make choices about priorities for the country.

Mr. COVERDELL. Right.

Mr. KERRY. Now, when I see chapter 1 unfunded, or I see urban centers where they don't have computers, and I see so many kids in so many parts of the country whose families can't afford any of the amenities that make a difference, I find it very hard as a matter of choice to suggest that even that 50 percent is appropriately spent.

Now, I am not arguing with the Senator. I am not suggesting to him or saying that some family in public school may not benefit from this. I understand some public schools have uniform codes and a parent may be able to go buy a portion of the uniform. I don't know how much $7 a year is going to do. If you are doing it K through 12, that is the interest. The only benefit under the Finance Committee rule is the tax benefit of the tax-free interest savings. So you can withdraw the money you have put into the savings account, but all you are really getting the benefit on is the tax-free component. Say you put $500 in there and you have to draw it out in 2 years at 6 percent, or 5 percent, which is what they are earning nowadays—these things aren't even marketable; none of the major houses are marketing them, so you are going to earn base interest on it and you are not going to get much money as a consequence of that. So when you have very few resources, I say to the Senator, what is the justification?

Mr. COVERDELL. The Senator makes my point. There is so little invested on our part to cause them to do so much. I am stunned that people would be concerned. For this type of investment, why would we not want to produce the $12 billion in new resources that we don't have to appropriate? People do it on their own—not to mention the connection that occurs between the parent and the student.

Mr. KERRY. Mr. President, I say to my colleague—and he knows this full well—there are Members of the Senate who basically have been fighting for years to create sort of a full-fledged support system, through the Federal Government, for education and/or for schools outside the public school structure. That has been a great fight in the Senate.

What I said is it is not the $7 that is critical here; it is the principle. If we adopt in the Senate a notion that we are going to now in the United States have a full-fledged support system for parochial schools and religious schools through the elementary and secondary level, that is new. Once we have made it $7, you are going to come back—or someone is—and say we haven't given them enough; we have to give them $500 because that is more meaningful. Of course, if we were willing to support either private or religious schools previously, what would stop us from giving them more money now? That is what this fight is about; it is not about the $7. Although, as a matter of choice, I don't see why it is we reward people who are already capable of sending their kids to these places and have made that choice versus the people who are having the hardest time making ends meet.

Mr. COVERDELL. Mr. President, 70 percent of all these funds go to families of middle income or lower income.

Mr. KERRY. As I have said, the real fight is the issue of this concept.

Mr. COVERDELL. I can accept it on those terms, but I don't believe the fact we have not taxed that account to be an appropriation of the U.S. Treasury in support of a private or parochial school. We have just not collected the tax; there has been no constitutional challenge or discussion about it. That just won't flow. If we have decided to grant accounts that people's own money goes into and have decided we are not going to tax the interest on it, there is no way in the world that anybody would find that that is a subsidy of parochial education.

Mr. KERRY. Mr. President, my friend knows full well that the famous teacher Stanley Surrey, I think at Harvard Law, coined the phrase ''tax expenditure.'' We make choices in the Senate that if you forego a tax you expect to collect, it is an expenditure. Now, that is a well-known principle in terms of how we operate.

Mr. COVERDELL. It is also a fine line that does not in any way suggest we are making an appropriation. I accept the fact that you might argue, as Senator WELLSTONE did earlier, that it is money that wasn't sent to Washington and you prefer it be sent here so we can be involved with the distribution of it.

Mr. KERRY. Mr. President, I believe my friend will acknowledge, as he has already—I think he said that a majority of this benefit will go to families in private schools.

Mr. COVERDELL. No, I didn't. I said that 70 percent of the families are in public schools. Then I said the distribution would be 50–50. The reason for that is parents who have children in the private schools are paying higher costs. They are paying, of course, the taxes for the public schools as well, and will probably have an incentive to save more. I think that is probably so. I sort of think that while 70 percent are in public schools, the distribution of 50–50 will probably be the case.

Mr. KERRY. Mr. President, if I may again just quickly say the Joint Tax Committee tells us that they arrive at an assessment where under the legislation of the Senator from Georgia, 52 percent of the tax benefit will go to taxpayers with children in private schools.

Mr. COVERDELL. If the Senator is drawing the line of the 2-percent difference and somehow that makes the point——

Mr. KERRY. Fifty percent.

Mr. COVERDELL. I will accept that argument.

