precious dollars that taxpayers send to Washington and we then send back to the States as the taxpayers' money. Down at the White House, they view these dollars as the White House's money. When the President uses that kind of language and that kind of attitude, I want our colleagues and the American people to know that the President is in for a fight on this one. These dollars do not belong to people in Washington. Americans work too hard to earn these dollars and send them here. I think they send too much here. But acknowledging that they work hard to send those dollars here to Washington, I want people to know that there is a party here in Washington that is going to stand up and look after those dollars and is going to send them back home with the fewest amount of strings and regulations and red tape and mandates attached, and that this is a fight worth fighting and we are going to stand in there for those children who ultimately will benefit from greater academic liberty and freedom and more managerial freedom at local levels.

It also raises another point, and, that is, did we not already provide these 100,000 Clinton teachers? Did we not already fund them? Because that was in last year's budget as well. What happened to those? As it turns out, the President estimated that he had only hired 21,000 teachers with the dollars we appropriated and as it turns out, an even deeper analysis concludes that we probably did not even hire those teachers with the funds that the White House insisted on last year. And so when you send these kinds of dollars to specific school districts and tell them that you have just got to go out and hire people, what happens is exactly what happens in New York, if you read the New York Daily News today, that in New York they took the cash. Of course, there is no principal or superintendent or school board that is going to turn down the cash. They took the cash and they hired teachers who are not certified, because they just had to spend the money, just spend cash. It did not matter whether the children were benefitting. It did not matter whether the kids were getting smarter. It did not matter whether they were hiring teachers that were capable of teaching. They just hired people, uncertified teachers in this case, as many as 50 percent in some New York schools. This is a bad formula for education in America and it is not the formula we want to see.

I know there are a great number of us here in Congress who focus on this topic and feel passionately about it. Another one is with us today, the gentleman from California (Mr. MCKEON), a member of the Committee on Education and the Workforce and subcommittee chairman, one who has demonstrated day after day and time after time his commitment to getting dollars to the classroom and looking out for children rather than the education special interests that we find here in Washington, D.C.

I yield to the gentleman from California.

Mr. MCKEON. Mr. Speaker, I want to thank the gentleman from Colorado (Mr. SCHAFFER) for taking the time to set up this special order to give us a chance to talk a little bit about what we are trying to do in education on our side of the aisle.

Last year, early this year, we in our subcommittee started holding hearings on what we could do to improve and to help education. We were specifically looking at what we could do to help improve teaching. We started holding hearings around the country and here in Washington and people came and testified before us, people from various phases of education, administrators, teachers, school board members, parents, and they all said one thing in common, that the most important person in teaching is the parent; number two, the next most important person is the teacher. I think we all agreed on that and in a bipartisan way we moved forward and crafted legislation that said we would send money to the local school districts and let them decide how they would spend that money. We gave the highest priority to classroom reduction, class size reduction, because we felt that was a very high priority. However, if the district was unable to hire qualified teachers, we said that they could use that money to train the teachers that they now had.

We had a young man, a young educator, African-American from Washington, D.C. come in to testify. He had been teaching, he said, for a couple of years, and he felt very inadequate. He was put in a third-grade class and was told to teach these children how to read. He knew how to read and the principal said, you know how to read, teach them how to read. But he had never in his education had a class on how to teach reading, and he was very frustrated. He felt like he was not doing an adequate job and he was ready to leave the profession. Fortunately, somebody was able to get him to a class where he was able to learn how to teach and he was doing a much better job, his students were prospering, he was feeling better about himself and stayed in the profession.

I have some real concerns about hiring a lot of people that may not be adequately prepared. In my own State of California, we reduced class size a couple of years ago, we put that as the number one priority from the governor, they mandated from the State headquarters class size reduction, and it has

resulted in over 30,000 underqualified teachers in California.

Another example, Jacques Steinberg of the New York Times wrote that 58 percent of newly hired teachers in the Los Angeles Unified School District, which is part of my district, are not certified. Instead, some were hired solely on their experience of leading church or camping groups. I am not saying that these are not good people and I am not saying that they are not concerned and they are trying to do their best, I am just saying that they are not prepared. We said in our bill that you take the money and you decide what is best for your local school district. The gentleman from Pennsylvania (Mr. PETERSON), the gentleman from Colorado (Mr. SCHAFFER), myself from southern California, all have different kinds of districts.

