

politics. The problem is political posturing about whose fault it is that it is not getting done. Most of the debate is going to be why we did not do it and blame each other for failure. Then, again, the American people are going to say: What in the world are they talking about?

My State is particularly affected by this. I have heard arguments that it is bad for American jobs. My State has lost thousands of jobs in the stitch-and-sew industry. It used to be in Louisiana that thousands of minimum wage employees, many of them minorities, were working in the stitch-and-sew industry for many of these large companies that manufacture items we are talking about today. Many of them were arbitrarily dismissed, arbitrarily fired. Many of them lost their jobs right before Christmas a couple of years ago when most of the companies moved out of my State and went to Central American and Latin American countries and located down there. That has already happened. It did not happen because of this bill. This bill was not being considered then. It happened because of the existing state of the world.

I have worked with our people. We have helped them find other jobs. Fortunately, because of the economic conditions of our State and the economic conditions of the United States, the vast majority of these people who lost jobs in the so-called stitch-and-sew industry have found jobs in more sophisticated, if I can use that term, industries in the United States that represent the future of the United States in terms of jobs in the high-tech industries as opposed to something like stitch and sew.

What we have been able to do is use some of the training programs and retrain these people to get them into other manufacturing segments, to get them into high technology, to get them into computers, to get them jobs where they now find they are much better off than they were sitting behind a sewing machine stitching and sewing underwear.

I argue the future of U.S. employees is not in the stitch-and-sew industry. If we have to somehow preserve jobs in the stitch-and-sew business, we are not being very bullish on America. I argue that is not the future of this country. The future of this country is highly trained men and women who can do the jobs for the 21st century, and that is not in the stitch-and-sew industry.

It is interesting. I love my dear friend and colleague from South Carolina who was reading this article in Time about how these companies have, in fact, moved out of the United States. He is absolutely right. One of the things I noticed when I was looking at the article the distinguished junior Senator from South Carolina was pointing out is the article had a pic-

ture of the State of Kentucky, and the caption under the article is: "Fruit of the Loom eliminated more than 7,000 jobs in the past 6 years. Here would-be workers attend a job fair held by new arrival Amazon.com."

That is particularly important because it says that while stitch-and-sew jobs are moving out of this country, high-tech jobs, better jobs, better paying jobs, more sophisticated jobs, jobs that require more training and a better educated workforce are moving in.

The people who were leaving the Fruit of the Loom jobs were moving, on the other hand, into jobs that Amazon.com was providing in that area using those workers and retraining them for the 21st century.

That, I argue, is the future of the United States. The future workers of this country are not going to sit behind a sewing machine. If that is the future of this country, I daresay it is not a very bright future. The future is highly trained jobs in highly technical industries which pay well and have a future.

We are not going to be able to compete with the poorest of the poor in terms of who can pay the lowest wages. We should be concentrating on educating our workers for the 21st century and then, at the same time, trying to do what we can in the textile industry.

The reason I believe it is so very important and necessary to pass this bill is because we say in this trade bill, particularly in the textile industry: Look, we are not going to have the stitch-and-sew jobs, but, by God, we are the best manufacturer of textiles and cloth and fabric.

We have the best technical ability to weave and dye the fabric. And this bill, for the first time, says: Look, if we are going to give these countries some advantages, at least we want it to be a two-way street, to at least say, if you are going to be able to do these products in your country, with lower paying jobs, at least use fabric that is manufactured and woven and dyed and assembled in this country. We will send it to you. We will manufacture the fabric, you will use those fabrics to manufacture garments, and then you have the ability to export those products back to this country.

Mexico can do it now. China will be able to do it. Unless we have something like this, we are not going to get any part of the business.

This legislation, when it talks about the products that are covered, clearly says: Apparel articles assembled in the Caribbean basin and sub-Sahara Africa from fabrics wholly formed and cut in the United States from yarns wholly formed in the United States.

