

One of the great things about President Reagan was when there was an evil empire he called it an evil empire and the Palestinian Authority is an evil empire, and we can call it white and we can call it black. If we call black, white, it does not make it white, and the same thing by saying, the leadership and these other things, the entity itself is evil, is corrupt beyond comprehension. We both heard stories that I would not say on this floor of some of the activities of the Palestinian Authority in terms of some of the behavior of some of the leaders that were beyond human discussion.

Let me follow up, though, just in terms of the Palestinian Authority itself. This is a reprint of a New York Times article April 20, 2002, and they interviewed a printer in the West Bank who had an ongoing contract with the Palestinian Authority to, after every suicide bomber who was killed, to automatically within several hours with information about that suicide bomber print up 1,000 posters to then be put up. This is just a sample form. That is the entity, the glorification of the suicide bomber is what we have seen.

Mr. HOEFFEL. We face the reality of what to do now. There can be little doubt regarding the complicity of Arafat in the terror. He is continuing to call for martyrdom for the Palestinians, and in the lexicon of the Palestinians, one who is a martyr is one who commits terror and is willing to die in committing that terror against Israelis.

What the gentleman and I need to do is to urge this House and our administration to clearly set out the conditions that need to exist before Israel can be expected to go forward, before the United States government can be expected to go forward.

We all want peace. There is no question about it. Even the Members that voted against this resolution certainly want peace. There is no question about the motivation. The disagreement can be in how to get there, but what conditions do we need to set forth?

I have stated, too, I am sure the gentleman could add, the absolute need for the Palestinian leadership and the Arab league leadership to renounce terror and to recognize Israel's right to exist as a Jewish state.

I know the gentleman has got additional views on what must happen next before we can go forward. I would be happy to yield back.

Mr. DEUTSCH. Mr. Speaker, I know our time is running out. I want to give both of us a couple of seconds to close, and the last two charts are directly on point on what the gentleman mentioned.

Yasser Arafat in the compound spoke about sending a million, the English translation is as my colleague so ably pointed out, martyrs to Jerusalem. The Arab word is "shaheed." If my colleagues were to ask any Palestinian what shaheed means, they know that it means suicide bombers. It does not

mean martyr. It is not an esoteric, theoretical term. It means suicide bombers, and specifically to the people that is what they hear.

As shocking as that is, the quote from Chairman Arafat's wife, literally that there would be no greater honor than for her son, if she had a son, to be a martyr, to be a shaheed, to be a suicide bomber.

I would close and give the gentleman an opportunity to close and say I wish that we had a discourse this evening with our colleagues who voted against this because I do not think there is any articulated, rational, moral position against the support of Israel that this Congress overwhelmingly and this country has overwhelmingly done.

□ 2230

Their fight is our fight. The attacks against them are attacks against us.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. HOEFFEL. I thank the gentleman for yielding to me, Mr. Speaker, and let me make one more comment.

As the gentleman from New York said about the misnomer of suicide bomber, the phrase suicide bomber suggests one crazed person going off into a field and killing themselves with a bomb. We call what is happening in Israel the actions of suicide bombers, but in fact they are better named homicide bombers because they are not just taking out themselves, they are trying to kill as many innocent people as they possibly can.

That is the terror faced by Israel. That is what she has to defend herself against. And we can clearly state that Israel has the right to self-defense. It is not for us to set a limit on that right. It is up to us to support her in her activity, to make sure she survives; and she will survive with our support.

EDUCATION TAX CREDITS

The SPEAKER pro tempore (Mr. ISSA). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 60 minutes.

Mr. SCHAFFER. Mr. Speaker, tonight I want to talk about children and the topic of education. I believe it is the most important issue that we have to discuss, especially when we look out into the future of America and where we are headed.

My colleagues who preceded me had a very excellent discussion, the tenor of which I certainly concur with and agree. And I guess I would ask colleagues to consider this same debate or similar debates years and years from now, when the children of today are the leaders of tomorrow and are debating these important matters of international peace and security and all the topics that we deal with here in the Congress.

I would invite my colleagues who may be monitoring today's pro-

ceedings, if they are interested in engaging in this discussion or participating in it, to come join me here on the floor. The topic today is, again, education, and particularly with respect to the proposal of education tax credits. This is something that our President has mentioned frequently. This is a topic that has become well-known in several States that have preceded this Congress in exploring the topic of education tax credits, and it is an innovative idea and a way to try to get new dollars, additional dollars to children for the purposes of expanding and broadening their academic horizons.