I served for 9 years on a local school board. I was very frustrated with the mandates coming from Washington, or the mandates coming from Sacramento. That was one of the reasons why I ran for Congress and why I am happy to be on the Committee on Education and the Workforce and why I wanted to, to see if we could not try to solve a problem. Many Democrats joined with us in this legislation on teacher empowerment. They felt like it was the right thing to do. We talked and said, once in a while you can do the right thing here. But it is like the President is stuck on this 100,000 teachers and no matter what we do or say, he says, we are not leaving town until we give him a program for 100,000 teachers. We say, we have the program. The only thing we are saying is, we are not going to run it out of Washington, we are going to let the local people decide. The money is there. Take the money. If you need it to hire teachers, do it. If you need it to train teachers, do it. If you need it to provide merit pay to ensure that your teachers do a better job or the better teachers are rewarded, do it. If you need it for tenure reform or other innovations, do it. But you have the responsibility. You have the ability.

I represented our area in the State school board association for the time when I was on the school board. We had 6,000 locally elected school board members in California. They were good people. They were sincere. They really wanted to do what was right for the children. But their hands in most cases are tied, because of mandates that come out of Washington. If we send this money out and say, you can use it because the President says so for a Federal mandate to reduce class size, K–3, to 18 children, I do not know where they got that magical number, but that is what they said and that is the only choice you have, and like the gentleman from Pennsylvania said, his district probably will not see any of that money. Your districts may not see some of that money. But what we are saying is use it to improve the teachers that you now have. Help them do a better job.

We did a press conference today and outside we were talking to a reporter.

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And there was one of our security people standing right there, a mother; and I could see, she heard us talking and I could just see she wanted to enter into this conversation. And the reporter was asking questions, well, do you feel like you have reneged because you agreed to the President's 100,000 teachers last year and now you are backing out from it? I said look, we are not backing off of that at all. We are just saying that instead of Washington having to decide, we let the local people decide. Ask this lady right here. She looks like a mother. Ask her if she wants to have the best qualified teacher or if she wants the smaller class size.

We say, she can have both. I have six children that grew up through the public education system. I have 17 grandchildren now growing up through the public education system. I have talked to my daughters, and I have talked to my daughters-in-law; and I find out what is going on in the school and they say look, if we have a chance to get the best teacher in the second grade class, and all teachers are not equal, if we have a chance to get that teacher and the class size is 25, worse is the teacher that they just hired to fill a Washington mandate and maybe made the class size 18, if I had my choice, I will take the teacher, the good, qualified teacher in the 25-student classroom, because I know my student will get a better education than they will in a smaller class size with a poorly prepared or inadequately prepared teacher.

All we are saying, we are not fighting over the money, we are not fighting with the President. We are saying, Mr. President, join us. Call this your bill. Make it the Clinton Teacher Empowerment Act. I do not care. But let us put the students first, let us put our children first, and let us let their parents at the local level, the school boards at the local level be involved in the decision. Let them decide. Because one-size-fits-all out of Washington will not work.

We are going to hold on this. We think this is important. If we have to stay here, Mr. President, until Christmas, if you have to miss your trip around the world to stay here to work with us on it, let us do it; but let us remember the children first. I thank the gentleman.

Mr. SCHAFFER. Mr. Speaker, the gentleman points out really a lack of a distinction, I suppose, between the White House and the Congress when it comes to the actual dollars, because the reality is, there is no difference of opinion on the dollar amount for education and for the education budget.

We are prepared to spend $35 billion on the Department of Education, and that is what we budgeted. In fact, when we really look at the bottom line, the Republican Congress has proposed more money and has spent more money on education this year than the President himself had requested and had suggested in the education budget. So this is not about spending money. That argument has been taken away from the White House.

This is about how the money is spent, whether it goes to States with the flexibility and freedom to hire more teachers if they want, to buy more computers if they want, to do more training if they want, to focus more on teacher quality if they would like, versus the President's answer which assumes that it is not their money, as the President said; the American people, it is not their money and the States, and make that assumption and send those dollars back to States with constraining, restrictive rules that say, you may only spend those education dollars in a narrow sort of way.

I represent a lot of rural districts in my congressional district. Even if we assume there are 100,000 teachers in this package, which there are not, as we saw last year, it is not even 21,000 that the President had thought he counted in the current year; it is much less than that. When we spread 21,000 teachers across the country, let us be generous. Let us say we really do hire 100,000 new Clinton teachers. Let us say we hire those teachers out of Washington and spread them out across the country. When we get to the small districts of America, they do not get any. There are no teachers left by the time we get to these rural areas. They are all consumed by the large inner city metropolitan areas around the country, and most children in most school districts will be abandoned by this narrow, mandated, restricted process that the President has outlined to spend these dollars.

