

Many of our schools, however, are not giving our children the kind of education they will need to compete in this kind of economy. An estimated 60 percent of all new jobs created in the year 2000 will require skills held by only 22 percent of new workers. According to the Wall Street Journal, "Thousands of people are being turned down for factory work by companies that are actively recruiting," because they lack the requisite math, communications, and computer skills.

Given these facts, one would think that on the eve of the implementation of the e-rate we created two years ago, policy makers would be rallying around the new discounts for schools and libraries and celebrating the program's inauguration. Instead, duplicity and political opportunism have combined to cast doubt on the future of the e-rate.

The duplicity began when certain telephone companies decided to add a new line item to customers' phone bills—a "national access charge," or a "universal connectivity fee." When customers call their phone companies asking about this new charge, it is my understanding they are often told it was the FCC who mandated that this new charge appear on their phone bills, or that it was the Congress who levied this new tax on them.

Mr. President, that is disingenuous at best. The FCC did order long distance phone companies to pay into the universal service fund, in part to pay for the new discounts for schools and libraries. The FCC also, however, ordered a reduction in the access charges long distance companies must pay for using local phone networks—fees that can account for 40 or 50 percent of the cost of every long distance call. The reductions in access charges were greater than the new universal service charges. One would think, therefore, that long distance bills would drop as a result. Have they? Have the phone companies passed the savings from the access charge reductions on to their customers?

No. The companies have not passed on all the savings from the access charge reductions, and have instead raised customers' bills in order to generate revenue for the universal service fund. They then blame the FCC or Congress, and customers are understandably confused, concerned, and upset.

The chorus of customer complaints now appears to be rattling the bipartisan coalition that came together two years ago to create the e-rate. Republican leaders have derided the new charge on phone bills as an "illegal FCC tax," or a "Gore tax," trying to pin the phone bill increases on the Vice President.

I am disappointed. We have gone from partnership to partisanship. We have gone from cooperation to confrontation. We have gone from thinking about our children and our future to trying to score political points.

We can do better than that. Thirty thousand applications have poured in

to the FCC this year from schools and libraries seeking to tap into the new e-rate. Those applications represent millions of American children counting on our help to gain the skills they need to remain competitive in the next century. What are we going to tell them if the e-rate crumbles under the weight of partisan politics? How are we going to explain to them why they do not know how to use a computer?

I hope we will not have to do that. I hope we can all come together, with the same bipartisanship and cooperation we shared two years ago, to fix this program, resolve legitimate concerns, and ensure that the e-rate becomes available to schools and libraries across the country.

Members of both parties have criticized the FCC for the way it has implemented the program, and I do not doubt that mistakes have been made. I only hope we can put aside the partisan sniping and figure out a constructive solution to the problem we face. We ought to be proud of what we accomplished two years ago when we created the e-rate. Let us not now trade that accomplishment for short-term political gain.

Mr. President, I ask that an editorial from yesterday's Washington Post on this subject be printed in the record.

The editorial follows:

[Washington Post, Wed., June 10, 1998]

#### SHOULD WE WIRE SCHOOLS?

Sometime this week the Federal Communications Commission will vote on whether to suspend a small program, passed as part of the 1996 Telecommunications Act, that collects money from long-distance phone companies and uses it to offer discounts on the cost of hooking up schools and libraries to the Internet. The program, known as the "e-rate," has been contentious from the start, but lately, as it prepares to begin actually considering applications for the \$650 million collected so far, it has become the focus of intense pressure.

Four senators with a say over the FCC's own budget sent a letter demanding that it refund the program entirely. Some have hinted that the commission risks having its own budget zeroed out unless it kills the schools and libraries program. Others threaten investigation of what they call a "stealth tax" imposed with questionable legality by an unelected agency or, alternatively, a "Gore tax" designed to advance the vice president's presidential prospects.

Why the sudden fuss over a \$2 billion program that passed all the usual legislative hurdles in orthodox fashion two years ago? The flurry began when several long-distance telephone providers said they would begin adding a "universal connectivity fee" to individual monthly telephone bills to cover the schools and libraries program and other subsidies, such as the generations-old (and widely supported) subsidy for keeping phone service affordable in hard-to-serve rural areas. The appearance of what looks like a new tax on phone bills—even if it only spells out subsidies previously included in the overall bill—unnerves many legislators who support the subsidies in theory. Not everyone realizes that the schools and libraries fund constitutes only a third of the new fee. (The FCC and the companies are still sparring over whether the extra charges were even justified; the commission says the fees were specifically calibrated to balance year-by-

year savings to the companies from another aspect of the 1996 bill, a drop in the access fees long-distance carriers must pay to local ones.)

