proposes a smaller tax cut to working families and uses the difference to reduce the Federal debt. When we reduce the Federal debt every year, we have a surplus and will get to the point when we wipe out the indebtedness. When we wipe out the Federal debt, the third largest expenditure in the Federal budget, which is interest on the debt, will no longer exist. And that money which we now pay for interest on the Federal debt, the Vice President proposes be put into the Social Security system to help pay for the two issues the Senator from Idaho just described and provide increased solvency for the Social Security system. The answer is very simple. The Senator asks where does the money come from? It comes from reducing the Federal debt, eliminating interest on the debt as cost to the Federal budget, plowing that back into the Social Security system to help mothers, widows, and to increase and promote solvency in the system. That is the answer. It is a very simple answer.

Mr. CRAIG. Will the Senator yield?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DORGAN. Mr. President, I ask unanimous consent for 5 additional minutes.

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

Mr. DORGAN. Mr. President, I appreciate the indulgence of the Senator from Iowa. I will try to finish before 5 minutes. I want to finish this point. The Senator from Iowa is on the floor and I know wants to speak. Let me finish this point because I think it is so important.

The difference in priorities here is a priority. I am not saying one candidate is a bad person and the other candidate is a good person. Those who aspire to be President of this country have different priorities. Governor Bush says he supports a very large tax cut right up front even before we have the surpluses. We have all these economists telling us we are going to have 10 years of surpluses. Most cannot remember their telephone numbers, and they are telling us what is going to happen in this country 8 years down the road. Nonsense.

We would be very smart to be more conservative than that. What we ought to do, as Vice President Gore suggests, is use a substantial portion of that estimated surplus to pay down indebtedness. If during tough times you run up the Federal debt, during good times you ought to pay it down. One of the advantages of doing that is you reduce the third largest item in the Federal budget—that is interest on the debt—and use that for another purpose. That is exactly the answer to the question the Senator raises.

Mr. CRAIG. Will the Senator yield?

Mr. DORGAN. I want to make one additional point. What brought me to the floor today was this discussion of $1 trillion that is proposed to be taken from the trust funds of Social Security that is now used to pay benefits to those who are now retired and to be used instead for private accounts for working men and women. My point is this: We already spend $100 billion a year to incentivize private investment accounts. I am all for that.

In fact, as far as I am concerned, we can increase that and probably will. Vice President Gore suggests Social Security-plus to keep Social Security, do not threaten the base of Social Security at all, do not take money and divert it, but then on top of Social Security say we are going to provide even more incentives for those who want to invest in private savings accounts.

My point is this, very simple: When the issue of credibility is raised about all of these claims and counterclaims, there is a serious credibility issue of taking $1 trillion out of the current trust fund over the next 10 years, $1 trillion that would otherwise go into the trust funds to pay current benefits to those who are retired, and saying at the same time: It is available for private accounts for other people. As I said before, when you take bookkeeping in high school or college, they do not teach you ''double entry'' means you can use the same money twice. Yet that is exactly what has happened with this proposal.

Mr. CRAIG. Will the Senator yield?

Mr. DORGAN. I will yield just for a moment.

Mr. CRAIG. For 1 minute only.

The Vice President starts the benefit, accrues the debt into the trust fund, and then you have an increased debt over in the trust fund of Social Security. An increased debt because the new benefits are going out.

On the other hand, I believe Governor Bush is proposing the following: He will take $1 trillion out of a $2.4 trillion surplus to create these personal accounts. It is not current money to pay for current programs. No. No. The Senator from North Dakota and I agree that under current law, and under current benefit rates, Social Security is building a trust fund surplus that will peak at $2.4 trillion.

Therein lies the difference. Those are the facts. The Gore plan is a Ponzi scheme, Mr. President. It is a Ponzi scheme.

Mr. DORGAN. Let me reclaim my time. I am generous to yield and always yield when asked to yield. But this notion of a Ponzi scheme—the definition of ''Ponzi,'' it seems to me, is a description that says: The surplus that is going to go into the Social Security system each year, for a while, is somehow available for some other purpose.