Mr. MCKEON. Mr. Speaker, if the gentleman will yield, I heard a story over the weekend. One of our good Senators from the other body was having a discussion with one of the Federal bureaucrats and the Federal bureaucrat said, I resent what you are saying; I resent what you are proposing. I want you to know that I love your children every bit as much as you do. The Senator said, oh, yeah? What are their names?

I go visit a lot of schools and I see principals go into classrooms and they know their names; they know the children. Are we to say that they are not going to do what is best for the children, at least as good as what they would do out of the White House. I propose that they would do much better. Let us give them the opportunity. Let us send the money back to them, and let them hire and train and help their teachers, and let us remember the children.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield, there is a great story about a teacher, and we all had these institutional teachers that everybody loved and feared, but respected

and learned a lot from. This 30-year veteran of the school system in Gray, Georgia, a tiny little town outside of Macon, she was teaching, and this new up-start from the Department of Education, probably on the 6th floor up there, third office down to the right, a very important person with cell phones and laptop computers, decided she was going to go down to Gray, Georgia, and grace the good teacher with some of her wisdom.

Now, this young lady, who is a fine person, I am sure, but she had never taught kids. So she goes down to the teacher and says, you know, after 30 years of teaching, you have been teaching kids on the right-hand side of the chalkboard, and do you know that the left side of the brain learns faster than the right side, and so what you need to do is switch and put everything over on the right side of the chalkboard, or the left side of the chalkboard, because that is really where you can improve your education, teaching. This is a lady who has been teaching for 30 years, listening to a 25-year-old bureaucrat from Washington, D.C. who had never put one hour in a classroom. This was a lady, a veteran teacher that you and I talk about and our cousins talk about and our friends talk about and we still remember what she taught us about Hemingway and Thoreau and Chaucer. But the good old Department of Education, because they love children.

It is odd to me how a bureaucrat in Washington, D.C., as smart as they are, and as much love as they have in their hearts can love kids down in Gray, Georgia, and teach them better than the people in Gray, but also better than the people in New York City or California or Colorado. I mean, these are very interesting, brilliant people.

The gentleman was talking about waste. There was an interview this weekend on a television show with John Stossel and Barbara Walters, and what the Clinton person was saying, well, the Republicans want to slash class size. And Mr. Stossel, who is a neutral journalist says, oh, come on. Local districts pay for education. Is there no fat in the Education Department? In five years, Federal education funding has increased 20 percent. There are now 4,000 workers in Washington, D.C., attending conferences, making phone calls, and not teaching. Are they really necessary?

Or how about the $400,000 appropriated to build a Doctor Seuss statue. Is that really necessary? He goes on and on and on. It is not just the Department of Education. The Department of Interior, the Department of Defense, the Department of Family Services. Everything has waste in it, and the only thing we have asked these bureaucracies in Washington to do is cut out one penny on the dollar so that we will not have to spend Social Security money. We want to be able to spend it.

Mr. SCHAFFER. Mr. Speaker, reclaiming my time, the examples the gentleman used are examples that seem quite obvious to the American people, but the expenditure is coming out of the White House.

I want to go back to this example of the requirement that States use their education dollars the way the White House wants to prove the point, because the assumption is that 100,000 teachers is automatically a good idea. That sounds good to most people, 100,000 teachers. That sounds like a very positive thing. Most people who are familiar with classrooms that are overcrowded and so on just naturally assume that that is somehow going to help. But it ignores the question of quality, which is the bigger issue and the more important issue.

What we find time and time again is that a quality teacher makes far more difference than a greater volume of teachers. The research is, across the academic spectrum, replete with results showing, and this is one from the National Center for Policy Analysis, and I will just read the first paragraph: ''There is little evidence that smaller classes help students,'' says education expert Chester Finn, Jr., who by the way, was a pretty high-ranking official in the Department of Education a few years back, ''and reducing class size may even hurt student achievement if the new teachers are mediocre,'' again, bringing the argument back to the notion that quality matters more than quantity. ''Yet, President Clinton has proposed shrinking classes in the early grades to 18 students per teacher by hiring 100,000 more teachers at Federal expense for 7 years,'' and the report goes on further.