Mr. KERRY. For the purposes of this, let us say it is 50 percent. I don't understand the public policy rationale for 50 percent of this benefit that we are going to grant going to private schools when 90 percent of America's children are in public schools, and of that 90 percent, the vast majority are poorer than those 52 percent who are going to get the benefit. It just doesn't make sense.

Mr. COVERDELL. It makes sense to the majority of the Senate, and I hope it will be so again.

In that we are now waiting for the Senator from Oregon, if I might close this out.

Mr. KERRY. Mr. President, I thank my colleague for the dialog. It has been helpful. I always appreciate having it with him.

I thank the Chair.

Mr. COVERDELL. As I do.

Mr. President, this debate will continue tomorrow.

I want to reiterate that the tax savings account helps 14 million families and 20 million children. It provides for employer incentives to educate their employees. One million employees will benefit. It helps students who are in States with prepaid tuition plans because we do not tax them. That will be 1 million students who will benefit from the savings tuition provision. It adopts the proposal of Senator GRAHAM of Florida and Senator SESSIONS of Alabama on State tuition and on school construction.

Go across the face of education insofar as the Finance Committee is concerned. It deals with tax policy. We are not the education committee. We are making the Tax Code friendlier to States, communities, parents, employers, employees, and students to get a better education, 70 percent which will go to families of middle income of $75,000 or less. It is the same means test the President used when he created the HOPE scholarship along with the Congress. The only thing we do is make it four times more powerful than the President's proposal.

As I said, I sort of reel from time to time when they try to make it insignificant, but then it becomes a huge debate. They contradict themselves. If this is only worth ''$7 a year'' and is ''insignificant,'' then the President's proposal is only worth $2.25 because it is one-fourth the value of these accounts.

MORNING BUSINESS

Mr. COVERDELL. Mr. President, I ask unanimous consent there be a period for the transaction of morning business with Senators permitted to speak for up to 10 minutes each.

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

TRIBUTE TO MARIE FABRIZIO DICKINSON

Mr. WARNER. Mr. President, I rise today to recognize the distinguished

and exemplary career of Marie Fabrizio Dickinson, Chief Clerk of the Senate Armed Services Committee. Today, Marie achieves a notable and important career milestone: thirty years of continuous service with the Senate Committee on Armed Services.

''Far and away the best prize that life offers,'' Teddy Roosevelt once remarked, ''is the chance to work hard at work worth doing.'' During the past thirty years, Marie has tirelessly devoted her professional pursuits to work we all know to be certainly worth doing: supporting the men and women of the Armed Forces.

Marie began her career in 1970 as the sole staff assistant for the Republican minority Committee staff. In 1987, Marie was promoted to Assistant Chief Clerk—serving eleven years in that assignment. When I became Chairman of the Committee in 1999, I was very fortunate to have Marie accept my request for her to serve as Chief Clerk of the Committee.

During the last year, Marie has excelled as Chief Clerk. The Armed Services Committee has undertaken many initiatives and issues in the 106th Congress—pay and benefits reform for our servicemembers, military operations in the Balkans, and an end to the decade-plus downward trend of defense spending. In each instance, at any hour of day, or night, under Marie's direction, Committee administrative operations have been flawless. The gains we have made in support of our servicemembers during the past year are due in no small part to the professional acumen and personal commitment of Marie Dickinson.

It is no small feat to attain the distinction achieved by Marie. Less than one percent of the employees of the Senate serving today have thirty or more years of service. Having supported five consecutive Chairmen prior to me—Senators Stennis, Goldwater, Tower, Nunn, and THURMOND—and seven staff directors of the Armed Services Committee, Marie is only surpassed in her duration of service with the Committee by the venerable Senator STROM THURMOND.

Mr. President, I invite you and our Senate colleagues to join me and offer our sincere appreciation to Marie Dickinson for her outstanding and distinguished thirty years of services. I do so with the hope that Marie will continue her outstanding service as Chief Clerk of the Committee on Armed Services for many more years.

Mr. LEVIN. Mr. President, today I am pleased to join our Chairman, Senator WARNER, in congratulating and thanking Marie Fabrizio Dickinson on the occasion of her thirtieth anniversary on the staff of the Committee on Armed Services. This is a remarkable milestone for Marie. The Armed Services Committee and the Senate are very fortunate to continue to be the beneficiaries of her tremendous dedication and devotion to duty. In our Committee's history, no other staff member has ever served longer. But this tribute is about much more than the number of her years in service.

