

Wiswall; Sigrid Charlotte Wiswe; Michael Robert Wittenstein; Christopher W. Wodenshek; Martin P. Wohlforth; Katherine S. Wolf; Yin Ping "Steven" Wong; Jennifer Y. Wong; Winnie Yuk Ping Wong; Siu Cheung Wong; Jenny Seu Kueng Low Wong; Brent J. Woodall; Marvin Woods; Patrick Woods; James J. Woods; Richard H. Woodwell; David Wooley; John B. Works; Martin M. Wortley; Rodney J. Wotton; William Wren; John Wright;

Neil Robbin Wright; Sandra Wright; Naomi Yajima; Jupiter Yambem; John Yamnicky; Suresh Yanamadala; Vicki C. Yancey; Shuyin Yang; Matthew D. Yarnell; Myrna Yaskulka; Shakila Yasmin; Olabisi Layeni Yee; Keven Wayne Yokum; Paul Yoon; Raymond R. York; Kevin Patrick York; Edward Phillip York; Suzanne Youmans; Edmond Young; Lisa Young; Donald McArthur Young; Barrington L. Young; Jacqueline Young; Elkin Yuen; Sheng Yuguang; Joseph Zaccoli; Adel A. Zakhary; Arkady Zaltsman; Robert Alan "Robbie" Zampieri; Mark Zangrilli; Christopher Rudolph Zarba; Ira Zaslow; Aurelio Zedillo; Kenneth Zelman; Abraham J. Zelmanowitz; Zhe "Zach" Zeng; March Scott Zeplin; Yuguang Zheng; Ivelin Ziminski; Michael Joseph Zinzi; Charles A. Zion; Julie Lynne Zipper; Salvatore J. Zisa; Prokopios "Paul" Zois; Joseph J. Zuccala; Andrew Steven Zucker.

Mr. Speaker, this completes the list of more than 3,000 names that have been read since September 11 on the House floor and entered into the CONGRESSIONAL RECORD. Again, I ask the families of those that are deceased to excuse me for any mispronunciations of their names.

Americans will forever remember September 11, 2001. It was the day that our parents, our children, our friends, and our neighbors were taken from us. It was the day that our heroes died.

I thank my colleagues who joined me in this important effort for the last 7 months, and I thank the families and friends of those who perished for their courage.

Mr. Speaker, our thoughts will forever be with the families and the loved ones that we lost.

HONORING HOLLAND CHRISTIAN SCHOOLS AND SAMUEL ADAMS

The SPEAKER pro tempore (Mr. FORBES). Under a previous order of the House, the gentleman from Michigan (Mr. HOEKSTRA) is recognized for 5 minutes.

Mr. HOEKSTRA. Mr. Speaker, this evening I rise to pay special tribute to a very special school, Holland Christian Schools, as they prepare to recognize and celebrate their centennial.

For a century, Holland Christian Schools, located in Holland, Michigan, has provided a quality, Christ-centered education for students from preschool to grade 12.

More than 11,000 students have graduated since its founding, and with a

current enrollment of approximately 2,400 students in grades K-12 representing more than 110 different churches, including more than 20 different church denominations, Holland Christian Schools is one of the largest, parent-governed Christian schools in our country.

Holland Christian Schools has a wonderful history of accomplishment and teaching. Holland Christian Schools' educational philosophy finds its basis in the words of Deuteronomy 6:6,7: "And these words which I command you this day shall be upon your heart and you shall teach them diligently to your children, and shall talk of them when you sit in your house, when you walk by the way, and when you lie down, and when you rise."

Mr. Speaker, I am a proud graduate of Holland Christian High School, as is my wife, Diane, and my daughter, Erin. My other two children, Allison and Bryan, are students there currently.

On the special occasion of their 100th-year anniversary, I am pleased to stand and recognize Holland Christian Schools and their fine tradition of academic excellence and commitment to Christian values.

Mr. Speaker, I would also like to address another topic this evening. This is taken from "Samuel Adams: The Character of Conviction."

Mr. Speaker, it was said by the American preacher, Dwight Moody, "If I take care of my character, my reputation will take care of itself."

America's founders were men and women who cared not so much for their reputations as they did for their character and the character of the Nation. Such was the case for an American who came to be known as the Father of the American Revolution, Samuel Adams of Boston.

He was respected because of his great character and strong Christian faith. Samuel Adams' passion and presence commanded not only the respect of his fellow citizens, but of the British authorities as well. It was his Christian faith that was the foundation of his character; and this character was the foundation of a reputation that enabled Samuel Adams to stand firm in the face of British opposition, as well as prepare a young Nation to secure the blessings of liberty. His quest began some 6 years before the Declaration of Independence when the seeds of revolution were being planted across the colonies.

Adams was the clerk of the Massachusetts court, but that did not stop him from leading an uprising against the Governor of Massachusetts, demanding the removal of British troops of Boston. The showdown left five colonists dead and quickly earned recognition as the Boston Massacre.

The other patriots had died for freedom, but the Boston Massacre became a rallying cry echoing through city streets and rural farms.

The citizens of Boston were enraged by the massacre and the stationing of

troops within the city limits. The morning after the massacre, the citizens of Boston met and appointed a committee, which included Samuel Adams. Their charge was clear: present to the acting Governor of Massachusetts their demand that the troops be removed from the city.

Governor Hutchinson equivocated, telling Samuel Adams that the troops were not subject to his command. Samuel Adams replied that unless the troops were removed from Boston, the blood of revolution would be on the Governor's hands.

The following morning preparations began for the troops' removal.

What led the Governor to bow to the demands of Samuel Adams and the citizens of Boston? Governor Hutchinson was in a difficult position: either face the angry mob outside of his gates or the angry British authorities across the sea.

But more than mobs and massacres, the Governor was influenced by the words and reputation of Samuel Adams. He was well aware of Adams' character and his wisdom as a loyal and upstanding citizen.

Years earlier, the British authorities had attempted to bribe a poor Adams with political power and wealth, if only he would join their cause. Governor Hutchinson had said of Adams, "Such is the obstinacy and inflexible disposition of the man that he can never be conciliated by any office or gift whatever."