In fact, I would ask unanimous consent that this be entered into the record. It is a brilliant report that shows that just spending money does not necessarily accomplish the goal of improving teacher quality. Sometimes that can happen. Spending money sometimes can work, but what we need are locally-elected school boards; we need professionals in administrative positions, superintendents and principals and other supervisors who are capable and competent of using the dollars in a way that more effectively meets the needs and objectives of classrooms and children and fits consistently within their management style at a classroom level.

So, Mr. Speaker, I would ask unanimous consent to enter that into the RECORD at this point.

Mr. KINGSTON. Mr. Speaker, let me tell the gentleman another story from back in the district, Camden County, Georgia, a Southeast Georgia county that borders the St. Mary's River just North of Jacksonville, Florida. A lady down there, she was not a teacher, she was with the local Board of Education and she had just returned from Athens, Georgia, where the University of Georgia is located, from an anti-hugging seminar. Now, that was not the name of it, but that is what they called it.

What she had to attend was a conference put on by the national Department of Education in Athens, Georgia, for all of the teachers in the 165 school districts of the State of Georgia on not being alone with children. They told her, they said do not ever touch a child. Okay, a lot of sexual harassment going on, we can understand the good intentions here. They said, do not be alone with the child and do not ever express any kind of affection. So now she has to go back and tell all the teachers in Camden county not to hug, not to touch, not to be alone with children.

Just think about this a minute. If you are a C student and you did not get the quadratic formula the first time around, you cannot go after school and see Ms. Jones because she has to have a witness for that 20 minutes that you are with her that she did not try anything on you. And if you are a little, say, a 6-year-old or 7-year-old and you have some problems with the mechanics of relieving yourself in the boys' or girls' room, sometimes you might need a teacher assistant. You cannot do that any more without a witness, because the National Department of Education knows best for the children in Camden County.

She said, but you know what the real tragedy is? Camden County is the home of Kings Bay Naval Base, lots of young moms and dads, lots of parents of very small children who are away for 6 months at a time. She said, these little kids have a lot going on in their lives. They need a hug a lot more than they need an A, and if we want to help children, we need to get the bureaucracy in Washington off the backs of the teachers in Camden County so that they can do what they know best locally. And they are going to use good judgment.

They do not need the bureaucracy of Washington, D.C. to stick their nose in their business. I know they are doing it in, Colorado; but it is just that same Washington-knows-best culture, let us spend money because the money well, as the President said, ''it is not their money.'' I guess the President is a very wealthy guy. But it certainly, as he says, it is not their money. I would agree with him, it is certainly not the Government's money on any level; it is the taxpayers' and the hard-earned workers' money that we are spending here, and that is why we should be very careful on how we spend it.

□ 2030

Mr. SCHAFFER. Absolutely. The assumption that the dollars that the taxpayers send to Washington do not belong to the taxpayers, but to the people in Washington, I cannot think of a more arrogant statement for anyone in Washington to make than that which was made just today down at the White House.

Sending those dollars to Washington also entails being accountable for those dollars once they are spent. What three of us discovered, Members of Congress who actually went down to the Department of Education office building a week ago Friday, was that the Department's budget is not auditable. Their

accounting system is so bad that the General Accounting Office and the Inspector General of the Department of Education have concluded that for fiscal year 1998, their books are still unauditable, meaning that we will never really know in full detail where the money went that was spent in the Department of Education in 1998.

Mr. KINGSTON. Exactly how much money is the gentleman talking about that is unauditable?

Mr. SCHAFFER. Let me use 1999, since I am more familiar with those dollars. We spend approximately $35 billion in annual appropriations for the Department of Education. The Department of Education also manages the loan portfolios of virtually every student who has gone to school in America and financed a college education through a guaranteed government student loan.

So when we add the loan portfolio, this is an agency that is in charge of a total financial portfolio of about $120 billion annually, and for an agency of that size, it makes it effectively one of the largest financial institutions on the entire planet. Their 1998 books are not auditable. The American people and this Congress have no assurance that the money in 1998 was spent well, let alone in subsequent years after that, which the appropriations are built upon.

The point of all this is, for any president or any Cabinet Secretary to suggest that there is no savings to be found in a department is ludicrous at a time when they cannot even tell us where the dollars that are already in the Department are right now. The books in the Department are not auditable.

Mr. KINGSTON. If the gentleman will yield further, Mr. Speaker, can the gentleman tell me this: If the IRS came to a business and found that business could not be audited, and they were having a dispute over accounting for tax dollars, what would the IRS do?