We have a deliberate surplus going into Social Security. Why? Because it is needed, as the Senator from Idaho knows, to meet the day when baby boomers retire. We are going to need that money.

What is going to happen is, if you follow his proposal, or the Governor's proposal, and you take that money out, when you need it later, it is not going to be there.

So I do not want anybody to stand up on the floor and say: Oh, yes, there is a surplus right now. By the way, that is unobligated. Somebody can come and grab that, and it will not matter. That surplus is delivered.

I happened to be on the Ways and Means Committee in the House when we passed the Social Security reform plan. We did it to deliberately create a surplus to meet the needs when the baby boomers retire.

When the Second World War ended, the folks came back from fighting for this country's liberty and freedom, and they created the largest baby crop in the history of our country. They are called ''war babies.'' There was this outpouring of love and affection, I guess, and we had the largest baby crop in American history.

When that largest baby crop in American history retires, we are going to have a substantial need for all of the surplus we have designed to put into that trust fund now.

My point is, if you take that out now, by saying it is not obligated, that we do not need it, I just say you are wrong. You can stand up and holler ''Ponzi'' all you want.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DORGAN. But you are wrong if you take that position.

Mr. President, I yield the floor.

Mr. HARKIN. Mr. President, I ask unanimous consent to be recognized for up to 10 minutes.

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

Mr. HARKIN. I want to add to what the Senator from North Dakota is saying. I am sorry the Senator from Idaho has left.

Basically, the Senator from Idaho said Vice President GORE's proposals would—I do not know if he used the word ''bankrupt,'' but they would destroy the Social Security surplus, et cetera.

I say to the Senator from North Dakota, the actuaries of the Social Security Administration did a study. They said the Gore plan that would apply the interest savings, improve the widow's benefits, and end the motherhood penalty, would, in total—when you take the total package—extend the Social Security trust fund solvency to over 50 years. That is from the actuaries themselves.

So if my friend from Idaho were here, I would make sure he heard that. Maybe he did.

EDUCATION IN TEXAS

Mr. HARKIN. Mr. President, today a very interesting release was made of a study on education in Texas by the Rand Corporation. I will read some parts from this.

I ask unanimous consent that the executive summary of the Rand Corporation's study that was released today be printed in the RECORD after my remarks.

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

(See Exhibit 1.)

Mr. HARKIN. What did this Rand study show? Let me read the first couple paragraphs:

What Do Test Scores in Texas Tell Us?

Do the scores on high-stakes, statewide tests accurately reflect student achievement? To answer this critical question, a team of RAND researchers examined the results on the Texas Assessment of Academic Skills (TAAS), the highest-profile state testing program and one that recorded extraordinary gains in math and reading scores.

The team's report, an issue paper titled ''What Do Test Scores in Texas Tell Us?'', raises ''serious questions'' about the validity of those gains [in Texas]. It also cautions about the danger of making decisions to sanction or reward students, teachers and schools on the basis of test scores that may be inflated or misleading.

It continues:

To investigate whether the dramatic math and reading gains on the TAAS [the Texas Assessment of Academic Skills] represent actual academic progress, the researchers compared these gains to score changes in Texas on another test, the National Assessment of Educational Progress. The NAEP tests were used as a benchmark because they reflect standards endorsed by a national panel of experts, they are not subject to pressures to boost scores, and they are generally considered the nation's single best indicator of student achievement. Both the TAAS and the NAEP tests were administered to fourth and eighth graders during comparable four-year periods.

According to the Rand study: The ''stark differences'' between the stories told by NAEP and TAAS are especially striking when it comes to the gap in average scores between whites and students of color. According to the NAEP results, that gap in Texas is not only very large but increasing slightly. According to TAAS scores, the gap is much smaller and decreasing greatly.

''We do not know the source of these differences,'' the researchers state. But one reasonable explanation, consistent with survey and observation data, is that ''many schools are devoting a great deal of class time to highly specific TAAS preparation.'' While this preparation may improve TAAS scores, it may not help students develop necessary reading and math skills. The authors suspect that ''schools with relatively large percentages of minority and poor students may be doing this more than other schools.''