Governor Hutchinson was wisely unwilling to test Adams in his demand for the removal of troops. This small, but important victory, inspired the colonists and began the erosion of British domination in the New World.

EDUCATION TAX CREDITS

The SPEAKER pro tempore. 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, I yield to the gentleman from Michigan (Mr. HOEKSTRA) to complete his statement.

SAMUEL ADAMS: THE CHARACTER OF CONVICTION

Mr. HOEKSTRA. Mr. Speaker, the story of Samuel Adams begs the question: Where did Adams find the strength of his character and the source of his conviction? Adams gave the answer a few years later when Hutchinson's successor, Governor Thomas Gage, not having learned from previous attempts, offered Adams anything that he desired so long as he ended his opposition to the British Crown.

Samuel Adams responded: "Go tell Governor Gage that my peace has long since been made with the King of kings, and that it is the advice of Samuel Adams to him, no longer to insult the feelings of an already exasperated people."

Adams' vigilance for the cause of freedom and his fellow Americans rested firmly on the peace he found not

within himself or any person, or even within the cause of freedom itself. Rather, it came in character firmly grounded in an eternal security found in knowing the King of kings, the God of ages.

It was his faith that served as his source of strength to stand for his cause, even when tempted with trappings of power and wealth.

Where do we find our peace? Where do we find our comfort? In the past few months, we have been reminded that the blessings of wealth and power cannot alone provide enduring peace, or lasting comfort. These come from a deeper, more permanent source. I believe, like Samuel Adams, that it comes from a Nation of good citizens, who embrace virtue and exercise their convictions, no matter what the cost.

Samuel Adams could have sold his character for peace and prosperity, but he did not. Adams knew that his reputation was more costly than gold, more influential than political position. And in his poverty of possessions, not spirit, he left us the richest of American legacies, a vigilance for freedom, a reputation of character, and a foundation of faith.

Mr. Speaker, I thank the gentleman from Colorado (Mr. SCHAFFER) for yielding, and look forward to spending the next hour talking about a very important subject, the topic of education.

Mr. SCHAFFER. Mr. Speaker, I would like to discuss a topic that is first and foremost on the minds of Americans when asked about their concerns for the country and their political objectives for the Nation, and certainly their expectations with respect to the actions of this Congress. That is perfectly understandable and explainable, particularly when we consider that most families in America regard as their most treasured possessions and objects of responsibility raising their children. And even those who are not engaged in that directly certainly are engaged indirectly, and view that as one of the most propound legacies for our country.

□ 1700

Before we really get started in the discussion, I would like to invite any of our colleagues who may be monitoring today's proceedings here on the floor in this Special Order if they would like to participate in a discussion on school choice as it relates to education tax credits, I would like to extend that invitation. I appreciate the gentleman from Michigan being here as well.

The exciting proposal that has come out of the White House most recently with respect to education involves really trying to help create more of a market approach to American schooling than we have known on a national basis for quite some time. That announcement from our President in support of an educational tax credit is really one that is consistent with various States. As we look around the country in the State legislatures and

observe some of the activity that is taking place in State houses today, we see that the proposals around and about education tax credits are appearing quite frequently.

Here is how a tax credit works essentially and how it helps education and why the President has given his commitment to an education tax credit and why it is becoming a high priority here in this House. An education tax credit is a way to allow American individuals to invest their own money, private money, into the business of American education and promoting it. In fact, through a tax credit, effectively reducing the tax burden on the American people by encouraging an equivalent contribution to a school or an education pursuit, what we can achieve nationwide is a massive cash infusion into the American education system, an infusion that is not discriminatory, an infusion of cash that does not favor one kind of institution over another institution, does not pit school building against school building or administrator against administrator or principal against principal, but does what, frankly, we should be doing all along with respect to education and, that is, focusing on the fairness in the relationship between children, so that all children, regardless of the academic setting that they find themselves in, are the beneficiaries of a massive cash infusion in American education. That is what this proposal is really all about.

And so while we have legislation that is still in the works, still on the drafting table, it is important enough to begin talking now about the concept of education tax credits, how these credits work, how they can help American children, how we can learn from the States that have passed education tax credits already, how we can learn from States that have engaged in this debate already and have drawn people together across partisan lines and begin discussing this in a way that I hope will result in Members from both parties here on the House floor working on this final draft of the legislation and aim it toward successful passage here in the House.

Our ultimate goal, of course, is to get a positive bill involving education tax credits to the President's desk. We feel very confident and optimistic about this. Again, I say that based on the experience of States where we see some of the most liberal Democrats joining with some of the most conservative Republicans, joining together for the distinct objective of trying to help America's schoolchildren.

Mr. HOEKSTRA. If the gentleman will yield, as we have gone around the country, the gentleman and I have been to a number of these places together. Whether it is Arizona, Minnesota, Pennsylvania, Florida, there has been a lot of excitement around the concept of tax credits. The gentleman is absolutely right. Number one, this is a focus on the children, making sure that every child in America has the op-

portunity to get a quality education, that they can go to a safe and drug-free school. And that one of the ways of doing this, and this is especially true when we introduce the concept of a tax credit at the Federal level, it does become a massive infusion of new money into our educational system.

But the difference between the money that is currently coming out of Washington and going to our local schools and the money that would be generated by a tax credit, the majority of the money that comes from Washington today that goes to your local school says, In exchange for this check, you will do this. As a matter of fact, in exchange for this check, you will not only do this but you will report back to us on a regular basis that you have actually done exactly what we have asked you to do.

What happens with a Federal tax credit is that people in a local community can write a check to their local public school, their local public or their private or parochial school, and that money then goes into that school's fund either for a designated cause which has been designated by the school saying, hey, we are going to do a fund-raiser for a new fine arts center, or we are going to do it for increasing and improving our technology or something else, but then the people within the local community can decide whether they want to make that additional investment into their local public school. And so what we have seen, I think, in the States that we have talked about, each of whom has crafted their proposal in a slightly different way, but it has generated more excitement and more enthusiasm for all kinds of education and it has created a new stream of money going into the schools, with the most important thing being that it provides the local school the opportunity of raising funds for some specific needs that maybe only that school has.