I am one who believes here, Mr. Speaker, that if our children really are important, and I believe they are, that this Congress ought to be prepared to spend whatever it takes to give them the kind of quality education that they deserve here in America, an education that is second to none. Unfortunately, we do not have that today, yet we spend almost every dollar we can dream up here in Washington and take from the taxpayers in order to spend on education. We have spent considerable amounts of money on the Federal education system, and that is magnified even to a far greater degree when we consider the billions of dollars, in fact the trillions of dollars that have been poured into education around the 50 States and through local school districts.

At least at the Federal level, for the amount of money that we have spent, about \$125 billion over the last 10 years to be precise, we should have better results, and we should certainly expect those results to be far improved over and above the indications of today. Our President understands this, and that was the basis of the legislation he persuaded this Congress to pass last year. His first major legislative initiative was all about education, and this was the core of his campaign for office. He proposed doing for the country what he managed to accomplish in Texas, and that was to first take into account the huge numbers of dollars that have been spent on education and then start asking questions, like what do we get for the money.

The governor of Texas at the time, our current President, was led to establish a testing strategy for the State of Texas, and that testing strategy has been credited by many with raising the achievement levels of the poorest children in that State. The President touted as a candidate the successes of Texas throughout the country, and the American people seemed to agree with the President. He came to Washington and suggested we should do the same thing for the whole Nation, and the Congress, by a pretty overwhelming margin, agreed with him. Democrats and Republicans joined together to help the President pass what turned out to be a higher set of expectations for the Nation, a system of national testing.

I want to start there, because what the President actually proposed up front was not only a testing strategy, that was just a portion, and in fact a smaller portion of his proposal, but he also proposed greater flexibilities for the States, and the most important element, the core of the President's proposal, was school choice. Unfortunately, the school choice provisions were ripped out of the bill even before it came up for its first hearing here on the House side, and the flexibility provisions were removed too, by the time the bill got through over on the other side of the Capitol, and all the President was left with was this the smaller portion of the bill which dealt with testing mandates on States.

In order to get the institutions of the bureaucracy of education to go along with the President's idea, even one-third of his idea, we had to feed the beast a tremendous amount of cash. We had to give more money to the Department of Education and all of the institutions associated with it in order to get them to comply or to go along. But as I said, if our children are really important, and I believe they are, we should be able to be prepared to spend whatever it takes in order to improve their education opportunity, and we certainly did that in H.R. 1. We expanded the Department dramatically in exchange for the new accountability that goes along with it.

But we have not lost sight of the core element of the President's proposal, and that is the school choice element. Tax credits give us an opportunity to extend education choice to more and more Americans and their children, and do so without threatening the education bureaucracy in any way, without threatening all those institutions and lobbyists that have built themselves up around the rules and the red tape and the spending regiment of the education empire. It does so by bypassing all of that, and in fact we are going to continue to feed more money to the bureaucracy. That is really not in doubt. And I do not think anybody in the bureaucracy needs to be threatened in any way or believe that their jobs are somehow going to go away. On the contrary, we are going to give them more cash. That is already budgeted and that is going to happen.

But education tax credits allow and inspire new investments in education, and that is why they are so exciting and why I hope a lot of people are paying attention to the issue because it is a serious one. It is one that the President has given his word that he is going to help drive through this Congress. It is a topic that has arrived on the priority list of the agenda items for our leadership, our Committee on Education and the Workforce, and also members of some of the other committees, the Committee on Ways and Means in particular, which deals with tax policy, and a lot of people around the country are excited.

They are excited, Mr. Speaker, because they have managed to see how

tax credits work in a handful of States. There are six States, to be exact, that have tax credit legislation on their State law books and they are seeing the fruits of that. What I mean is they are realizing that by manipulating the Tax Code, taxpayers are eager to contribute money to the schools and to do so in a way that provides new kinds of education choices to children who have not had choice in the past.

Education choice is not such an important issue to those who are wealthy, because they can afford to buy it. They can afford to forego the property taxes, the income taxes, the sales taxes that they are paying right now, in generous proportions, I might add, to government-owned schools, and, instead, pay additional dollars for the tuition that it may cost to attend a private institution. So if you have money, school choice is really not something that is out of reach. By if you are poor in America, you do not have school choice, typically, except in a handful of places where these tax credits exist; or in some places where vouchers exist, which is something entirely different than what is being discussed tonight, still a good idea but different; and in places where private individuals have banded together to try to raise money to provide scholarships for low-income children.