Then it went on to say: Other features of the Texas test also may contribute to the false sense that the racial gaps are closing.

Let me read now what Governor Bush has said about the Texas tests. According to Governor Bush:

One of my proudest accomplishments is I worked with Republicans and Democrats to close that achievement gap in Texas.

Bush said that on ''Larry King Live.''

The Rand study shows this claim is false. The achievement gap is not closing; it is actually increasing in Texas.

Bush says that:

Without comprehensive regular testing, without knowing if children are really learning, accountability is a myth, and standards are just slogans.

That is from a George Bush press conference.

The Rand study shows that the tests cited by Bush to support this claim are biased, the gains are the product of teaching to the test, and that claims of success far exceed the actual results.

Here is another Bush quote:

And our State provides some of the best education in the nation, not measured by us, but measured by the Rand Corporation, or other folks who take an objective look as to how states are doing when it comes to educating children.

Bush said this in a live web chat on August 30.

Governor Bush was citing the Rand Corporation as an independent, outside organization to look at what States are doing and what they are doing in educating their children.

Here the Rand Corporation came out with their finding today. ''I think the, quote, 'Texas miracle' is a myth,'' Stephen Klein, a senior Rand researcher who helped lead the study, told Reuters in a phone interview. He said: the ''Texas miracle'' is a myth.

So much for what George Bush is saying about the ''Texas miracle'' in education. What it shows is that Texas set up its own tests, called the TAAS, the Texas Assessment of Academic Skills. They administered those, put rewards out there for how well you do on these tests.

So what did they start doing in those schools? They taught to the test, especially in schools that had a high proportion of minority students. But when measured against the national test—that is not biased, that is generally accepted around the Nation as the test to measure achievement—the Texas test falls short. It showed that the gap is not closing. It is actually widening, especially when it comes to the gap between white students and students of color.

George Bush's claim that great progress in education has been made in Texas is simply a myth. I am glad the Rand Corporation study came out at this time. The American people deserve to know this, that the exaggerations of George Bush on education are clearly just that—terrible, gross exaggerations of what is actually happening in Texas, when he cites the Rand Corporation and then the Rand Corporation comes out and says, wait a minute, this is a myth. There are serious questions about the validity of the gains in Texas, stark differences between the stories told by Texas and by national testing.

It is obvious to me. George Bush keeps talking about taking tests and taking tests, but when you measure against the nationally respected NAEP test, Texas falls far short. So much for that exaggeration. Mr. Bush believes so much in taking tests; he should take an exaggeration test. He would flunk it. So much for education.

We were down at the White House earlier. We are sitting here now, almost a month into the new fiscal year. We have not passed our appropriations bills that fund education. We have no money for class size reduction, no money for rebuilding and modernizing our schools, no money for building new schools, no money for teacher training, no money for job training. We are a month into the new fiscal year. The last bill to be worked on is our education bill. The leadership on the Republican side said this year that education was their No. 1 priority. Yet it is the last bill to get through the Congress.

Finally, the Governor of Texas was quoted in today's Washington Post as saying that the Vice President has blocked reform for the past 7½ years. This is the exact quote from the newspaper:

''For 7½ years the vice president has been the second biggest obstacle to reform in America,'' Bush added. ''Now he wants to be the biggest, the obstacle in chief.''

That is kind of a cute line, I have to admit. He says that the Vice President and President Clinton have blocked reform for the last 7½ years. He has his little chant: They have had their chance. They have not led. We will. It is a catchy little phrase.

I have been watching George Bush. He has a lot of catchy phrases. It makes one wonder: What country has George Bush been living in for the last 8 years? Look at the record. During the Reagan and Bush years, we had record deficits. Our debt quadrupled in this country during those years, low job growth, low economic growth. Bill Clinton and AL GORE took us from the depths of a Republican-made recession to the heights of the longest peacetime economic expansion in this Nation's history, balanced our budgets; it took us from record deficits of $290 billion a year—that is what it was in 1992, a $290 billion deficit—and the surplus this year will be $237 billion, the largest surplus in our Nation's history.