So this makes it very different than any of the other funding streams that currently come from Washington or that currently come from their State level. The gentleman is also absolutely right. As we take a look at how this has happened in the States, they have been bipartisan arrangements, so it has not been a group of Republicans or a group of Democrats who have pushed all the way through the process at the expense of the other party. It has been Republicans and Democrats coming together, suburbanites coming together with the folks living in our cities and saying this is a good way to go, this is a good way to structure an additional investment in education. I think we are all looking forward to putting that same kind of process together here that will lead us to a bill that this President can sign.

Mr. SCHAFFER. This focus you mention on local control and local priorities really is the most attractive feature, I think, in an education tax credit proposal.

Mr. HOEKSTRA. I think there are two features that make it especially attractive to our local schools. Number one, when we do this in Washington, it clearly is a new stream of money. It is not a diversion of money that would have been coming from Washington for education, anyway. It is a new stream of funds which I think can get to be a relatively significant amount of money into our local schools. The second thing is that it is nondesignated. It can be crafted and used in such a way to meet the needs of a local school district.

Mr. SCHAFFER. Honoring local priorities is something we have talked about a long time together and others in the House certainly have. That is what this tax credit proposal allows. As you mentioned, what we do right now in funding schools is really ludicrous in many ways. We have spent \$125 billion on the Federal portion of the K-12 education program over the last 25 years. Those are rather steep increases that we have seen over the last few years. Some of these funds are perfectly legitimate and well spent, there is no question about that. But many of them are not, frankly. We know that.

What essentially happens, if a taxpayer were to follow their education investment dollar, here is what they would see, that is, that the Federal Government taxes the hard-working taxpayer, those dollars are withheld from their wages, they come here to Washington, D.C., we meet in committee rooms around here on Capitol Hill and decide how to divvy up those dollars on education programs. Washington evaluates education spending almost on a State-by-State basis, sometimes on a program-by-program basis, but the reality is we have a bunch of people here in Washington who are trying as hard as they can to distribute other people's money back to the States on a basis that is fair to the States, and after it is filtered through the Treasury Department and the Department of Education and Congress earmarks those funds and ties all kinds of strings and red tape to them, those funds end up going then primarily back to all 50 States and to the State governments who distribute those dollars further. Each level of government, by the way, takes its cut out of your education dollar.

So that by the time these funds actually reach a child, there is just a fraction left. What we are trying to do is get around that. An education tax credit really bypasses this whole bureaucratic and political structure and allows the taxpayer, the donor, to invest in programs that seem to make sense in the local community. That is a refreshing and a very promising approach to school finance and one that I think is the reason there is so much excitement and support for a tax credit.

Mr. HOEKSTRA. I think the other reason that there is a high level of excitement is, and the gentleman and I have gone through this a number of

times over the last few years, you said when they watch what happens to their money here in Washington. We know that for quite a long time, when the money went to the Department of Education, we could not track it; that for 3 to 5 years, the Department of Education could not get a clean audit. We are excited by the work that, again, we did on a bipartisan basis during the Clinton administration to put pressure on the Department of Education to work towards getting to a clean audit. We are excited by the work that Secretary Paige and his staff are doing. It appears that many of these problems have been worked out.

But we have to recognize that for quite a while we had a laundry list of scandals within the Department of Education and failed audits. That again was one of the things, a lot of my local officials were saying, Just give us this money directly. This is what tax credits allow us to do. I think we also need to scale this. I am not sure exactly how we go after this, but the Department of Education spends about \$40 billion here and K-12 may make up a little bit more than half of that, \$24, \$25 billion per year. Our tax credit that we are talking about here is less than 10 percent of that. So this is not massive, something that says, this is the amount of money that is being driven by Washington and now we are going to match that by an amount that is being driven by local tax credits. We are talking about probably less than 10 percent of what is being driven by Washington actually entrusting a citizen in the local community to make a donation to their schools.

Mr. SCHAFFER. I would point out just to emphasize this point, that the tax credit proposal, since it is a change in Tax Code, rather than the education budget, really has no impact at all on the funds that have been proposed by this Congress and by the President with respect to education. I know some have expressed or at least raised questions about whether a tax credit takes funds from the rest of the government school budget. The answer is clearly no. It is a separate funding stream certainly for the same purpose of trying to improve education, but one does not have any effect on the other from the standpoint of the budget and how much money there is.

Mr. HOEKSTRA. Absolutely. It becomes a supplemental stream to the money that is already coming through Washington. We have significantly increased funding in K-12 education over the last 4 to 5 years and with the President's new Leave No Child Behind plan, those funding increases are going to continue. There will continue to be significant increases in education investment through the Department of Education. This now provides for those individuals in those communities that believe that they have some special needs or their schools have a special challenge or their schools have done a phenomenal job and they are saying,

hey, we really want to put a little more money into these schools. It allows them a vehicle and a mechanism to do that, and they get a dollar-for-dollar impact. You put a dollar in, and it does not come with a mandate, and you do not lose anything of going through the bureaucracy of a Lansing, Michigan, or of a Washington, D.C. That dollar goes into that school.

The decision as to how that dollar will be spent will be made locally, and it will benefit all of the children in that school. It is really a refreshing complement to the education funding that we already have in place. For a State like Michigan that has spent so much time and effort on leveling the funding so that across the State there is equal funding, this now provides an additional mechanism to now complement that because as we increase and level the funding in the State of Michigan, we also then attach a lot of mandates as it came back. School districts are struggling. They do not get enough unattached dollars, dollars that they have some discretion in how they are going to spend it for their local schools and to help their kids.

Mr. SCHAFFER. Talking about education spending within the context of freedom and liberty is very important for us, because we have not been able to do that too much in recent years. There are really strings and red tape and all kinds of parameters that are placed on Federal funds. This gives us a chance to get away from that.

Americans are really expecting and hoping that the Congress begins to talk about new and innovative ways and creative ways to improve schools across America.