Much of the debate over the complex telecommunications bill concerned the balance to be struck between deregulating the communications industry—thus opening up the chance for phone companies to make lots more money—and imposing some obligations on them in return. One such obligation was to safeguard equal access, including to new technologies. After endless maneuvering and a veto threat by President Clinton if the bill emerged without them, provisions mandating "access to advanced telecommunications services for schools, health care and libraries," explicitly including "classrooms," were made part of the subsidies for "universal service." Telephone companies understandably balk at any creeping enlargement of the universal service concept, which requires them to offer phone service at average rates even in high-cost, hard-to-wire rural areas—and, inevitably to absorb the cost by charging slightly higher phone rates across the board.

One thrust of deregulation was to make those subsidies more explicit—an advantage for companies, which could compete more openly on basic rates, and also for consumers, who could see where their money was going. But spelling out a long-hidden subsidy also exposes it to political debate. Such debate need not doom the e-rate, which pulls considerable support in opinion polls, any more than it is likely to doom the popular rural subsidies. Nor should it. Squelching it would be the real "stealth" move. ●

#### SISTER MONICA KOSTIELNEY CELEBRATES 25 YEARS WITH MICHIGAN CATHOLIC CONFERENCE

● Mr. ABRAHAM. Mr. President, I rise today to recognize and honor a very important woman in the Michigan religious community. Sister Monica Kostielney, R.S.M. is celebrating 25 years with the Michigan Catholic Conference this year. Presently, she serves as President and Chief Executive Officer of the Conference, however, her list of accomplishments extends far beyond her work in this capacity.

Prior to joining the Catholic Conference, Sister Monica taught elementary and secondary school for thirteen years. She began her career with the Catholic Conference of Michigan as a staff member in 1972. She served as Executive Vice-President for public affairs from 1983 until 1994, and has served as President and CEO since then. For 25 years, in addition to her service to the Michigan Catholic Conference, Sister Monica has advised many on important issues affecting all facets of society. She has given selflessly of her time to many other organizations and charities including, the Midwest Hispanic Catholic Commission, the Michigan Department of Education Legislative Advisory Council, the Governor's Blue Ribbon Welfare Reform Committee and the Board of Directors of St. Lawrence Hospital and Healthcare Services Divisional Board. From 1980 to 1984, Sister Monica co-hosted "Reel to Reel," a weekly Sunday television show produced by the

Diocese of Lansing. These are just a few examples of Sister Monica's unwavering devotion to her community and the entire State of Michigan.

I want to join with Sister Monica's friends and family in congratulating her on this very special occasion. She is a remarkable woman whom the state of Michigan is fortunate to benefit from. •

#### TRIBUTE TO FRANKIE WELCH

• Mr. HOLLINGS. Mr. President, I wish to bring to the Senate's attention a milestone that has particular relevance to this body. Mrs. Frankie Welch, who is nationally recognized for her artistic and original scarf and tie designs, is celebrating 30 years of fashion design this month. Frankie was born in Georgia, but I am pleased to say she has strong ties to South Carolina, where she graduated with a degree from Furman University in Greenville. It was at Furman that she met her late husband, William Welch. One of their daughters chose to continue the family tradition and also received a Furman diploma.

Frankie Welch has designed many memorable scarves and ties. In the 1980s, she designed a patriotic scarf for the United States Senate. She has designed ties for Presidents Lyndon Johnson, Richard Nixon, Gerald Ford, Jimmy Carter, Ronald Reagan, George Bush, and Bill Clinton. Mrs. Welch also designed a gown for First Lady Betty Ford, which Mrs. Ford donated to the Smithsonian Institution's First Ladies Collection in 1976. Frankie and Mrs. Ford remained good friends; last month, on the occasion of Betty Ford's 80th birthday, Frankie was one of the speakers at the Ford Museum in Grand Rapids.

Frankie Welch is no ordinary fashion designer. She often employs her talents to produce patriotic garments, and her designs demonstrate an exemplary love of our country. She has produced original and widely admired fabric designs for such revered institutions as the St. Paul's Cathedral in London, the Corcoran Gallery of Art, the White House, and the U.S. Capitol. Frankie is also a philanthropist: she recently began the Frankie Welch Scholarship for outstanding students of fashion design.

Mr. President, I think it appropriate to honor a woman who has so often turned her talents to patriotic themes and who has attained national and international accolades. It is with great pride that I thank Frankie Welch for honoring our country and congratulate her on thirty years of success. •

#### THANKING GENERAL EUGENE E. HABIGER FOR CAREER SERVICE IN THE UNITED STATES AIR FORCE

• Mr. KEMPTHORNE. Mr. President, I rise to say thank you to a patriot and one of this nation's finest military leaders, General Eugene E. Habiger,

who is retiring at the end of June, 1998. Since 1996, General Habiger has served as the Commander in Chief of United States Strategic Command, Offutt Air Force Base, Nebraska.