Mr. SCHAFFER. Depending upon the length of time, there may be some extensions that a business could file, but not without substantial penalty, and certainly corporate embarrassment. It is more a matter of an unacceptability by stockholders and people who own a business who would not put up with the management of their enterprise in such a way.

Beyond that, failure to audit books in a way which can provide a clear picture as to the tax liability will send people to jail. So in many cases, I think what the gentleman from Georgia was getting at, in many cases a business that had a picture like this of their financial statements not being auditable would be liable for substantial civil penalties, possibly criminal penalties, and certainly be looking at the potential of jail time.

I point all that out, and our goal is not to send anybody in the Department of Education to jail or even to fine them, but the point of all of this is that my constituents and the gentleman's and the constituents of every other Member of Congress worked hard today to pay their income taxes and send them here to Washington, D.C. They would prefer to see those dollars spent on things that they can have some confidence in at the local level, maybe for their families, maybe savings for their own children.

But to have those dollars taken from them, sent here to Washington, D.C. and accounted for in such a poor way, is a true disservice to the American taxpayer. The bottom line is, the inability to effectively manage the financial cash flow of a large department like the Department of Education hurts children.

This picture right here to my right represents, and I know it talks about the inability to audit the financial books of the Department of Education, but what is really jeopardized through this process is the ability to get dollars to children, to get dollars to the classroom. Children are hurt when the Department of Education is run so poorly, as we are discovering this year.

Mr. KINGSTON. Children are denied the good quality education, the quality education that they need.

It is interesting that Mobil Oil Company cut their budget by 11 percent this year. AT&T cut their budget by $2 billion. Yet, when we go to bureaucracies in Washington and ask them to come up with 1 percent, they cannot find it.

To me, if I was the President and my cabinet said that, I would say, look, you know what, this is not our money; of course, I know he thinks it is; but, you have got to find 1 percent. That is reasonable. Nobody in America cannot find one cent in a dollar they spend to come up with savings.

Mr. SCHAFFER. I want to point out again, Mr. Speaker, this is a simple picture that represents a big problem. Talking about finances and accounting and talking about financial procedures, accounting procedures, and the portfolios of loan funds and grant-backed funds is complicated, monotonous, boring stuff for a lot of people. We cannot sum up the nature of the problem by using some catchy word like 100,000 teachers, like the President would suggest that we ought to do.

What the President ought to be doing is focusing on this problem right here, the financial mismanagement of a $120 billion agency that affects children every day in America. He ought to roll up his sleeves and go down there to the Department of Education headquarters, just like Members of Congress were willing to do just a few days ago, and start asking some hard questions to the people in charge of these various programs.

I will tell the Members what he will find, which is just what we found. We did not find any real resentment or resistance, for that matter. We found some pretty conscientious employees who realized they are in deep trouble and they have a little bit of a mess over there. They have committed to working with us as Members of Congress to try to fix these problems. Again, this is the monotonous, boring, nuts and bolts details of keeping track of the people's tax dollars.

When we allow ourselves to believe, as the President clearly demonstrated he does, that it is not their money, it is not the taxpayers' money, then it becomes easier to rationalize a lot of waste in Washington. It becomes easier to rationalize rules and regulations and mandates and red tape attached to the taxpayers' dollars that renders those dollars less effective.

If we really believe that the money belongs to the White House and not to the American people, then it is easy to start talking about the taxpayers' hard-earned dollars in terms of campaign one-line gimmicks, rather than doing the hard work of helping children.

That is why there is such a difference of opinion in this appropriations process between the Congress and the White House, between the Republicans and the Democrats. On our side of the aisle, we are willing to do the hard work to help children, to squeeze the efficiency out of the Federal government so that the taxpayers are honored by having dollars come to Washington and help their children learn, not squander the dollars in Washington as though they belonged to the White House and people here in D.C., and that somehow children do not matter.

That is the difference between the Republican vision to help children and the Democrat vision to help government.

Mr. KINGSTON. If the gentleman will yield, again, all we are asking Washington to do is to do what people back home do, come up with 1 cent on every dollar they spend. One cent in savings here means savings for retirement, for social security, not just for seniors today but for all generations. That is all it takes.

I am on the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations, and if I eat a cheese pizza, it has been inspected by the Food and Drug Administration. But if I get a pepperoni pizza, it has to be inspected by the United States Department of Agriculture.