□ 1715

What most Americans are dealing with right now, if they have children in school, are these mandatory tests. Almost every State is dealing with them right now. Mandatory tests that have been required by State legislatures, through State laws, and also the new mandatory requirements for testing that have come from the Federal level. That serves to achieve the accountability objectives that the President had outlined and that the Congress had focused on in the legislation we passed last year, and the outcome of that still remains to be seen. But what a tax credit really allows us to do is start speaking to the flexibility side, the decision-making side of locally elected school board members, superintendents, of principals and teachers, in identifying priorities in their own schools that they would go to the community for assistance on and would be made easier through a tax credit that we are proposing.

The other innovative side of a tax credit proposal is something that we are seeing in several States, and that is the creation of education investment organizations, little investment funds that provide direct assistance, usually to some of the neediest children and

communities. We are seeing that starting in Arizona now, which has I think 3 years of experience with their education tax credit; in the State of Pennsylvania; in the State of Florida. The proposals that we are seeing throughout the country are all around existing education investment organizations. In Arizona, they are called student tuition organizations. But what they exist to do is to raise funds from a community so that they can give scholarships to low-income children and the neediest children in communities to attend the school of their choice. It is providing just a remarkable relief valve for those who find themselves trapped in schools that are just not meeting the needs of children. Some of these schools are failing schools.

We have just received testimony from all across the country as we are reading newspaper articles about these opportunities, the testimony that is taking place in State legislatures, and we have also had some testimony right here in Congress during a hearing that we conducted just a week ago, and both of us were there. I wonder if the gentleman would comment on the 10-year-old boy that we met with; Joshua Holloway was his name. The whole panel of all of these experienced lobbyists were up there, but this kid, this 10-year-old from Denver, Colorado, he clearly exceeded the rest of them in effectiveness in reaching out to the committee and letting America know why these tax credits are so important.

Mr. HOEKSTRA. Mr. Speaker, what Joshua had to say was awesome. I mean, here we have a 10-year-old kid who is looking up at three rows of chairs and a row of Congress people up at the top, and very eloquently goes through his testimony and very eloquently answers the questions. His mom had passed away, so his grandfather was there with him at the hearing, talking about his mom's dream and his mom's vision that he attend a particular school, and that this school was providing him with all of the necessary training and skills to be successful in life. And I think it was one of her last requests to his grandfather to say, make sure that Joshua and, was it his brother or sister?

Mr. SCHAFFER. His brother.

Mr. HOEKSTRA. His brother. That they both have the opportunity to attend a particular school. And Joshua's grandfather saying, if it was not for the scholarships or these types of things, he would not be able to fulfill this wish and give Joshua and his brother the skills, put them in a school where they could get the skills that they would need to be successful, and that anything that would complement the current funding stream in education that would allow individuals to steer some money to the local public school or to steer it to an education investment fund, that that would be okay, and that would be really good for certain kids who maybe had specific needs or one school just was not work-

ing out for them, so that they could use that investment fund to perhaps transfer to another public school or to transfer to some other school. These things have been set up in a number of different ways around the country. Or, that they could be used to provide specific tutoring. But there are a number of different kinds of opportunities that these education investment funds could be set up for to help kids be successful.

I think that is where, when we talk about education, the important thing that we always have to keep the focus on is the kids. And the criteria that we as policymakers have to really embrace is we need to put together a system that enables every child to get a good education. We cannot afford, not from a monetary standpoint, but from a moral standpoint, we cannot leave a child behind. We have to reach out and do everything that we can to make sure that every child has the opportunity to go to a high-quality school where they can get the learning that they need.

Part of that is kids can only learn in safe schools. We cannot have kids going to schools where they are afraid to walk to their locker, where they are afraid to walk to their next class. The only fear that a kid should have while they are going to school is the fear of the next exam. That is the only fear that they should have: What is that teacher going to do to me now with the next exam, and am I ready? But other than that, it has to be a safe and drug-free school for every single one of our children.

Mr. SCHAFFER. Mr. Speaker, Americans want to help. I think most taxpayers are inclined to agree that investing in America's education system is a good idea and, if given the chance, they typically make the choice to do that. There are some tax hurdles in the way and we are trying to knock some of those down.

Mr. HOEKSTRA. Mr. Speaker, I think it is exactly what the people have found in the State of Arizona, where the numbers clearly indicate that there is an eager group of people who are willing to, and have a desire, and are willing not to be taxed, but to say, if I can steer that money to our local public schools without any strings attached to assist that public school, I will write the check. And there are others who are saying, I really want to go out and help some special kids, so I will steer my funds to an education investment fund. With that kind of flexibility, a State like Arizona is finding that they do not have to go to the legislature and raise taxes to get more money into education for all of our kids, or for all of their kids. They provide the tax credit and then people willingly go out, pay their taxes, and then willingly go out and voluntarily contribute an extra certain amount to their public schools and other funds.

Mr. SCHAFFER. Mr. Speaker, the tax burden on Americans is really unchanged through this tax credit pro-

posal. I know the gentleman and I as conservatives tend to be of the opinion that we ought to lower the tax burden, and we certainly should. This is really a different argument, though, about what happens after the effective tax rate is established.

The question is, do taxpayers wish to continue just sending bags of cash back to Washington so that all of the politicians that we work with here have the opportunity, and just hope, these taxpayers may just hope that we will spend it in a way they want. That is kind of a gamble to take and a little bit of a risk. There are 435 of us and we do not agree on every topic every day, let alone how to spend money on education. So that is the one option, is to continue paying high amounts of taxes as Americans do today and shovel those dollars here to Washington.

Or, the tax burden would be the same, but what we are suggesting through this proposed legislation is to allow taxpayers to take a certain portion of their Federal tax liability, their Federal tax bill, and self-direct that anywhere in the education industry they want. It might be for a scholarship fund that allows a low-income child to attend a school of his or her choice, really rescue that child from a failing school in some cases, or maybe invest in the priority that has been established by a local school board or superintendent.

I want to get back to Joshua here. First, I am very proud of him. He is from the State of Colorado, and he testified in committee, and it was just awesome.

Mr. HOEKSTRA. He not only testified, he not only read his statement, he also took questions and answered questions.