That exists in almost every State, these student tuition organizations, as they are called. We call them in our legislation education investment organizations. They exist in all 50 States today, and they exist because of the generosity of many, many Americans who want to contribute their earnings and pay back to society in some way that offers real hope and opportunity for young children.

I have some letters from some of the children who have benefited from these investment organizations, these scholarship funds, and I will read from some of them. They are pretty inspiring and I think speak to why we need to be aggressive about achieving this legislation this year. But what we are really here to propose and to discuss is the legislation that is in the works right now that will be introduced within just a couple of weeks that will provide a change in the Tax Code to make it easier for Americans to contribute to these scholarship funds and to contribute directly to public schools for local priorities, for priorities that are established by local school board members or established by community leaders through the creation of these scholarship funds.

The tax credits work this way: for every dollar that you would contribute to a scholarship organization for poor children, or contribute to a public education facility, a local neighborhood school, you would receive a 50 percent tax credit from the Federal Government. So for every dollar you give to the school, you cut your tax bill in half for the equivalent contribution. And there is a cap on that. We cannot make

this unlimited, of course. We have to deal with some of the financial realities of the Congress. So this is a \$250 credit that will correspond to a \$500 donation.

I have a cousin in Colorado Springs who is a tax preparer, and just a couple of days ago she asked me about this proposal. And she asked, Will this benefit me? Will I be able to contribute to a school and get the credit, since my children are not in the school anymore? This is something that appeals to her, and she wanted to know if the credit would apply to her. And the answer is yes.

And I think the question itself is really what is so exciting about education tax credits, not only in this proposal but what we have seen by way of the record in several States, and that is parents and people in communities who are not even parents of children in the affected schools are eager and enthusiastic about contributing to an education model in which they fundamentally believe. The notion of school choice appeals to millions and millions of Americans. It does not appeal to all Americans, but it appeals to most Americans.

So for those who believe that it makes more sense to continue shoveling cash to the government, well that option is available. And in fact most Americans will be forced to do that whether they really want to or not, as we do today. But it provides a second option for those who want to try something different, who want to try to bypass that bureaucracy and get dollars directly to children.

So I am really enthusiastic about the proposal, and as more and more people learn about it and hear about it, they are joining up with the campaign that we have here in Congress to prepare the bill, to lobby our colleagues and persuade them that this is the right thing to do, that the experience in the States that have education tax credit legislation is an experience worth considering and something worth duplicating here in Washington.

I received a letter from somebody in Fort Collins, Colorado, they did not give me permission to use their name so I will not, but in the letter he says, one of my constituents says, "Education tax credits have the greatest potential to significantly and instantly affect change in our current educational system. As parents know best their children's strengths, needs and efficiencies, this tax credit would ensure that money spent would be used in the most beneficial and targeted way possible. With this legislation, parents would be empowered to ensure that their children are equipped with the academic and educational tools necessary to improve their quality of education. Also, as this tax credit is for all educational expenses, parental involvement in their child's education would be fostered and encouraged. This bill will ensure that economic considerations will never again keep lower-income children from receiving an all-

important supplemental education at home. The quality of our children's education stands to be greatly enriched by this legislation, just as millions of children across the United States would be affected as well."

Well, that is pretty compelling testimony, again from one of my constituents. And I may raise this with him at another time to see if I can use his name publicly. I do not have that permission now, as I mentioned. But this is the kind of letter that many of us are receiving here in Congress, and that is not the only one I have received in my office. Again, this debate is taking place in my home State, so people are in tune with it there.

□ 2245

As I mentioned, in some of the States that have passed tax credit legislations, and the best examples are Arizona, Pennsylvania, Florida, and Minnesota has passed a tax credit bill, too. What they are seeing in those States is really dramatic and remarkable. Here is some testimony that was delivered in front of one of the committees that took place in one of our States in terms of the impact that these scholarship funds are having. This is from a student named Sasha. She said again in prepared testimony, "My family applied for a scholarship for me to be able to study at the school that I consider a very special place."

Let me stop there. That really is the key because the definition of quality of education today under the bureaucratic model that we have established for the country falls into the hands of the bureaucrats who run the bureaucracy. Let us say you have a 5-year-old that is going to kindergarten, or maybe you have older kids and you move into a new neighborhood. You call the school district and say, Johnny is ready to go to school, what are my options?