I eat lots of pizza because I have four kids. It would appear to me that surely we could have the same inspector checking the pepperoni and the cheese pizza. I do not know if there is a different department for sardines, and knowing Washington there probably is, but it just goes on and on and on here, the potential savings that are resisted, and only in this town.

In real America, every American does what we did yesterday. Sunday morning, Sunday mid-morning you go through Parade Magazine, you go through the local coupons in your local

Piggly-Wiggly, and I guess, what does the gentleman have in Colorado, Target?

Mr. SCHAFFER. We have those, yes.

Mr. KINGSTON. Target sells groceries, right? What is the gentleman's big grocery stores?

Mr. SCHAFFER. We go to Albertson's.

Mr. KINGSTON. My mother lives in Louisville, and I just wanted to make sure. I knew it was Albertson's. We have Piggly-Wiggly. If we want to buy the Special K cereal or we want to buy the Clusters, the kind of $3.50 a box stuff, we have to have the 75 cents, the 25 cents off coupons. Otherwise, we are going to get Piggly-Wiggly brand. Some of the Piggly-Wiggly brand is good but some just cannot quite compete with good old Kellogg's Corn Flakes, the best to you each morning. But we are not going to eat that unless we can save a quarter or 50 cents.

We are not unusual. We are out there raising kids. That is just what we do. If we get our car washed, it is because we bought 8 gallons worth of gas. When we fill up our tank, it is when we have found the cheapest gas station on the block, the one that is $1.07 a gallon, not the one that is $1.15. I do not know who buys that premium unleaded stuff that is $1.27 a gallon. Somebody must, but it is not people I know. People I know do not buy suits unless they are on sale. They do not buy running shoes unless they are discontinued. They do not buy steak, they eat chicken. This is what American families go through every single day.

If you want to go on a vacation, you save up your money and the dryer breaks, or you have to buy such exciting items as a new set of tires for your stationwagon. That is what America goes through daily, not just every now and then but every single day.

What we are asking Washington to do just one time, for the sake of social security and for the sake of not having a tax increase, just find one measly little penny on every dollar they save so that we can protect and preserve social security, not for the next election but for the next generation.

Mr. SCHAFFER. Mr. Speaker, I would like to use an example. That is, what Americans really want is to be able to send their tax dollars to a legitimate purpose, to help schoolchildren, in this example. There is a difference between sending those dollars directly to our local school or through the State, which the Constitution clearly places States as the legitimate jurisdiction to set up a public school system and to manage local schools. Most States defer a tremendous amount of authority to local school boards.

Some of those dollars come here to Washington, D.C. So for a taxpayer who sends his or her hard-earned education tax dollar to Washington, I want to show the Members where those education tax dollars go. Because first, there is an expense associated with just paying the taxes, with complying with the IRS, and the Federal government spends a certain amount of our education dollar right up front just to pay for the cost of collecting that education dollar. That comes right out of the education apple to begin with.

Then those dollars come here to Congress, and we redistribute those dollars. By the time they leave the United States Department of Education and come through this process, the U.S. Department of Education takes its bite out of the apple, and it is a pretty substantial bite out of the apple, as well.

Then those Federal education dollars go back to the States and are administered by various State bureaucrats, and States have to comply with more Federal rules and regulations. They have to hire people to accomplish that. So of the education dollar, the States, by Federal mandate, are required to take their portion out of the equation, as well.

By the time those dollars actually get to a child or actually get to the school district, the principal and the superintendent, of course, they have to file reports with the Federal government, as well. If they have lots of mandates and rules and regulations, as the gentleman from Pennsylvania earlier pointed out, local school districts have to hire people to comply with those Federal education rules and regulations, also.

What we found here in Congress is by the time an education dollar goes through that whole process of being paid by a taxpayer and going back to their home States, there is only about 30 to 35 percent of that education dollar left. That is about it.

People back home believe that they are working hard and they want to believe that the dollars they spend are helping children back home, but in reality this is what is coming home, just a couple of bites of the apple. The rest is cut up in little chunks and pieces, and bureaucrats all over Washington, D.C. get their bellies full and they are comfortable with these education dollars, but the children get a small percentage left over.

We want to make this percentage bigger. In fact, we want to make it as close to 100 percent as we possibly can to help children back home.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield further, as I listen to the gentleman I remember my days as a volunteer for United Way. United Way, for every dollar someone contributes, it uses less than 10 cents for administration. Ninety cents on that dollar goes to the victim, the social service recipient, the person in need, 90 cents.