Mr. SCHAFFER. He sure did. He sure did. His testimony was only one page long, so I will not ask that it be submitted, but I will just read a couple of the most moving lines that he read to the committee.

He says, "My name is Joshua Holloway. I was born in Denver. My favorite subject is football," and he amended that later. He said that he wanted to be a lawyer, too, but football was just a hobby. He said, "I am 10 years old. My mother passed away last year. I have a brother who is 6. His name is Jeremiah. We go to church every Sunday. Before I go to school I read the Bible. I live with my grandfather. Sometimes my cousins come over and we play outside and play video games."

He says, "Before my mom passed away, she told my grandfather to bring us to Watch Care."

Watch Care Academy is a school I am somewhat familiar with that is in the metro area of Denver, and he goes on. This was just so compelling and I think really makes the case, almost single-handedly, as to why we need an education tax credit proposal. He says, "My grandpa could not afford to pay for me and my brother. So Mrs. Perry," who is the principal, told him about

the Ace scholarships. Ace is the name of one of these education investment organizations that provides scholarships for these low-income kids. So they applied to this organization.

He says, "My grandpa applied and we were awarded Ace scholarships. Jeremiah and I say thank you, Ace." He said, "It is with your help that my grandpa is able to bring us to this fantastic school. I know my mom is happy and thanks you also. When I grow up, I want to be a lawyer and then a football player," he says.

He says, "Thank you for helping all of the children who are getting such a good education through your program. I want to win," he told the committee. He says, "This will help my grandpa with the money for Jeremiah and me."

I just cannot state it anymore clearly than Joshua did. These scholarship organizations exist to help poor children achieve the education that they deserve, and what we want to do is make it easier for Americans to contribute to these kinds of organizations, and these exist all over the country. These scholarship organizations or these education investment organizations, they exist in all 50 States and, in fact, in the States that have established a State income tax credit for education like we are proposing on the Federal level, we have seen these kinds of organizations flourish.

So just imagine Joshua's testimony multiplied by thousands of children who I believe probably have equally compelling stories and dreams for their academic future, and they have these financial burdens that are being lifted through these organizations. We can make them even more powerful and more effective and rely on the ingenuity of private initiative in order to provide more, just to rescue more kids like Joshua and Jeremiah in Colorado.

Mr. HOEKSTRA. We have to make sure we always come back to the point that this is a balanced approach, that this is available for public schools and it is also available for education investment funds.

Mr. Speaker, I could talk about my home district where we have a lot of good schools, but what has happened with our superintendents, the money rather than being raised locally through the property tax is now raised statewide through a sales tax. It is a very positive thing. It has lowered our property taxes and it has created a consistent funding stream across the State.

Again, we have kind of taken out the differences between schools. But what the situation reduced many of our superintendents to do is to kind of become almost beggars to Lansing, to go to Lansing and make their case with their State reps and their State senators that they deserve more or they need money for this or they need money for that; or in this district they have a very specific need, and over here they have another specific need. They kind of feel like they have lost control

and their life now gets to be managing the rules and regulations that come from Washington and the rules and regulations that come from Lansing.

With a State tax credit, or if we did a Federal tax credit, it now allows them to supplement the income that they are getting from the State and get that money to go to some perhaps very targeted and specific needs that they may have identified. It is really exciting, because then the community who wants to embrace their schools because of the great job that they have done can now write that extra check to their local public school and build that public school.

□ 1730

In the States where they have adopted this, it is exactly what communities are doing. Communities are embracing their schools with the Ace program, they are embracing kids. So what this does is it gets to be, as I would say, a win-win. It increases the funding in education, but it makes, at least for this pot of educational expenditures, it makes it available to all of our kids. That I think is an exciting proposition.

We know that the idea is ripening here in Washington. As the gentleman and I did the survey of all the different types of tax credit legislation that has been introduced here in Washington in regard to education, there are a whole series of different ideas that are flourishing or are being proposed by both sides of the aisle.

I think what the gentleman and I and others are doing is to try to come up with a consensus piece of education tax credits that can be embraced by a diversity of Members here on the floor of the House to address some of the needs that we have identified in education. Will it be the total solution to everything? No. The President and this Congress has passed H.R. 1. That is a step forward. There will be increased funding as a result of H.R. 1, the No Child Left Behind Act. That is part of the puzzle. There is more testing.

The gentleman and I are not necessarily assured that that is part of the solution, but we hope it is. We hope that as it is implemented through the States, that it becomes a part of the solution package.

I really believe that as we lay these different things out, increased funding, the changes in the rules and regulations as a result of H.R. 1, the new testing protocol, then really the tax credits really fit with the President's vision, because what he really talked about was having accountability and more flexibility.

This tax credit component really now provides an additional opportunity for investment, but different than some of the other items that have been talked about for education funding, it does not take from one pot and say, okay, we thought we were going to give them this much, but they are going to get a little bit less and we are going to move it over here and give it to somebody else.

This pot, this educational investment area, is going to stay the same. It is probably going to grow, and it is probably going to grow significantly. And then over here there is going to be another one, but this one is going to be much more flexible as to where it is going to be used and who contributes, who does not.

When we put that whole package together, it actually gets to be a fairly comprehensive package of reforms that can be kind of exciting.

Mr. SCHAFFER. Madam Speaker, the management model that the gentleman described, that has become emblematic of public schools, is something that really needs to be changed. This tax credit proposal perhaps in a small way can really help achieve that.

Here is what I am talking about, specifically. The gentleman used really great language to describe what happens in schools, in schools today. That is, the administrators, the financial officers, and the business managers of America's schools have become proficient beggars to other governments.

There is a whole inside language that exists in American education today, and we see this on the Committee on Education and the Workforce here, as Members who serve on that committee. But also certainly we see that throughout the country. There is this inside language and all this technology that is only understood by the people who are on the inside of public school finance.

We have school board members who become very, very proficient at using the right words to appeal to other politicians at the State level and in State governments. They have their own code language that corresponds to requirements and rules that exist here in Washington. This works very nice within this little bureaucratic bubble, but it really alienates and abandons the rest of the community, in many cases, and certainly it alienates the children.