The first question you will get is what is your address. When you deliver your address to the person on the other end of the phone, they will say your address corresponds to a particular neighborhood school. If they have a lot of money where the school is usually better, or if they move into a poorer neighborhood where unfortunately the records show and is amply demonstrated, usually means that the school is not a good one and not one you probably would choose if you had unlimited resources at your disposal.

With a tax credit, the goal is to move away from trusting somebody who does not know the name of your child with placing your child into a school that they think makes sense for this child that they do not know. Tax credits leave this decision to people who know the child better, the parents.

Sasha wrote, "My family applied for a scholarship for me to be able to study at the school I consider a very special place. It is special because it is where I learn the most and where I enjoy learning. It is a place where I can

dream, and have that feeling that I am going to be successful in my life, successful because of what I am learning right now. In the past, my mom tried to put me in Catholic schools, but she could not afford the tuition for very long. Now I am in my second year in the same school because of the scholarships she has secured for my sisters and me. I will be very happy if I can stay at my school and have the same good friends as long as possible. They are special, too."

Sasha goes on, "I think school is important because I have learned a lot of stuff that I did not know. I have just learned how to add, subtract, multiply and divide fractions. We will be doing geometry soon. I know I am learning all of this because algebra is coming. I think that might be fun. Going to Blessed Sacrament is important because the work is challenging, not easy. The most challenging subject is math because of the concept of algebra. At first math was easy, but now it is hard. I really try hard to get good grades." Sasha goes on and describes her experience in the school that she was able to choose as a result of her scholarship.

The reason tax credit legislation is relevant to this student is because manipulating the Tax Code to reduce the tax burden on Americans who contribute to such scholarship organizations will result in a massive cash infusion in America's education system, and it will result in the same kinds of positive experiences for more and more children across the country, just as the experience occurred to the student I just referred to.

Here is testimony from a teacher. This was given to the Colorado State legislature, testimony before that legislative body. This teacher's name is Maureen Lord. She is the supervisor for a group called Save Our Youth. She told the Colorado State legislature about a particular student named Joe Ray. "Joe Ray was designated learning disabled at the local public school. At the end of his fifth grade year, he was reading between a second and third grade level, hated writing anything. His distraction level was extremely high. To complicate things more, he had some fine motor problems. Being an elementary educator myself, I knew that Joe Ray would never be at grade level if he continued in the public school system where he only received an hour of special attention during each school day. His future looked dismal for accomplishing the basic skills he needed to go on to middle and high school."

Let me point out that this experience is not unique throughout the country, but it is also not the rule in most public schools. I would bet that if Joe Ray lived in a wealthy neighborhood, that Joe Ray would receive the kind of attention that he needed; but Joe Ray does not live in a wealthy neighborhood, he lives in a poorer neighborhood in Colorado. The only school that was

available to him was the one that the government said was available to him, and it was not a good fit.

The teacher, pleading on his behalf goes on, "One day on the radio, I heard about a private school that works with kids having problems similar to Joe Ray. Unbelievably, they were opening another branch in northwest Denver in the fall of 2000, and it would be located relatively close to where Joe Ray lived. After visiting the facility and meeting with the director, I knew this might be a fit for Joe Ray, but there were so many hurdles to overcome. One of the hurdles was the tuition. Joe Ray's family was in the lower socio-economic scale and anything short of a miracle was needed for him to be able to attend a private school. That is just what happened. Joe Ray applied for a scholarship, and received a 4-year partial scholarship to this private school. With the help from his mentor and his mentor's supervisor, the obstacles were falling one by one.

"Let me tell you more about the miracles. Joe Ray aced last semester's report card. His teacher says he is a wonderful young man to work with and eager learner. The multisensory math program is helping him to remember his times tables, and his confidence is growing. He now frequently looks you in the eye when he talks to you. This is just one young boy who is benefiting from the investment that scholarships made in his future. I hope this is of some encouragement to you. We at Save Our Youth are grateful."

Joe Ray also testified before the Colorado legislature. He said, "I am really glad I do not have to go to my old school anymore. There were always people selling drugs there. I was afraid to go to school because I didn't want to get beat up any more at my old school. They gave me the answers to the CSAP test," which is the State standardized test. That is pretty common. I hear that not only in Colorado but in several States.

