

**Floor Statement by Senator Kent Conrad (D-ND) on
Education Amendment to Fiscal Year 2004 Budget Resolution
March 20, 2003**

I want to, for a moment, discuss an amendment I will be offering for our colleagues to deal with the promise the Federal Government made on IDEA; that is, the Individuals With Disabilities Act. We made a promise to local governments that the Federal Government would fund 40 percent of the cost. It was a promise we have never kept. As a result, property taxes are higher in every jurisdiction of America.

I will offer an amendment to keep the promise of IDEA, and to pay for it, and to pay for it by reducing the tax cuts that are part of this legislation.

The legislation before us has \$1.4 trillion in tax cuts. The associated interest costs another almost \$300 billion. So the total cost of this tax cut, in this measure, is \$1.7 trillion. The legislation I will offer to keep the promise on IDEA is a fraction of that, a small fraction of that--around \$70 billion over the next 10 years.

The Federal Government made a promise, when the legislation was adopted, that we would fund 40 percent of the cost. My colleagues know that we are only doing about half as much as we promised.

What does that mean? That means the local districts get stuck with the bill. That means pressure is put on local property taxes. In my own State, now the annual property tax is about 2.5 percent of the value of the property. That is a very burdensome tax. In part, it is a result of our not keeping a promise and shoving the burden off on local school districts. That is not something we should do. If we make a commitment, we ought to keep it.

I am going to give our colleagues a chance to keep the promise that was made on IDEA, and to fund it out of the tax cut. We are still operating under an agreement in which we are discussing amendments but not sending them to the desk at this point. We will do that at an appropriate time. But I wanted to alert my colleagues that I am going to offer an amendment on IDEA. I am going to offer it in a way that is paid for. I am going to offer it in a way that is not at the top end of the range, by any means. It is going to have a cost of between \$70 and \$80 billion over 10 years. We will pay for it by reducing the \$1.4 trillion tax cut.

A budget is about choices. A budget is about priorities. I believe that ought to be a priority for this body and for this country. I believe we ought to keep the promise that was made to local school districts when the legislation was passed. I believe we ought to rejigger the priorities of the budget resolution that is before us, reduce the size of the tax cut, keep the promise of IDEA, and take pressure off local property taxes because that is exactly where the burden is borne when the Federal Government does not keep its promise.

With that, Mr. President, I yield the floor.

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Mr. CONRAD. Mr. President, first, there has now been agreement on a resolution with respect to Iraq. At least we had a caucus and there is agreement on the wording of the resolution. I hope very much we get on with that sometime soon.

I personally think it is surrealistic to be talking about other issues and not talking about Iraq. I hope when we get on to the discussion of the war with Iraq, not for the purpose of delay, because we could dispense with that discussion hopefully throughout the day and perhaps tomorrow morning go back to the budget and complete the budget by early next week, which is long in advance of when we need to finish it, but to have our country at war and not be discussing that when the resolution has now been completed strikes many of us as incongruous.

With that said, we are still on the budget. Let me go to the question of the amendment I have already announced I will send to the desk.

The amendment I will be offering is on funding IDEA. We see that in 2002 and 2003, we enacted \$2.5 billion. Full funding for that period would be \$24.4 billion. When we say "full funding," that is not really full funding. That is funding the commitment the Federal Government made to provide 40 percent of the cost of that legislation, a commitment that we have never kept. As a result, we forced up local property taxes all across the country.

The budget that has come before us in 2002 is far short of meeting the Federal commitment in 2003 and in 2004.

The chairman of the committee has indicated they increased IDEA--and they did, that is absolutely correct--by \$1 billion. That is a move in the right direction, and we applaud it. But we are still so far below what we promised when we passed the legislation. I say to my colleagues, when the Federal Government tells the States and all these local units all across the country, we are passing this legislation and as part of the bargain we will fund 40 percent of it--40 percent--and then we never come anywhere close, that is not a good way for the Federal Government to do business. That damages our credibility and it also forces local jurisdictions to raise local property taxes.

The budget we have before us on education is the smallest increase we have seen in 8 years. There are increases, absolutely; that is true. There is an increase. Our colleagues on the other side like to concentrate on those areas that have increases. They often do not say they have funded many of those increases with corresponding cuts. The overall increase is \$1.1 billion, and that is by far the lowest increase for education in 8 years.

My own strong belief is education is the priority. After defending the Nation, which is our No. 1 priority--that is our No. 1 responsibility--I believe education is right at the head of the line. Maybe I believe that because I was raised by my grandparents.

My grandmother was a schoolteacher, and my grandfather, who only had an eighth grade

education, had profound respect for education. Certainly my grandmother did. She drummed it into all of our heads: If you want to make the most of your opportunity in life, get the best education you can.

My grandparents were deadly serious about it. They were so serious. They were middle-income people, but they made sure they set aside funds to help every one of their grandchildren, 13 grandchildren, get an advanced degree. Not just a college degree, but every single one an advanced degree because they saw education as the way to open the door to opportunity. That is what we ought to be doing with our education funding. This budget doesn't do it. This budget puts the priority, the overwhelming priority, on tax cuts. Of the money above baseline in this budget, 74 percent is for tax cuts; 74 percent of the money above the baseline.

That is above the normal spending and the normal taxes. Seventy-four percent of the change above baseline is for tax cuts. That is the priority in this budget. I do not think that is the right priority.

I hope my colleagues will give serious consideration to this amendment. It costs \$73 billion over 10 years, and it is paid for by reducing the \$1.4 trillion tax cut by a like amount.