A native Washingtonian, Marie was initially appointed to the Committee as a clerical assistant by Senator John Stennis in 1970. In 1986, she was named the Committee's Assistant Chief Clerk by Senator Barry Goldwater and in 1999 Senator Warner promoted her to Chief Clerk. Whether managing the myriad of details associated with military construction projects, editing the Committee's SALT II hearing transcripts, or administering the complexities of thousands of military and civilian nominations, Marie has consistently given her best to our Committee and performed with excellence.

One of the true hallmarks of Marie Dickinson's service on the Committee has been her ability to achieve success by working with quiet yet steadfast determination. If you ever need a living reminder of the timeless virtue of letting one work's speak for itself, look no further than Marie Dickinson. Marie has earned the trust and respect of those around her not because of what she has said, but because of what she has been able to accomplish in her loyalty, unselfishness, and attention to detail.

Those who know Marie know that throughout her career on the Armed Services Committee she has demonstrated a strong commitment to maintaining the traditions of the Committee in general and in preserving the records of our Committee in particular. Many of us would certainly agree with these goals, but very few of us would be able to actually take the steps necessary day-in-and-day-out to safeguard the records that comprise the Committee's history. Marie's Herculean efforts to archive, research, compile and protect our Committee's record will insure that our Committee's important work is chronicled and documented for the historians of the future.

Marie Dickinson has dedicated her entire professional career to the work of the Armed Services Committee. It is very fitting that we take time today, on this her thirtieth anniversary, to pay tribute to and thank her for the significant and lasting contributions she has made to our work on the Committee and to the United States Senate. I hope, as I know Senator WARNER does, and all the other Committee Members and the staff do, that Marie will continue to serve with us for many more years.

TRIBUTE TO SENATOR DANIEL K. INOUYE

Mr. HOLLINGS. Mr. President, in my over 33 years' experience as a Senator with over 30 years on Defense Appropriations, I have worked with a good eight to ten Chairmen of the Armed Services Committee and Defense Appropriations Subcommittee and, of course, their numerous counterparts from the House side. One constant thread of dedication and stability in our national defense has been DANIEL INOUYE from Hawaii. His tremendous sacrifice for the security of this nation was recognized with a Distinguished Service Cross. All of us engaged in World War II will tell you that the citation deserves Medal of Honor recognition, but it was not to be because he was a member of the Nisei fighters, the Japanese-American unit that had to fight the U.S. authorities first before it could fight the enemy. Now, in peacetime, Senator INOUYE has been the stalwart for the strong defense of this nation.

This week, the Ambassador of Japan, Shunji Yanai, presented Senator INOUYE with the Grand Cordon of the Order of the Rising Sun, one of the Japanese government's highest honors, citing in particular his work fostering good relations between the United States and Japan. I can think of no one more deserving of this honor. Senator INOUYE has demonstrated the same courage, character and leadership here in Washington that he did as a soldier. I offer him my heartfelt congratulations on this distinguished recognition.

MILITARY HEALTH CARE IMPROVEMENT ACT OF 2000

Mr. KENNEDY. Mr. President, today, we begin a new effort to keep our promise of good health care for the nation's military retirees. We have an obligation to provide comprehensive health benefits to the men and women who put their lives on the line for our country. This bill is a solid start. The Military Health Care Improvement Act of 2000 will make a significant difference in the lives of our military retirees. Too often, today, those who have served our country with honor are left struggling to obtain and pay for health care in their retirement. That's not right.

The Act will extend existing medical demonstration programs to military retirees who are over the age of 65. It will also extend the Federal Employees Health Benefit Program Demonstration for Medicare-eligible beneficiaries, and it will enable the Secretary of Defense to expand the number of TRICARE Senior Prime sites.

The expansion of the National Mail Order Pharmacy Program will bring welcome relief to eligible beneficiaries, and the Pharmacy Pilot Program will reduce pharmacy enrollment fees and implement monthly or quarterly deductible payments. I hope that in addition, we will be able to expand this provision to include retail pharmacies as well.

The provisions for active duty family members are also an important aspect of this bill. Expanding the availability of TRICARE Prime Remote to military families will eliminate their co-payments and make the program more accessible and affordable to many more. Improvement of the health care services provided through TRICARE will