What that says to the cotton farmers in my State of Louisiana and throughout the South is that we are going to use their cotton. Without this legislation, we are not going to be using their cotton. The fabric will come from over-

seas, as well as the finished product. At least this legislation says we will use their cotton.

This legislation also says it has to be assembled in this country. It has to be woven in this country. If it is going to have a color to it, it is going to have to be dyed in this country. So we are getting something out of this that we do not have now, that in the absence of this legislation we will not have. Therefore, I think it is very clear this is something that is important to do. The House thought it was.

You talk about how bad the House is divided. The House passed this 234-163. Now it is before this body. For those who argue they don't like the process, I don't like the process, either. I would probably like to offer a Medicare reform bill to this legislation. People are looking for a wagon to jump on to get something passed they would like to have passed. I understand that. The problem is that you are affecting the merits of good legislation that was bipartisan when it left the Senate Finance Committee, that passed by voice vote in the Senate Finance Committee, and that merits our support.

So my point is that other countries are going to benefit, but we are going to benefit. If we do not have this legislation, other countries will be able to have access to our market with no requirements on using U.S. fabric at all. I think we owe it to the workers of this country who are still engaged in some aspect of this industry to come up with a fair product and fair package like this is.

I intend to support this legislation. I think it is the right thing to do. I hope my colleagues will join me in that effort.

I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak as in morning business.

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

IMPACT AID PAYMENTS FOR SCHOOL CONSTRUCTION

Mr. BAUCUS. Mr. President, I am going to speak a few minutes about an issue that is very important to me; that is, the condition of school buildings with the federal impact aid, particularly on the school buildings on Indian reservations which are in very dire condition. I hope there is something we can do about it.

As you know, there have been many bills introduced in this Congress to try to help school districts and make sure school districts have enough funds for school construction and renovation, modernization, and so forth. But as you also know, when schools try to raise money, basically they do so by bonding, which is paid for by local property

taxes. That is essentially the way schools in our country are financed; it is a time-honored approach to school construction.

The problem is, in this heated debate, one group of children is continually left out in the cold; that is, students who live on federally owned land, usually on an Indian reservation or a military installation.

In my State of Montana, there are about 12,000 children who fall into this category; that is, children who live on a military installation or on an Indian reservation, where there is either none or there is very little private property to support school funding, particularly school construction. These schools are located in areas where much of the local property just cannot be taxed. Why is that? Because it is Federal property.

In many cases, the local schools have to educate the children of the families who live on the property, and these are so-called Federal students who could come from military families, from civilian families, or could come from Native American families. Some schools are off reservations, but a lot of the kids live on reservations, and vice versa. This causes a tremendous problem in financing school construction.

I believe we have a responsibility. After all, the Federal Government has a trustee responsibility with respect to Indian reservations. More than that, more fundamentally, we have a moral obligation to be sure all children in our country have not only equal access to education but generally have the same accessibility to good schools and relatively up-to-date schools. We are not asking for the Taj Mahal but just basic solid construction.

Congress has recognized its responsibility in many respects for these schools through payments authorized under title VIII of the Elementary and Secondary Education Act. That is the impact aid provision. These districts are supposed to receive impact aid to compensate school districts for the burden of educating children whose parents do not have to pay local property taxes due to Federal activities; namely, because they live on an installation or an Indian reservation.

The bulk of the impact aid payments do help with salaries and utilities and other day-to-day costs of running the schools, but this is the catch: When it comes to replacement or renovation of buildings, these schools still have an additional problem; that is, impact aid cannot begin to pay both the salaries and utility bills and the day-to-day costs, and also pay for the modernization of schools because they just cannot issue the construction bonds to pay for them.

There have been several bills introduced in this body dealing with school construction, but none of them deal with this problem; that is, the problem

of impact aid on reservations and installations.

I am asking for something that is pretty simple. I am asking for a slight increase, from the present \$7 million that goes to impact aid school construction to \$50 million. That is all. That is not very much money. Mr. President, \$7 million is currently spent on impact aid school construction, and I am asking that it be raised to \$50 million. Very simple.