An education tax credit that provides an opportunity for the community to invest in real priorities of local schools begins to shift the focus, even if slightly, back toward the community. So now these school board members throughout the country have to become more proficient at appealing to me as a parent and to my child as a customer, and to the rest of the community, including corporate donors, in terms that make practical sense to those who are on the front line of American society and see the immediate impact of good schools.

Mr. HOEKSTRA. Madam Speaker, what we have is the evolution of our public schools, and they were called public because they reflected the community. The public schools evolved into government schools, okay, like the gentleman said, with the local school board now having to appeal to the State legislature for funds, and the State legislature appealing to the Federal Government, so they become kind of government schools.

What we have done is we have seen the breakdown in that critical link between superintendents and school boards and their local community. We have weakened that. It is not through any fault of the principals or the superintendents or the school boards. As a matter of fact, they want to focus on the parents. They want to focus on the kids.

But because of where the funding stream has gone, and the mandates and the directives, they have found that more and more of their time and attention has been pulled away from the children, has been pulled away from parents, has been pulled away from the community, and has been directed to the people in the State capital or the State board of education or the Department of Education.

This really now kind of moves it back a little bit more in balance. It says, keep that strong link with your community, the thing that has made you so successful, the thing that has always led people to say, there may be some problems with public education, but we have a good public school in our community. Now all my money goes to Lansing, but if I had an opportunity through a Federal tax credit, I will write another check to my local public school because I know the principal, I know the teacher, I know the school board, and these folks are doing a good job.

In other parts of the State or the country, they may say, we know that does not work for everybody, that some kids are not going to be successful there, so we are going to contribute to this education investment fund.

Mr. SCHAFFER. Madam Speaker, I think it can actually be even more profound than having an improved understanding of the management of the school or the academic objectives of school leaders. I think it comes down to people who really become part of the fan club for Joshua Holloway and other people like him, who really become Joshua's biggest supporter and promoter.

Joshua has real impact. When he testified in Congress, he had a pretty remarkable impact. But that is always true back in the State of Colorado, where people have read about Joshua, and they see this and they get inspired by it.

They think, here are schools, academic institutions, competing now to help Joshua, this 10-year-old poor child whose mother passed away last year. That is what we want to achieve. We want the American education system to fall all over itself trying to help Joshua succeed in life. And to the extent that occurs, I have to tell the gentleman, I think people are going to be very willing to open up their checkbooks and make the investment in little Joshua, and I think they will do it before they will trust people here in Washington to spend the money on Joshua. It is just a better bet. The tax credit really removes all the political

decision-making from it, and it really leaves that decision to local communities.

In the end, Joshua is going to succeed if we can accomplish this objective for him.

Mr. HOEKSTRA. Madam Speaker, if the gentleman will yield further, I will give this example. It was a year and a half or 2 years ago in my local community. There is a school, Lincoln School. This is a landlocked community, so they are suffering from a problem that, again, the technocrats call "declining enrollment." There are just not as many kids around.

This was a critical school in a critical part of the community. Because the enrollment was going down in the entire school district, the folks in Lansing said, sorry, this is the amount of money that you are going to get. Deal with it. Deal with it. And there was nothing that the local school board could do. They had to make some choices.

One of the choices that was not even on the table was, can we go to the community and can we appeal to them and say, we know that this is not the most efficient and effective decision if you are running the school as a business, all right? And maybe we really do not need that school. We can move some kids here and there, and that is a better and more effective and more efficient way to run it.

But they could not even go back and say, having that school there was right for the kids. It is not the most efficient, but it is the right thing to do. We do not want to take those kids out of their neighborhoods, and we want to leave that school open until maybe it gives us a little bit of time to deal with some other issues, or whatever.

They could not go and say, we are going to have a fundraising effort. Take your education tax credits and go to some of the corporations and say, hey, we need to raise X amount of dollars, and then the community could have had a say as to whether Lincoln School was going to stay open to help those kids because the community believed that that was the best educational investment that the community could make at that time, even though the green eyeshades people, the accountants, were saying, sorry, you have to cut.

Those are the kinds of decisions that we want to empower communities to make. We want to get cheerleaders, cheerleaders for our public schools to go out and say, this is what we need. We want to get cheerleaders for the education investment funds. We want to get cheerleaders saying that our educational system is so good, but we can make it better, and we want you to help. We want you to contribute to it. When you contribute to it, every dollar is going to find its way into a classroom and is going to help a Joshua or is going to help a child at Lincoln School, and is going to make a real difference.

Mr. SCHAFFER. Talking about funding schools from the standpoint of tax freedom, as opposed to just spending more money, I think makes eminent sense. That is the kind of discussion we have really needed here in Washington for a long, long time.

I am really proud of those States. I have mentioned there are a handful of States. There may be some who are curious about what States have already implemented tax credits with respect to their State taxes. Those States are Arizona, Minnesota, Iowa, Illinois, Florida, and Pennsylvania.

Mr. HOEKSTRA. Madam Speaker, I cannot believe Pennsylvania would have done it.

Mr. SCHAFFER. What is also important is that there are nine States that have no income tax, so they are really looking to the Federal Government to provide this kind of assistance and education funding through tax freedom in those States.

I might also add, these others that have already moved forward on tax credits on the State level, they are ahead of the curve. They are already, from an infrastructure standpoint, already equipped to really squeeze the greatest amount of buying power out of a Federal tax credit.

I think those six States that I mentioned already, they perhaps have the most to gain up front from an education tax credit that we can pass here. That is probably the reason why the Members of Congress from these States are some of the most enthusiastic supporters that we have seen so far, even at this stage of the discussions.

Mr. HOEKSTRA. The reason I made the comment about Pennsylvania was only because Madam Speaker tonight is from the great State of Pennsylvania, and the next time we have this discussion on where we are going with Federal tax credits, perhaps she can join us and talk about the success or the rationale for how the Pennsylvania legislature moved to embrace tax credits, and I believe do it in a bipartisan way, move forward and get that done, and how that would then complement what we would be doing here in Washington.