General Habiger's career in the military began in 1959 when he enlisted as an infantryman in the U.S. Army. After his tour in Fort Benning, Georgia, he attended the University of Georgia earning a Bachelor of Science degree in 1963. After college, Gene joined the Air Force and upon completion of Officer Training School in September 1963, he was selected as a distinguished graduate.

Soon after leaving Officer Training School, as a young Captain and B-52 Aircraft Commander, Gene flew 150 combat missions and participated in the B-52 Arc Light operations during the Vietnam War. In the early 1980s, he commanded the 325th Bombardment Squadron and later served as assistant deputy commander for operations, 92nd Bombardment Wing, Fairchild Air Force Base, Washington.

In the late 1980s, Gene commanded the 379th Bombardment Wing at Wurtsmith Air Force Base, Michigan, and the 2nd Bombardment Wing at Barksdale Air Force Base, Louisiana. In the 1990s, Gene's command experience served him well as vice commander, Headquarters Air Education and Training Command at Randolph Air Force Base, Texas; and as Deputy Chief of Staff for Personnel, Headquarters U.S. Air Force, Washington, D.C.

The apex of General Habiger's career came with his current assignment as Commander in Chief, United States Strategic Command, Offutt Air Force Base, Nebraska. The command has responsibility for all U.S. Air Force and U.S. Navy strategic nuclear forces. These powerful forces act as this Nation's strategic deterrent.

During his command at USSTRATCOM, General Habiger made major contributions to the national security of the United States by establishing the parameters for future strategic forces and possible arms control agreements. His leading role in managing a stable drawdown of nuclear forces helped foster mutual understanding and cooperation with Russia. In addition, his cooperative efforts with the Department of Energy shaped the process by which the United States will maintain the long term safety and reliability of its nuclear weapons stockpile. As the Department of Energy's customer, General Habiger insured the Stockpile Stewardship Program is programmed and funded to develop the new tools, technologies, and concepts to ensure our strategic forces remain safe, effective, ready, and responsive to changing needs.

In addition, Gene was a premier player in shaping our strategic force structure. His team completed a very detailed analysis of United States' Strategic Force Structure options reaching far beyond START II. This unprece-

dented target-by-target scrub of the Single Integrated Operational Plan (SIOP) helped shape the conceptual and practical character of post-Cold War US nuclear weapons policy that will be instrumental in decisions for years to come.

Convinced that the Nation's security is best served by a stable strategic relationship with Russia, General Habiger was a forceful spokesman for the START II Treaty and Defense Department Cooperative Threat Reduction activities. Twice, he accompanied the Secretary of Defense to Moscow to meet with the Russian Defense Minister and Commander-in-Chief of the Strategic Rocket Forces stressing the political, economic, and military importance of ratifying START II for both the United States and Russia. Gene's work on a post-START II nuclear arms control agenda was reflected in national policy, and helped form the basis for portions of the START III framework announced at the Presidential Summit in Helsinki, in March 1997.

Undoubtedly, General Habiger has been the unparalleled leader in expanding military-to-military contacts with Russian counterparts, particularly the Strategic Rocket Forces. These actions established a more stable relationship with Russian leadership. As evidence of the high regard and confidence in which General Habiger is viewed in Russia, he was the first non-Russian to enter a Russian nuclear weapons storage area. His ceaseless efforts in establishing good relations with Russia have significantly improved communication and understanding. For the first time in history, as Commander in Chief of the US nuclear arsenal, he can pick up the phone and talk directly to senior Russian military leadership.

General Habiger and his wife, Barbara, have two sons, Karl and Kurt. I am sure Gene and Barbara have ambitious plans for their life after military service and I hope they make the most of this time. From a private in the U.S. Army to a four star general in the U.S. Air Force, General Habiger has served our military and the Nation with great honor and distinction. I have the pleasure of calling Gene Habiger a friend and I want to thank him for his contribution to our nation's security. •

#### DOVER HIGH SCHOOL TEACHER AND NATIONAL FEDERATION OF PRESS WOMEN AWARD WINNER—PATTY RICHARDSON HINCHEY

• Mr. BIDEN. Mr. President, as we focus on improving our education system on the national state and local levels, it is my pleasure to offer congratulations to an award-winning teacher from Dover, Delaware who exemplifies excellence in education for her students, her community, my home state of Delaware, and indeed, this nation.

For the second consecutive year, Patty Richardson Hinchey received the second place award in the category of