I can give lots of stories, lots of examples, of just the dire conditions these school districts face. For example, I talked to the superintendent of the Harlem school district. Harlem is in north central Montana. He says his district is so crowded that his students are now using a closet. Guess what was in that closet. In that closet was a snowblower that they hauled out whenever there was a bad snowstorm.

So that closet is now a classroom. The snowblower is out in the hall. The students are in the closet. I think this is not right. It is no place to put kids. There is no place to put kids in the closet of a school and put the equipment out in the hallway. In addition, if they try to bring in a portable classroom, then there would be no playground. That is just not right.

A few days ago, I received a letter from the principal of the elementary school in Box Elder, MT. His student population is growing very rapidly because there is new housing on the nearby Rocky Boy Indian Reservation. In fact, virtually all of the 300 or so students in his school are Federal students.

He has classrooms in portable buildings and in basement rooms with no windows and only one exit door. He tells me he would be afraid to send his own small children to that school, but he has to. This is a disgrace.

Last year, the Box Elder school received—get this—\$13,000 in Federal impact aid construction funding; \$13,000, that is all.

That is about the average for schools in this situation. I might say, \$13,000 is a pittance. That is not even enough for half of a paint job in the school, let alone for reasonable reconstruction or renovation.

I have some photos I would like to display. These photos are representative of not only my State but could represent almost any State in the Nation that has Federal impact aid. This is a picture of an out-of-code electric installation at Babb Elementary School in Browning. There are no fire sprinklers in the basement where the insulation is located. Over in the left corner, we see a socket and wiring dangling. It is uncovered. It is obviously a fire hazard. This is all they can do.

Now I have another photograph of a doorway at Babb. This is a doorway in the school. This photo doesn't begin to represent how bad the situation is.

Sometimes pictures overstate something. In this case, the photograph understates.

The next photo is that of a lunchroom. This is down in the basement of the school. Again, it doesn't look all that bad; but I have been there; it is worse. Then there is a photo taken in the local high school in the same community. There is a leaky ceiling. Things are starting to fall apart. Again, this school can't find the money to pay for it.

Imagine for a moment that we in the Senate met in a facility that looked like this or our offices were in rooms such as this or we had electrical equipment so obviously out of code. We would change it. We would do something very quickly because we wouldn't stand for it.

What kind of message does this send to children throughout our country—the message that we don't have enough respect for them, enough respect for their parents, enough respect for education to do something about this. We have a huge Federal surplus and the biggest, most wealthy country in the world. Yet we turn our back on a lot of kids in our country. Obviously, it is to their peril but even more to the peril of our country.

The bill I will introduce will raise the authorization from \$7 million to \$50 million—not very much but a first step that is needed. We also make a change in the eligibility rules. Right now schools with populations made up of 70, 80, or even 100 percent Federal students cannot ask for impact aid construction funds if the percentage of the federally impacted population for the whole district is less than 50 percent. That is, obviously, a standard that is much too high.

The bill introduced by me and Senator HAGEL will decrease the district minimum to 25 percent. That will affect a lot of schools in this district.

I have a chart that shows how many States would be affected by changing the eligibility standard from 50 percent to 25 percent. You can see that virtually every State in the Nation would be affected, which means every State gets a little bit, if it is enacted at the \$43 million increase from the current \$7 to \$50 million.

This is obviously a problem in our State. It is obviously a problem in other heavy Federal impact aid States, such as Nebraska, Senator HAGEL's State. But this isn't a parochial problem. This isn't a partisan problem. This is a national problem.

I ask that we step up to the plate, exercise our responsibility and, when we take up the Elementary and Secondary Education Act, make this change so that a needy portion of our school population gets a modicum of assistance. Then after that, I hope we can go further.

The PRESIDING OFFICER. The Senator from Ohio.