"They were not very helpful to me with math, reading and writing. I did not like my old school at all. I like my new school because they help me better. They teach me in a way that is right for me. The teacher is nice to me, and there are so many other school kids. I also like that I do not have to switch classes. I like Dove Christian Academy so much I want to come back again. The new school I go to does help me a lot more. Dove Christian Academy does different things to help me learn. I read a lot better now, and I think my math and writing are better, too. I really thank ACE and the money they have given me. I am so glad I was able to come to the school and learn. Now I have a chance to get a good education and maybe even go to college. I never would have thought of that before if it weren't for ACE."

Pretty powerful testimony in one State that has an experience with education tax credits. We can do this for the whole country. We have a chance

to accomplish this in all 50 States and amplify the good record that is taking place in a handful of other States across the country.

This is a topic that is not one that belongs to Democrats or Republicans, conservatives or liberals. I happen to be a Republican, but this is a proposal that has been advanced by Democrats and State legislators around the country. It is supported by Democrats here. It is one that has been proposed in my State in the Colorado State senate, and a liberal one at that, and at the same time was being carried in the State House of Representatives by a very conservative Republican.

It has the ability to bring people together of different political persuasions because at its focus is America's school children. I have to confess when it comes to the education debate in Washington, too often children are the last individuals considered. We talk about them a lot, there is no doubt about that. We get nice pictures of them up here and try to suggest to the country and the world that the children are at the center of the debate, and I think they are in our hearts. We care about the kids, there is no doubt about that. But by the time the bills make it to the floor of this House and over to the other side of the Capitol, the lobbyists take over, and they watch every line item in these bills and make sure that their organizations and their members are not affected by the ideas that we advance to try to help children. The children are at a disadvantage because they do not have lobbyists here. Their parents vote for us as Congressmen and Senators, and sometimes Members get replaced when they do not fight hard enough. That does happen from time to time. The lobbyists watch much closer here. They fight hard to maintain and preserve the bureaucracy and the unions that go along with America's education system.

When you cross these powerful groups, the consequences are sometimes very, very dangerous because they have millions of dollars to spend against you. They have big political campaign war chests that they use to try to persuade people that if you do not persuade your constituents back home if you are not fighting hard enough for the bureaucracy, for the institution or the union, that that means you do not care about children and you should be replaced. They have a far more successful ratio of replacing Congressmen who do not stand up for the bureaucracy than the children do and their parents when children fail to be the objective of education debates.

Here is why this is true. This chart on my right explains how money gets down to a child. At the top is a hardworking taxpayer who pays his cash, a portion of his earnings through taxes. It is not voluntary; it is confiscated from his paycheck. Those dollars are confiscated by the Treasury Department. His employer is forced to send a portion of his paycheck to Washington,

D.C. to the Treasury Department. The Treasury Department takes account of all of these dollars, tracks how these dollars are coming in, so that politicians, me and my colleagues in Congress, we make decisions on how to spend these dollars. We spend a pretty sizable portion on the United States Department of Education. They occupy some large buildings. We allocate a big chunk to the Department, and it goes to those buildings two blocks away. Once it gets there, it is distributed and redistributed and transferred to States, all 50 States and territories and districts, the District of Columbia as well. At the State level the politicians there, the State legislators, they divvy up the dollars that come from the Federal Government as well as State and local dollars. They redistribute the funds to the State Department of Education and that whole bureaucracy.

□ 2300

The State Department of Education gives those dollars to the school districts in all 50 States. In Colorado there are 176 school districts. The school districts, of course, they are run by politicians, elected school board members, and they meet with all the interest groups that they have to deal with and they decide how to spend these dollars and apportion them for the various schools within a school district. Once the principals and the teachers and everybody at the school level have decided how to prioritize those funds, then these dollars finally get to the child way down here. By the time the taxpayer's dollar goes through this whole vortex of bureaucracy and politicians, the proportion of money that actually makes it to the child is very, very small. In fact, it has been estimated that somewhere around 30 to 40 percent of the tax dollar taken from the hardworking American for the purpose of education ever makes it down to the child.

That explains the politics of education in America, which has as much to do with the necessity of education tax credits as the positive outcome of tax credits themselves.