We are now on track to eliminate the public debt by 2012. The Clinton and Gore team, in contrast to what George Bush is saying, created 22.2 million new jobs, an average of 242,000 new jobs every month. That is the highest number of jobs ever created under a single administration. Unemployment is now at the lowest rate in 30 years. Under the Reagan and Bush years, the number of people on welfare rose by 2.5 million, an increase of 22 percent. But under Bill Clinton and AL GORE, we ended welfare as we knew it. We have moved 7.5 million people off of welfare, a decrease of 50 percent. Today we have the lowest number of welfare recipients since 1968.

George Bush is saying: They are big spenders; they wanted to spend all this money. The size of Government has grown.

Let's look at the record.

Bill Clinton and AL GORE have shrunk spending. Today, Federal Government spending as a share of the economy, of our gross product, has

dropped to its lowest level since 1966. It is right at about 18.5 percent, the lowest level since 1966.

AL GORE was the head of reinventing government, which has saved us approximately $136 billion since he took over. How? There are now 377,000 fewer Federal Government employees than in 1993. We now have the smallest Federal workforce since 1960. Yet under George Bush in Texas, the size of the Texas government has grown. They have more people working for government. Under Clinton and GORE, we have reduced the size of the Government by 377,000 people to the lowest level since 1960. Those are the irrefutable facts.

Crime has been reduced. It has dropped for 7 years in a row, the longest consecutive decline in crime ever recorded. The environment has improved. During this time of economic growth, our environment has improved. They have set the toughest smog and soot standards ever. We have cleaned up over 500 toxic waste dumps. We have protected over 650 million acres of public lands, more than any administration since Franklin Roosevelt was President.

We have made new investments in our schools. We have begun an initiative to hire 100,000 more teachers to reduce class size. We have opened up slots for 200,000 new Head Start students. We have connected classrooms across America to the Internet. We have expanded afterschool, summer school, and college prep programs.

Evidently, George Bush does not think much of these results. Maybe these aren't the kinds of reforms in which he is interested. I guess Governor Bush would rather take us back to the old days of deficits, debts, and recession. Tax breaks for the rich; tough breaks for everyone else.

In essence, what Governor Bush wants to do is return to the failed policies of the past. Let's move beyond that. Those failed policies of the past brought us deficits, brought us more debt, brought us recession, but the economic programs of the Clinton-Gore administration have brought us the greatest prosperity we have known since World War II.

That is the record. Those are the facts. No amount of catchy little phrases or platitudes uttered by Governor Bush can erase that record.

Lastly on education, the Rand study shows that the Texas miracle is really a Texas myth.

EXHIBIT NO. 1

WHAT DO TEST SCORES IN TEXAS TELL US?

Do the scores on high-stakes, statewide tests accurately reflect student achievement? To answer this critical question, a team of RAND researchers examined the results on the Texas Assessment of Academic Skills (TAAS), the highest-profile state testing program and one that has recorded extraordinary gains in math and reading scores.

The team's report, an issue paper titled What Do Test Scores in Texas Tell Us? raises ''serious questions'' about the validity of those gains. It also cautions about the danger of making decisions to sanction or reward students, teachers and schools on the basis of test scores that may be inflated or misleading. Finally, it suggests some steps that states can take to increase the likelihood that their test results merit public confidence and provide a sound basis for educational policy.

To investigate whether the dramatic math and reading gains on the TAAS represent actual academic progress, the researchers compared these gains to score changes in Texas on another test, the National Assessment of Educational Progress (NAEP). The NAEP tests were used as a benchmark because they reflect standards endorsed by a national panel of experts, they are not subject to pressures to boost scores, and they are generally considered the nation's single best indicator of student achievement. Both the TAAS and the NAEP tests were administered to fourth and eight graders during comparable four-year period.

The RAND team—Stephen P. Klein, Laura Hamilton, Daniel McCaffrey and Brian M. Stecher—generally found only small increases, similar to those observed nationwide, in the Texas NAEP scores. Meanwhile, the TAAS scores were soaring. Texas students did improve significantly more on a fourth-grade NAEP math test than their counterparts nationally. But again, the size of this gain was smaller than their gains on TAAS and was not present on the eighth-grade math test.