Mr. SCHAFFER. In the hearing we conducted last week on this topic, we had one opponent who was opposed to Joshua and his academic dreams. There was a group called Citizens for the American Way, and it was their representative.

Mr. HOEKSTRA. People for the American Way.

Mr. SCHAFFER. The lobbyist for that outfit was not particularly cogent when he was talking about the issue. But one of the tactics that he deployed in the committee was try to mislabel the education tax credit as a voucher.

The reality is, this is very, very different than a voucher proposal. It shares really nothing, nothing in common, except it has to deal with education. But the finance mechanism of this is nothing like a voucher at all. We have seen voucher proposals.

Mr. HOEKSTRA. I was going to say, we need to get that clear. In the State of Arizona, more than half of the money is going to public schools, and it is not following one student who may decide to go to another public school, so it is not even following that. That money is being given by parents to invest in that school, or a limited number of programs and ideas that the State has identified that that tax credit can be used for. So it is the farthest thing from the V word.

More than half the money in Arizona is going to local public schools because of the connection between the schools and their parents and their community at large saying, invest in our school. We have these kinds of needs, and people ante up and are saying, you are doing the job. You need these extra funds and we are going to help you out and support you.

Mr. SCHAFFER. A voucher entails government collecting cash from taxpayers and giving those same dollars back to taxpayers in the form of a voucher, a check that can only be spent at certain institutions, based on the rules that would be defined by the government when it issues and creates this voucher legislation.

□ 1745

We have seen that in some States, and some communities have fully put voucher legislation in place. And I guess when compared to what we have today in most places, which is a government-owned, unionized monopoly where there is no choice, a voucher represents a greater degree of choice, but it still involves government making decisions for Americans and for taxpayers. It also involves government money being appropriated as an expenditure in the voucher program.

The tax credit thing is nothing like that. This is not an appropriation, it is an academic investment, a massive cash infusion in American schools through tax freedom rather than through spending. So that is the key distinction between a tax credit proposal and a voucher proposal. I think this is an important distinction to make. I probably cannot make it often enough because there are some who do not support the idea of tax freedom and do not support the idea of Joshua being rescued; who tried to malign this whole discussion about Joshua's future by calling it a voucher, which it clearly is not.

Mr. HOEKSTRA. I think the gentleman becomes very, very clear when he says government money. I think that came up at the hearing. What exactly is government money? Government money is only that money we have claimed and taken from the American people. Once it gets to Washington, it is still the people's money, but they have entrusted it to us. But that is probably the clearest definition of what government money is when people have paid the taxes to us. That is exactly what a voucher is. A voucher

becomes government money, and we just redistribute it.

What we were talking about here is the people's money in its pure sense. Those folks have the opportunity to choose as to whether they are going to write that check for an educational purpose or whether they are going to go use it for something else.

Mr. SCHAFFER. It becomes an investment.

Mr. HOEKSTRA. It becomes an investment. Whether they want to invest it in education or whether they want to put it in a savings account, whether they want to go out and buy a personal watercraft, whatever. It becomes personal money that they have the discretion as to where it is going to go.

Also with government money, one can make the argument more effectively, well, if it is government money, then you are taking it from this pot and giving it to this pot. This is not. This is private money where people are making the decision as to whether they are going to invest more in education or whether they are going to spend it somewhere else, but it is the freedom for them to choose what they are going to do.

And what we have seen in the States that have done this, people choose to a certain extent to invest more money into education voluntarily, and that is a great direction to take.

Mr. SCHAFFER. These proposals have been studied. I am holding in my hand a study of the Arizona scholarship program that exists there. This study was done by Carrie Lips and Jennifer Jacoby. It is only a few months old. And what this study has found is that from 1998 to 2000, the time frame that was studied in this report, the Arizona tax credits generated \$32 million for children in Arizona, providing almost 19,000 scholarships for children in the State, and that is through about 30 different organizations that just sprung up after the Arizona legislation passed. But most of those scholarships, in fact, 80 percent of those scholarships were selected on the basis of financial need.

So think of that; \$32 million invested, a massive cash infusion in the Arizona school system within the State that provided assistance to 19,000 individuals in the State of Arizona. This is money that would not have occurred otherwise. It is money that did not come out of the Arizona school finance act.

In fact, that point was clarified at the hearing we had last week, too. These are new dollars. They do not replace, they are not taken from the Arizona school funds, just as our proposal would not take dollars out of the national education budget. But because this tax mechanism exists in another place in the law, it actually creates new money for American education. If we can do it for the country, which generates \$32 million over a very short time period for 19,000 individuals, and magnify that on a national basis, we

are talking about billions of dollars, really a massive cash infusion in America's education system.

Mr. HOEKSTRA. For two purposes.

Mr. SCHAFFER. And it is a remarkable goal. Hopefully, we can achieve it.

Mr. HOEKSTRA. For two purposes; again, for education investment funds and for investments in traditional public schools.

Mr. SCHAFFER. It does not discriminate. These investments will not be encumbered by the judgment of politicians or these internal political battles that take place between school buildings and school sites. It, rather, leaves the decisions to taxpayers to invest in children like Joshua, and without any regard to the kind of academic setting that Joshua might choose. It focuses on children rather than agencies and institutions, and from that standpoint really drops the discriminatory nature that we see in the Federal funding that we have today where politicians decide which States are going to win, which States are going to lose, which States are behaving the way the bureaucrats in Washington want them to behave, which States are charting their own course.

These kinds of discriminatory features really define how money gets back to our neighborhoods in America through Federal spending, and this tax credit gets rid of all that baloney, and, frankly, starts suggesting that Joshua is more important than the guy who hands out the grant down the street from here.

Mr. HOEKSTRA. Right. I think in fairness now to what is going on with H.R. 1, we are hoping that the results of H.R. 1 will be less focused on process and more focused on results, and so we will have much less of a process debate.

But this gets to be, again, it gets to be a wonderful commitment to the pieces that we are already putting in place in many ways. And this is why the President supports the concept of a tax credit and why he had it in the budget that he proposed that he wants to invest more money in education and he wants more flexibility and he wants children to have a range of options for education, recognizing that perhaps one size does not fit all of our kids. And when the focus continues to be on our kids, that is exactly where it needs to be.