I have tried, as many of my colleagues have, Mr. Speaker, to try to change this system from within. I came here to Washington because I have got five kids of my own. I kind of feel that my children have kind of the dead hand of government laying over their shoulder as they try to progress in the public schools back home in Colorado. And so I wanted to come here and try to fix some of this nonsense. I spent 9 years as a State Senator trying to fix it from here down. We made some success, but this bureaucracy is large. Every one of these organizations has lobbyists and they have interest groups. The employees of the State Departments of Education and the U.S. Department of Education, they organize. The teachers in all of these districts, the National Education Association, the American Federation of Teachers, these are two

teachers unions that are frankly the largest political influence in America and they are all a part of this process. So when we come to Washington and suggest changing and improving or amending in any way the flow of dollars through this process, you get a big political fight on your hands. It is a fight worth engaging, do not get me wrong. I enjoy doing it. It is the right fight. My kids matter enough that I am willing to take it on and suffer whatever political consequences might occur. But sometimes we win. Sometimes we lose. Usually we lose. Anybody who wants to change this system usually loses, because the relationship between these agencies matters more to politicians in Washington and politicians in the States and ultimately to school board members than the child does down here in the bottom. I hate to admit that, but that is absolutely the truth. I would defy anyone to try to deny that and would welcome a vigorous debate on that point.

Again, I am willing to admit we all talk about the kid down here, but when the debate takes place on the House floor it is all the people who run these agencies that count the most, unfortunately. They are the ones who are heard the loudest. Their voices tend to drown out the child down here at the bottom and they drown out the expectations of the taxpayer, too.

Rather than try to tamper with all this in a tax credit bill or an education proposal, keep in mind that trying to improve this system is an ongoing function of the Education Committee and we are working on that, but that really is a separate debate than the proposal that we are rallying around now. Because rather than amend this or change it or do anything to this, we are going to leave it alone and try to bypass this process with new money, not the old money. We are going to continue to feed cash to this system in America. It is already budgeted this year. Mark my words, when the appropriation bill passes, we are going to grow the size of this bureaucracy because it does not matter who is in charge, it does not matter whether Republicans are in charge or Democrats are in charge, we are going to grow the size of this bureaucracy. That is the track record. That is the way it is. We have got to accept that. I finally have. But I am trying to find a way to get this guy's dollar to that child and tax credits is a way to accomplish that.

Here is how the tax credit model works. The hardworking taxpayer donates directly to the needs of a child. Again, they do this through a change in the Tax Code, not a change in the education bureaucracy. Because the Tax Code allows this taxpayer to make a donation based on what strikes him or her as a good idea, a local priority, an urgent need, and to donate to that cause rather than continue to shovel cash through that other system I just described, the bureaucratic model that is Washington, D.C.'s education system. When explained to Americans

across the country, this is what Americans prefer. Taxpayers like this guy have expressed to me, just as my cousin did last week, that even though she does not have children who are in schools anymore, she would love to have the advantage of a tax credit so that she could contribute to the education cause in her neighborhood, for somebody else's child, for a poor child whose future will not be so bright unless we are willing to put the cash forward to provide a little freedom for the child, a little liberty that wealthy parents can afford. It is not just the individuals who can contribute. Our tax credit proposal also entails corporate contributions, because we have heard from businesses around the country as well that if given the chance they would prefer to invest in an academic program in their neighborhood that is designed by a school board member perhaps or maybe by a superintendent or maybe by a church or a synagogue or maybe by a nonprofit organization, they would rather invest in something they believe in locally than continue to send exorbitant amounts of money here and have it filtered through this process that I described.

And they like the idea that tax credits allows us to begin to measure the fairness in education by the relationship between individuals rather than the relationship between these political entities. And like it or not, that is how we measure education fairness in America today. Schools keep track of how much each school receives. School districts keep track of how much school districts receive. They compare themselves to each other. Every State has got a lobbyist in Washington, by the way. Not the elected officials. I mean, they hire lobbyists to come here. Every State has lobbyists back here. The lobbyist's job is to make sure that Colorado, in the example of my State, is receiving generally the same amounts of money that Kansas is or Wyoming or any of our neighboring States. You have got this 50 times over as these lobbyists are measuring education fairness by the relationship between their political jurisdiction in their States. And then, of course, up here at the Federal level, agencies and departments, they just do not like to lose money. If a program received a billion dollars last year, the people who run that program want to make sure they receive at least a billion dollars next year, too. And if they have fewer students that they serve, that does not matter. If they do not serve students well, that does not matter. They just want the same amount of money or more, because that is how they get the plaques on their wall suggesting that they are good bureaucrats, good managers. These people work hard, they care, they have been trained well to operate within the system. In fact they have got their own language. If you ever sit in the meetings that I get to sit in on, you will learn about this whole new language that exists in the

education bureaucracy. They have got all these agencies and programs that are called by their initials, these terms that relate to my kids that we do not use at home but if you want to be involved in discussions about this, you have got to learn another language that is kind of irrelevant and makes no sense to the taxpayer up here at the top or the child down there at the bottom. Once again, that is fine for all the people who work in this system, but fairness in education should not be measured by the relationship between programs or States or school districts or individual schools. Fairness should be measured by the relationship between children down here at the bottom. That is what the tax credit proposal really allows us to begin to do.