I would love to see the Washington bureaucracy adopt the United Way standard, because if we did, then I think there would be enough money to do everything to keep everybody satisfied.

Mr. SCHAFFER. We really should. Then there is the question of mandates. If I can use a bit of one of these apples, again, I will use the 35 percent that goes to the classroom and start there, as the gentleman from Pennsylvania pointed out, in reality, when we talk about all of the dollars that end up in a classroom, most of those dollars are State and local dollars. The Federal government, through this process that I mentioned, really sends about 6 to 7 percent of the classroom budget, or is responsible for 6 to 7 percent of the classroom budget. Yet, for this little amount of funding in every classroom comes the vast majority of the mandates that principals and teachers and superintendents have to deal with.

Again, for this little bit of money we get this much rules and regulations. It makes no sense. For many administrators that I speak with, that is the greatest thing they ask for. They do not even ask for more money. When it comes right down to it, they just want more freedom, more flexibility, more liberty, to be able to use those dollars in a way that they see fit.

□ 2045

And that brings us back to the original point of tonight's special order, is that the Republican Party here in Congress desperately wants to help children and reach out to school districts and the classrooms. We want to get those dollars to the districts in a way that allows them to spend them in the way that they see fit. But forcing States to spend the money the way the White House wants will result in more headlines like we see today in New York going to individuals who are really not teachers at all, folks who are in classrooms who are uncertified, incapable of teaching. They are only there because somebody in Washington dished out the cash in large proportions and invited someone else to spend it.

Mr. Speaker, the children really do not matter in this headline and we think that is wrong. We want children to matter all across the country and we want to see headlines that are positive and talking about the great growth and the world's best schools. That is our goal and dream for our children and our country, and that is the goal to which we are most dedicated.

With that, Mr. Speaker, I thank those who have joined me in this special order tonight.

SMALLER CLASSES NOT AN EDUCATION PANACEA

There is little evidence that smaller classes help students, says education expert Chester E. Finn Jr., and reducing class size may even hurt student achievement if the new teachers are mediocre. Yet President Clinton has proposed shrinking classes in the early grades to 18 students per teacher by hiring 100,000 more teachers at federal expense for seven years.

After reviewing the relevant research, economist Eric Hanuskek of the University of Rochester concluded ''there is little systematic gain from general reduction in class size.''

Class size has been shrinking for decades—the national average is now 22 kids per classroom, down from more than 30 in the 1950s—

at immense cost, but with no comparable gain in achievement.

In fact, the Asian countries that trounce the U.S. on international education assessments have vastly larger classes, often 40 or 50 per teachers.

And in California, When Gov. Pete Wilson shrank class sizes, veteran teachers left inner-city schools in droves, lured by higher pay and easier working conditions in suburban schools that suddenly had openings.

One or two studies that suggest fewer kindergarten children in a classroom is linked with modest test-score gains, says Finn; but more research is necessary before it can be said its efficacy has been proven.

Alternatively, Finn suggests the $12 billion in new federal spending Clinton proposes would be better spent to fund $4,000 scholarships for 425,000 low-income students for seven years. Or it could be used to improve teaching by providing a $4,500 college tuition grant for every one of the nation's 2.7 million teachers.

That would be useful. Finn points out, because the Department of Education reports that 36 percent of public-school teachers of academic subjects neither majored nor minored in their main teaching field.

Source: Chester D. Finn, Jr. (president, Thomas B. Fordham Foundation) and Michael J. Petrilli (Hudson Institute), ''The Elixir of Class Size,'' Weekly Standard, March 9, 1998.

DO NOTHING CONGRESS: AN UNFINISHED AGENDA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I want to spend some time this evening talking about the unfinished agenda for this Congress, because it is very likely that if not this week, then certainly very soon this Congress and this House of Representatives will be in recess. I am hoping that we will be able to complete the budget and the various appropriations bills that remain out there that have not been finalized here in the House of Representatives. But my point that I am trying to make tonight is this Republican leadership, because the Republicans are in the majority in the House of Representatives and they do lead the House of Representatives as well as the Senate, and essentially what we see is that the Republicans are determined to do nothing.

Mr. Speaker, they have not been able to pass the appropriations bills. They have not been able to essentially pass a budget, even though the fiscal year began October 1. And, if anything, when we try to pass measures that are important to the American people such as Medicare prescription drug benefits or HMO reform Patients' Bill of Rights or campaign finance reform or gun safety laws that would make a difference for the American people and that the public is crying out for in most cases, what we see is that the Republicans get dragged along reluctantly to do perhaps something about these issues, but ultimately do not do anything about it or manage somehow to make it so that none of this legislation, none of this positive agenda pushed by the Democrats ever becomes law.