So often we talk in the aggregate. But, again, you and I have been in schools around the country. We have been in inner-city New York, Detroit, Cleveland, Kentucky, Columbus, Cincinnati, Los Angeles, Phoenix.

Mr. SCHAFFER. Tampa.

Mr. HOEKSTRA. Tampa. We were down in Tampa. And we talked to a lot of parents and we talked to a lot of kids. And so we have seen hundreds and we have seen thousands of Joshuas around the country, and not everyone has an Ace scholarship, but what we see is thousands of Joshuas, many of them who are succeeding in traditional public schools, some who are succeeding in charter schools, and some

who are succeeding in private or parochial, and others who are succeeding as home schoolers. So there is not one model that does fits all.

The important thing is that every child be given an opportunity. This does not even come close to equating funding for one to the other. This really is, it will be the only pot of money that becomes available for all of our kids and does not discriminate against any of them.

Mr. SCHAFFER. Let me go back to the Arizona model because it has been studied heavily and it is probably the example of a State that has helped the greatest number of children through an education tax credit. It is useful and instructive for us to consider the Arizona model with respect to trying to project the potential impact for the company.

The analysis suggests that in Arizona, the tax credit is revenue-neutral when it comes to the existing expenditures for schools. That is critical, because I think that argument is one we are going to have to make in Washington here, too, for some that have some concerns about that.

But listen to this. It is estimated that by 2015 the scholarship credit in Arizona will be raising \$58 million per year, funding 35- to 61,000 scholarships annually, and helping send 11,000 to 37,000 students who otherwise would have to attend a government-defined school to attend the school of their choice. Sixty-one thousand scholarships; 37,000 students would be helped. And Arizona is not the largest State in the Union by any means.

So when we start talking about what can happen if we provide some leadership at the Federal level, establishing a basis for the Federal tax credit and seeing it carried out, seeing the State initiatives duplicated in more and more States, it becomes very, very exciting because it really does begin to create an education, an academic marketplace where there is no discrimination between schools and where children become the primary objective. I am so thrilled that we are seeing that kind of enthusiasm starting to build now.

Again, the bill has not been introduced yet, but the discussions we have had so far have been very, very positive, Republicans and Democrats. And I am very, very hopeful once this bill gets introduced in its final form, I have the drafts here, that we will see it come to the floor quickly. And we have the commitments to make that happen from the leadership and support from the President.

Mr. HOEKSTRA. Does that analysis also take into account or talk about how much money they are projecting will be invested into the public schools, not into the investment scholarship funds?

Mr. SCHAFFER. It does, but I do not have the summary in front of me.

Mr. HOEKSTRA. Was that number 59 million?

Mr. SCHAFFER. \$58 million.

Mr. HOEKSTRA. \$58 million. I think, going along the trend, you might be able to extrapolate that roughly the same if not more money will be flowing into traditional public schools. So that talks about the strength of this idea, \$160 million flowing voluntarily into the school systems that otherwise would not be there. And that is why this is a powerful idea; people having the freedom to invest more money into education that otherwise would not.

Mr. SCHAFFER. I appreciate the gentleman joining me on the floor tonight, and I think my time has expired.

RECESS

The SPEAKER pro tempore (Ms. HART). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 5 o'clock and 58 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1828

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SESSIONS) at 6 o'clock and 28 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3231, BARBARA JORDAN IMMIGRATION REFORM AND ACCOUNTABILITY ACT OF 2002

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 107-419) on the resolution (H. Res. 396) providing for consideration of the bill (H.R. 3231) to replace the Immigration and Naturalization Service with the Agency for Immigration Affairs, and for other purposes, which was referred to the House Calendar and ordered to be printed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

- Mr. PALLONE, for 5 minutes, today.
- Mr. LANGEVIN, for 5 minutes, today.
- Mr. HOYER, for 5 minutes, today.
- Mr. MALONEY of New York, for 5 minutes, today.
- Mr. WEINER, for 5 minutes, today.
- Ms. NORTON, for 5 minutes, today.
- Mr. LIPINSKI, for 5 minutes, today.
- Ms. KAPTUR, for 5 minutes, today.
- Ms. ESHOO, for 5 minutes, today.
- Mr. SCHIFF, for 5 minutes, today.
- Mr. BONIOR, for 5 minutes, today.
- Mr. MCGOVERN, for 5 minutes, today.
- Ms. WOOLSEY, for 5 minutes, today.
- Mr. SHERMAN, for 5 minutes, today.

(The following Members (at the request of Mr. KNOLLENBERG) to revise

and extend their remarks and include extraneous material:)

- Mr. GUTKNECHT, for 5 minutes, today.
- Mr. SOUDER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

- Mr. HOEKSTRA, for 5 minutes, today.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 861. An act to make technical amendments to section 10 of title 9, United States Code.

ADJOURNMENT

Mr. LINDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 29 minutes p.m.), the House adjourned until tomorrow, Thursday, April 25, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

6361. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Nectarines and Peaches Grown in California; Revision of Handling Requirements for Fresh Nectarines and Peaches [Docket No. FV02-916-1 IFR] received April 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

6362. A letter from the Administrator, Agriculture Marketing Service, Department of Agriculture, transmitting the Department's final rule—2001 Amendment to Cotton Board Rules and Regulations Adjusting Supplemental Assessment on Imports [CN-01-001] received April 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

6363. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Oranges, Grapefruit, Tangerines, and Tangelos Grown in Florida; Modifying Procedures and Establishing Regulations to Limit the Volume of Small Red Seedless Grapefruit [Docket No. FV01-905-2 IFR] received April 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

6364. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Pork Promotion, Research, and Consumer Information Order—Increase in Importer Assessments [No. LS-01-02] received April 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

6365. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Increase in Fees and Charges for Egg, Poultry, and Rabbit Grading [Docket No. PY-01-005] received April 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

6366. A letter from the Secretary of the Army, Department of Defense, transmitting a determination that the Nunn-McCurdy