We get to start thinking about some of these students that are referred to in this testimony I read. We even had some of these students who came to Washington here and testified in front of the Education Committee. When you hear from the children who speak in terms of their future and their hope and learning about algebra and getting back to grade level and going to college, students who have been written off in the past, when you hear these kinds of stories, you begin to care about the kids again. You do not care so much about the comfort of the bureaucracy anymore. We will acknowledge that the bureaucracy is a big organization. They have got lots of lobbyists. They have got a lot of political firepower. We are going to leave them alone. We are going to find a new way to change the Tax Code and help children achieve their academic dreams.

□ 2310

This chart is one that refers to just one scholarship organization that exists today, and this is the kind of scholarship organization that a tax credit would utilize in order to reach children. It is a rather large one, it is called the Children's Scholarship Fund. I pulled this off of the Children's Scholarship Fund's website. This shows the concentration of applications that this scholarship organization received from throughout the country. The blue areas are places in America where children apply to receive scholarships from one nonprofit organization in order to attend schools that the children and their parents wanted their children to attend. This is broken down based on concentration of students. I will not go through the whole chart here, but the light blue is anywhere where you have from 1 to 99 applicants in a State; the red dots, these large cities, Detroit, Chicago, New Orleans, we can see Atlanta, New York, and so on, Washington, D.C., Los Angeles, these are places where anywhere between 10,000 and 80,000 people who are interested in scholarships might live. Now, these are where the applications came from, and there is a pretty broad level of interest from throughout the country.

Unfortunately, the Children's Scholarship Fund, again, a private organiza-

tion, not a government institution; it gives scholarships out based on how many people want to contribute to the scholarship fund out of their own free will as a donation; they do not have unlimited resources. They cannot give scholarships to all of these kids who want academic freedom, who want a little liberty in their lives, who want to be treated as well as wealthy children are who can choose the kind of school they want to attend. So all of these applicants applied, but only a fraction of them actually walked away with a scholarship and ended up with some of the success stories that I read about a little earlier.

The second chart shows us the distribution of recipients, and it is broken down by counties. We can see that the scholarship fund, this particular organization, the Children's Scholarship Fund does a great job. They reach thousands of children around America, but there is a lot that are just overlooked by this one organization.

What a tax credit will allow is for every taxpayer in America to contribute to an organization like the Children's Scholarship Fund. This would be one of their options. As I say, this is a large one that has kind of a national emphasis, but every one of our States, Mr. Speaker, has an organization similar to this one in it, at least one. The State of Arizona has about 70 of them.

The reason Arizona, if I can use Arizona as an example, the reason Arizona has so many scholarship organizations in it is because Arizona as a State passed education tax credit legislation 3 years ago. As time goes on, more and more people are deciding to send their State tax dollars to these scholarship organizations to help children. The impact that it is having on Arizona's children, especially the poor, is rather remarkable. In fact, it has been studied pretty extensively.

I just happen to have the analysis of the Arizona tax credit plan, the Arizona scholarship plan. This is a report that was written by 2 researchers, Carrie Lips and Jennifer Jacoby. In fact, Carrie Lips now works here for the House of Representatives and the Republican Policy Committee. What this report shows is really remarkable. It shows that between 1998 and 2000, the tax credit in Arizona generated 32 million new dollars and funded almost 19,000 scholarships through more than 30 scholarship organizations. Now, that is \$32 million in the education system of Arizona that was not there before. It is \$32 million that did not come from Arizona's public education system, but new dollars that came out of the pockets of Arizonans on a voluntary basis, because the Tax Code in Arizona makes it easier for people to invest in the number 1, most important industry in America, which is education. They believe that in Arizona. Mr. Speaker, 19,000 scholarships in just 3 years. People care about this. They have made a huge difference in the lives of students there.