Mr. Speaker, I just want to give some examples, if I can, about the problems that we are facing with this Republican leadership and with this unfinished agenda.

What I find is that the Republican leadership basically seems to be dominated by the far right, the ultra-conservatives within the Republican Party. They constantly talk about the need for tax cuts that primarily benefit the wealthy and the larger corporations. They constantly talk about the need to get rid of government, couched somehow in that there are too many government restrictions and so the best thing is to get rid of all the restrictions and ultimately get rid of the government.

They get dragged into somehow passing sometimes, after a long period of effort on the part of the Democrats, into passing legislation like the Patients' Bill of Rights for HMO reform. But then they manage when it goes to conference between the House and the Senate to muck it up so nothing ever gets to the President's desk.

Essentially what we have is a ''do nothing Congress.'' And it is also the ''wrong thing Congress'' because the Republicans have the wrong agenda. They do not want to adopt the Democrats' agenda and adopt legislation that helps the American people. They want to adopt the wrong agenda.

Mr. Speaker, I suppose the biggest example of that wrong agenda is the tax cut. Over the summer the Republican leadership proposed and eventually passed narrowly a trillion dollar tax cut for special interests that benefited their wealthy corporate contributors, but not 1 cent to extend the life of Social Security or to modernize Medicare with a prescription drug plan. Instead of allowing debate on a plan that would allow seniors to buy prescription drugs at an affordable cost, Republicans joined with the pharmaceutical industry to belittle the need for such a plan under Medicare in the first place.

The Republicans fought tooth and nail to derail a bipartisan Patients' Bill of Rights that would have taken medical decision-making away from insurance company bureaucrats and returned it back to doctors and patients where it belongs.

They have sat on, as I mentioned, common sense gun control to please the gun lobby. More than 6 months after the Columbine, Colorado incident, Republicans in Congress have still blocked any progress on keeping guns out of the hands of children and criminals by shutting the gun show loophole.

Mr. Speaker, what we are seeing here is this Republican Congress is all about inaction, indifference and inertia. Democrats really have said over and over again we are not going to go home, we are not going into recess here until we get a budget agreement that addresses some of the outstanding priorities for American families. I know some of the previous speakers here on the other side of the aisle tonight have belittled the 100,000 teachers program and said it is not necessary, adding 100,000 teachers to bring down classroom size. Well, they may belittle it, but we are not going home until we pass it and we have the extra teachers to give to the communities to reduce class size.

Some have even belittled the Cops on the Beat program saying it gives money to the towns to hire extra policemen, 50- to 100,000 extra policemen, but they only get it a few years and after that they do not have the money any more. Well, again the idea of adding police and giving some Federal dollars back to the municipalities so they can hire extra police or extra teachers, there is no reason why those programs cannot continue if the Republican leadership was willing to continue to fund them for the municipalities, help the towns reduce their property tax rate, provide more cops and more teachers.

And of course we also have the other initiatives, the Democratic initiative to provide funding for school modernization, to provide more money for open space so that communities, counties, States can purchase more property for open space.

Mr. Speaker, I am going to go into some of these issues tonight in the time that I have. I am not going to use all of the time, but I am going to go into some of the details about how the Republican agenda is this ultra-conservative, right wing agenda, mainly tax cuts for the rich, and how they have not really dealt with the average problems or the concerns of the American people.

Let me talk a little bit about this Republican tax cut, because what I find is that my colleagues on the other side of the aisle, they want to sort of forget that they put together this trillion dollar tax cut primarily for the wealthy. They talked about it a lot over the summer, but I guess they realized it did not work and the American public did not want it, so they do not talk about it much anymore.

Just a little bit about it. It was primarily, overwhelmingly I should say, skewed towards the wealthy and corporations. It meant $46,000 extra per year for the wealthiest taxpayers but only $160 per year for the average middle-class family. And there were $21 billion in special interest tax breaks for big business.

The other thing, of course, is that what they do when they enact this trillion dollar tax cut, which the President wisely vetoed, is that that does not leave any money in the surplus that can be used to pay down the national debt. The President said that he wanted to use the surplus that was generated by the Balanced Budget Act to pay down the national debt, to shore up Social Security and Medicare.