The ''stark differences'' between the stories told by NAEP and TAAS are especially striking when it comes to the gap in average scores between whites and students of color. According to the NAEP results, that gap in Texas is not only very large but increasing slightly. According to TAAS scores, the gap is much smaller and decreasing greatly.

''We do not know the source of these differences,'' the researchers state. But one reasonable explanation, consistent with survey and observation data, is that ''many schools are devoting a great deal of class time to highly specific TAAS preparation.'' While this preparation may improve TAAS scores, it may not help students develop necessary reading and math skills. The authors suspect that ''schools with relatively large percentages of minority and poor students may be doing this more than other schools.'' Other features of the TAAS also may contribute to the false sense that the racial gaps are closing.

Problems with statewide tests are not confined to the TAAS or Texas, the authors observe. To lessen the likelihood of invalid scores on such tests, they recommend that states:

Reduce the pressure associated with high-stakes testing by using one set of measures for decisions about individual students and another set for teachers and schools;

Replace traditional paper-and-pencil multiple choice exams with computer-based tests that are delivered over the Internet and draw on banks of thousands of questions;

Peridocially conduct audit testing to validate score gains; and

Examine the positive and negative effects of the testing programs on curriculum and instruction.

In July, RAND released a detailed analysis by David Grissmer and colleagues that compared the NAEP scores of 44 states, including Texas. That study and today's issue paper are not directly comparable. They differ in scope, focus and data. Grissmer et al. found that Texas ranked high in achievement when comparing children from similar families. Both found at least some gains in the NAEP scores in Texas. Grissmer et al. suggested that the Texas accountability regime, of which TAAS is a part, might be a ''plausible'' explanation for the state's NAEP gains, but added that more research is needed before a linkage can be made. What Do Test Scores in Texas Tell Us? represents an important contribution to that research effort. It is also the latest in a continuing series of RAND analyses involving high-stakes testing issues.

STATEMENT OF RAND PRESIDENT AND CEO, JAMES A. THOMSON

The issue paper on Texas Education and Test Scores that RAND issued today is already the subject of intense controversy, as we expected. I want to underscore several points:

This research was thoroughly reviewed by distinguished external and internal experts. We stand behind the quality of both this paper and of our July report on the meaning of national test scores across the country, which also sparked considerable controversy.

The timing of the release of both reports was based on the same, constant RAND standard; we release our work as soon as the research, review and revision processes are complete. We don't produce findings for political reasons, we don't distribute them for political reasons and we don't sit on them for political reasons. This is a scrupulously nonpartisan institution.

The July study—Improving Student Achievement: What State NAEP Scores Tell Us—also touched on Texas schools and received widespread press play. Both efforts draw on NAEP scores. The new paper suggests a less positive picture of Texas education than the earlier effort. But I do not believe that these efforts are in sharp conflict. Together in fact they provide a more comprehensive picture of key education issues.

The July report differed in scope (it covered almost all states, not just Texas), in methodology (it adjusted states' NAEP scores for family characteristics, such as racial and socioeconomic differences), and most of all in focus. It sought to explain why student achievement scores vary so widely across the states even after those demographic adjustments are made. The team that researched the new Issue Paper on the other hand focused on Texas and its statewide testing program. Texas was studied because the state exemplifies a national trend toward using statewide exams as a basis for high-stakes educational decisions.

From the Texas standpoint, the good news is that the state ranks high in adjusted student achievement. Our July study correlates this with specific ways that resources are allocated to high-leverage programs, such as pre-kindergarten, one of the features of the Texas reform effort. The bad news is that the statewide testing system in Texas needs improvement. The Issue Paper team suggests ways this can be done in Texas and other states.

Mr. HARKIN. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

UNANIMOUS CONSENT REQUEST—NOMINATION OF BONNIE CAMPBELL

Mr. HARKIN. Mr. President, as I have done every day we have been in